RESOLUTION NO.

WHEREAS, Council is authorized by Texas Local Government Code Section 373.005(d), to issue notes or other obligations guaranteed by the Secretary of the U.S. Department of Housing and Urban Development (HUD) for the purpose of financing those activities described in Section 8, Housing and Community Development Act of 1974 (42 U.S.C. Section 5308), as amended, in furtherance of an approved community development program under Texas Local Government Code Chapter 373; and

WHEREAS, on May 24, 2012, Council by Resolution No. 20120524-015 approved the Family Business Loan Program (FBLP) guidelines and criteria; and

WHEREAS, the FBLP guidelines and criteria adopted under Council Resolution No. 20120524-015 currently provide that the "maximum loan amount for any given project is forty percent (40%) of the total project cost or up to \$1,000,000, whichever is lower"; and

WHEREAS, since Council's approval of the FBLP guidelines and criteria in 2012, all major cities including Austin have experienced increases in costs to complete small business development projects; and

WHEREAS, the FBLP Loan Review Committee responsible for reviewing loan applications under the FBLP may, from time to time, desire to recommend City Council and HUD approval of loans that may exceed the current maximum loan amount limitation; and

WHEREAS, amending the FBLP guidelines and criteria to: (i) increase the current maximum loan amount limitation and (ii) establish an approval process for loans exceeding the maximum loan limitation would allow FBLP funding of eligible projects that meet all other current FBLP guidelines and criteria with the

exception of the current maximum loan amount limitation and thereby facilitate implementation of business ventures that will create jobs, revitalize communities, increase the tax base of the City, and enhance the overall quality of life for Austin residents; and

WHEREAS, amending the FBLP guidelines and criteria to increase the minimum amount of proposed loans under the Micro-loan program to \$10,000 is necessary to account for increased costs associated with the processing of these loans; and

WHEREAS, additional amendments to the FBLP guidelines and criteria are necessary to clarify and update these guidelines and criteria; NOW, THEREFORE,

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

Council approves the amended Family Business Loan Program guidelines and criteria attached as **Exhibit A** to this resolution, including modifications to increase the current maximum loan amount limitation to the "lesser of forty percent (40%) of the total project cost or \$4,000,000", establish an approval process for proposed loans exceeding the maximum loan limitation, increase the minimum amount of proposed loans under the Micro-loan program and update the responsible department name and language relating to the application fees, loan interest rate, and contact information.

ADOPTED:	, 2023 ATTEST:	
		Myrna Rios
		City Clerk