



Recommendation for Action

File #: 20-2000, **Agenda Item #:** 89.

3/26/2020

Posting Language

Approve an ordinance amending the Fiscal Year 2019-20 HUD Section 108 Family Business Loan Program Fund Operating Budget (Ordinance No. 20190910-001) to appropriate \$4,472,527 to provide funding for Economic Injury Disaster loans in accordance with the U.S. Housing and Urban Development (HUD) and Small Business Administration (SBA) guidelines and regulations.

Lead Department

Economic Development Department.

Fiscal Note

A fiscal note is attached.

Prior Council Action:

May 24, 2012 - Council approved Resolution 20120524-015 creating the Family Business Loan Program and Ordinance 20120524-016 to authorize the Family Business Loan Program's fees; August 29, 2013 - Council approved Resolution 20130829-027 authorizing the acceptance of \$8,000,000 in grant funds from the U.S. Department of Housing and Urban Development (HUD) Section 108 Family Business Loan Program; February 25, 2016 - Council approved Resolution No. 2016 0225-013 authorizing issuance of a note and contract with HUD in an amount not to exceed \$3,000,000 to fund the program; August 31, 2017 - Council approved Resolution No. 20170831-010 authorizing issuance of a note and contract with HUD in an amount not to exceed \$5,000,000 to fund the program.

For More Information:

Veronica Briseño, Director, Economic Development (512) 974-2156

Additional Backup Information:

The Economic Development Department's Economic Injury Disaster Loan Program will help address the economic impact of COVID-19 by providing loan support to small, local businesses.

Strategic Outcome(s):

Economic Opportunity and Affordability

1
2
3 **ORDINANCE NO.**
4

5 **AN ORDINANCE AMENDING THE FISCAL YEAR 2019-2020 HUD SECTION**
6 **108 FAMILY BUSINESS LOAN PROGRAM FUND OPERATING BUDGET**
7 **(ORDINANCE NO. 20190910-001) TO ACCEPT AND APPROPRIATE \$4,472,527**
8 **TO PROVIDE FUNDING FOR ECONOMIC INJURY DISASTER LOANS IN**
9 **ACCORDANCE WITH THE U.S. HOUSING AND URBAN DEVELOPMENT**
10 **(HUD) AND SMALL BUSINESS ADMINISTRATION (SBA) GUIDELINES AND**
11 **REGULATIONS.**

12
13 **BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**
14

15 **PART 1.** Council amends the Fiscal Year 2019-20 HUD Section 108 Family Business
16 Loan Program Fund Operating Budget (Ordinance No. 20190910-001) to appropriate
17 \$4,472,477 to provide funding for Economic Injury Disaster loans in accordance with the
18 U.S. Housing and Urban Development (HUD) and Small Business Administration (SBA)
19 guidelines and regulations.
20

21 **PART 2.** This ordinance takes effect on _____, 2020.
22

23 **PASSED AND APPROVED**
24

25 §
26 §
27 §

26 _____, 2020

27 _____
28 Steve Adler
29 Mayor

30
31 **APPROVED:** _____

32 Anne L. Morgan
33 City Attorney

31 **ATTEST:** _____

32 Jannette S. Goodall
33 City Clerk

OPERATING BUDGET FISCAL NOTE

DATE OF COUNCIL CONSIDERATION:
DEPARTMENT:
FUND:

3/26/20
Economic Development
HUD Section 108 Family Business Loan Program

SUBJECT: Approve an ordinance amending the Fiscal Year 2019-20 HUD Section 108 Family Business Loan Program Fund Operating Budget (Ordinance No. 20190910-001) to appropriate \$4,472,527 to provide funding for Economic Injury Disaster loans in accordance with the U.S. Housing and Urban Development (HUD) and Small Business Administration (SBA) guidelines and regulations.

CURRENT YEAR IMPACT:

	2019-20 Amended	This Action	2019-20 Amended
Beginning Balance	553,317	0	553,317
Revenue			
Other Federal Revenue	1,500,000	4,472,527	5,972,527
Other Revenue	536,800	0	536,800
Total Revenue	2,036,800	4,472,527	6,509,327
Total Transfers In	0	0	0
Total Appropriated Funds	2,036,800	4,472,527	6,509,327
Requirements			
Department Appropriations			
Small Business Program	1,500,000	4,472,527	5,972,527
Total Department Requirements	1,500,000	4,472,527	5,972,527
Total Transfers Out	938,495	0	938,495
Total Requirements	2,438,495	4,472,527	6,911,022
Excess (Deficiency) of Total Available Over Total Requirements	(401,695)	0	(401,695)
Ending Balance	151,622	0	151,622
FTEs	0.00	0.00	0.00

FIVE-YEAR ESTIMATED IMPACT:

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Total Revenue	4,472,527	0	0	0	0
Total Requirements	4,472,527	0	0	0	0
Net Budget Impact	0	0	0	0	0

ANALYSIS / ADDITIONAL INFORMATION: The Economic Development Department's Economic Injury Disaster Loan Program will help address the economic impact of COVID-19 by providing loan support to small, local businesses.