



## Request for City Council Committee Action from the Department of Regulatory Services

**Date:** October 31, 2011

**To:** Council Member Betsy Hodges, Chair – Ways & Means/Budget Committee

**Subject:** Grant Extension Approval

**Recommendation:** Authorize the appropriate City officials to execute a Memorandum of Understanding with the U.S. Small Business Administration to provide addresses of properties which were denied SBA disaster loans in order to contact these property owners regarding loan opportunities available through the State Quick Start loan program

**Previous Directives:** None

### Department Information

Prepared by: Bill Anderson, Emergency Management – (612) 673-5803

Approved by:

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Henry Reimer, Interim Director of Regulatory Services

Presenters in Committee: Cherie Shoquist

## **Supporting Information**

The purpose of this Memorandum of Understanding ("MOU" or "Agreement") is to establish procedures in which the U.S. Small Business Administration ("SBA") may exchange data, subject to the Privacy Act of 1974 and the Minnesota Government Data Practices Act with the City of Minneapolis. The City of Minneapolis is requesting this information so that it can provide outreach assistance to disaster victims included in SBA's declaration #12671 (SBA disaster #MN-00031).

On July 7, 2011, SBA declared an SBA Agency declaration, as requested by the Governor of the State of Minnesota ("State"), in response to severe storms and tornadoes. As a result of the declaration SBA can make loans available through its disaster loan assistance program. SBA can make direct loans to disaster victims for uncompensated home and business losses.

The State operates a Quick Start Program. This program provides forgivable, no-interest loans for home repair, new construction or a comparable replacement home, mobile homes, or single-family rental repair to individuals who were declined for SBA disaster loan assistance, or received a limited loan, under disaster #12671 and therefore have unmet housing needs. The funding for the Quick Start Program are from the state.

The City of Minneapolis will use the three non-profit agencies that the State also uses to administer the Quick Start Program, to conduct outreach. The SBA authorizes the City of Minneapolis to share SBA data, on an as-needed basis, with any non-profit administrator that has a signed Participation Agreement and/or Quick Start Program amendment on file with the State.

As outlined in this agreement, SBA is only providing information to the City of Minneapolis on applicants who were declined for an SBA disaster loan or received a limited loan, under disaster #12671 for the purpose of the City of Minneapolis' Quick Start Program outreach efforts.