



Legislation Text

File #: RES. 2020-R062, **Version:** 1

To express the City Council's support for the Economic Development Authority of the City of Richmond, Virginia and the City of Richmond's Department of Economic Development proposed plan to provide short-term financial relief during the COVID-19 pandemic in the form of deferred payments to borrowers of loan programs administered by the Economic Development Authority of the City of Richmond, Virginia and the City of Richmond's Department of Economic Development.

WHEREAS, the City Council approved appropriations from the General Fund and Community Development Block Grants (CDBG), including the Section 108 Loan Guarantee Program, to provide the initial funding to create loan programs administered by the Economic Development Authority of the City of Richmond and the City of Richmond's Department of Economic Development; and

WHEREAS, the Economic Development Authority of the City of Richmond administers the following loan programs: Neighborhoods In Bloom Revolving Loan Fund (NIB), Citywide Revolving Loan Fund (CWRLF), Commercial Area Revitalization Effort (CARE), Contractor Assistance Loan Program (CAP), Economic Development and Housing Revolving Loan Fund (EDHRLF), and

WHEREAS, the City of Richmond, through its Department of Economic Development, administers the MicroEnterprise Loan; and

WHEREAS, such loan programs support the continuity of businesses in the city and, as borrowers recover from the fiscal impact of the COVID-19 pandemic, the Council is of the belief that additional relief is necessary in order to increase the potential of businesses to sustain capital for continued operations and payroll expenditures; and

WHEREAS, the Economic Development Authority of the City of Richmond, Virginia and the City of Richmond's Department of Economic Development have proposed a plan to provide a deferment period of up to six months for existing borrowers of the loan programs to assist businesses recovering from financial losses attributed to the COVID-19 pandemic; and

WHEREAS, because the continuity of the business operations helps to generate general fund revenue for the City

of Richmond, the Council is of the further belief that it is in the best interests of the citizens of the city of Richmond that Council support the Economic Development Authority of the City of Richmond, Virginia's and the City of Richmond's Department of Economic Development's proposed plan to provide a deferment period of up to six months for existing borrowers of the loan programs administered by the Economic Development Authority of the City of Richmond, Virginia and the City of Richmond's Department of Economic Development to assist businesses recovering from financial losses attributed to the COVID-19 pandemic;

NOW, THEREFORE,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF RICHMOND:

That the Council supports the Economic Development Authority of the City of Richmond and the City of Richmond's Department of Economic Development proposed a plan to provide a deferment period of up to six months for existing borrowers of the loan programs administered by the Economic Development Authority of the City of Richmond and the City of Richmond's Department of Economic Development to assist businesses recovering from financial losses attributed to the COVID-19 pandemic.