

ORDINANCE NO. 197-20

AN ORDINANCE AUTHORIZING THE ESTABLISHMENT OF A SMALL BUSINESS RELIEF GRANT PROGRAM WITH THE APPROPRIATION OF CARES ACT FUNDS TO AID MEDINA BUSINESSES NEGATIVELY IMPACTED BY THE PUBLIC HEALTH EMERGENCY CAUSED BY COVID-19; AND DECLARING AN EMERGENCY

WHEREAS: COVID-19 is a respiratory disease that can result in serious illness or death and is easily spread between individuals who are in close contact with each other through respiratory droplets and various other means;

WHEREAS: On March 9, 2020, Governor Mike DeWine declared a State of Emergency in Executive Order 2020-01D in order to protect the welfare of citizens of Ohio from the dangerous effects of COVID-19;

WHEREAS: On March 27, 2020, the President of the United States signed into law the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) which, in part, established the coronavirus relief fund under 42 U.S.C. 8801 and appropriated 150 billion dollars of direct payments to states, tribal governments, and units of local government;

WHEREAS: On June 19, 2020, Governor Mike DeWine signed into law House Bill 481 which authorizes distribution of federal coronavirus relief fund money to eligible counties, townships, and municipal corporations in Ohio;

WHEREAS: The City of Medina is the recipient of federal coronavirus relief fund money;

WHEREAS: The CARES Act and H.B. 481 require that recipients of federal coronavirus relief funds must use the relief funds to cover only those costs that are necessary expenditures incurred due to the public health emergency with respect to COVID-19, were not accounted for in the budget most recently approved as of March 27, 2020 for the unit of government, and were incurred during the period between March 1, 2020 and December 30, 2020;

WHEREAS: This Council finds that the public health emergency with respect to COVID-19 has detrimentally affected Medina small business owners whose business operations were impacted by orders from the Ohio Department of Health in response to the spread of COVID-19 in the state of Ohio;

WHEREAS: This Council further finds that an amount not to exceed \$200,000.00 shall be appropriated towards the establishment of a small business relief grant program to Medina small business owners out of funds from Medina’s local coronavirus relief fund;

WHEREAS: This Council further finds that the establishment of a grant program to assist Medina business owners is a necessary expenditure due to the public health emergency with respect to COVID-19 because such an expenditure responds to second-order effects of the emergency, including but not limited to, employment interruptions and/or business interruptions caused by COVID-19-related closures;

WHEREAS: This Council further finds that the cost of the appropriation of an amount not to exceed \$200,000.00 towards the establishment of a grant program to assist Medina business owners was not accounted for in the budget most recently approved as of March 27, 2020, and the cost will be incurred between March 1, 2020 and December 30, 2020;

WHEREAS: This Council further finds that an amount not to exceed \$179,450.00 shall be appropriated towards the establishment of a small business relief grant program to Medina small business owners out of funds from Medina’s local coronavirus relief fund;

WHEREAS: This Council further finds that staff from Medina’s Department of Economic Development have devoted approximately 160 hours during the course and scope of their employment toward the administration of the small business grant relief program, resulting in payroll costs to Medina Department of Economic Development staff in the amount of \$4,560.00;

WHEREAS: This Council further finds that covering \$4,560.00 in payroll costs is a necessary expenditure due to the public health emergency with respect to COVID-19 because Department of Economic Development staff have performed functions in order to curb detrimental impact COVID-19 has had on Medina’s business community.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF MEDINA, OHIO:

SEC. 1: That there is established a Small Business Relief Grant program which shall be funded by up to \$179,450.00 from Medina’s local coronavirus relief fund and any grant to any one business shall not exceed \$20,000.00 as approved by the City’s Board of Control.

SEC. 2: That the Director of Finance is authorized to cause a transfer in the amount of \$4,560.00 from Medina’s local coronavirus relief fund to the general fund.

SEC. 3: Upon the approval by the Board of Control of the award of a grant to a small business owner, the Mayor shall be authorized to enter into an agreement with the owner of a small business located in the City of Medina in a form that is substantially similar to the form that is attached to this Ordinance and labeled as “Exhibit A.”

SEC. 4: That it is found and determined that all formal actions of this Council concerning and relating to the passage of this Ordinance were adopted in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with the law.

SEC. 5: That this Ordinance shall be considered an emergency measure necessary for the immediate preservation of the public peace, health and safety, and for the further reason that House Bill 614 passed by the General Assembly and signed into law by Governor Mike DeWine requires that the City return any unencumbered balance of CARES Act funds within the City’s local coronavirus relief fund on or before November 20, 2020; wherefore, this Ordinance shall be in full force and effect immediately upon its passage and signature by the Mayor.

PASSED: November 9, 2020

SIGNED: John M. Coyne, III
President of Council

ATTEST: Kathy Patton
Clerk of Council

APPROVED: November 10, 2020

SIGNED: Dennis Hanwell
Mayor

EXHIBIT “A”

CARES ACT SMALL BUSINESS RELIEF GRANT AGREEMENT

THIS AGREEMENT, dated as of the last date indicated after the signatures below, is made by and between the City of Medina, Ohio (the “City”), and [BUSINESS NAME] (“the Business”) with a business address of _____.

WHEREAS, the Coronavirus Aid, Relief, and Economic Security (CARES) Act was passed by Congress and signed into law by President Trump on March 27, 2020, providing a \$2 trillion economic relief package to workers and families, small businesses, and state and local governments;

WHEREAS, the COVID19 virus has been detrimental for many local small businesses and workers;

WHEREAS, Medina City Council collaborated with the Medina County Commissioners to implement a Small Business Relief Grant program and use CARES Act funds to support small businesses that have been directly, negatively impacted by COVID19 and the necessary public health orders related thereto;

WHEREAS, the Business has applied for and been awarded a CARES Act Small Business Relief Grant by the City’s Board of Control to lessen the negative impacts of COVID19 on the Business, and

WHEREAS, in order to properly protect the public’s interest in both the proper oversight of government spending and mitigating the damage caused by COVID19, the Parties enter into this Agreement to set forth their rights and obligations with respect to the awarding of CARES Small Business Relief Grant money to the Business.

NOW, THEREFORE, in consideration of the foregoing, the parties agree as follows:

1. The City shall award to Business a CARES Small Business Relief Grant (“Grant”) in the amount of \$ _____.
2. Business’s Application, attached hereto as Exhibit 1, is fully incorporated and made a part of this Agreement.
3. Business affirms that the information provided on the attached Application is complete, true and accurate. Business shall promptly notify the City’s Economic Development Director in writing of any substantive change in the information provided in the application. Change in the information is substantive if it would have had an impact on the Business’s initial eligibility for this Grant funding.
4. Business shall spend Grant money only for the expenses specifically listed in the attached Application. Business shall make all records available upon request to the City, its officials,

employees, agents and/or representatives and to the Auditor of State related to the expenditure of any Grant money.

5. If the City or an audit conducted by the Auditor of State concludes that Grant money was improperly expended, Business shall promptly follow all necessary procedures to repay those funds deemed to be improperly expended.
6. Business shall not use Grant money to cover the cost of any expenses already paid for and/or reimbursed from another federal or state program. Any such expenditure of Grant funds will be treated as an improper expenditure of funds and Business shall promptly repay those funds.
7. This Agreement will be governed by the laws of the State of Ohio. The Parties agree to jurisdiction in the courts of the State of Ohio.

IN WITNESS WHEREOF, a duly authorized representative of each party has executed the Agreement as of the date(s) set forth below.

City of Medina, Ohio

[Business's Formal Name]

By: _____

By: _____

Dennis Hanwell, Mayor

Name: _____

Date: _____

Title: _____

Date: _____