

**NOTICE OF SPECIAL MEETING  
CITY OF DELAWARE  
CITY COUNCIL  
MEETING TO BE HELD VIRTUALLY VIA CISCO Webex \*\*  
7:00 P.M. MEETING**

**AGENDA**

**7:00 P.M.**

**May 26, 2020**

1. ROLL CALL
2. INVOCATION
3. APPROVAL of the Motion Summary of the regular meeting of Council held on May 11, 2020 as recorded and transcribed.
4. CONSENT AGENDA
  - A. Approval of the Motion Summary of Finance Committee meeting held on April 15, 2020, as recorded and transcribed.
5. LETTERS, PETITIONS, AND PUBLIC COMMENTS

Due to the meeting being held virtually, public comment is requested to be received either before or during the meeting through email at [emccloskey@delawareohio.net](mailto:emccloskey@delawareohio.net). Comments received on Facebook may have to be addressed by staff subsequent to the meeting.
6. CONSIDERATION of Resolution No. 20-35, a resolution authorizing the City Manager to accept CARES Act Grant (Grant No. 3-39-0032-025-2020) Offer for Delaware Municipal Airport – Jim Moore Field and to enter into required agreements for said grant.
7. CONSIDERATION of Ordinance No. 20-30, an ordinance directing the City Manager to establish a Business Assistance Grant Program, authorize appropriations, and declaring an emergency.
8. DISCUSSION of County RLF Program
9. CITY MANAGER'S REPORT & COVID-19 UPDATE:
  - A. John Donahue, Fire Chief
  - B. Bruce Pijanowski, Police Chief
10. COUNCIL COMMENTS
11. ADJOURNMENT

\*\* This meeting will be a virtual meeting. Residents are encouraged to view online through the City of Delaware Facebook page. To comply with the CDC recommendation prohibiting group meetings, no in person attendance by Council, staff, or the public will be available.

# RECORD OF PROCEEDINGS

Minutes of

Delaware City Council

Meeting

BEAR GRAPHICS 800-325-8094 FORM NO. 10148

Held May 11 20 20

The regular meeting of Council held on May 11, 2020 and was called to order at 7:00 p.m. and was held remotely through Cisco Webex and streamed Live through Facebook due to the State of Emergency – Executive Order 2020-01D. The following members of Council were remotely present: First Ward Chris Jones, Second Ward Lisa Keller, Third Ward Cory Hoffman, Fourth Ward Drew Farrell, At-Large George Hellinger, Vice-Mayor Kent Shafer and Mayor Riggle who presided. The invocation was delivered by Sheila Hiddleson, Delaware County General Health District.

Staff Present Remotely: Bill Ferrigno, City Engineer and Public Works Director, Justin Nahvi, Finance Director, Darren Shulman, City Attorney, Bruce Pijanowski, Police Chief, John Donahue, Fire Chief, Kyle Kridler, Assistant City Manager, and Tom Homan, City Manager

### **ITEM 3: APPROVAL OF MINUTES**

APPROVAL of the Motion Summary of the regular meeting of Council held on April 27, 2020, as recorded and transcribed.

**Motion:** Vice-mayor Shafer motioned to approve the Motion Summary of the regular meeting of Council held on April 27, 2020, as recorded and transcribed, seconded by Mrs. Keller. Motion approved by a 7-0 vote.

### **ITEM 4: LETTERS, PETITIONS, AND PUBLIC COMMENTS**

Brett Latta  
Via email  
376 North Sandusky Street  
Delaware, Ohio

Mr. Latta requested an update regarding the NOW festival and the Olentangy River clean up.

### **ITEM 5: PRESENTATION**

- A. Proclamation Childhood Apraxia Awareness – presented to Megan Williamson with Apraxia Kids.
- B. Proclamation recognizing Public Service Recognition Week

### **ITEM 6: RESOLUTION NO. 20-32** [First Reading]

A RESOLUTION INDICATING WHAT SERVICES THE CITY OF DELAWARE WILL PROVIDE TO 2.385± ACRES OF LAND, MORE OR LESS, DESCRIPTION AND MAP ARE ATTACHED HERETO FOR THE ANNEXATION KNOWN AS THE DYLAN J. MENGES, TRUSTEE ANNEXATION BY MICHAEL R. SHADE, AGENT FOR THE PETITIONER.

The Clerk read the resolution for the first time.

**Motion:** Mrs. Keller motioned to adopt Resolution No. 20-32, seconded by Vice-Mayor Shafer. Motion approved by a 7-0 vote.

### **ITEM 7: RESOLUTION NO. 20-33** [First Reading]

A RESOLUTION AUTHORIZING THE CITY MANAGER TO FILE AN APPLICATION WITH THE OHIO DEVELOPMENT SERVICES AGENCY, OFFICE OF COMMUNITY DEVELOPMENT, FOR THE PROGRAM YEAR

RECORD OF PROCEEDINGS

Held May 11 20 20

2020 CDBG COMMUNITY DEVELOPMENT ALLOCATION PROGRAM AND SUPPLEMENTED BY LOCAL CDBG ED-RLF PROGRAM INCOME.

The Clerk read the ordinance for the first time.

Motion: Vice-Mayor Shafer motioned to adopt Resolution No. 20-33, seconded by Mr. Jones. Motion approved by a 7-0 vote.

ITEM 8: RESOLUTION NO. 20-34 [First Reading] A RESOLUTION AUTHORIZING THE CITY MANAGER TO CERTIFY THE CIVIL SERVICE POLICE ELIGIBILITY LIST.

The Clerk read the resolution for the first time.

PUBLIC COMMENT: Civil Service Commission letter received John Rybka, Chairman Eric Coss, Vice-Chairman Mary Jane Santos, Commissioner

The Clerk read a letter into the record submitted by the Civil Service Commission expressing their support to Resolution No. 20-34.

Motion: Mrs. Keller motioned to adopt Resolution No. 20-34, seconded by Mr. Jones. Motion approved by a 7-0 vote.

ITEM 9: ORDINANCE NO. 20-29 [First Reading] AN ORDINANCE AMENDING ORDINANCE NO. 20-25 EMERGENCY MEASURES IN RESPONSE TO THE COVID-19 PANDEMIC TO ALLOW BOARDS, COMMISSION AND COMMITTEES TO MEET REMOTELY AND DECLARING AN EMERGENCY.

The Clerk read the ordinance for the first time.

Motion: Vice-Mayor Shafer motioned to suspend the rules for Ordinance No. 20-29, seconded by Mr. Jones. Motion approved by a 7-0 vote.

Motion: Vice-Mayor Shafer motioned to enact the emergency clause for Ordinance No. 20-29, seconded by Mr. Jones. Motion approved by a 7-0 vote.

Motion: Vice-Mayor Shafer motioned to adopt Ordinance No. 20-29, seconded by Mr. Jones. Motion approved by a 7-0 vote.

ITEM 10: CITY MANAGER'S REPORT & COVID-19 UPDATE

Mr. Homan discussed the Cares Act regarding the distribution of funding and what the money can be sent on and plans to provide more information at a later time. Finance Committee will be meeting on May 13 and that the County has approached the City regarding a Revolving Loan Fund. The Business Recovery Task Force provided a draft plan to assist all businesses with recovery and also discussed the option to expand the DORA. He discussed that staff recommends that the DORA be in place for extended days and weekends and that the City would be

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Held May 11 2020

the applicant. Vice-Mayor Shafer discussed that he has been reached out by some local downtown businesses that feel that a DORA would assist them. Mrs. Keller discussed her support on the DORA. Mr. Homan shared a memo from Economic Development Director, Sean Hughes, and the recommendation for the City of Delaware to apply for a DORA "COVID-19 Business Recovery Event from May 15 to August 31 and discussed the recommended criteria. Mr. Shulman discussed reviewing the original legislation approving the DORA and that there was flexibility in this that allow for the changes and no further legislation actions would be necessary. Mr. Farrell questioned about allowing for increased capacity for outside seating and closing of streets. Mr. Homan discussed that staff is working with business owners to look at patio space and discussions about using the streets for patio seating. Mayor Riggle discussed the possibility of using the sidewalk along City Hall to set up additional tables that individuals using take out could use. She voiced a concern about closing streets and limiting parking to businesses that are trying to open back up. She recommended keeping some of the curbside parking available for those not ready to eat inside a restaurant. Mr. Hoffman and Mr. Jones voiced his support to the DORA. Mr. Hellinger also voiced his support to try the DORA.

Mr. Homan informed Council that the NOW Festival has been canceled. He requested Council's feedback on continuing virtual meetings for June. Council was in agreement to continue meetings virtually while public is not able to attend.

A. John Donahue, Fire Chief

Chief Donahue discussed the transition from a response mode to a recovery mode and that situational reports will be now weekly. He discussed the current statistics regarding COVID-19 in Delaware County.

B. Bruce Pijanowski, Police Chief

Chief Pijanowski provided information on National Police Week. He recognized Sr. Records Clerk, Charlotte Cooper who will be retiring after 27 years.

C. Bill Ferrigno, City Engineer and Public Works Director

Mr. Ferrigno discussed that the transitioning of Public Works staff back into the office. Yard waste pick up will start May 18. The move in and move out service continues to be available to residents. He provided an update on the bin wall project that will be completed by ODOT.

**ITEM 11: COUNCIL COMMENTS**

Vice-Mayor Shafer discussed that Delaware County and the Delaware County Finance Authority are working to put together a Revolving Loan Fund to assist businesses to get started back up after the COVID-19. He discussed that it is designed to provide up to \$25,000 low interest rate loan. He discussed planned contributions from the County, Jobs Ohio, and other townships in the County. He recommends that the City

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Held

May 11

20

20

participates in the program. He discussed that the County has the system in place for businesses to apply and that would like further discussions at the Finance Committee meeting and that may need to have an emergency meeting of Council. Mr. Jones voiced his support. Mrs. Keller questioned if we can use the City's Revolving Loan Fund. Mr. Homan discussed that the program in place has not been very active and the money was from State funds that had stipulations. The County's program may be more accessible and easier to apply for. Mr. Homan discussed that the County will have a larger amount of funds available. Mr. Farrell questioned if the portion that the City contribute would that money be designated back to the City or would it be redistributed to include the townships in the County. Vice-Mayor Shafer discussed that Buckeye Community Bank will be allocating the funds and the County will have a board set up to review the applications. Mr. Jones questioned if our businesses would have a better chance to get the loan if the City participates. Mr. Homan discussed that funding from the Cares Act can provide business recovery funds to local businesses. Mr. Hoffman discussed concerns about the credit ranking standard that may have been affected by the COVID-19 crisis. Mr. Hellinger voiced concerns over past financial contributions and working relationship with the County.

Mayor Riggle discussed the hopeful for summer gatherings and that the Fourth of July celebration may need to be postponed due to limitations on public gatherings and that communities are looking to find a date, such as, Labor Day Weekend, to have the postponed celebration. She discussed events that have been canceled included the Car Show, Art Show, St. Mary Festival, and the Memorial Day Ceremony will be held virtually. She discussed that there will be conference call regarding Iron Man and the opening of the pool may be delayed or not able to open at all. Hidden Valley Golf Course has opened. She provided information on the Utility Assistance Program and City Income Tax filing date of July 15.

## **ITEM 12: ADJOURNMENT**

**Motion:** Vice-Mayor Shafer motioned to adjourn the meeting. The meeting adjourned at 8:14 p.m.

\_\_\_\_\_  
Mayor Carolyn Kay Riggle

\_\_\_\_\_  
Elaine McCloskey, Council Clerk

**FINANCE COMMITTEE**  
**MOTION SUMMARY**  
**April 15, 2020**

ITEM 1. Roll Call

Chairman Hellinger called the Virtual Cisco Webex Finance Committee meeting to order at 1:00 p.m.

Members Present: Vice-Mayor Kent Shafer, Vice-Chairman Chris Jones and Chairman George Hellinger

Council Members Present: Mayor Carolyn Kay Riggle, Second Ward Lisa Keller, Fourth Ward Drew Farrell,

Staff Present: Justin Nahvi, Finance Director, Rob Alger, City Accountant, Alycia Ballone, Budget Analyst, Kyle Kridler, Assistant City Manager, Tom Homan, City Manager

ITEM 2. Approval of the Motion Summary for the meeting held February 11, 2020, as recorded and transcribed.

**Motion:** Vice-Mayor Shafer moved to approve the Motion Summary from February 11, 2020, as recorded and transcribed, seconded by Vice-Chairman Jones. Motion approved by a 3-0 vote.

ITEM 3. Public Comments

There were no public comments received through email or Facebook Live.

ITEM 4. Review of March Financial Report

Mr. Nahvi discussed the first half of property tax settlement received in March which had a 2% increase and a 4% increase in income tax receipts. The March revenue and expenditures for the General Fund were reviewed. Revenues for the month of March did not have a decline, but staff is closely watching daily collections. He projects that with the Federal Rate to zero there will be a significant decline in interest income for the General Fund and some Enterprise Funds. The Fire/EMS Income Tax Fund expenditures are performing as expected through March 31, 2020. The Stormwater Fund is an Enterprise Fund that was established to account for the costs of repairing, replacing and improving the City's storm drainage system. There was an increase for March for basic services, but these increases were marginal. Once it was released that customers would not have their services turned off due to lack of payment and coupled with the layoffs in March the increase was minor. The Water Fund had 1.4% greater water consumption in Meter Charges relating to the same period for 2019. Year

to date receipts for the Capacity Fees total \$566,356 and these fees are deposited into the Water Capacity Fee Fund. The Wastewater Fund total collections were up 1.2% more than last year from the same period. The Wastewater Fund expenditures are performing as expected. The Refuse Fund is up approximately 1.3% received from the City from the same period in the prior year.

Mr. Nahvi discussed action by Council for Utility Assistance. He discussed that the credits are applied they will be reflected in the line items that charge for services. The \$100,000 will be applied to all four Enterprise Funds and reflected to charges for services. Staff will be tracking daily what was distributed for the day and how much is available. Mr. Nahvi plans to have the application placed on the website and include information in the water bill as an insert.

#### ITEM 5. Review of 2020 Budget Gauge

Mr. Homan discussed that tool that was created during the 2008-2010 recession and provided a useful graphic on the five different levels that the City operates on. He discussed that the City is currently in a Budget Restraint mode and this current crisis is much different than what the City has had to deal with then in the past. He discussed that it is still premature to predict what the future will be. The gauge will be continued to be used while monitoring our expenditures and revenues. There is a current hiring freeze in place, except in the need for essential position needs. This gauge will assist develop the mitigation strategy on possible budget needs. He discussed the budget message from 2009 and how the recession started in 2007, but the budget was not affected until 2009. He discussed that there are FEMA Funds set aside to assist municipalities and that the City is tracking expenditures.

#### ITEM 6. Discussion of Strategy for Addressing Financial Impact of COVID-19

Chairman Hellinger requested a timeline on decision points, such as, 30/60/90-day timeline and what will be factors may lead to certain decisions. Mr. Homan discussed that they are closely monitoring the State Gas Tax Revenue and believe that there will be an impact to the road resurfacing program. Mr. Homan recommended that the Finance Committee meet monthly. Mr. Nahvi discussed that the Gas Tax declines may not be seen for a few months due to delays from when the funds are distributed by the State.

Vice-Mayor Shafer and Vice-Chairman Jones discussed their agreement to meet on a monthly basis as the information will be rapidly changing, making it difficult to forecast long term. Mr. Homan discussed that staff will start preparing the 2021 Budget process and CIP process. He discussed looking at delaying on some purchases through the General Fund, but some projects are not through this fund and can move ahead, such as the Glenn Road Project.



ITEM 7. Member Comments

There were no other member comments.

ITEM 8. Establish Monthly Meeting Dates/Times for 2020

The Committee discussed having a meeting on the second Wednesday of the month at 1:00 p.m.

ITEM 8. Adjournment

**Motion:** Chairman Hellinger moved to adjourn the Finance Committee meeting. The Finance Committee meeting adjourned at 1:40 p.m.

  
\_\_\_\_\_

Chairman

  
\_\_\_\_\_

Elaine McCloskey, Clerk



## FACT SHEET

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AGENDA ITEM NO: 6

DATE: 05/26/2020

ORDINANCE NO:

RESOLUTION NO: 20-35

READING: FIRST

PUBLIC HEARING: NO

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TO: Mayor and Members of City Council

FROM: R. Thomas Homan, City Manager

VIA: William L. Ferrigno, P.E., Director of Public Works

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**TITLE OF PROPOSED ORDINANCE/RESOLUTION:**

A RESOLUTION AUTHORIZING THE CITY MANAGER TO ACCEPT CARES ACT GRANT (GRANT NO. 3-39-0032-025-2020) OFFER FOR DELAWARE MUNICIPAL AIRPORT – JIM MOORE FIELD AND TO ENTER INTO REQUIRED AGREEMENTS FOR SAID GRANT.

**BACKGROUND:**

The City of Delaware was recently awarded \$69,000 in Federal Aviation funds to provide the airport with funding to help offset a decline in revenues arising from diminished airport operations and activities as a result of the COVID-19 Public Health Emergency.

**REASON WHY LEGISLATION IS NEEDED:**

FAA requires consent legislation from local jurisdictions awarded funding.

**COMMITTEE RECOMMENDATION:**

N/A

**FISCAL IMPACT(S):**

Assisting the Delaware Municipal Airport Operations Revenue with \$69,000 in order to maintain safe and efficient airport operations and maintenance expenses.

**POLICY CHANGES:**

None

**PRESENTER(S):**

William L. Ferrigno, P.E., Director of Public Works

**RECOMMENDATION:**

In light of the time requirements the grant has been accepted. Council's action will ratify the acceptance of the funding.

**ATTACHMENT(S)**

N/A

RESOLUTION NO. 20-35

A RESOLUTION AUTHORIZING THE CITY MANAGER TO ACCEPT CARES ACT GRANT (GRANT NO. 3-39-0032-025-2020) OFFER FOR DELAWARE MUNICIPAL AIRPORT – JIM MOORE FIELD AND TO ENTER INTO REQUIRED AGREEMENTS FOR SAID GRANT.

WHEREAS, the City of Delaware is responsible for operating and maintaining the Delaware Municipal Airport – Jim Moore Field; and

WHEREAS, it has been determined that FAA funding can be utilized for operation and maintenance costs due to the COVID-19 Public Health Emergency; and

WHEREAS, the City has been notified that it is eligible for a FAA CARES Act Grant, in the amount of \$69,000, for eligible operational and maintenance cost related to COVID-19.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF DELAWARE, OHIO THAT:

SECTION 1. That the City Manager is hereby authorized to accept FAA CARES Act Grant, Grant No. 3-39-0032-025-2020 for operational and maintenance costs related to COVID-19 health emergency.

SECTION 2. That the City Manager is hereby authorized to enter into necessary agreements associated with the grants and be bound by all terms and conditions contained within the application for funding.

SECTION 3. That this resolution shall be in force and effect immediately upon its passage.

PASSED: \_\_\_\_\_, 2020

YEAS\_\_\_ NAYS\_\_\_  
ABSTAIN \_\_\_

ATTEST: \_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
MAYOR



U.S. Department  
of Transportation  
Federal Aviation  
Administration

Airports Division  
Great Lakes Region  
Michigan, Ohio

3-39-0032-025-2020  
FAA AGL-600  
11677 South Wayne Road  
Suite 107  
Romulus, MI 48174

## CARES Act Grant Transmittal Letter

Mr. Robert Thomas Homan  
City Hall  
1 South Sandusky St.  
Delaware, Ohio 43015

Dear Mr. Homan:

Please find the following electronic CARES Act Grant Offer, Grant No. 3-39-0032-025-2020 for Delaware Municipal - Jim Moore Field. This letter outlines expectations for success. Please read and follow the instructions carefully.

To properly enter into this agreement, you must do the following:

- a. The governing body must provide authority to execute the grant to the individual signing the grant; i.e. the sponsor's authorized representative.
- b. The sponsor's authorized representative must execute the grant, followed by the attorney's certification, **no later than May 26, 2020** in order for the grant to be valid.
- c. You may not make any modification to the text, terms or conditions of the grant offer.
- d. The grant offer must be electronically signed by the sponsor's legal signatory authority and then the grant offer will be routed via email to the sponsor's attorney. Once the attorney has electronically attested to the grant, an email with the executed grant will be sent to all parties.

Subject to the requirements in 2 CFR § 200.305, each payment request for reimbursement under this grant must be made electronically via the Delphi Invoicing System. Please see the attached Grant Agreement for more information regarding the use of this System. The terms and conditions of this agreement require you drawdown and expend these funds within four years.

An airport sponsor may use these funds for any purpose for which airport revenues may be lawfully used. CARES grant recipients should follow the FAA's Policy and Procedures Concerning the Use of Airport Revenues ("Revenue Use Policy"), 64 Federal Register 7696 (64 FR 7696), as amended by 78 Federal Register 55330 (78 FR 55330). The Revenue Use Policy defines permitted uses of airport revenue. In addition to the detailed guidance in the Revenue Use Policy, the CARES Act states the funds may not be used for any purpose not related to the airport.

With each payment request you are required to upload directly to Delphi:

- An invoice summary, even if you only paid a single invoice, and
- The documentation in support of each invoice covered in the payment request.

For the final payment request, in addition to the requirement listed above for all payment requests, you are required to upload directly to Delphi:

- A final financial report summarizing all of the costs incurred and reimbursed, and
- An SF-425, and

- A narrative report.

The narrative report will summarize the expenses covered by the CARES Act funds and state that all expenses were in accordance with the FAA's Policy and Procedures Concerning the Use of Airport Revenues and incurred after January 20, 2020.

As a condition of receiving Federal assistance under this award, you must comply with audit requirements as established under 2 CFR part 200. Subpart F requires non-Federal entities that expend \$750,000 or more in Federal awards to conduct a single or program specific audit for that year. Note that this includes Federal expenditures made under other Federal-assistance programs. Please take appropriate and necessary action to assure your organization will comply with applicable audit requirements and standards.

Once you have drawn down all funds and uploaded the required documents to Delphi, notify Mark Grennell by email that the grant is administratively and financially closed. Mark Grennell is readily available to assist you and your designated representative with the requirements stated herein. We sincerely value your cooperation in these efforts.

Sincerely,



U.S. Department of Transportation  
Federal Aviation Administration

**CARES ACT AIRPORT GRANTS AGREEMENT**

**Part I - Offer**

Federal Award Offer Date \_\_\_\_\_

Airport/Planning Area Delaware Municipal - Jim Moore Field

CARES Grant Number 3-39-0032-025-2020

Unique Entity Identifier 930188946

TO: City of Delaware  
(herein called the "Sponsor")

FROM: **The United States of America** (acting through the Federal Aviation Administration, herein called the "FAA")

**WHEREAS**, the Sponsor has submitted to the FAA a Coronavirus Aid, Relief, and Economic Security Act (CARES Act or "the Act") Airports Grants Application (herein called the "Grant") dated April 28, 2020, for a grant of Federal funds at or associated with the Delaware Municipal - Jim Moore Field Airport, which is included as part of this Grant Agreement; and

**WHEREAS**, the Sponsor has accepted the terms of FAA's Grant offer;

**WHEREAS**, in consideration of the promises, representations and assurances provided by the Sponsor, the FAA has approved the Grant Application for the Delaware Municipal - Jim Moore Field Airport, (herein called the "Grant") consisting of the following:

This Grant is provided in accordance with the CARES Act, as described below, to provide eligible Sponsors with funding to help offset a decline in revenues arising from diminished airport operations and activities as a result of the COVID-19 Public Health Emergency. CARES Act Airport Grants amounts to specific airports are derived by legislative formula.

The purpose of this Grant is to maintain safe and efficient airport operations. Funds provided under this Grant Agreement must only be used for purposes directly related to the airport. Such purposes can include the reimbursement of an airport’s operational and maintenance expenses or debt service payments. CARES Act Airport Grants may be used to reimburse airport operational and maintenance expenses directly related to Delaware Municipal - Jim Moore Field Airport incurred no earlier than January 20, 2020. CARES Act Airport Grants also may be used to reimburse a Sponsor’s payment of debt service where such payments occur on or after April 14, 2020. Funds provided under the Grant will be governed by the same principles that govern “airport revenue.” New airport development projects may

not be funded with this Grant unless and until the Grant Agreement is amended or superseded by a subsequent agreement that addresses and authorizes the use of funds for the airport development project.

**NOW THEREFORE**, in accordance with the applicable provisions of the CARES Act, Public Law 116-136, the representations contained in the Grant Application, and in consideration of, (a) the Sponsor's acceptance of this Offer; and, (b) the benefits to accrue to the United States and the public from the accomplishment of the Grant and in compliance with the conditions as herein provided,

**THE FEDERAL AVIATION ADMINISTRATION, FOR AND ON BEHALF OF THE UNITED STATES, HEREBY OFFERS AND AGREES to pay 100% percent of the allowable costs incurred as a result of and in accordance with this Grant Agreement.**

**Assistance Listings Number (Formerly CFDA Number): 20.106**

This Offer is made on and **SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:**

### **CONDITIONS**

1. **Maximum Obligation.** The maximum obligation of the United States payable under this Offer is \$69,000.
2. **Period of Performance.** The period of performance shall commence on the date the Sponsor formally accepts this agreement. The end date of the period of performance is 4 years (1,460 calendar days) from the date of acceptance.

The Sponsor may only charge allowable costs for obligations incurred prior to the end date of the period of performance (2 CFR § 200.309). Unless the FAA authorizes a written extension, the Sponsor must submit all Grant closeout documentation and liquidate (pay-off) all obligations incurred under this award no later than 90 calendar days after the end date of the period of performance (2 CFR § 200.343).

The period of performance end date shall not affect, relieve or reduce Sponsor obligations and assurances that extend beyond the closeout of this Grant Agreement.

3. **Unallowable Costs.** The Sponsor shall not seek reimbursement for any costs that the FAA has determined to be unallowable under the CARES Act.
4. **Indirect Costs - Sponsor.** The Sponsor may charge indirect costs under this award by applying the indirect cost rate identified in the Grant Application as accepted by the FAA, to allowable costs for Sponsor direct salaries and wages only.
5. **Final Federal Share of Costs.** The United States' share of allowable Grant costs will be 100%.
6. **Completing the Grant without Delay and in Conformance with Requirements.** The Sponsor must carry out and complete the Grant without undue delays and in accordance with this Grant Agreement, the CARES Act, and the regulations, policies, standards and procedures of the Secretary of Transportation ("Secretary"). Pursuant to 2 CFR § 200.308, the Sponsor agrees to report to the FAA any disengagement from funding eligible expenses under the Grant that exceeds three months and request prior approval from FAA. The report must include a reason for the stoppage. The Sponsor agrees to comply with the attached assurances, which are part of this agreement and any addendum that may be attached hereto at a later date by mutual consent.
7. **Amendments or Withdrawals before Grant Acceptance.** The FAA reserves the right to amend or withdraw this offer at any time prior to its acceptance by the Sponsor.



8. **Offer Expiration Date.** This offer will expire and the United States will not be obligated to pay any part of the costs unless this offer has been accepted by the Sponsor on or before May 26, 2020, or such subsequent date as may be prescribed in writing by the FAA.
9. **Improper Use of Federal Funds.** The Sponsor must take all steps, including litigation if necessary, to recover Federal funds spent fraudulently, wastefully, or in violation of Federal antitrust statutes, or misused in any other manner, including uses that violate this Grant Agreement, the CARES Act or other provision of applicable law. For the purposes of this Grant Agreement, the term "Federal funds" means funds however used or dispersed by the Sponsor, that were originally paid pursuant to this or any other Federal grant agreement(s). The Sponsor must return the recovered Federal share, including funds recovered by settlement, order, or judgment, to the Secretary. The Sponsor must furnish to the Secretary, upon request, all documents and records pertaining to the determination of the amount of the Federal share or to any settlement, litigation, negotiation, or other efforts taken to recover such funds. All settlements or other final positions of the Sponsor, in court or otherwise, involving the recovery of such Federal share require advance approval by the Secretary.
10. **United States Not Liable for Damage or Injury.** The United States is not responsible or liable for damage to property or injury to persons which may arise from, or relate to this Grant Agreement, including, but not limited to, any action taken by a Sponsor related to or arising from, directly or indirectly, this Grant Agreement.
11. **System for Award Management (SAM) Registration And Universal Identifier.** Unless the Sponsor is exempted from this requirement under 2 CFR § 25.110, the Sponsor must maintain the currency of its information in the SAM until the Sponsor submits the final financial report required under this Grant, or receives the final payment, whichever is later. This requires that the Sponsor review and update the information at least annually after the initial registration and more frequently if required by changes in information or another award term. Additional information about registration procedures may be found at the SAM website (currently at <http://www.sam.gov>).
12. **Electronic Grant Payment(s).** Unless otherwise directed by the FAA, the Sponsor must make each payment request under this agreement electronically via the Delphi eInvoicing System for Department of Transportation (DOT) Financial Assistance Awardees.
13. **Financial Reporting and Payment Requirements.** The Sponsor will comply with all Federal financial reporting requirements and payment requirements, including submittal of timely and accurate reports.
14. **Buy American.** Unless otherwise approved in advance by the FAA, the Sponsor will not acquire or permit any contractor or subcontractor to acquire any steel or manufactured products produced outside the United States to be used for any expense for which funds are provided under this Grant. The Sponsor will include a provision implementing applicable Buy American statutory and regulatory requirements in all contracts related to this Grant Agreement.
15. **Audits for Private Sponsors.** When the period of performance has ended, the Sponsor must provide a copy of an audit of this Grant prepared in accordance with accepted standard audit practices, such audit to be submitted to the applicable Airports District Office.
16. **Audits for Public Sponsors.** The Sponsor must provide for a Single Audit or program-specific audit in accordance with 2 CFR Part 200. The Sponsor must submit the audit reporting package to the Federal Audit Clearinghouse on the Federal Audit Clearinghouse's Internet Data Entry System at <http://harvester.census.gov/facweb/>. Upon request of the FAA, the Sponsor shall provide one copy of the completed audit to the FAA.

17. **Suspension or Debarment.** When entering into a “covered transaction” as defined by 2 CFR § 180.200, the Sponsor must:
- A. Verify the non-federal entity is eligible to participate in this Federal program by:
    1. Checking the excluded parties list system (EPLS) as maintained within the System for Award Management (SAM) to determine if the non-federal entity is excluded or disqualified; or
    2. Collecting a certification statement from the non-federal entity attesting the entity is not excluded or disqualified from participating; or
    3. Adding a clause or condition to covered transactions attesting the individual or firm is not excluded or disqualified from participating.
  - B. Require prime contractors to comply with 2 CFR § 180.330 when entering into lower-tier transactions (e.g. sub-contracts).
  - C. Immediately disclose to the FAA whenever the Sponsor (1) learns the Sponsor has entered into a covered transaction with an ineligible entity, or (2) suspends or debar a contractor, person, or entity.
18. **Ban on Texting While Driving.**
- A. In accordance with Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving, October 1, 2009, and DOT Order 3902.10, Text Messaging While Driving, December 30, 2009, the Sponsor is encouraged to:
    1. Adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers including policies to ban text messaging while driving when performing any work for, or on behalf of, the Federal government, including work relating to this Grant or subgrant.
    2. Conduct workplace safety initiatives in a manner commensurate with the size of the business, such as:
      - a. Establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving; and
      - b. Education, awareness, and other outreach to employees about the safety risks associated with texting while driving.
  - B. The Sponsor must insert the substance of this clause on banning texting while driving in all subgrants, contracts and subcontracts.
19. **Trafficking in Persons.**
- A. You as the recipient, your employees, subrecipients under this award, and subrecipients’ employees may not –
    1. Engage in severe forms of trafficking in persons during the period of time that the award is in effect;
    2. Procure a commercial sex act during the period of time that the award is in effect; or
    3. Use forced labor in the performance of the award or subawards under the award.
  - B. The FAA as the Federal awarding agency may unilaterally terminate this award, without penalty, if you or a subrecipient that is a private entity –
    1. Is determined to have violated a prohibition in paragraph A of this award term; or

2. Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph A.1 of this award term through conduct that is either –
  - a. Associated with performance under this award; or
  - b. Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR Part 180, “OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Nonprocurement),” as implemented by the FAA at 2 CFR Part 1200.
3. You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph A during this award term.
4. Our right to terminate unilaterally that is described in paragraph A of this section:
  - a. Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. § 7104(g)), and
  - b. Is in addition to all other remedies for noncompliance that are available to the FAA under this award.

**20. Employee Protection from Reprisal.**

**A. Prohibition of Reprisals —**

1. In accordance with 41 U.S.C. § 4712, an employee of a grantee or subgrantee may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing to a person or body described in sub-paragraph (A)(2), information that the employee reasonably believes is evidence of:
  - a. Gross mismanagement of a Federal grant;
  - b. Gross waste of Federal funds;
  - c. An abuse of authority relating to implementation or use of Federal funds;
  - d. A substantial and specific danger to public health or safety; or
  - e. A violation of law, rule, or regulation related to a Federal grant.
2. Persons and bodies covered: The persons and bodies to which a disclosure by an employee is covered are as follows:
  - a. A member of Congress or a representative of a committee of Congress;
  - b. An Inspector General;
  - c. The Government Accountability Office;
  - d. A Federal office or employee responsible for oversight of a grant program;
  - e. A court or grand jury;
  - f. A management office of the grantee or subgrantee; or
  - g. A Federal or State regulatory enforcement agency.
3. Submission of Complaint — A person who believes that they have been subjected to a reprisal prohibited by paragraph A of this grant term may submit a complaint regarding the reprisal to the Office of Inspector General (OIG) for the U.S. Department of Transportation.
4. Time Limitation for Submittal of a Complaint — A complaint may not be brought under this subsection more than three years after the date on which the alleged reprisal took place.
5. Required Actions of the Inspector General — Actions, limitations, and exceptions of the Inspector General’s office are established under 41 U.S.C. § 4712(b).

6. Assumption of Rights to Civil Remedy — Upon receipt of an explanation of a decision not to conduct or continue an investigation by the Office of Inspector General, the person submitting a complaint assumes the right to a civil remedy under 41 U.S.C. § 4712(c).
21. **Limitations.** Nothing provided herein shall be construed to limit, cancel, annul, or modify the terms of any Federal grant agreement(s), including all terms and assurances related thereto, that have been entered into by the Sponsor and the FAA prior to the date of this Grant Agreement.

### SPECIAL CONDITIONS

1. **ARFF and SRE Equipment and Vehicles.** The Sponsor agrees that it will:
  - A. House and maintain the equipment in a state of operational readiness on and for the airport;
  - B. Provide the necessary staffing and training to maintain and operate the vehicle and equipment;
  - C. Restrict the vehicle to on-airport use only;
  - D. Restrict the vehicle to the use for which it was intended; and
  - E. Amend the Airport Emergency Plan and/or Snow and Ice Control Plan to reflect the acquisition of a vehicle and equipment.
2. **Equipment or Vehicle Replacement.** The Sponsor agrees that it will treat the proceeds from the trade-in or sale of equipment being replaced with these funds as airport revenue.
3. **Off-Airport Storage of ARFF Vehicle.** The Sponsor agrees that it will:
  - A. House and maintain the vehicle in a state of operational readiness for the airport;
  - B. Provide the necessary staffing and training to maintain and operate the vehicle;
  - C. Restrict the vehicle to airport use only;
  - D. Amend the Airport Emergency Plan to reflect the acquisition of the vehicle;
  - E. Within 60 days, execute an agreement with local government including the above provisions and a provision that violation of said agreement could require repayment of Grant funding; and
  - F. Submit a copy of the executed agreement to the FAA.
4. **Equipment Acquisition.** The Sponsor agrees that it will maintain Sponsor-owned and -operated equipment and use for purposes directly related to the airport.
5. **Utilities Proration.** For purposes of computing the United States' share of the allowable airport operations and maintenance costs, the allowable cost of utilities incurred by the Sponsor to operate and maintain airport(s) included in the Grant must not exceed the percent attributable to the capital or operating costs of the airport.
6. **Utility Relocation in Grant.** The Sponsor understands and agrees that:
  - A. The United States will not participate in the cost of any utility relocation unless and until the Sponsor has submitted evidence satisfactory to the FAA that the Sponsor is legally responsible for payment of such costs;
  - B. FAA participation is limited to those utilities located on-airport or off-airport only where the Sponsor has an easement for the utility; and
  - C. The utilities must serve a purpose directly related to the Airport.

The Sponsor's acceptance of this Offer and ratification and adoption of the Grant Application incorporated herein shall be evidenced by execution of this instrument by the Sponsor, as hereinafter provided, and this Offer and Acceptance shall comprise a Grant Agreement, as provided by the CARES Act, constituting the contractual obligations and rights of the United States and the Sponsor with respect to the accomplishment of the Grant and compliance with the assurances and conditions as provided herein. Such Grant Agreement shall become effective upon the Sponsor's acceptance of this Offer.

**UNITED STATES OF AMERICA  
FEDERAL AVIATION ADMINISTRATION**

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*(Signature)*

---

*(Typed Name)*

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*(Title of FAA Official)*

**Part II - Acceptance**

The Sponsor does hereby ratify and adopt all assurances, statements, representations, warranties, covenants, and agreements contained in the Grant Application and incorporated materials referred to in the foregoing Offer under Part II of this Agreement, and does hereby accept this Offer and by such acceptance agrees to comply with all of the terms and conditions in this Offer and in the Grant Application.

I declare under penalty of perjury that the foregoing is true and correct.

Dated

City of Delaware

\_\_\_\_\_

*(Name of Sponsor)*

\_\_\_\_\_

*(Signature of Sponsor's Authorized Official)*

**By:**

\_\_\_\_\_

*(Typed Name of Sponsor's Authorized Official)*

**Title:**

\_\_\_\_\_

*(Title of Sponsor's Authorized Official)*

**CERTIFICATE OF SPONSOR'S ATTORNEY**

I, \_\_\_\_\_, acting as Attorney for the Sponsor do hereby certify:

That in my opinion the Sponsor is empowered to enter into the foregoing Grant Agreement under the laws of the State of Ohio. Further, I have examined the foregoing Grant Agreement and the actions taken by said Sponsor and Sponsor's official representative has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the said State and the CARES Act. The Sponsor understands funding made available under this Grant Agreement may only be used to reimburse for airport operational and maintenance expenses, and debt service payments. The Sponsor further understands it may submit a separate request to use funds for new airport/project development purposes, subject to additional terms, conditions, and assurances. Further, it is my opinion that the said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated at \_\_\_\_\_

**By:** \_\_\_\_\_  
*(Signature of Sponsor's Attorney)*

## CARES ACT ASSURANCES

### AIRPORT SPONSORS

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#### A. General.

1. These assurances are required to be submitted as part of the application by sponsors requesting funds under the provisions of the Coronavirus Aid, Relief, and Economic Security Act of 2020 (CARES Act or "the Act"), Public Law 116-136. As used herein, the term "public agency sponsor" means a public agency with control of a public-use airport; the term "private sponsor" means a private owner of a public-use airport; and the term "sponsor" includes both public agency sponsors and private sponsors.
2. Upon acceptance of this Grant offer by the sponsor, these assurances are incorporated into and become part of this Grant Agreement.

#### B. Sponsor Certification.

The sponsor hereby assures and certifies, with respect to this Grant that:

It will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance, and use of Federal funds for this Grant including but not limited to the following:

#### FEDERAL LEGISLATION

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- a. Federal Fair Labor Standards Act — 29 U.S.C. 201, et seq.
- b. Hatch Act — 5 U.S.C. 1501, et seq.
- c. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 Title 42 U.S.C. 4601, et seq.
- d. National Historic Preservation Act of 1966 — Section 106 - 16 U.S.C. 470(f).
- e. Archeological and Historic Preservation Act of 1974 — 16 U.S.C. 469 through 469c.
- f. Native Americans Grave Repatriation Act — 25 U.S.C. Section 3001, et seq.
- g. Clean Air Act, P.L. 90-148, as amended.
- h. Coastal Zone Management Act, P.L. 93-205, as amended.
- i. Flood Disaster Protection Act of 1973 — Section 102(a) - 42 U.S.C. 4012a.
- j. Title 49, U.S.C., Section 303, (formerly known as Section 4(f)).
- k. Rehabilitation Act of 1973 — 29 U.S.C. 794.
- l. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin).
- m. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.), prohibits discrimination on the basis of disability).
- n. Age Discrimination Act of 1975 — 42 U.S.C. 6101, et seq.
- o. American Indian Religious Freedom Act, P.L. 95-341, as amended.
- p. Architectural Barriers Act of 1968 — 42 U.S.C. 4151, et seq.
- q. Power plant and Industrial Fuel Use Act of 1978 — Section 403- 2 U.S.C. 8373.



- r. Contract Work Hours and Safety Standards Act — 40 U.S.C. 327, et seq.
- s. Copeland Anti-kickback Act — 18 U.S.C. 874.1.
- t. National Environmental Policy Act of 1969 — 42 U.S.C. 4321, et seq.
- u. Wild and Scenic Rivers Act, P.L. 90-542, as amended.
- v. Single Audit Act of 1984 — 31 U.S.C. 7501, et seq.
- w. Drug-Free Workplace Act of 1988 — 41 U.S.C. 702 through 706.
- x. The Federal Funding Accountability and Transparency Act of 2006, as amended (Pub. L. 109-282, as amended by section 6202 of Pub. L. 110-252).

#### **EXECUTIVE ORDERS**

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- a. Executive Order 11246 – Equal Employment Opportunity
- b. Executive Order 11990 – Protection of Wetlands
- c. Executive Order 11998 – Flood Plain Management
- d. Executive Order 12372 – Intergovernmental Review of Federal Programs
- e. Executive Order 12699 – Seismic Safety of Federal and Federally Assisted New Building Construction
- f. Executive Order 12898 – Environmental Justice
- g. Executive Order 13788 – Buy American and Hire American
- h. Executive Order 13858 – Strengthening Buy-American Preferences for Infrastructure Projects

#### **FEDERAL REGULATIONS**

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- a. 2 CFR Part 180 – OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement).
- b. 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
- c. 2 CFR Part 1200 – Nonprocurement Suspension and Debarment.
- d. 28 CFR Part 35 – Discrimination on the Basis of Disability in State and Local Government Services.
- e. 28 CFR § 50.3 – U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964.
- f. 29 CFR Part 1 – Procedures for predetermination of wage rates.
- g. 29 CFR Part 3 – Contractors and subcontractors on public building or public work financed in whole or part by loans or grants from the United States.
- h. 29 CFR Part 5 – Labor standards provisions applicable to contracts covering Federally financed and assisted construction (also labor standards provisions applicable to non-construction contracts subject to the Contract Work Hours and Safety Standards Act).
- i. 41 CFR Part 60 – Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and Federally assisted contracting requirements).
- j. 49 CFR Part 20 – New restrictions on lobbying.

- k. 49 CFR Part 21 – Nondiscrimination in Federally-assisted programs of the Department of Transportation - effectuation of Title VI of the Civil Rights Act of 1964.
- l. 49 CFR Part 26 – Participation by Disadvantaged Business Enterprises in Department of Transportation Program .49 CFR Part 27 — Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance.
- m. 49 CFR Part 28 – Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities conducted by the Department of Transportation.
- n. 49 CFR Part 30 – Denial of public works contracts to suppliers of goods and services of countries that deny procurement market access to U.S. contractors.
- o. 49 CFR Part 32 – Government-wide Requirements for Drug-Free Workplace (Financial Assistance).
- p. 49 CFR Part 37 – Transportation Services for Individuals with Disabilities (ADA).
- q. 49 CFR Part 41 – Seismic safety of Federal and Federally assisted or regulated new building construction.

### **SPECIFIC ASSURANCES**

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Specific assurances required to be included in grant agreements by any of the above laws, regulations, or circulars are incorporated by reference in this Grant Agreement.

#### **1. Purpose Directly Related to the Airport**

It certifies that the reimbursement sought is for a purpose directly related to the airport.

#### **2. Responsibility and Authority of the Sponsor.**

##### **a. Public Agency Sponsor:**

It has legal authority to apply for this Grant, and to finance and carry out the proposed grant; that an official decision has been made by the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

##### **b. Private Sponsor:**

It has legal authority to apply for this Grant and to finance and carry out the proposed Grant and comply with all terms, conditions, and assurances of this Grant Agreement. It shall designate an official representative and shall in writing direct and authorize that person to file this application, including all understandings and assurances contained therein; to act in connection with this application; and to provide such additional information as may be required.

#### **3. Good Title.**

It, a public agency or the Federal government, holds good title, satisfactory to the Secretary, to the landing area of the airport or site thereof, or will give assurance satisfactory to the Secretary that good title will be acquired.

#### **4. Preserving Rights and Powers.**

- a. It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in this Grant

Agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish, or modify any outstanding rights or claims of right of others which would interfere with such performance by the sponsor. This shall be done in a manner acceptable to the Secretary.

- b. If the sponsor is a private sponsor, it will take steps satisfactory to the Secretary to ensure that the airport will continue to function as a public-use airport in accordance with this Grant Agreement.
- c. If an arrangement is made for management and operation of the airport by any agency or person other than the sponsor or an employee of the sponsor, the sponsor will reserve sufficient rights and authority to insure that the airport will be operated and maintained in accordance Title 49, United States Code, the regulations, and the terms and conditions of this Grant Agreement.

**5. Accounting System, Audit, and Record Keeping Requirements.**

- a. It shall keep all Grant accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of this Grant, the total cost of the Grant in connection with which this Grant is given or used, and the amount or nature of that portion of the cost of the Grant supplied by other sources, and such other financial records pertinent to the Grant. The accounts and records shall be kept in accordance with an accounting system that will facilitate an effective audit in accordance with the Single Audit Act of 1984.
- b. It shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination, any books, documents, papers, and records of the recipient that are pertinent to this Grant. The Secretary may require that an appropriate audit be conducted by a recipient. In any case in which an independent audit is made of the accounts of a sponsor relating to the disposition of the proceeds of a Grant or relating to the Grant in connection with which this Grant was given or used, it shall file a certified copy of such audit with the Comptroller General of the United States not later than six (6) months following the close of the fiscal year for which the audit was made.

**6. Exclusive Rights.**

The sponsor shall not grant an exclusive right to use an air navigation facility on which this Grant has been expended. However, providing services at an airport by only one fixed-based operator is not an exclusive right if—

- a. it is unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide the services; and
- b. allowing more than one fixed-based operator to provide the services requires a reduction in space leased under an agreement existing on September 3, 1982, between the operator and the airport.

**7. Airport Revenues.**

This Grant shall be available for any purpose for which airport revenues may lawfully be used. CARES Act Grant funds provided under this Grant Agreement will only be expended for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport(s) subject to this agreement and all applicable addendums.

**8. Reports and Inspections.**

It will:

- a. submit to the Secretary such annual or special financial and operations reports as the Secretary may reasonably request and make such reports available to the public; make available to the public at reasonable times and places a report of the airport budget in a format prescribed by the Secretary;
- b. in a format and time prescribed by the Secretary, provide to the Secretary and make available to the public following each of its fiscal years, an annual report listing in detail:
  1. all amounts paid by the airport to any other unit of government and the purposes for which each such payment was made; and
  2. all services and property provided by the airport to other units of government and the amount of compensation received for provision of each such service and property.

**9. Civil Rights.**

It will promptly take any measures necessary to ensure that no person in the United States shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any activity conducted with, or benefiting from, funds received from this Grant.

- a. Using the definitions of activity, facility, and program as found and defined in §§ 21.23 (b) and 21.23 (e) of 49 CFR Part 21, the sponsor will facilitate all programs, operate all facilities, or conduct all programs in compliance with all non-discrimination requirements imposed by or pursuant to these assurances.
- b. Applicability
  1. Programs and Activities. If the sponsor has received a grant (or other Federal assistance) for any of the sponsor's program or activities, these requirements extend to all of the sponsor's programs and activities.
  2. Facilities. Where it receives a grant or other Federal financial assistance to construct, expand, renovate, remodel, alter, or acquire a facility, or part of a facility, the assurance extends to the entire facility and facilities operated in connection therewith.
  3. Real Property. Where the sponsor receives a grant or other Federal financial assistance in the form of, or for the acquisition of, real property or an interest in real property, the assurance will extend to rights to space on, over, or under such property.

**c. Duration**

The sponsor agrees that it is obligated to this assurance for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the assurance obligates the sponsor, or any transferee for the longer of the following periods:

1. So long as the airport is used as an airport, or for another purpose involving the provision of similar services or benefits; or
2. So long as the sponsor retains ownership or possession of the property.

Required Solicitation Language. It will include the following notification in all solicitations for bids, Requests for Proposals for work, or material under this Grant and in all proposals for agreements, including airport concessions, regardless of funding source:

“The City of Delaware, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that for any contract entered into pursuant to this advertisement, disadvantaged business enterprises and airport concession disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.”

d. Required Contract Provisions.

1. It will insert the non-discrimination contract clauses requiring compliance with the acts and regulations relative to non-discrimination in Federally-assisted programs of the DOT, and incorporating the acts and regulations into the contracts by reference in every contract or agreement subject to the non-discrimination in Federally-assisted programs of the DOT acts and regulations.
2. It will include a list of the pertinent non-discrimination authorities in every contract that is subject to the non-discrimination acts and regulations.
3. It will insert non-discrimination contract clauses as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a sponsor.
4. It will insert non-discrimination contract clauses prohibiting discrimination on the basis of race, color, national origin, creed, sex, age, or handicap as a covenant running with the land, in any future deeds, leases, license, permits, or similar instruments entered into by the sponsor with other parties:
  - A. For the subsequent transfer of real property acquired or improved under the applicable activity, grant, or program; and
  - B. For the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, grant, or program.
- e. It will provide for such methods of administration for the program as are found by the Secretary to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the acts, the regulations, and this assurance.
- f. It agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the acts, the regulations, and this assurance.

**10. Foreign Market Restrictions.**

It will not allow funds provided under this Grant to be used to fund any activity that uses any product or service of a foreign country during the period in which such foreign country is listed by the United States Trade Representative as denying fair and equitable market opportunities for products and suppliers of the United States in procurement and construction.

**11. Acquisition Thresholds.**

The FAA deems equipment to mean tangible personal property having a useful life greater than one year and a per-unit acquisition cost equal to or greater than \$5,000. Procurements by micro-purchase means the acquisition of goods or services for which the aggregate dollar amount does not exceed \$10,000. Procurement by small purchase procedures means those relatively simple and informal procurement methods for securing goods or services that do not exceed the \$250,000 threshold for simplified acquisitions.



## FACT SHEET

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AGENDA ITEM NO: 7

DATE: 05/26/2020

ORDINANCE NO: 20-30

RESOLUTION NO:

READING: FIRST

PUBLIC HEARING: NO

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TO: Mayor and Members of City Council

FROM: R. Thomas Homan, City Manager

VIA: Kyl

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**TITLE OF PROPOSED ORDINANCE/RESOLUTION:**

AN ORDINANCE DIRECTING THE CITY MANAGER TO ESTABLISH A BUSINESS ASSISTANCE GRANT PROGRAM, AUTHORIZE APPROPRIATIONS, AND DECLARING AN EMERGENCY.

**BACKGROUND:**

As a result of the COVID-19 health crisis and the May 19, 2020 flood event, local businesses are suffering from closing operations, employee furlough or lay-off, and economic losses. To support Delaware's business community, City staff is proposing the Delaware COVID-19 & Spring Flood Small Business Grant Program. This program will provide an outright grant reimbursement for eligible business owners for expenses directly attributable to the COVID-19 crisis and/or the recent flood.

**REASON WHY LEGISLATION IS NEEDED:**

It is an urgent time for Delaware's business community as a result of both COVID-19 and the recent flood. This grant is a well needed level of assistance that would be another great resource to small businesses that are currently struggling.

**COMMITTEE RECOMMENDATION:**

N/A

**FISCAL IMPACT(S):**

This program requires \$100,000 from the City's Development Reserve Fund 709.0709.5602; this fund currently has a balance of \$1,008,885.

**POLICY CHANGES:**

**PRESENTER(S):**

Kyle Kridler, Assistant City Manager

**RECOMMENDATION:**

Approval at second reading

**ATTACHMENT(S)**

COVID-19 & Spring Flood Small Business Grant Memo

COVID-19 & Spring Flood Small Business Grant Application & Guidelines



ORDINANCE NO. 20-30

AN ORDINANCE DIRECTING THE CITY MANAGER TO ESTABLISH A BUSINESS ASSISTANCE GRANT PROGRAM, AUTHORIZE APPROPRIATIONS, AND DECLARING AN EMERGENCY.

WHEREAS, since March 2020 the COVID-19 pandemic has caused many small businesses to temporarily close or reduce services in an effort to mitigate the spread of the virus, thereby having a severe financial impact on these companies; and

WHEREAS, on May 19, 2020 Delaware businesses already hurt by closures were further impacted by flooding;

WHEREAS, in order to comply with social distancing and safety measures, Delaware business have to invest in safety equipment or other social distancing measures; and

WHEREAS, Delaware City Council finds that proving support to these businesses is necessary to support Delaware's economy as it recovers from the COVID-19 Pandemic; and

WHEREAS, investing in these measures promotes a safe environment for all Delaware residents who visit these businesses; and

WHEREAS, small grants have less of an administrative burden on staff and businesses and loans; and

WHEREAS, even low interest loans can become a burden impact on already struggling businesses because they must be repaid; and

WHEREAS, City Council intends to set aside \$100,000 to provide grants to Delaware small businesses implement safety measures related to COVID-19 and recover from the recent flood.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Delaware, State of Ohio:

SECTION 1: The City Manager is directed to establish or participate in a business assistance program to provide loans to Delaware Businesses.

SECTION 2: In establishing the grant program, the City Manager is directed to include the following elements:

- A) A grant cap of \$2,500 with the ability to award up to \$5,000 in special circumstances
- B) Eligibility criteria to include at least the following: The business must have been impacted by the State mandated closures and/or the May 19, 2020 flood event; must be related to retail, service, restaurant, or hotel use; located within the City of Delaware; and the business must have had at least two but not more than 30 full-time equivalent employees as of March 15, 2020.
- C) Eligible reimbursable costs may include costs incurred as a direct result of the May 19, 2020 flood and/or costs associated with instituting safety measures required to meet health and safety requirements established by the Ohio Department of Health
- D) The selection process must ensure transparency
- E) Safeguards to ensure funds are distributed fairly
- F) Ability of funds to be reinvested in the Delaware community
- G) Ability to leverage funds to gain access to further resources

SECTION 3: As time is of the essence, the City Manager is directed to take action to make these funds available as soon as possible.

SECTION 4: That there is hereby appropriated from the unencumbered balance of the Development Reserve Fund increasing the following account:

Small Business Grant (709.0709.5602)	\$100,000
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SECTION 5. This Council finds and determines that all formal actions of this Council and any of its committees concerning and relating to the passage of this Ordinance were taken in an open meeting of this Council, and that all deliberations of this Council and any of its committees that resulted in those formal actions were in meetings open to the public, all in compliance with the law including Section 121.22 of the Revised Code.

SECTION 6. EMERGENCY CLAUSE: This ordinance is hereby declared to be an emergency measure necessary to provide for the public peace, safety, health, and welfare of the City and to provide immediate assistance needed by businesses impacted by the COVID-19 and flooding emergencies.

VOTE ON RULE SUSPENSION:

YEAS\_\_\_NAYS\_\_\_  
ABSTAIN \_\_\_

VOTE ON EMERGENCY CLAUSE:

YEAS\_\_\_NAYS\_\_\_  
ABSTAIN \_\_\_

PASSED: \_\_\_\_\_, 2020

YEAS\_\_\_ NAYS\_\_\_  
ABSTAIN \_\_\_

ATTEST: \_\_\_\_\_

CITY CLERK

\_\_\_\_\_

MAYOR



## MEMORANDUM

TO: Mayor and Members of City Council  
FROM: R. Thomas Homan, City Manager  
VIA: Kyle Kridler, Assistant City Manager;  
Sean Hughes, Economic Development Director  
DATE: May 21, 2020  
RE: COVID-19 & Spring Flood Small Business Grant Program Memo

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### **Background**

As a result of the COVID-19 health crisis and the May 19, 2020 flood event, local businesses are suffering from closing operations, employee furlough or lay-off, and economic losses. To support Delaware's business community, City staff is proposing the Delaware COVID-19 & Spring Flood Small Business Grant Program (see application and guidelines attached). This program will provide an outright grant reimbursement for eligible business owners for expenses directly attributable to the COVID-19 crisis and/or the recent flood.

### **Funding, Timeline & Administration**

The proposed grant limit per applicant is \$2,500 with special allowances to be considered of up to \$5,000 for exceptional cases. Financial support for this grant program will be provided by the City's Development Reserve Fund (709.0709.5602) in the amount of \$100,000 (unless Council directs to increase funding now or in the future). In conversations with Union County's Economic Development Organization who recently launched a similar grant, the program has garnered a lot of interest and has been greatly appreciated by the local business community. At the \$2,500 limit, this program will allow for up to 40 grants for small businesses.

Should Council support this program, staff will begin promoting this grant the week of May 25, 2020. Applications will be accepted from 8:00 AM June 1, 2020 until 5:00 PM June 18, 2020. Applications will be reviewed as they are received, and grants will be awarded until funds are exhausted. Review of applications will be on a rolling basis to allow for the grants to be awarded expeditiously and get the money in the hands of businesses as quickly as possible.

## Eligibility

Per the application, the following criteria must be met in order to be considered for this grant:

1. Business must have been impacted by the State-mandated closures that began on March 15, 2020 due to COVID-19 and/or flood event of May 19, 2020. The impacts may include the loss of employees or revenue.
2. Business must be located within the City of Delaware, Ohio.
3. Business must have at least two but no more than 30 full-time equivalent employees as of March 15, 2020.
4. Business must be a targeted use, which includes retail, service, restaurant or hotel.
5. Ineligible organizations include sexually-oriented businesses, places of worship and non-profits.
6. Business must be in good standing with local, state, and federal jurisdictions with respect to taxes, fees, utility payments, and other financial obligations.
7. The applicant should demonstrate that it has pursued or has attempted to pursue federal and state assistance programs. Applicants should verify with their financial institutions and/or the SBA that funds received through the City's Grant Program funds can be used in tandem with federal and state assistance. Additionally, applicants should consult with their CPA regarding any potential tax implications.
8. Enhanced consideration will be given to an applicant who has been involved in supporting community organizations or other philanthropic causes in the community.

These grants will be issued as a reimbursement for the following eligible costs. The business must submit receipts or proof of purchases, along with payment verification (cancelled checks, credit card statement, etc.) with its application.

### Eligible Reimbursement Costs:

- The cost of conversion of products or services to meet the ODH health and safety requirements,
- Development of new solutions to problems presented during the COVID-19 crisis,
- The purchase of safety supplies such as masks, hand sanitizer, safety barriers, signage, and items to enforce physical distancing, and
- Expenses as a direct result of the flood event from May 19, 2020, which includes cleaning services, cleaning supplies, equipment/appliance loss and replacement related to business operation, reconstruction of structural items destroyed by the flood, destroyed inventory, furniture, flooring and items not salvageable after cleanup.

## Small Business Grant Review Team

In order to evaluate grant applications as they are received and score the merit of the requests, staff is proposing the following individuals to comprise of the Small Business Grant Review Team:

- Sean Hughes, Economic Development Director (Program Lead)
- Justin Nahvi, Finance Director
- Kyle Kridler, Assistant City Manager
- Delaware City Council Designee (TBD)

Staff is still finalizing the scoring criteria, but will likely include:

- Business has Demonstrated Hardship as a Result of COVID-19 and/or Spring Flood
- Business has Thoughtfully Considered how Grant Funding will Improve its Situation
- Grant Award will Sustain Business into the Future
- Business has Received/Attempted to Receive Additional Relief Funding
- Loss of Business will Negatively Impact the Community
- Business Supports Community Orgs and/or Philanthropic Activities

## Recommendation & Next Steps

Staff recommends City Council's approval of Ordinance No: 20-30 for the *COVID-19 & Spring Flood Small Business Grant Program* at the May 26, 2020 City Council Meeting. If approved by Council, staff will finalize the application, begin marketing the program and meet next week with the Grant Review Team to discuss next steps. Should Council have any questions, please contact Kyle Kridler.



**City of Delaware  
COVID-19 & Spring Flood Small Business Grant Program – Application**

As a result of the COVID-19 health crisis and the May 19, 2020 flood event, the City of Delaware realizes our community’s businesses are suffering from closing operations, employee furlough or lay-off, and economic losses. To support Delaware’s business community, the City has established the Delaware COVID-19 & Spring Flood Small Business Grant Program. This program will provide an outright grant reimbursement for eligible business owners for expenses directly attributable to the COVID-19 crisis and the recent flood. Eligible reimbursement costs and additional program guidelines are outlined starting on page 4. Applicants are also encouraged to pursue [additional sources](#) of assistance and funding.

For assistance in completing this application, please contact Economic Development Coordinator Courtney Hendershot via email at [chendershot@delawareohio.net](mailto:chendershot@delawareohio.net) or telephone 740-203-1018.

Completed applications must be submitted via email at [chendershot@delawareohio.net](mailto:chendershot@delawareohio.net). Applications will be accepted from 8:00 AM June 1, 2020 to 5:00 PM June 18, 2020. Applications will not be accepted before or after these dates.

Please include the following documentation with this application:

1. COVID-19 and/or Spring Flood expense related receipts and payment verification (receipts for expenses not yet incurred, will need to be submitted within 60 days of award to the City)
2. Completed Applicant Business W-9 form in order to receive the check from the City of Delaware. *Blank form is included with this application.*
3. Additional documents/photos to support application

Full Legal Name of Business	
Business “dba” Name (if Applicable)	
Federal Employer ID#	
Local Business Address	
Business Owner / Applicant Name	
Applicant Home Address	

Applicant Email	
Applicant Phone #	
Primary Industry	<input type="checkbox"/> Retail <input type="checkbox"/> Service <input type="checkbox"/> Restaurant <input type="checkbox"/> Hotel <input type="checkbox"/> Manufacturing <input type="checkbox"/> Other
Business Real Property Status	<input type="checkbox"/> Owned <input type="checkbox"/> Leased
Total # of Full Time Employees	
Total # of Part Time Employees	
Describe you're your business supports local philanthropy	
Describe how your business has been impacted by COVID-19 and/or the May 19 Flood event. <b>Please include information that relates to the expenses incurred as a result of COVID-19/the Flood which ties back to the provided receipts.</b>	



Estimated (\$) Loss due to COVID-19 and/or Flood	
Estimated Revenue Loss of COVID-19 and/or Flood	<input type="checkbox"/> 0-10% <input type="checkbox"/> 11-20% <input type="checkbox"/> 21-30% <input type="checkbox"/> 31-40% <input type="checkbox"/> 41-50% <input type="checkbox"/> 51-60% <input type="checkbox"/> 61-70% <input type="checkbox"/> 71-80% <input type="checkbox"/> 81-90% <input type="checkbox"/> 91-100%
Indicate the amount requested. (Maximum grant award is \$2,500. Grant awards up to \$5,000 will be considered for exceptional cases.)	
Indicate Who to Make Grant Check Payable to:	
Describe specifically what costs the grant funds will reimburse, and when the costs were incurred	
Has your business applied for other programs? (select all)	<input type="checkbox"/> None <input type="checkbox"/> Payment Protection Program <input type="checkbox"/> Economic Impact Disaster Program <input type="checkbox"/> Other SBA Loan <input type="checkbox"/> SharedWork Ohio Assistance <input type="checkbox"/> Personal or Business Loan <input type="checkbox"/> Other Grants or Assistance
Certification* - By typing your name, you certify that all information above is true & accurate.	

## **City of Delaware**

### **COVID-19 & Spring Flood Small Business Grant Program - Information & Guidelines**

#### **Amount**

Eligible businesses may apply for a one-time grant of up to \$2,500. Awards of up to \$5,000 may be considered for exceptional cases as determined by the grant review committee. Applicants should be aware that this grant may be considered income for tax reporting purposes.

#### **Deadline**

Applications will be accepted from 8:00 AM June 1, 2020 to 5:00 PM June 18, 2020. Applications submitted before or after these dates will not be accepted.

#### **Eligibility**

Any business needing assistance is encouraged to apply. Only complete and legible applications will be reviewed. Qualified applicants shall meet the following criteria:

1. Business must have been impacted by the State-mandated closures that began on March 15, 2020 due to COVID-19 and/or flood event of May 19, 2020. The impacts may include the loss of employees or revenue.
2. Business must be located within the City of Delaware, Ohio.
3. Business must have at least two but no more than 30 full-time equivalent employees as of March 15, 2020.
4. Business must be a targeted use, which includes retail, service, restaurant or hotel.
5. Ineligible organizations include sexually-oriented businesses, places of worship and non-profits.
6. Business must be in good standing with local, state, and federal jurisdictions with respect to taxes, fees, utility payments, and other financial obligations.
7. The applicant should demonstrate that it has pursued or has attempted to pursue federal and state assistance programs. Applicants should verify with their financial institutions and/or the SBA that funds received through the City's Grant Program funds can be used in tandem with federal and state assistance. Additionally, applicants should consult with their CPA regarding any potential tax implications.
8. Enhanced consideration will be given to an applicant who has been involved in supporting community organizations or other philanthropic causes in the community.

**See Eligible Assistance Guidelines on Next Page**

**Eligible Assistance**

If the applicant has experienced expenses directly attributable to the COVID-19 crisis and/or the flood event of May 19, 2020, the following may be eligible for grant assistance. These grants will be issued as a reimbursements for the following eligible costs. The business must submit receipts or proof of purchases, along with payment verification (cancelled checks, credit card statement, etc.) with its application.

**Eligible Reimbursement Costs:**

- The cost of conversion of products or services to meet the ODH health and safety requirements,
- Development of new solutions to problems presented during the COVID-19 crisis,
- The purchase of safety supplies such as masks, hand sanitizer, safety barriers, signage, and items to enforce physical distancing, and
- Expenses as a direct result of the flood event from May 19, 2020, which includes cleaning services, cleaning supplies, equipment/appliance loss and replacement related to business operation, reconstruction of structural items destroyed by the flood, destroyed inventory, furniture, flooring and items not salvageable after cleanup.

*Applications will be reviewed as they are received. Grants will be awarded until funds are exhausted; please understand that some grant applications will not be funded.*

**See Blank W9 Form Attached (Must Include with Application)**



## MEMORANDUM

TO: Mayor Riggle and Members of Council  
FROM: R. Thomas Homan, City Manager  
DATE: 05/21/20  
RE: County Revolving Loan Fund Analysis

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Below are staff comments on the County's Revolving Loan Fund, which have been provided to the County. County ED Director Bob Lamb will be available to answer questions as part of Council's discussion of this item at its Tuesday meeting.

### 1. Evaluation of loans:

Under the system proposed by the County, the bank reviews applicants and if it approves of a loan the application is sent to the County. However, the ultimate loan decision is not based on the bank's evaluation and recommendation. Rather, the Revolving Loan Fund Committee makes the decision. Staff recommends relying on the bank's underwriting process to make this determination, with the Committee approving the bank's recommendation by a majority vote. Further, staff recommends a higher threshold to overturn the recommendation of the bank. Staff has flagged the proposed process as a potential conflict, as the voting members would have an incentive to give undue preference to the applicants in their area, as opposed to basing the decision on the merits.

### 2. Committee criteria:

The MOU references an exhibit of criteria the committee would use to select loans, but that exhibit has not been provided.

### 3. Eligibility:

It is unclear from the MOU whether businesses located in the County whose jurisdictions have not contributed are eligible for loans. Staff's position is that all businesses in the County pay county taxes, which make up the vast majority of funds in the RLF and should therefore be equally eligible for that pool of funding provided by the County and any match they are able to obtain. Providing preference to entities that contribute gives the appearance that non-participating jurisdictions will be excluded.

### 4. Composition of Board:



Staff has pointed out some peculiarities with how the board is composed. Most importantly, it is unclear if the County appoints the participating jurisdictions' representative or if the City would get to appoint. Staff recommends the following changes be made to the Committee's composition. First, four County positions should be based on the positions they hold as opposed to having an individual named specifically. Second, the jurisdiction appointing a member should get to choose the appropriate representative based on qualifications.

**5. Ensuring Delaware businesses have access:**

Staff recommends requiring Delaware's contribution and any match based on it be reserved for Delaware businesses. The County's contribution would be open to anyone in the County.

**6. Returning funds:**

Staff has proposed language allowing the City to withdraw its money after five years or if loans are not made to Delaware businesses for a year. If there are inadequate funds to pay, this withdrawal can be a partial one until loans are paid off.

**7. Matching funds:**

Staff recommends its contribution be conditioned on receipt of matching funds. Leveraging the funds is the main reason to participate in the County's program as opposed to running its own.

**8. Guarantee**

Any pledged monies to the fund are not guaranteed from the risk of loss due to loan defaults.

Overall, the County's program has merit and could provide needed assistance to businesses. The comments the city has provided above will help to insure greater access and equity in the administration of the program.

The city has explored establishing its own program and can provide more information about this as part of the discussion Tuesday.

cc: Directors

**DELAWARE COUNTY BOARD OF COMMISSIONERS  
AND  
[ENTER LOCAL JURISDICTION HERE]  
Memorandum of Understanding for Revolving Loan Fund**

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This Memorandum of Understanding "MOU" is entered into as of the \_\_\_\_ day of \_\_\_\_, 2020, by and between the Delaware County Board of Commissioners (the "County"), and \_\_\_\_\_, individually a "Party" and collectively the "Parties".

**Overview**

The County and [enter local jurisdiction here] acknowledge that due to the nationwide COVID-19 pandemic, businesses across all communities are being affected. Meeting payroll, lease/rent payments, and debt obligations are becoming more and more of a struggle and businesses are facing the reality of not being able to continue their operations. Delaware County is certainly no exception, and the small businesses that are such a vital piece of our local economy are being affected the most. The Delaware County Board of Commissioners (the "County") and its local and statewide public and private partners are working hard to address the effects on our local economy, as it is critical to not only the region, but the state as a whole.

According to a recent survey of businesses located in Delaware County, approximately 40% of employees have been temporarily let go, with approximately 54% of those being permanent staff reductions. Additionally, approximately 55% of businesses stated that they have outstanding loan payments, and approximately 20% of those have been forced to stop making their loan payments.

Delaware County has been and continues to be a premier community to live and work in, and a number of efforts are underway to ensure that continues to be the case. A revolving loan fund (the "RLF") has been created by the County to assist small businesses. The County has partnered with Buckeye State Bank to help in the administration and management of this loan. The fund will receive oversight and administration by local officials and professionals, and will be structured to help the greatest number possible.

**Revolving Loan Fund Creation**

To date, a variety of local jurisdictions and entities (the "Partners") have joined the County in the funding of this RLF. A request for matching grant funds to what has or will be raised by the local entities has been submitted by the County to JobsOhio.

The County has or will establish a fund (the "Fund") with Buckeye State Bank (the "Bank"). In doing so, the County has taken or will take all necessary steps to legally create and invest into the Fund. The monies received from the Partners will be pooled together into this Fund.

**Revolving Loan Fund Administration**

The Fund will be operated in the following manner:

- 1) The Bank will receive applicants that are interested in the Fund.
- 2) The Bank will review the requests for funding based on the attached "Exhibit A".
- 3) If the Bank approves a loan, the applicant's request will be forwarded to the county's loan review committee (as described below) for further consideration.

**Commented [A1]:** If the bank approves the loan, it should be approved. This is the only fair and impartial way to distribute funds. This would be the most objective way to awarding loans. Perhaps the board's role could be to ratify what the bank recommends.

**DELAWARE COUNTY BOARD OF COMMISSIONERS  
AND  
[ENTER LOCAL JURISDICTION HERE]  
Memorandum of Understanding for Revolving Loan Fund**

- 4) The committee will review the request and provide a determination of support based on the information provided by the Bank, listed in the attached "Exhibit B".
- 5) The committee will evaluate requests based on the following evaluation contained in the attached "Exhibit C".
- 6) The contribution submitted by the jurisdiction plus any matching funds received will be set aside for loans to businesses within that jurisdiction.
- 7) Typical items for consideration shall include at a minimum:
  - a. Type of Business – Is it in a designated industry?
  - b. Is it in the County?
  - c. Is it in a preferred jurisdiction? – Reference the scoring chart attached hereto as "Exhibit C"
- 8) If approved by the County, the Bank will continue the process going forward.

**Commented [A2]:** This isn't attached.

**Commented [A3]:** All county taxpayers pay into the majority of this fund. It seems strange to punish or downgrade businesses in areas that do not contribute. Are there protections in place to ensure that all business get a fair shot?

**Committee Creation**

The abovementioned county loan review committee (the "Committee") will be established in a manner that addresses it as a public body and it will adhere appropriately to those requirements.

The committee will consist of the County Administrator, the County Economic Development Director, Donald E. Rankey, Jr., and four other members to be appointed by the County.

The four other members will be chosen based on the first four entities that contribute \$250,000 or more to the Fund.

**Commented [A4]:** All board members are designated by title and not name. It seems overly complicated to name one individual and then have a later provision to convert that spot into a position determined by title. I suggest naming it as the then current County Treasurer and it will naturally change when the Treasurer changes.

The Committee is authorized to begin recommending loans as soon as funds have been secured, allowing for necessary legal actions to have been taken.

**Commented [A5]:** Do the entities that contribute get to name their representative? Above document says the County appoints.

The Committee is considered to be in place upon adoption of the resolution, attached as "Exhibit D" to this MOU.

The County Administrator and County Economic Development Director are permanent members on the Committee.

The position held by Donald E. Rankey, Jr. will transfer to the individual serving as the County Treasurer as of January 1<sup>st</sup> 2022. Upon transfer, the seat will permanently belong to the County Treasurer.

**Commented [A6]:** See comment above about consistently having the Treasurer on the Board.

The other four seats will serve two (2) terms at three (3) years each term, and will then be reappointed by the community that the seat serves. The seat must be filled with an elected official from that community. If an elected official serving in the capacity as a committee member ceases to serve as an elected official, then the community has the immediate ability to appoint a new representative to serve out the remaining term. The initial appointment of the seat will be the Chair of a township and the Vice-Chair (or proper designee) of a municipality.

**Commented [A7]:** The city should get to appoint its member and should have the flexibility to name the best person for the position.

A majority vote of the Committee will issue approve the bank's recommendation for an approval or denial of a loan request. A vote of five members is required to overturn the bank recommendation.

**Commented [A8]:** I recommend changing this to reflect my earlier comment.

**DELAWARE COUNTY BOARD OF COMMISSIONERS  
AND  
[ENTER LOCAL JURISDICTION HERE]  
Memorandum of Understanding for Revolving Loan Fund**

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If a tie vote occurs, the Board President of the County Commissioners will issue the tie breaking vote.

**Guidelines For Removal of Funds**

Contributions to the Fund will not be eligible for transfer out of the Fund for a minimum of five (5) consecutive years, unless the RLF does not issue a loan within the participating jurisdiction for one (1) year and all existing loans have been repaid and all obligations have been addressed.

At five (5) years, partners may evaluate the removal of the funds that they have contributed. The contributing public body has the option of removing any funds contributed. The elected public body would need to evaluate and vote on how best to address the funds they have contributed.

No action can be taken that would put at risk any active loan or alter the risk level of the Bank.

There will be no interest provided to the partners.

Funds can only be transferred out if all of the initial funds are available. If ~~funds all the initial funds~~ are not available, then ~~no funds~~ only a proportional share of the contribution can be withdrawn until loans are repaid sufficient to satisfy the remaining amount.

If a jurisdiction removes its funds, then it gives up its seat on the committee as well as any and all rights and/or benefits secured from contributing to the Fund. ~~However, that jurisdiction's businesses would still be eligible to apply for and receive loans.~~

**Commented [A9]:** What rights and benefits accrue besides voting?

**Acceptance and Participation**

~~[ENTER LOCAL JURISDICTION HERE] agrees that participation in the RLF as described in this MOU maximizes the use of public dollars while significantly diminishing financial risk to each governmental party. [ENTER LOCAL JURISDICTION HERE] The City of Delaware~~ } desires to participate in the RLF and contribute \$ \_\_\_\_\_ \$ \_\_\_\_\_ to the Fund provided the JobOhio matching funds are awarded for the contribution. The Parties acknowledge that final legislation will need to be adopted by one or each entity to effectuate participation in the RLF. The Parties will each make their best efforts to adopt legislation as needed.

COUNTY

By: \_\_\_\_\_  
Michael A. Frommer, P.E.  
County Administrator

Acknowledged and Agreed this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

[ENTER LOCAL JURISDICTION HERE]

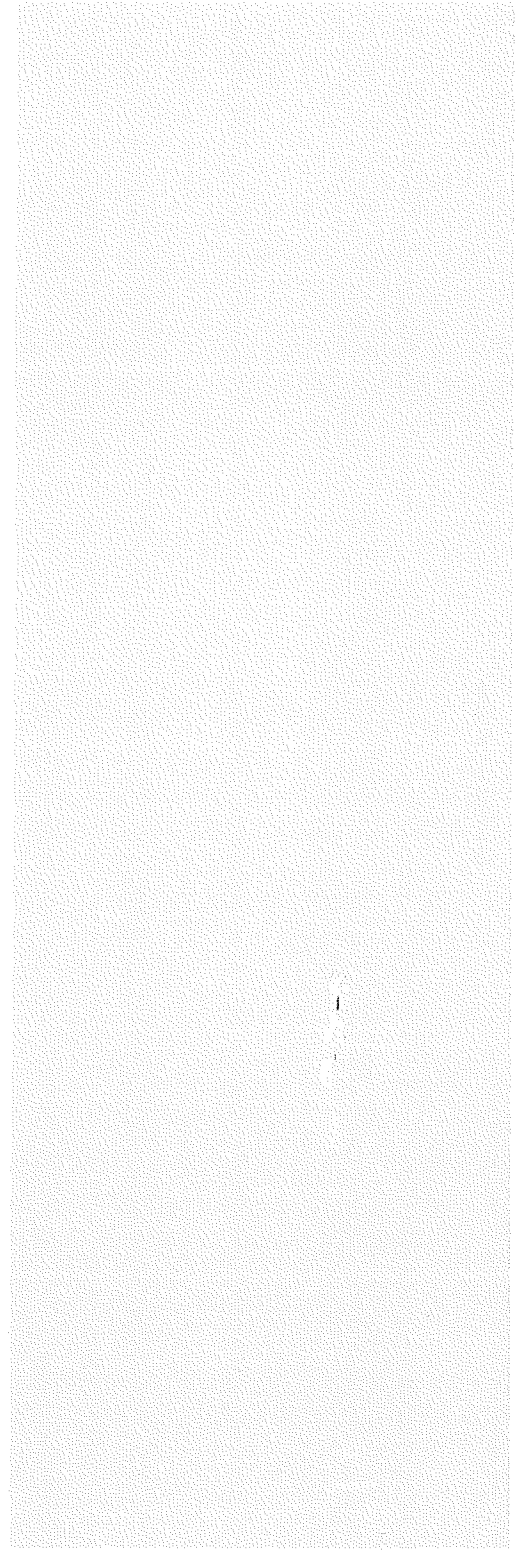


**DELAWARE COUNTY BOARD OF COMMISSIONERS  
AND  
[ENTER LOCAL JURISDICTION HERE]  
Memorandum of Understanding for Revolving Loan Fund**

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By: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Acknowledged and Agreed this \_\_\_\_\_ day of \_\_\_\_\_, 2020.



**Term Discussion Sheet from Buckeye State Bank, May 18, 2020**  
**Delaware County COVID Loan Program**

**Small Loan Program**

Purpose: To provide funding to small businesses to cover up to 4 months of rent or mortgage payments and utilities.

Loan Amount: A maximum of \$25,000; minimum loan size \$10,000.

Rate: 4.00% fixed annum

Term: 6 monthly interest only payments followed by 54 monthly principal and interest payments.

Fees: \$1,000 fee, to be added to the loan amount provided total loan amount Does not exceed \$25,000.

Collateral: UCC filing on all business assets. May be subordinate to other debt.

Co-Borrower: Yes, any individual with greater than 20% ownership.

Credit Score: Minimum of 680

DSC Coverage: minimum of 1.25x EBITDA

Other:

- Borrower and co-borrower not in Bankruptcy
- Co-borrower(s) is(are) US Citizen(s)
- Business is located in Delaware County
- No Borrower(s) are currently in default of any other loan
- Will be based upon the attestation of the Borrower in the application (no collection of financial data outside of Application)
- Current on all federal and local taxes, including real estate

Loan Pool: \$5 million.

**Delaware County/Finance Small Loan Fund**

- Funds are provided to a BSB deposit account in name of County/Finance Fund ("Deposit Account") equal to the Small Loan Program Loan Pool.
- Deposit Account will be secured by ICS/Promontory expanded FDIC coverage.

- Deposit rate paid by BSB to the Deposit Account will be equal to Fed Funds Borrowing rate plus 0.75%.
  - A Program Agreement will be entered into, prepared by Delaware County, with a loss-share agreement to reflect the following:
    - The County/Finance Fund will assume the first \$1 million of net loan losses in the Small Loan Program.
      - A Hold will be placed on the Deposit Account in the amount of \$1mm.
      - As loses occur, BSB will submit loss notification to County's Approving Agent.
      - County's approving agent will approve funds will be withdrawn from Deposit Account, with corresponding Deposit Hold reduced by the amount withdrawn.
    - BSB will be assume any net loan losses beyond \$1 million.
- \*Net Losses include gross loan charge-off plus collection expenses less loan recoveries.
- Subject to BSB's approval as per the program terms, BSB will prepare and submit to the County's Approving Agent, a Credit Summary which will include, at a minimum, cash flow calculation for the business and globally for all borrowers, credit scores of borrowers, RE tax status, net worth of all borrowers, liquidity position, and outstanding revolving debt (less home equity).
  - BSB and County's Approving Agent will make their credit decision independently.
  - Loan approval from both parties will be required to provide the loan.
  - Program is open until the sooner of 90 days from program beginning or until \$5 million in loan originations are issued.

Criteria		Level 1	Level 2	Level 3	Level 4	Total Applicant Points
1	<b>Business Profile</b>					
	How long has the business been in operation in Delaware County? <i>scoring</i>	<1 year 0	>1, <5 1	>5, <10 2	10+ 3	3
	<b>Applicant Points (Mark X)</b>					
	Industry <i>scoring</i>	0	Manufacturing/Technology 1	Professional Services 2	Retail/Restaurant/Hospitality 3	3
	<b>Applicant Points (Mark X)</b>					
	Community <i>scoring</i>	39,000+	25,000 -4	10,000 -1	Contributing Community 3	3
	<b>Applicant Points (Mark X)</b>					
	Number of Employees Affected <i>scoring</i>	0 0	1+ 1	25+ 2	50+ 3	3
	<b>Applicant Points (Mark X)</b>					
	<b>Total Application Points</b>					

\*Contributing Partner jurisdictions receive no negative points for population size

DCFA may award its contributing partner status to applicants