

A G E N D A



Recommendation for Council Action

Austin City Council	Item ID	15451	Agenda Number	16.
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Meeting Date:	5/24/2012	Department:	Economic Growth and Redevelopment
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Subject

Approve an ordinance amending the Fiscal Year 2011-2012 Economic Growth and Redevelopment Services Fee Schedule, Ordinance No. 20110912-007, to authorize fees related to the Family Business Loan Program.

Amount and Source of Funding

Fiscal Note

A fiscal note is attached.

Purchasing Language:	
Prior Council Action:	
For More Information:	Kevin Johns, Director / EGRSO / 974-7802
Boards and Commission Action:	
MBE / WBE:	
Related Items:	

Additional Backup Information

The Family Business Loan Program (FBLP) will be a public-private partnership loan program that enables Austin small businesses to finance business expansions that create jobs. Under the program guidelines approved by HUD, the FBLP will make low-interest fixed asset and working capital loans to qualified Austin small business owners who are ready to expand their business and create jobs. The City will partner with local SBA Section 504 certified community lenders and local private bank members of the Federal Home Loan Bank to provide these loans.

The FBLP will also provide a means for revitalizing disadvantaged areas and creating jobs for chronically unemployed or under-employed populations. The FBLP will be funded through a U.S. Department of Housing and Urban Development (HUD) loan guarantee under Section 108 of Title I of the Housing and Community Development Act of 1974, as amended. The regulations for the loan guarantee program allow the City to collect fees and interest to offset costs for processing the application, servicing the approved loans, ensuring loans are in compliance with HUD requirements, and managing the loan portfolio.