

1 RESOLUTION NO. 2020-133

2
3 SPONSORS Ms. Shapiro and Council of the Whole

4
5 DATE June 1, 2020 COMMITTEE Planning

6
7 **A Resolution authorizing the County Executive to execute, as part of the County’s response**
8 **to the COVID-19 pandemic, a grant agreement in an amount not to exceed \$1,000,000.00 in**
9 **funds received through section 5001 of the federal Coronavirus Aid, Relief and Economic**
10 **Security Act, with the Development Finance Authority of Summit County for the purpose**
11 **of creating a bond reserve to be used in conjunction with the Minority Contractors Capital**
12 **Access Program that will be operated by the Western Reserve Community Fund, Inc., and**
13 **declaring such expenditure necessary due to the public health emergency with respect to**
14 **the Coronavirus Disease 2019 (COVID-19) for the Executive’s Department of Community**
15 **and Economic Development, and declaring an emergency.**

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17 WHEREAS, even prior to the COVID-19 pandemic, research, data and several local
18 initiatives, including *Elevate Greater Akron* and The Fund for Our Economic Future’s *The Two*
19 *Tomorrows* report, documented the severe disparity between small minority-owned, women-
20 owned, veteran-owned, LGBTQ-owned and disabled-owned businesses (collectively “minority-
21 owned businesses”) compared to other small businesses; and

22
23 WHEREAS, such disparity between minority-owned businesses and other small
24 businesses includes, but is not limited to, far-fewer minority-owned businesses compared to the
25 demographics of the general population, far less entrepreneurial activity, and substantially more
26 difficulty accessing business capital; and

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28 WHEREAS, the disparity between minority-owned businesses and other small businesses is
29 particularly severe in the construction industry and related industries such as engineering, design,
30 architectural, landscaping, snow removal, environmental; and

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32 WHEREAS, the COVID-19 pandemic has devastated small businesses in Summit
33 County, and early research nationwide indicates that minority-owned businesses will be
34 especially hit by the economic fallout from the pandemic; and

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36 WHEREAS, as a result, it is safe to conclude that the COVID-19 pandemic will only
37 worsen the disparity between minority-owned businesses and other small businesses; and

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39 WHEREAS, it is also likely that the national approach to recovery from the COVID-19
40 pandemic will include some amount of development and/or infrastructure funding, as evidenced
41 by (i) the inclusion of an additional \$1.5 Billion in funding for the Economic Development
42 Administration in the Coronavirus Aid, Relief and Economic Security Act, (ii) comments by
43 both the President of the United States, his administration and members of the U.S. Senate and
44 House of Representatives, and (iii) the historical tendency of the country to respond to economic
45 crisis through increased funding for infrastructure; and

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47 WHEREAS, for the reasons stated above, it is highly likely that minority-owned
48 businesses will further miss out on the opportunity to meaningfully participate in recovery efforts
49 brought about through development and infrastructure funding, thereby only increasing the
50 disparity of those contractors compared to their non-minority counterparts; and

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5 WHEREAS, in the aftermath of the 2008-2009 economic crisis, access to capital was
6 substantially reduced in general, and in particular for small minority-owned businesses, and the
7 worsening economic conditions due to the COVID-19 pandemic could lead to a repeat of that
8 issue; and
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10 WHEREAS, the County, City of Akron (“City”), Development Finance Authority of
11 Summit County (“DFA”) and Western Reserve Community Fund, Inc. (“WRCF”) have
12 developed the Minority Contractors Capital Access Program (“MCCAP”) to assist small
13 minority-owned, businesses engaged in construction, engineering, design, architectural,
14 landscaping, snow removal, environmental, and similar industries, with obtaining access to
15 capital to finance projected-related bonding, material and labor costs; and
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17 WHEREAS, in developing MCCAP, the County, City, DFA and WRCF intend to utilize
18 it as a tool to assist minority-owned businesses recovering from the negative effects of the
19 COVID-19 pandemic through overcoming barriers to capital for their businesses and increasing
20 the number of minority-owned businesses involved in public and private construction and similar
21 projects; and
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23 WHEREAS, pursuant to Resolution No. 2020-134, this Council authorized the County
24 Executive to enter into a series of grant and other agreements with the WRCF to fund MCCAP;
25 and
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27 WHEREAS, it is further anticipated that MCCAP will include a component offering bid,
28 performance and payment bonds to minority-owned businesses participating in MCCAP, and it
29 is necessary to set aside funds to serve as a bond reserve to secure bonds issued under MCCAP;
30 and
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32 WHEREAS, the County Executive desires to utilize a portion of the funds that the
33 County has received through Section 5001 of the CARES Act to fund the aforementioned bond
34 reserve to secure bonds issued under the MCCAP; and
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36 WHEREAS, the County Executive further desires to enter into a grant agreement, in an
37 amount not to exceed \$1,000,000.00 in funds received through Section 5001 of the CARES Act,
38 with the Development Finance Authority of Summit County (“DFA”) for the purpose of creating
39 and maintaining the aforementioned bond reserve to secure bonds issued under the MCCAP; and
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41 WHEREAS, it is anticipated that following the aforementioned grant of funds to the
42 DFA, that the DFA and the WRCF will enter into an agreement whereby the funds will be used
43 as a bond reserve to secure bonds issued under the MCCAP; and
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45 WHEREAS, this Council finds and determines, after reviewing all pertinent information,
46 that it is necessary and in the best interest of the County to authorize the County Executive to
47 execute the aforementioned grant agreement with the DFA, and to appropriate funds.
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49 NOW, THEREFORE, BE IT RESOLVED, by the Council of the County of Summit,
50 State of Ohio, that:
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4 SECTION 1

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6 This Council hereby authorizes the County Executive to execute, as part of the County's
7 response to the COVID-19 pandemic, a grant agreement in an amount not to exceed
8 \$1,000,000.00 in funds received through section 5001 of the federal Coronavirus Aid, Relief and
9 Economic Security Act, with the Development Finance Authority of Summit County ("DFA")
10 for the purpose of creating a bond reserve to be used in conjunction with the Minority
11 Contractors Capital Access Program ("MCCAP") that will be operated by the Western Reserve
12 Community Fund, Inc. The grant agreement may further provide the DFA, with the agreement
13 of the County Executive, the ability to use the funds for other purposes that support
14 disadvantaged areas, persons and/or businesses impacted by the economic consequences of the
15 COVID-19 pandemic in the event that the funds are not otherwise necessary for the purpose of
16 securing a bond reserve for the MCCAP. A copy of the aforementioned grant agreement is
17 attached hereto as Exhibit A and is incorporated herein by reference.

18
19 SECTION 2

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21 This Council declares that the expenditure of \$1,000,000.00 under said grant agreement
22 is necessary due to the public health emergency with respect to the Coronavirus Disease 2019
23 (COVID-19) and is being done in compliance with the provisions of section 5001 of the federal
24 Coronavirus Aid, Relief and Economic Security Act.

25 SECTION 3

26 This Resolution is declared to be an emergency in the interest of the health, safety, and
27 welfare of the residents of the County of Summit and for the further reason to immediately
28 authorize the County's aforementioned grant necessary to support the MCCAP to assist small
29 minority-owned businesses, as a result of the impact of the COVID-19 pandemic.

30 SECTION 4

31 Provided this Resolution receives the affirmative vote of eight members, it shall take
32 effect immediately upon its adoption and approval by the Executive; otherwise it shall take
33 effect and be in force at the earliest time provided by law.

34 SECTION 5

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36 It is found and determined that all formal actions of this Council concerning and relating
37 to the adoption of this Resolution were adopted in an open meeting of this Council, and that all
38 deliberations of this Council and any of its committees that resulted in such formal action were in
39 meetings open to the public, in compliance with legal requirements, including Section 121.22 of
40 the Ohio Revised Code.

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INTRODUCED May 11, 2020

ADOPTED June 1, 2020

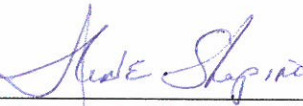


CLERK OF COUNCIL



PRESIDENT OF COUNCIL

APPROVED June 2, 2020



EXECUTIVE

June 2, 2020
ENACTED EFFECTIVE

Voice Vote YES: 11-0 Dickinson, Donofrio, Feeman, Koehler, McKenney, Prentice, Rodgers, Schmidt, Sims, Walters, Wilhite