MEMORANDUM

Agenda Item No. 11(A)(11)

TO:	Honorable Chairman Dennis C. Moss and Members, Board of County Commissioners	**DATE:**	March 17, 2009
FROM:	R. A. Cuevas, Jr. County Attorney	**SUBJECT:**	Resolution urging the President Obama's Administration to quickly implement provisions in the American Reinvestment and Recovery Act that would improve access to capital for small businesses

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Chairman Dennis C. Moss.

R. A. Cuevas, Jr.
County Attorney

RAC/up

MEMORANDUM

(Revised)

TO: Honorable Chairman Dennis C. Moss and Members, Board of County Commissioners

DATE: March 17, 2009

FROM: R. A. Cuevas, Jr. County Attorney

SUBJECT: Agenda Item No. 11(A)(11)

Please note any items checked.

_____ **"4-Day Rule" ("3-Day Rule" for committees) applicable if raised**

_____ **6 weeks required between first reading and public hearing**

_____ **4 weeks notification to municipal officials required prior to public hearing**

_____ **Decreases revenues or increases expenditures without balancing budget**

_____ **Budget required**

_____ **Statement of fiscal impact required**

_____ **Bid waiver requiring County Mayor's written recommendation**

_____ **Ordinance creating a new board requires detailed County Manager's report for public hearing**

_____ **Housekeeping item (no policy decision required)**

_____ **No committee review**

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 11(A)(11)
3-17-09

RESOLUTION NO. _____

RESOLUTION URGING PRESIDENT OBAMA'S ADMINISTRATION TO QUICKLY IMPLEMENT PROVISIONS IN THE AMERICAN REINVESTMENT AND RECOVERY ACT THAT WOULD IMPROVE ACCESS TO CAPITAL FOR SMALL BUSINESSES; HELP SMALL BUSINESSES THAT ARE STRUGGLING WITH EXISTING DEBT, AND SPUR INVESTMENT IN SMALL, HIGH-GROWTH FIRMS

WHEREAS, small businesses generated between 60 and 80 percent of all new U.S. jobs over the past 10 years, and employ nearly 50 percent of all workers in the U.S. economy; and

WHEREAS, the recent tight credit market has particularly hurt small businesses; and

WHEREAS, as such, one of the most important components of the economic recovery plan should be to improve access to capital for small businesses by increasing federal lending authority and funding for small businesses, including a strong and vibrant guaranteed loan program and micro-loan program administered by the Small Business Administration (SBA) which provide startup and long-tern financing for small business that cannot obtain financing anywhere else; and

WHEREAS, on February 13, 2009, Congress passed the Conference Report on the American Reinvestment and Recovery Act of 2009 (Conference Report to H.R. 1)(ARRA); and

WHEREAS, the ARRA includes provisions intended to help small businesses in three ways: (i) by making affordable credit available to small businesses; (ii) by helping small firms that are struggling with existing debt; and (iii) by spurring investment in small, high-growth firms; and

WHEREAS, the ARRA includes the following provisions specifically related to assisting small businesses:

- Reduce to zero fees on loans backed by the Small Business Administration (SBA), with fee reductions going directly to small business borrowers;
- Raise the percentage of a loan that the SBA may guarantee from 85 percent to 90 percent, encouraging banks and private lenders to reenter the market for SBA-backed loans;
- Establish a new "Small Business Stabilization Financing Program" that will allow the SBA to make no interest loans to firms that are struggling to make payments on existing debt;
- Unfreeze the secondary market by allowing "broker-dealers" of SBA-backed loans to take out additional loans from the SBA in order to purchase additional loans off banks' books, which will provide banks with liquidity so they can lend to small businesses again;
- Allow the SBA to guarantee existing debts in loan pools that are currently unguaranteed, providing liquidity in the secondary market so that banks begin lending again;
- Allow small businesses to refinance existing debts under the SBA's 504 program;
- Streamline the Small Business Investment Company (SBIC) program to provide fast growing companies with equity capital they need to grow and create jobs;
- Ensure oversight by requiring the Government Accountability Office (GAO) to report to Congress on the implementation of the small business lending provisions in the stimulus package;
- Provide $15 million to the SBA's surety bond program, including larger bonding authority, to help small firms obtain construction-related projects;
- Provide $30 million for the SBA's microloan program, which provides loans and technical assistance for low income entrepreneurs and laid-off workers who are starting their own business; and

WHEREAS, the ARRA is anticipated to yield nearly $21 billion in new loans and investment for small businesses and it is estimated that the small business provisions of the ARRA will spur the creation of approximately 634,000 jobs; and

WHEREAS, the SBA should act quickly to implement the provisions of the ARRA related to small businesses so as to assist existing small businesses that are struggling, encourage new small business start-ups, and facilitate overall economic development in our community,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board:

Section 1. Urges President Obama's Administration to quickly implement the provisions in the American Reinvestment and Recovery Act that would improve access to capital for small businesses; help small businesses that are struggling with existing debt, and spur investment in small, high-growth firms.

Section 2. Directs the Clerk of the Board to transmit a certified copy of this resolution to the members of the Florida Congressional Delegation, the Administrator of the Small Business Administration.

Section 3. Directs the County's federal lobbying team to advocate for the legislation set forth in Section 1 above, and authorizes and directs that the 2009 Federal Legislative Package be amended to include this item.

The Prime Sponsor of the foregoing resolution is Chairman Dennis C. Moss. It was offered by Commissioner , who moved its adoption. The motion was seconded by Commissioner and upon being put to a vote, the vote was as follows:

Dennis C. Moss, Chairman
Jose "Pepe" Diaz, Vice-Chairman

Bruno A. Barreiro	Audrey M. Edmonson
Carlos A. Gimenez	Sally A. Heyman
Barbara J. Jordan	Joe A. Martinez
Dorrin D. Rolle	Natacha Seijas
Katy Sorenson	Rebeca Sosa
Sen. Javier D. Souto	

The Chairperson thereupon declared the resolution duly passed and adopted this 17th day of March, 2009. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By:_____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency. JMM

Jess M. McCarty