

RESOLUTION NO. 2020-506

A RESOLUTION APPROVING THE USE OF FUNDING IN THE AMOUNT OF \$493,556.00 TO BE USED FOR COVID-19 ASSISTANCE PROGRAM BY THE VINELAND REVOLVING LOAN FUND, LLC TO BE REIMBURSED UPON RECEIPT OF CARES ACT FUNDING

WHEREAS, due to the COVID-19 Pandemic, on March 9, 2020, Governor Murphy issued Executive Order No. 103 declaring a Public Health Emergency and State of Emergency in New Jersey; and

WHEREAS, as a result of the limitations placed upon businesses, especially the hospitality businesses, many residents have found themselves without employment and/or income leaving them without the ability to make monthly expenses, including mortgage or rental payments, placing them in arrears for amounts due lenders and landlords; and

WHEREAS, unemployment has skyrocketed in the City as well as the State of New Jersey and United States due to the limitations placed upon businesses and many businesses in the City may never re-open again and will result in continued unemployment for the numerous residents who have been unemployed and awaiting the re-employment opportunities; and

WHEREAS, the failure to pay lenders and/or landlords place them in a position where they can no longer maintain the residential units causing them to come into disrepair, further adding blight to the City, leading to devaluation of properties, especially residential properties and blight to neighborhoods; and

WHEREAS, it is clear that without financial assistance for rent or mortgage obligations startup, many of the residents will not be able to pay obligations for living accommodations leading to future evictions and foreclosures, further destroying the economy and adding to the continued unemployment crisis and homelessness; and

WHEREAS, the City of Vineland has applied for and awaits the receipt of a second round federal Community Development Block Grant CARES Funds (COVID-19CV), in the amount of \$493,556.00; and

WHEREAS, the Urban Enterprise Second Generation funding, managed by the Vineland Revolving Loan Fund, LLC has funds available for assistance in economic development, job creation and job retention and the Board of Directors of the Vineland Revolving Loan Fund LLC has recommended funding residential mortgage and rental assistance in the amount of \$250,000.00, housing and service needs for the homeless in the amount of \$230,000.00 and costs of administration of the COVID-19 Assistance program in the amount of \$13,556.00 subject to the adoption of rules for qualification and distribution of funding as a grant, and further subject to the re-payment of the fund upon receipt of second round CDBG-CV CARES Funds;

WHEREAS, the Board of Directors has recommended and adopted, subject to City Council approval, rules governing the qualifications of eligible borrowers and eligible use of funds in amounts not to exceed \$10,000.00 per residence in the form and substance as attached hereto and made a part hereof to be used for mortgage/rental assistance and the use of the housing and service needs to be used for the acquisition and fit out of a central location to be used to feed the homeless and a warming facility during Code Blue activation; and

WHEREAS, City Council of the City of Vineland finds that the use of Second Generation UEZ Funds to fund residential rental and mortgage assistance during the COVID-19 pandemic emergency and housing and service needs for the homeless is reasonable in considering job creation and retention as well as support for existing and new business in the City and further finds that the rules promulgated by the Vineland Revolving Loan Fund, LLC are fair and equitable.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Vineland as follows:

SECTION 1. THAT the Council of the City of Vineland hereby authorizes the use of \$493,556.00 Second Generation UEZ Funds for funding of a COVID-19 Assistance Program (CAP) to be distributed in accordance with proposed rules to be used as assistance for residents and employees who have found themselves unemployed during the COVID-19 pandemic in

anticipation of their return to the work force as well as housing and services for the homeless which will assist those unfortunate persons who have found themselves homeless to avail themselves of services to rejoin the workforce.

SECTION 2. THAT upon receipt of second round Federal Community Development Block Grant CARES Funds (CDBG-CV), the amount so utilized or received to fund rental and mortgage assistance as well as housing and services needed for the homeless in Vineland shall be repaid to the Vineland Revolving Loan Fund, LLC in an amount of \$493,556.00 and the amount of \$493,556.00 be and the same is hereby approved under the caption of COVID-19 ASSISTANCE PROGRAM

SECTION 3. THAT the rules and regulations approved by the Board of Directors of the Vineland Loan Fund, LLC for the residential mortgage and rental assistance qualifications, attached hereto and made a part hereof, are hereby ratified and confirmed.

Adopted:

President of Council

ATTEST:

City Clerk