



City of Columbia

701 East Broadway, Columbia, Missouri 65201

Department Source: Community Development - CDBG/Home

To: City Council

From: City Manager and Staff

Council Meeting Date: February 18, 2019

Re: Approving a Mutual Rescission and Release Agreement with Central Missouri Community Action for its Microloan Program

Executive Summary

The attached resolution approves the rescission of an agreement authorizing \$37,500 in FY 2012 General Fund savings for Central Missouri Community Action's (CMCA) Microloan Program.

Discussion

City Council appropriated \$50,000 of FY 2012 General Fund savings on June 17, 2013 to contribute to CMCA's Microloan Program. CMCA expended \$12,500 of funds under its initial agreement authorized on August 19, 2013, leaving a balance of \$37,500 appropriated for the program. The initial agreement expired on September 30, 2015 and a new agreement was executed on September 29, 2016 to continue the program.

The current agreement extends through October 31, 2021. CMCA has not identified any viable microloan projects since execution of the September 29, 2016 agreement. City staff has worked with CMCA to obtain signatures on a rescission agreement, so funds can be reallocated for other City priorities.

Housing Programs Division staff are currently conducting data analysis and public engagement efforts in order to formulate the 2020-2024 Consolidated Plan. Public engagement meetings held thus far have included feedback and interest in directing City resources towards economic development efforts around vocational training, improvements to the business loop, and the development of a "Makerspace". The 2020-2024 Consolidated Plan could potentially include goals that align business loop efforts, however Council funding priorities within its CDBG and HOME Funding Policy Resolution will not be considered until April 30, 2019.

City staff recommends Council reserve these funds and reallocate funding based on Economic Development activities identified and awarded through the Housing Programs Divisions annual CDBG and HOME RFP with applications due April 30, 2019, or reallocate to another existing Council priority.

Fiscal Impact

Short-Term Impact: Reallocates \$37,500.

Long-Term Impact: None.



Strategic & Comprehensive Plan Impacts

[Strategic Plan Impacts:](#)

Primary Impact: Social Equity, Secondary Impact: Economy

[Comprehensive Plan Impacts:](#)

Primary Impact: Economic Development, Secondary Impact: Livable & Sustainable Communities

Legislative History

Date	Action
August 19, 2013	City Council approved an agreement for CMCA's Microloan Program.
September 19, 2016	City Council approved a new agreement for CMCA's Microloan Program.
November 19, 2018	Council approved the 2020-2024 CPP.

Suggested Council Action

Approve the resolution adopting the Mutual Rescission and Release of Agreement.