

Date October 7, 2024

APPROVAL OF SMALL BUSINESS IMPACT LOAN PROGRAM AND PROGRAM POLICY

WHEREAS, the City Manager and Office of Economic Development, through recent, focused efforts to engage, support, and develop the City’s small business ecosystem, have identified a need to promote targeted financial investments in existing commercial buildings and sites and assist with business expansion and upscaling for small businesses and entrepreneurs, particularly those that face barriers in accessing capital from traditional financial sources; and

WHEREAS, these efforts to assist with the renovation of commercial buildings and sites and growth and expansion of City of Des Moines-based small businesses have resulted in the proposed creation of a Small Business Impact Loan Program (the “Program”) which is intended to offer an alternative to the City’s existing Neighborhood Commercial Revitalization (NCR) Program and other forms of financing provided by private sector or nonprofit lending agencies that operate within the City; and

WHEREAS, the proposed Program, to be administered by the Office of Economic Development, is designed to provide financial assistance in the form of ‘small-dollar’ loans pursuant to Iowa Code Chapter 15A to small businesses within the City of Des Moines for qualified expenses set forth in the Program policy on file in the Office of the City Clerk (the “Policy”); and

WHEREAS, funding requests will be approved in accordance with the requirements set forth in the Policy , and in accordance with Program implementation guidelines which will be reviewed and approved by the City Manager on an annual basis and with guideline amendments subject to City Manager review and approval, following approval as to form by the Legal Department; and

WHEREAS, the Program will provide financial assistance to projects selected based on scoring criteria to be used by the selection committee comprised of staff from various City Departments, with an initial round of the Program to be scored competitively from applications received by a set deadline. Loans in the amount of \$5,000 to \$20,000 per project will be awarded based on the application’s score, available funding, and the capacity of the applicant to undertake the planned activities, as determined by the City. Any loans will be paid back to the City in accordance with the Policy and approved forms all as on file in the Office of the City Clerk; and

WHEREAS, Program awards and contracts are to be approved and executed by the City Manager following approval as to form by the Legal Department.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Des Moines, Iowa:

1. that the Small Business Impact Loan Program, and the Program Policy as on file in the City Clerk's Office, are hereby approved;
2. the Office of Economic Development is authorized and directed to administer the Program in accordance with the Program Policy;

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3. the City Manager is authorized and directed to review, approve, and amend Program rules consistent with the Program Policy and following approval as to form by the Legal Department; and

4. the City Manager is authorized and directed to execute Program project contracts and otherwise administer the Program.

MOVED by _____ to adopt. SECOND by _____

(Council Communication No. 24- 408)

FORM APPROVED:

/s/ Gary D. Goudelock Jr.
 Gary D. Goudelock Jr.
 Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
BOESEN				
COLEMAN				
GATTO				
MANDELBAUM				
SIMONSON				
VOSS				
WESTERGAARD				
TOTAL				
MOTION CARRIED			APPROVED	

CERTIFICATE

I, LAURA BAUMGARTNER, City Clerk of said City, hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

 Mayor

 City Clerk