

RESOLUTION 2020-23

A RESOLUTION AUTHORIZING A SHORT-TERM INTERFUND LOAN FROM THE GENERAL FUND TO THE ECONOMIC DEVELOPMENT FUND AND AUTHORIZING THE ESTABLISHMENT OF THE FRUITA SMALL BUSINESS EMERGENCY ASSISTANCE LOAN PROGRAM

WHEREAS, the Fruita City Council declared a local disaster emergency in the City of Fruita on March 26, 2020 resulting from the COVID-19 pandemic which is having major impacts on both the health and economic/financial condition of residents and businesses in the City of Fruita, and

WHEREAS, the eligible voters of the City of Fruita approved a 3% increase in the Lodger's Tax to be used for the purpose of Economic Development and a Parks, Trails, Open Space and Public Places at the April 7, 2020 election with said tax increase to be effective on January 1, 2021, and

WHEREAS, the Fruita City Council desires to authorize the issuance of a short interfund loan from the General Fund to the Economic Development Fund to provide additional funding for the Fruita Small Business Emergency Assistance Loan Fund with the General Fund to be repaid upon receipt of Lodger's Tax Revenue in 2021.

NOW, THEREFORE, BE IT RESOLVED BY THE FRUITA CITY COUNCIL AS FOLLOWS:

Section 1: The General Fund will issue a short-term interfund loan to the Economic Development Fund in the amount of \$33,900 for the purpose of establishing the Fruita Small Business Emergency Assistance Loan Fund. The interfund loan shall be repaid to the General Fund in full in fiscal year 2021 from the 3% increase in Lodger's Tax that goes into effect on January 1, 2021.

Section 2: There is hereby established the Fruita Small Business Emergency Assistance Loan program to be administered by the Business Incubator Center subject to the terms and conditions set forth in Exhibit A attached hereto.

PASSED AND ADOPTED BY THE FRUITA CITY COUNCIL THIS 23rd DAY OF APRIL, 2020

ATTEST:

CITY OF FRUITA

Margaret Sell, City Clerk

Joel Kincaid, Mayor