

## City Council – Action Request Form

**Date:** January 8, 2024

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**To:** Mayor, Mayor Pro Tempore, and Members of the City Council

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**From:** Ben Rowe, Assistant City Manager  
Ken Millett, Economic Development Director

**Council Action Requested:**  
Resolution approving modifications to the Small Business Loan Program and Building Rehabilitation Program

**Strategic Focus Area:** Economic Vitality and Diversity  
**Strategic Objective:** Yes  
**Strategic Plan Action Item:** Yes  
**Key Work Item:** Yes



**Summary of Information:**

This item was originally presented to Finance Committee in November of 2023. Since that time, Qualified Census Tracts have been added to the recommended areas for eligibility.

As a Key Work Item for FY24, the Office of Business Inclusion and Advancement conducted a review of two core financial assistance programs available to small businesses and commercial property owners: the Small Business Loan Program and the Building Rehabilitation Program. The attached tables and map outline staff’s recommendations designed to enhance the programs, primarily including the expansion of the eligible geographic areas. For comparison, a map of the currently eligible areas is also attached.

The Small Business Loan Program was designed to assist small businesses in creating or retaining jobs to benefit low- to moderate- income individuals and to generally stimulate the expansion and development of small businesses. Because the program provides gap financing, it serves to bridge funds from other sources and the total funds required to complete the project.

**Committee Action:**

<b>Committee</b>	FC 11/14/2023	<b>Action</b>	Approval
<b>For</b>	Unanimous (3 votes)	<b>Against</b>	
<b>Remarks:</b>	MPT D.D. Adams - absent		

The Building Rehabilitation Program was designed to stimulate private owners' interest and commitment by providing inducements encouraging the rehabilitation of commercial and industrial buildings located within the Neighborhood Revitalization Strategy Areas (NRSA). The program helps revitalize the unused, underutilized, and blighted properties located in commercial areas by “priming the pump” for private investment with public investment, thus curbing the trend of disinvestment and neglect.

In order to provide more opportunities for business and property owners in the targeted areas, City staff recommends that the eligibility area for both programs be expanded to include the following areas:

- Currently designated NRSA (established 2019)
- Pre-2019 designated NRSA (established 2015)
- Pending NRSA (TBD by U.S. Housing and Urban Development in 2024)
- Eligible Revitalizing Commercial Areas
- Qualified Census Tracts

These proposed modifications complement the changes to the Revitalizing Commercial Areas Program that were approved by the City Council in October 2023.