

ORDINANCE NO. 2020-54

AN ORDINANCE AUTHORIZING AMENDING THE CITY'S FIVE-YEAR REVOLVING LOAN FUND PLAN, ADOPTED ON JANUARY 16, 2019, TO INCLUDE TEMPORARY FLEXIBILITIES FOR CERTAIN ECONOMIC DEVELOPMENT ADMINISTRATION (EDA) REQUIREMENTS IN RESPONSE TO THE COVID-19 PANDEMIC, AND DECLARING AN EMERGENCY.

WHEREAS, the EDA recently suspended some of the program requirements in order to establish temporary flexibilities that can be used to provide RLF assistance more expeditiously to businesses adversely affected by the COVID-19 pandemic; and

WHEREAS, the EDA's flexibilities apply to any loan issued from May 7, 2020 through May 6, 2021 and include the following:

- Waiving required minimum interest rate of 75% of prime rate for the life of the loan, which will allow an interest rate between 0% to 2.4% (prime rate at 3.25% on May 26th);
- Waiving requirements that EDA RLF recipients leverage additional capital as part of an approved loan;
- Waiving the requirements that EDA RLF recipients provide evidence demonstrating credit/funding is not otherwise available from another source.

WHEREAS, the EDA also will be suspending its scoring criteria for the specified one year period, known as the Risk Analysis System, which is used to evaluate the City's loan portfolio performance.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Kent, Portage County, Ohio, at least three-fourths (3/4) of all members elected thereto concurring:

SECTION 1. That Council of the City of Kent does hereby authorize amending the City's Five Year Revolving Loan Fund Plan as referenced above.

SECTION 2. That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this Ordinance were adopted in an open meeting of this Council and that all deliberations of this Council, and of any of its committees that resulted in such formal action, were in meetings open to the public in compliance with all legal requirements of Section 121.22 of the Ohio Revised Code.

SECTION 3. That this Ordinance is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, safety and welfare of the residents of this City, for which reason and other reasons manifest to this Council, this Ordinance is hereby declared to be an emergency measure and shall take effect and be in force immediately after passage.

PASSED:

June 17, 2020
Date

J. Fiala

Jerry T. Fiala
Mayor and President of Council

EFFECTIVE:

June 17, 2020
Date

ATTEST: Amy Wilkens
Amy Wilkens
Clerk of Council

I, AMY WILKENS, CLERK OF COUNCIL FOR THE CITY OF KENT, COUNTY OF PORTAGE, AND STATE OF OHIO, AND IN WHOSE CUSTODY THE ORIGINAL FILES AND RECORDS OF SAID COUNCIL ARE REQUIRED TO BE KEPT BY THE LAWS OF THE STATE OF OHIO, HEREBY CERTIFY THAT THE FOREGOING IS A TRUE AND EXACT COPY OF ORDINANCE No. _____, ADOPTED BY THE COUNCIL OF THE CITY OF KENT ON _____, 20_____.

(SEAL)

AMY WILKENS
CLERK OF COUNCIL