RESOLUTION 2020-04

SMALL BUSINESS LOANS TO BUSINESSES WITHIN THE TOWN OF FLORA LIMITS USING ECONOMIC DEVELOPMENT TAX DUE TO THE COVID-19 EMERGENCY

WHEREAS, A NATIONAL EMERGENCY WAS DECLARED BY THE PRESIDENT OF THE UNITED STATES BEGINNING MARCH 1, 2020 ADDRESSING THE CORONAVIRUS (COVID-19) PANDEMIC: AND

THEREFORE, because of this national emergency the Flora Town Council concludes that the Town should support those local businesses impacted by the current local disaster; and

THEREFORE, addressing these extraordinary circumstances, the Town Council desires to create a loan program using Economic Development Funds to assist local businesses during the COVID-19 crisis to aid in their recovery. The funds shall be administered by the Flora Town Council and are appropriated from within the EDIT funds for the 2020 budget year;

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Flora Town Council hereby approves a total sum of $200,000.00 to be made available for the program upon the following terms:

1. The Town Council shall review loan requests up to $10,000.00. Businesses will be selected on an individual basis who will most benefit from this funding.
2. Term shall be 1% interest rate fixed for a period of five (5) years, full repayment by the end of sixty (60) months with no penalty for pre-payment. There shall be no loan origination fee.
3. Eligibility is determined by business operating within the limits of the Town of Flora, current on all taxes, and credit-worthy.
4. Approved uses of the funding include financial hardships due to the COVID-19 crisis, such as capital needs, payroll expenses, preventing staffing reductions, and other critical business expenditures as detailed upon the application.
5. Applicants shall apply to the Town Clerk. Affidavits of eligibility and credit check may apply. Upon review and determination, the Town Clerk and applicant shall prepare and execute loan agreements and documents to finalize the process and prepare for distribution.

Adopted by the Town Council of Flora, Indiana this 13th day of April, 2020

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Vincent A Seward, Town Council President

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Darrell Yoder, Vice President

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Jacob Adams, Finance Chairman

Attested By:

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Joretta L. Tinsman, Clerk-Treasurer