

RESOLUTION NO. 2020-1

**RESOLUTION OF THE TOWN OF MOORESVILLE REDEVELOPMENT
COMMISSION AUTHORIZING THE EXPENDITURE OF TIF REVENUES FROM
THE CONSOLIDATED MOORESVILLE ECONOMIC DEVELOPMENT AREA
ALLOCATION AREA FOR THE PURPOSE OF ESTABLISHING A SMALL BUSINESS
COVID-19 RELIEF PROGRAM WITH THE MORGAN COUNTY ECONOMIC
DEVELOPMENT CORPORATION**

WHEREAS, the Town of Mooresville Redevelopment Commission (the "Commission"), the governing body of the Town of Mooresville, Indiana, Department of Redevelopment (the "Department") and the Redevelopment District of the Town of Mooresville, Indiana (the "District"), exists and operates under the provisions of Indiana Code 36-7-14, as amended from time to time (the "Act"); and

WHEREAS, the Commission has heretofore adopted and confirmed declaratory resolutions which established and amended an economic development area known as the "Consolidated Mooresville Economic Development Area" (the "Area"), designated a portion of the Area as an "allocation area" pursuant to Section 39 of the Act known as the "Consolidated Mooresville Economic Development Area Allocation Area" (the "Allocation Area") for purposes of capturing and allocating property taxes on real property located in the Allocation Area (the "TIF Revenues"), establishing an allocation fund into which the TIF Revenues are deposited (the "Allocation Fund"), and approving an economic development plan for Area; and

WHEREAS, Section 12.2(a)(26) of the Act provides that the Commission may "provide financial assistance (including grants and loans) to neighborhood development corporations to permit them to . . . (B) construct, rehabilitate, or repair commercial property in the district;" and

WHEREAS, the novel coronavirus known as COVID-19 ("COVID-19") and the resulting mandated stay at home orders and social distancing requirements and recommendations implemented by the federal and state government have significantly and negatively affected businesses located in the Allocation Area and many of such businesses were not able to sufficiently recover from such losses as a result of the federal programs implemented for such purposes; and

WHEREAS, in order to address the extraordinary consequences resulting from impact that COVID-19 has had on businesses located in the Allocation Area and provide additional support as businesses look to re-open, the Commission desires to use a portion of the TIF Revenues on deposit in the Allocation Fund, unobligated and currently available to the Commission in the amount of Fifty Thousand Dollars (\$50,000) to establish a loan program to reimburse eligible businesses located in the Allocation Area for expenditures incurred in connection with the construction, rehabilitation or repair of commercial property in the Allocation Area in an effort to support the efforts of small businesses in the Allocation Area to recover from the consequences of COVID-19; and

WHEREAS, the term “neighborhood development corporation” is not defined in the Act; and

WHEREAS, it is reasonable to assume that a “neighborhood development corporation” would be a corporation that would assist in economic development and redevelopment in neighborhoods in or serving a tax increment allocation area; and

WHEREAS, the Morgan County Economic Development Corporation, an Indiana non-profit corporation (the “Economic Development Corporation”), has been created previously to support the efforts of Morgan County, Indiana (the “County”) and taxing units therein in economic development throughout the County, including the Allocation Area;

NOW, THEREFORE, BE IT RESOLVED by the Town of Mooresville Redevelopment Commission, governing body of the Town of Mooresville Redevelopment District, as follows:

1. In an effort to address the extraordinary consequences that small businesses located in the Allocation Area have endured as a result of COVID-19, the Commission hereby authorizes the expenditure of up to \$50,000 of TIF Revenues currently unobligated and available to the Commission for the purpose of lending said amount to the Economic Development Corporation (the “Loan”) to permit the Economic Development Corporation to make loans as set forth herein to eligible small businesses located in the Allocation Area. The Mooresville Small Business COVID-19 Relief Fund as described in Exhibit A attached hereto (the “Program”) is hereby approved.

2. The Commission hereby authorizes either of the President or the Vice President of the Commission to enter into a loan agreement (the “Agreement”) with the Economic Development Corporation to evidence the Loan to the Economic Development Corporation upon such terms and conditions as either of such officers may determine with the execution of said Agreement evidencing approval of the terms thereof. Upon execution of the Agreement, the Clerk-Treasurer of the Town is hereby authorized to disburse the TIF Revenues from the Allocation Fund to the Economic Development Corporation or directly to the loan recipient pursuant to the Agreement. The Economic Development Corporation shall be authorized to make loans to eligible small businesses upon the terms and conditions set forth herein and in the Agreement.


3. The Commission hereby finds and determines that the Loan and the subsequent loans by the Economic Development Corporation to eligible businesses in the Allocation Area will serve and benefit the Area by hastening the economic recovery in the Allocation Area which will have a beneficial effect on the continued development of the Area.

4. In accordance with the Indiana State Board of Accounts Memorandum re: Policies on Assistance During COVID-19, dated March 31, 2020, this Resolution shall constitute the policy of the Redevelopment Commission for the expenditures described herein.

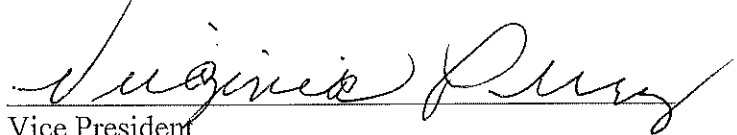
5. This Resolution shall take effect immediately upon its adoption by the Commission.

Adopted this 7th day May, 2020.


TOWN OF MOORESVILLE REDEVELOPMENT
COMMISSION




President



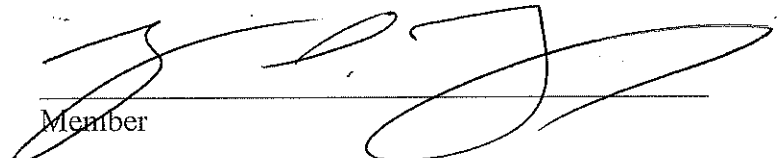
Vice President



Secretary



Member



Member

EXHIBIT A

MOORESVILLE SMALL BUSINESS COVID-19 RELIEF FUND

The Mooresville Small Business COVID-19 Relief Fund is a partnership program between the Mooresville Redevelopment Commission and the Morgan County Economic Development Corporation (MCEDC) to support recovery and job retention for existing small businesses in the Consolidated Mooresville Economic Development Area Allocation Area (the "Mooresville TIF District") impacted by COVID-19. The program will end when funds run out. There is no fee to apply.

Details:

- Loan amount is limited to the lesser of:
 - (i) Three (3) months rent/mortgage; or
 - (ii) amount expended on the construction, rehabilitation, or repair of commercial property located within the Mooresville TIF District within the prior 24 months; or
 - (iii) \$5,000
- Approved Applicants may choose between the following terms: (i) 0% 24 month microloan *OR* (ii) 2.5% 60 month microloan for any working or non-working capital expenditures
- Loan repayments are deferred for 6 months
- Funds must be used to offset COVID-19 losses, maintain employees or provide PTO for employees
- Funds are limited and not all applications will be funded
- Applications are accepted on a rolling basis until funding is depleted
- Each Applicant will be encouraged to meet with the Indiana Small Business Development Center (ISBDC); Applicant's information will be provided to ISBDC directly

Qualifications:

- Business entities (including sole proprietorships) located in the Mooresville TIF District¹ and that have been negatively impacted by COVID-19
- In business for at least two (2) years
- Preference to Applicants with fewer than 25 employees
- Within the last 24 months, Applicant or Applicant's landlord, as applicable, must have expended at least the requested loan amount on the construction, rehabilitation, or repair of commercial property located within the Mooresville TIF District
- Applicant must be registered with the Indiana's Secretary of State, as applicable
- Credit check and evidence that Applicant is not subject to any legal judgement
- In good standing with Mooresville, MCEDC, Morgan County and the State of Indiana
- Applicant must have applied, or commit to applying, for the Paycheck Protection Program (PPP)

To Apply:

- Complete the application form (see attached)
- Email the following to mcedc@morgancoed.com
 - Completed application form
 - Executive Summary of Business Plan (or similar document)
 - Copies of FY 2018 and FY 2019 Profit & Loss Statements
 - Copy of current balance sheet
 - Summary explaining why you need the assistance and the intended use of the funds

All decisions, including without limitation approving applications, shall be made in the sole discretion of the COVID-19 Relief Fund Committee. The COVID-19 Relief Fund Committee reserves the right to waive any eligibility requirements in their sole discretion.

¹ The Mooresville Redevelopment Commission is providing the seed money for the Small Business COVID-19 Relief Fund. As such, it is a statutory requirement that the business must reside within the TIF District.