

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AUTHORIZING THE CITY MANAGER OR DESIGNEE, TO EXECUTE ALL DOCUMENTS NECESSARY TO AMEND CONTRACT NO. 35694 WITH GROW AMERICA FUND, INC., OF CLEVELAND, OHIO, TO INCREASE THE ANNUAL CONTRACT AMOUNT BY \$10,000, FOR A REVISED ANNUAL CONTRACT AMOUNT OF \$85,000, WITH A 3% ANNUAL COST OF LIVING ADJUSTMENT (COLA) INCREASE FOR EACH YEAR AFTER THE FIRST EXTENSION YEAR, FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$562,727, AND EXTEND THE TERM OF THE CONTRACT FOR THREE YEARS, WITH THE OPTION TO RENEW FOR TWO ADDITIONAL ONE-YEAR PERIODS, AT THE DISCRETION OF THE CITY MANAGER.

WHEREAS, on May 20, 1997, the City Council of the City of Long Beach authorized the City Manager to execute an agreement with Grow America Fund ("Grow America") for the purpose of establishing a business loan program known as the Grow Long Beach Fund; and

WHEREAS, since 1997, Grow America has provided underwriting services for the City's small business loan programs. Grow America is a nationwide, private nonprofit corporation designated as a Small Business Lender Company ("SBLC") and Community Development Financial Institution ("CDFI"), qualified to serve as a Small Business Administration ("SBA") 7(a) lender; and

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1 WHEREAS, through the Grow America Fund (SBA 7(a) loan program), City
2 of Long Beach ("City") dollars are leveraged four-to-one (actual leverage to date has totaled
3 greater than 12:1) by Fund dollars through secondary market sale of the SBA guaranteed
4 portion of each loan; and

5 WHEREAS, through extensive research, staff were able to compare what
6 other SBLCs have to offer, as a result no SBLC can match Grow America's 4:1 contribution;
7 and

8 WHEREAS, if City were to move forward with a different SBLC, Grow
9 America would not have any contractual obligations to continue lending and revolving the
10 city's initial investment to support small business located within the city of Long Beach; and

11 WHEREAS, as a result, no useful purpose would be served by advertising
12 for bids and to do so would constitute an idle and useless act and an unnecessary
13 expenditure of public funds;

14 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
15 follows:

16 Section 1. The above recitals are true and correct and are incorporated
17 herein.

18 Section 2. The City Manager is hereby authorized to execute all
19 documents necessary to amend Contract No. 35694 with Grow America Fund, Inc., of
20 Cleveland, Ohio, to increase the annual contract amount by \$10,000, for a revised annual
21 contract amount of \$85,000, with a 3% annual cost of living adjustment ("COLA") increase
22 for each year after the first extension year, for a total contract amount not to exceed
23 \$562,727, and extend the term of the contract for three years, with the option to renew for
24 two additional one-year periods, at the discretion of the City Manager.

25 Section 3. This resolution shall take effect immediately upon its adoption
26 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

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I hereby certify that the foregoing resolution was adopted by the City Council
of the City of Long Beach at its meeting of _____, 2025 by the
following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

Recusal(s): Councilmembers: _____

City Clerk