



City of Columbus

Office of City Clerk
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Legislation Text

File #: 2096-2021, **Version:** 1

BACKGROUND: This legislation authorizes the Director of Development to enter into a subrecipient agreement with Columbus State Community College, through their Small Business Development Center, in an amount up to \$500,000.00 of federal American Rescue Plan Act (ARPA) funds to provide program management services for the 2021 Columbus-Franklin County Small Business COVID-19 Response and Recovery Program and to pay for expenses starting March 3, 2021.

Ordinance 1201-2021 authorized the City of Columbus to accept and appropriate approximately \$187,030,138.00 of federal American Rescue Plan Act (ARPA) funds as signed into law by the President of the United States on March 11, 2021.

Similar to the 2020 Columbus-Franklin County COVID-19 Small Business Response and Recovery Program implemented by the City and Franklin County in 2020 using CARES Act funds, the department (and the county) will partner with the Columbus State Community College's Small Business Development Center (SBDC) and the Wells Foundation to provide economic support to small businesses negatively impacted by COVID-19. SBDC, acting as a subrecipient, will manage the city-county program and the Wells Foundation will hold and disburse the funds to eligible businesses (as defined by U.S. Treasury). A separate ordinance will be put forth to enter into an agreement with the Wells Foundation.

In addition to managing the program and determining who receives funding from the Wells Foundation contract, SBDC will provide financial support to multiple entrepreneur support organizations (ESOs) to provide financial and technical assistance to Columbus small businesses impacted by the COVID-19 pandemic. ESOs will identify small businesses in need and assist with the application process.

It is expected that the guidance from the U.S. Department of Treasury will be modified while this subrecipient agreement is in effect and it is requested that the Director of Development be given the authority to modify the terms and conditions of the subrecipient agreement without seeking additional Council approval in order to align with the most current version of the laws, regulations, and guidance.

The Ohio Small Business Development Center at Columbus State Community College is a public / private partnership supported in part by the U.S. Small Business Administration, Ohio Development Services Agency, Columbus State Community College, the City of Columbus and other local partners. SBDC serves an eight county region including Delaware, Fairfield, Franklin, Licking, Logan, Madison, Pickaway and Union counties.

SBDC is part of America's Small Business Development Centers, a national network comprised of over 1000 Centers across the U.S. including 29 in Ohio. The Ohio SBDC Network provides one-on-one advising, by Certified Business Advisors, at no cost and conduct no or low cost business training. SBDC focuses on all industries and business needs from seed to maturity and everything stage in-between.

Emergency action is requested to address the impacts of the COVID-19 health emergency.

FISCAL IMPACT: Funding is provided to the City of Columbus from the American Rescue Plan Act passed by Congress and signed into law March 11, 2021.

CONTRACT COMPLIANCE: the vendor number is 004263 and expires 7/20/2023.

To authorize the Director of the Department of Development to enter into a subrecipient agreement with Columbus State Community College, through their Small Business Development Center, in an amount up to \$500,000.00 of federal American Rescue Plan Act (ARPA) funds to provide program management services for the 2021 Columbus-Franklin County Small Business COVID-19 Response and Recovery Program and to pay for expenses starting March 3, 2021; to authorize the Director of Development to modify the terms and conditions of the not-for-profit service contract if necessary to comply with federal guidelines without seeking further City Council approval; to authorize the expenditure of up to \$500,000.00 of ARPA funds from the Recovery Fund; and to declare an emergency. (\$500,000.00)

WHEREAS, The Ohio Small Business Development Center at Columbus State Community College is a public / private partnership supported in part by the U.S. Small Business Administration, Ohio Development Services Agency, Columbus State Community College, the City of Columbus and other local partners. SBDC serves an eight county region including Delaware, Fairfield, Franklin, Licking, Logan, Madison, Pickaway and Union counties; and

WHEREAS, the 2021 Columbus-Franklin County COVID-19 Small Business Response and Recovery Fund will build on the success of the 2020 Fund that helped hundreds of Columbus small businesses with financial and technical assistance to address severe hardship caused by the COVID-19 pandemic; and

WHEREAS, the COVID-19 pandemic has resulted in negative impacts on small businesses, such as loss profits, reduced hours, reduced customers, and even closing for a period of time; and

WHEREAS, expenditure of ARPA funding to support small business recovery is necessary to alleviate the negative impacts caused by the COVID-19 public health emergency; and

WHEREAS, such expenditure of funds has not been previously accounted for in the 2021 Budget; and

WHEREAS, an emergency exists in the usual daily operation of the department of Development in that it is immediately to authorize the Director to enter into an agreement with Columbus State Community College as necessary to address the impacts of the COVID-19 health emergency, such immediate action is necessary for the preservation of the public health, peace, property, safety and welfare; **NOW, THEREFORE**,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That the Director of the Department of Development is authorized to enter into a subrecipient agreement with Columbus State Community College, through their Small Business Development Center, in an amount up to \$500,000.00 of federal American Rescue Plan Act (ARPA) funds to provide program management services for the 2021 Columbus-Franklin County Small Business COVID-19 Response and Recovery Program and to pay for expenses starting March 3, 2021.

SECTION 2. That for the purpose stated in Section 1, the expenditure of \$500,000.00 or so much thereof as may be needed, is hereby authorized in Fund 2209 (ARPA Recovery Fund), Dept-Div 44-02 (Economic Development), in object class 03 (Services) per the accounting codes in the attachment to this ordinance.

SECTION 3. That the funds necessary to carry out the purpose of this ordinance are hereby deemed appropriated and the City Auditor shall establish such accounting codes as necessary.

SECTION 4. That the City Auditor is authorized to make any accounting changes to revise the funding source for all contracts or contract modifications associated with this ordinance.

SECTION 5. That, for the reasons stated in the Preamble hereto, which is hereby made a part hereof, this Ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after passage and approval by the Mayor or ten days after passage if the Mayor neither approves nor vetoes the same.