

1 RESOLUTION NO. 2020-134

2
3 SPONSOR Ms. Shapiro

4
5 DATE June 1, 2020

COMMITTEE: Planning

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7 **A Resolution authorizing the County Executive to execute, as part of the County’s response**
8 **to the COVID-19 pandemic, a General Fund grant agreement in an amount not to exceed**
9 **\$125,000.00 and a Community Development Block Grant Fund Agreement in an amount**
10 **not to exceed \$125,000.00, both with the Western Reserve Community Fund, Inc.**
11 **(“WRCF”), to fund its Minority Contractors Capital Access Program (“MCCAP”),**
12 **authorizing the County Executive to execute a loan agreement with WRCF in an amount**
13 **not to exceed \$200,000.00 to finance costs related to the MCCAP, for the Executive’s**
14 **Department of Community and Economic Development, and declaring an emergency.**

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

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

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

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

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

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

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

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4 WHEREAS, in the aftermath of the 2008-2009 economic crisis, access to capital was
5 substantially reduced in general, and in particular for small minority-owned businesses, and the
6 worsening economic conditions due to the COVID-19 pandemic could lead to a repeat of that
7 issue; and
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9 WHEREAS, the County, City of Akron ("City"), Development Finance Authority of
10 Summit County ("DFA") and Western Reserve Community Fund, Inc. ("WRCF") have
11 developed the Minority Contractors Capital Access Program ("MCCAP") to assist small
12 minority-owned, businesses engaged in construction, engineering, design, architectural,
13 landscaping, snow removal, environmental, and similar industries, with obtaining access to
14 capital to finance projected-related bonding, material and labor costs; and
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16 WHEREAS, in developing MCCAP, the County, City, DFA and WRCF intend to utilize
17 it as a tool to assist minority-owned businesses recovering from the negative effects of the
18 COVID-19 pandemic through overcoming barriers to capital for their businesses and increasing
19 the number of minority-owned businesses involved in public and private construction and similar
20 projects; and
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22 WHEREAS, it is anticipated that the Board of WRCF will adopt program guidelines and
23 other necessary documents to create the MCCAP later in May 2020; and
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25 WHEREAS, the County Executive desires to execute a grant agreement in an amount not
26 to exceed \$125,000.00 to be paid from the County's General Fund and a Community
27 Development Block Grant ("CDBG") Fund Agreement in an amount not to exceed \$125,000.00,
28 both with WRCF, to provide funding for MCCAP; and
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30 WHEREAS, in addition to the funds provided by the County, the City intends to enter
31 into an agreement with WRCF whereby it will provide WRCF an additional \$125,000 in CDBG
32 funds for the MCCAP; and
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34 WHEREAS, in order to provide WRCF with sufficient cash to provide funding for credit
35 facilities extended to minority-owned businesses under the MCCAP, the Executive wishes to
36 execute a loan agreement with WRCF in an amount not to exceed \$200,000.00, the proceeds of
37 which shall be used by WRCF to provide funding under the MCCAP; and
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39 WHEREAS, this Council finds and determines, after reviewing all pertinent information,
40 that it is necessary and in the best interest of the County to authorize the County Executive to
41 execute the aforementioned agreements, and to appropriate funds.
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43 NOW, THEREFORE, BE IT RESOLVED, by the Council of the County of Summit,
44 State of Ohio, that:
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1 RESOLUTION NO. 2020-134

2 PAGE THREE

3
4 SECTION 1

5
6 This Council hereby authorizes the County Executive to execute a grant agreement in an
7 amount not to exceed \$125,000.00 with the Western Reserve Community Fund, Inc. ("WRCF")
8 to be paid from the County's General Fund, a copy of which is attached hereto as Exhibit A and
9 incorporated herein by reference, to provide funding for its Minority Contractors Capital Access
10 Program ("MCCAP").

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12 SECTION 2

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14 This Council hereby authorizes the County Executive to execute a Community
15 Development Block Grant Fund Agreement in an amount not to exceed \$125,000.00 with
16 WRCF, a copy of which is attached hereto as Exhibit B and incorporated herein by reference, to
17 provide funding for the MCCAP.

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19 SECTION 3

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21 This Council hereby authorizes the County Executive to execute a loan agreement with
22 WRCF in an amount not to exceed \$200,000.00, the proceeds of which shall be used by WRCF
23 to provide funding under the MCCAP to minority-owned businesses, as set forth in Exhibit C,
24 attached to this Resolution and incorporated herein as if fully restated.

25 SECTION 4

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 financial contributions to the MCCAP to assist small minority-owned
29 businesses, as a result of the impact of the COVID-19 pandemic.

30 SECTION 5

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 6

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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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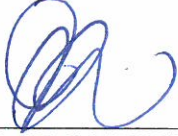
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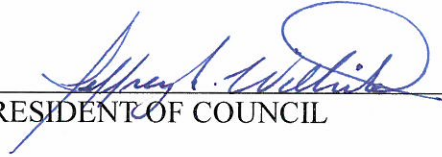
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INTRODUCED May 11, 2020

ADOPTED June 1, 2020

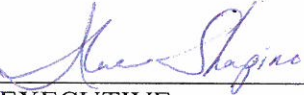


CLERK OF COUNCIL



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