



Legislation Text

File #: 21-1140, **Version:** 1

Recommendation to authorize City Manager, or designee, to execute the Third Amendment to Agreement No. 35112 with the Long Beach Community College District, to continue economic development counseling and educational services through its Small Business Development Center, in an annual amount not to exceed \$110,000, from July 1, 2021 to June 30, 2022, with two consecutive one-year extensions, at the discretion of the City Manager, and subject to the continued availability of funds. (Citywide)

On June 23, 2015, the City Council authorized the execution of Agreement No. 35112 (Agreement) with the Long Beach Community College District, familiarly known as Long Beach City College (LBCC), to provide business counseling services through its regional Small Business Development Center (SBDC) through June 30, 2018. On August 21, 2018, the City Council approved an amendment to extend the Agreement through June 30, 2021. The SBDC program is an eligible Community Development Block Grant (CDBG) activity, and CDBG funding in the amount of \$110,000 is currently available to support the SBDC. The SBDC program is the most extensive economic development project of the Small Business Administration (SBA). SBDC Business Advisors offer a wealth of real-world business experience, provide one-on-one counseling, and conduct training sessions, workshops, and seminars. As a result of this continuing CDBG investment, the SBDC will focus services on small businesses, concentrating on low- and moderate-income areas. Pursuant to the Agreement, SBDC provides the following services:

- Business advice and assistance
- Workshops
- Business matchmaking and procurement events
- Access to capital programs
- Business networking and peer mentoring programs
- Marketing, outreach, and business engagement
- Supporting student entrepreneurs

SBDC is required to submit invoices for reimbursement of expenses according to a schedule determined by the City. SBDC must also provide a performance report of its activities, including jobs created, and an annual financial report, showing all expenditures made by the SBDC for the programs and services identified in the Agreement for the previous 12-month period.

As the current Agreement expired on June 30, 2021, an amendment is proposed to allow the SBDC to continue its provision of services. CDBG funds are available based on the Fiscal Year 2021-2022 Action Plans and will not exceed the sum of \$110,000 per year. The total cost of this program is estimated at \$250,000 per year, the difference of which is funded

directly by the SBDC.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on October 15, 2021 and by Budget Operations and Development Officer Rhutu Amin Gharib on October 20, 2021.

City Council consideration of this amendment is requested on November 9, 2021, to ensure SBDC can continue its provision of services to small businesses in Long Beach.

The requested action provides a not-to-exceed contract authority in the amount of \$110,000 per year from CDBG funds. Sufficient appropriation is budgeted in the Community Development Grants Fund Group in the Development Services Department. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. This action is expected to create a minimum of 135 full-time local jobs, as required by CDBG regulations.

Approve recommendation.

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JOHN KEISLER
DIRECTOR OF
ECONOMIC DEVELOPMENT

OSCAR ORCI
DIRECTOR OF DEVELOPMENT SERVICES

APPROVED:

THOMAS B. MODICA
CITY MANAGER