



November 9, 2023

Bianca Holmes  
United States Department of Commerce  
Economic Development Administration  
Atlanta Regional Office  
401 W. Peachtree St., NW, Suite 1820  
Atlanta, Georgia 30308

RE: Request for Release of EDA Federal Interest in the City of Savannah (City) (Legacy)  
Revolving Loan Fund (RLF) Award #04-39-04101

Dear Ms. Holmes,

Thank you for the invitation to de-federalize the City's (Legacy) EDA RLF. The City accepts the invitation and requests that EDA release its federal interest in the City's RLF Award #04-39-04101 consistent with the requirements of the *Reinvigorating Lending for the Future Act* (Pub. L. 116-192), an amendment to the Public Works and Economic Development Act (PWEDA) of 1965, as amended. The City provides the requested information and certification related to the City's EDA RLF Award.

EDA, pursuant to its authority under the Public Works and Economic Development Act of 1965 (PWEDA) (42 U.S.C. § 3121 *et seq.*), awarded to the City a grant to capitalize a revolving loan fund bearing EDA Award #04-39-04101. The current value of the RLF capital base is \$1,000,000.00, the federal investment rate is 75%, and the federal share of the RLF capital base is \$250,000.00 (the Award Funds). Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD) are used as local share under the Award.

The City requests that EDA release its federal interest in the Award. The City acknowledges this release does not extend to or include a release of any other federal agency's interest in the RLF capital base (i.e., CDBG funds from the U.S. Department of Housing and Urban Development).

The CITY certifies it has complied with the terms and conditions of the RLF Award; and that:

- More than seven years have passed since the final EDA disbursement of award funds to the RLF recipient,
- The RLF award funds will be used to carry out one or more activities that continue the economic development purposes of the Public Works and Economic Development Act of 1965 (PWEDA), and
- Section 602 (Davis-Bacon) requirements shall continue to apply, as applicable.

Description of Use of Funds. The City makes available funds for special economic development activities to expand the small business economic base of the City of Savannah and increase

employment opportunities for persons with low and moderate incomes, including financial services program and technical assistance to small businesses citywide.

The City contracts with Small Business Assistance Corporation (SBAC), a nonprofit Certified Development Corporation (CDC), and a certified Community Development Financial Institution (CDFI) assisting small businesses that, because of their operations, create jobs for low- and moderate-income persons. SBAC is managing the City's Small Business Development Program (SBDP). The City addresses needs through a collaborative planning process and develops goals and measurable objectives to be achieved, over five years, in coordination with community partners.

The revolving loan fund directly assists entrepreneurs facing barriers to accessing capital; the RLF program addresses the economic development needs identified through the Coastal Georgia Comprehensive Economic Development Strategy (CEDS). The City wishes to overcome major obstacles identified in the CEDS pursuant to 13 CFR 307.2(a)(3). The proposed projects identified herein are consistent with the applicable CEDS.

The City will use the (defederalized) Award Funds in a manner that addresses the priorities and specific objectives identified in the City's HCD 5-year plan, and in accordance with PWEDA as follows:

- Meet the needs of the community, assist families in becoming economically stable, and enhance the quality of life for all citizens by addressing individual or family needs and/or increasing capacity to become economically stable through educational advancement, job training employment, financial education, and asset-building.
- Foster a local business economy that is inclusive and provides opportunities for all enterprises by facilitating the creation or expansion of small businesses, inclusive of minority and women-owned businesses; and providing technical assistance, business development training assistance and referral services to existing and prospective entrepreneurs.
- Develop and sustain a skilled workforce linked to a diverse group of industries by developing job skills, work readiness and soft skills among low- and moderate-income residents; creating full-time jobs for low-and- moderate income persons through City-funded loan programs; and creating traditional and non-traditional learning opportunities for low-and-moderate income persons.

Economic assistance strategies include:

- a. Creating jobs by assisting existing and potential businesses owners who reside within the city limits with priority given to businesses located north of Victory Drive.
- b. Educating and training business owners, through management and technical assistance, training, to develop sound business plans and to manage their small businesses effectively.
- c. Maximize business success rates by combining financing programs with business advisement and management assistance programs.
- d. Facilitate the exchange of information on small business opportunities for small businesses and entrepreneurs.

To accomplish these goals, the City of Savannah and its economic development partners will endeavor to achieve the following objectives:

1. Facilitate the creation and/or expansion of small businesses within the target area.
2. Fund and support loan programs with competitive incentives to assist small, emerging and established businesses including Minority and Women-Owned Business Enterprises (M/WBE's).
3. Support business creation and expansion that results in the creation and retention of full-time jobs for low to moderate income persons.
4. Develop and provide incentive packages for qualifying emerging and expanding small businesses in target neighborhoods to encourage the hiring of low and moderate income, underemployed and unemployed residents.
5. Prioritize assistance to underserved entrepreneurs to start, stabilize, and expand their businesses, which will contribute to a reduction in the persistent poverty afflicting Savannah.
6. Coordinate all business development and lending services with other local agencies providing business assistance and refer inquiries as appropriate. These agencies include the CITY's Savannah Entrepreneurial Center (SEC), the CITY M/WBE program, and other agencies as designated, to maximize RLF program benefits for eligible clientele.
7. Provide business development assistance, including lending initiatives in the CITY-designated Priority Corridors, and other CITY initiatives such as the Moses Jackson Advancement Center and the Pennsylvania Avenue Resource Center.

The City hereby attests that it shall use the (defederalized) EDA Award in accordance with eligible activities pursuant to the economic development purposes of PWEDA and 13 CFR 307, and in accordance with applicable federal, state, and local law, including applicable non-discrimination laws and conflict of interest provisions at §302.17.

Sincerely,

Joseph A. Melder  
City Manager

cc: Kerri Reid, Director of Human Services  
Tanya Wilcoxon, Grants Manager

Enclosure

- City Council meeting minutes approving the request to release EDA's federal interest