

RESOLUTION NO. 08-423

A RESOLUTION REQUESTING THE CITY OF PORT ARTHUR TO DEOBLIGATE \$100,000 OF THE CITY REVOLVING LOAN FUND ADMINISTERED BY THE CITY OF PORT ARTHUR SECTION 4A ECONOMIC DEVELOPMENT CORPORATION THROUGH THE GROW PORT ARTHUR FUND BY THE NATIONAL DEVELOPMENT COUNCIL (NDC) TO ESTABLISH A PORT ARTHUR EMERGENCY RELIEF LOAN PROGRAM (PEARL) TO ASSIST SMALL CREDIT CHALLENGED BUSINESSES AFFECTED BY NATURAL DISASTERS

WHEREAS, the Economic Development Board of Directors desire to provide expedited access to capital through its Port Arthur Emergency Relief Loan Program (PEARL) to assist small credit challenged businesses affected by Hurricane IKE, through the use of the City of Port Arthur Revolving Loan Funds; and

WHEREAS, the Economic Development Corporation desires to make available a minimum of \$2,500 to a maximum of \$7,500 revolving loans, with a fixed 4% interest for the duration of the loan, with a term of two (2) years, and Principal and Interest deferred for three (3) months, to any business in the City of Port Arthur who meets the eligible criteria for the uses of the funds; and

WHEREAS, any businesses in the City of Port Arthur are eligible to apply if they meet the following eligible uses of fund criteria:

- a. To make building repairs for damage caused by

natural disasters

- b. To purchase or repair machinery damaged by natural disasters
- c. To stock inventory destroyed by natural disasters
- d. To provide working capital to cover cash flow needs for periods after natural disasters

; and

WHEREAS, the EDC CEO has contacted NDC, who is agreeable to the request.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PORT ARTHUR, TEXAS:

Section 1. That the facts and opinions in the preamble are true and correct.

Section 2. That the City Council is herein authorizes the establishment of the Port Arthur Emergency Loan Program (PEARL) to assist small credit challenged businesses affected by natural disasters.

Section 3. That the City of Port Arthur herein authorizes the deobligation of \$100,000 from the City's Revolving Loan Fund administered by City of Port Arthur Section 4A Economic Development Corporation from the Grow Port Arthur Fund through the National Development Council to the newly established Port Arthur Emergency Loan Program (PEARL), with the maximum revolving loan changed from \$7,500 to \$10,000.

Section 4. That a copy of the caption of this Resolution

be spread upon the Minutes of the City Council.

READ, ADOPTED AND APPROVED on this 21st day of October, A.D., 2008, at a Meeting of the City Council of

the City of Port Arthur, Texas, by the following vote: AYES:

Mayor Prince ; mayor Pro Tem Chatman;
Councilmembers Segler, Beard,
Williamson and Henderson

NOES: Councilmember Albright

Deloris Prince
DELORIS "BOBBIE" PRINCE, MAYOR

Attest:

Terrri Hanks
TERRI HANKS, ACTING CITY SECRETARY

APPROVED:
Floyd Batisse
FLOYD BATISSE, EDC CEO

APPROVED AS TO FORM:

Mark Sokolow
MARK T. SOKOLOW, CITY ATTORNEY