

**CITY OF SANIBEL
RESOLUTION 24-042
Series 2023-24**

A RESOLUTION AUTHORIZING THE MAYOR OF THE CITY OF SANIBEL, FLORIDA, HONORABLE RICHARD JOHNSON, TO REQUEST A LOAN UNDER THE COMMUNITY DISASTER LOAN PROGRAM OF THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) FOR A MAXIMUM AMOUNT OF \$5,000,000, TO RECEIVE AND MANAGE THESE FUNDS AND FOR OTHER PURPOSES; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS: Due to the effects of **DR4673FL Hurricane Ian**, the City of Sanibel is projecting substantial revenue losses necessary for the continued operations of essential government services including, but not limited to, and public safety and garbage collection services; and

WHEREAS: The Federal Emergency Management Administration (FEMA), through its Community Disaster Loan Program (CDL Program), makes available low interest loans to help offset substantial revenue losses until such time as recovery efforts lead to restored revenues sources; and

WHEREAS: The City of Sanibel is interested in submitting to FEMA a consideration request for a CDL Program loan in the amount of \$5,000,000, that must be repaid no later than 5 years after the execution of the note, and will be used as revenue in support of annual budgets as permitted by Law; and

WHEREAS: The described law permits local governments to accept such loan proceeds and anticipate same in support of their annual budgets; and

WHEREAS: (1) The interest rate of the loan will be equal to the 5-year maturities based on the United States Treasury obligations in effect on the date the Promissory Note is executed by FEMA; (2) The loan may be forgiven under certain circumstances; and (3) Whatever portion of the loan not forgiven will be repaid at a time when economic recovery has broadened the base of revenues in support of the budget; and

WHEREAS: Refraining to accept such a loan would irresponsibly forgo relief available to the residents of the City of Sanibel, at a time when relief is critically needed

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANIBEL, FLORIDA;

SECTION 1. The City Council of the City of Sanibel authorizes the Mayor, Honorable Richard Johnson, or his authorized representative, to begin all the necessary steps to present to FEMA the formal Request for a Loan of the CDL Program for an amount not to exceed \$5,000,000.

SECTION 2. If FEMA approves the loan, the City Council authorizes the Mayor, or designee, to receive and administer these funds, as provided by the Community Disaster Loan Program.

SECTION 3. That the Mayor, or designee, is hereby authorized and designated as representative of the City of Sanibel and as such may and will provide any additional information, as required, including all the guarantees contained in the request.

SECTION 4. With respect to such request and receipt of funds, the City of Sanibel in accordance with the requirements of the Community Disaster Loan Program of FEMA shall comply with the following:

- A. A contract with FEMA, in a manner and manner acceptable to the Director of the Agency, for payment of the amount requested and compliance with any other obligation required or acquired, as a condition of receiving the loan proceeds.
- B. Commit re-payment funds that the City of Sanibel may be receiving in the future.
- C. Request an amount of funds not to exceed \$5,000,000.
- D. Authorize the Deputy City Manager/CFO to create a sinking fund account that will be used to amortize the CDL service debt.
- E. Establish a payment period that does not exceed a term of five (5) years.
- F. Provide, at the discretion of the Director of FEMA, any other type of guarantee that it deems appropriate.

SECTION 5. That the Mayor, or designee, is hereby authorized to sign any contract and/or agreement with the Director of FEMA in relation to said request and is also authorized to review and obligate such funds requested pursuant to said contract and/or agreement.

SECTION 6. To the extent that all or any of the actions authorized by this means have been carried out and / or executed by the Mayor, or designee, all are ratified and confirmed.

SECTION 7. Any ordinance, resolution or any of its parts that may be in conflict with this, are hereby repealed.

SECTION 8. A copy of this Resolution duly approved by the City Council of the City of Sanibel will be sent to the Deputy City Manager/CFO of the City of Sanibel, to the City Clerk of the City of Sanibel, to the City Attorney of the City of Sanibel, to the authorized officials of FEMA Community Disaster Loans Program, and any other agency with interference in the process.

SECTION 9. This resolution will take effect immediately once executed by the Mayor.

PASSED IN OPEN AND SPECIAL SESSION OF THE CITY COUNCIL OF THE CITY OF SANIBEL, FLORIDA THIS 30TH DAY OF JULY 2024.

Attest:

Scotty Lynn Kelly, City Clerk

Richard Johnson, Mayor

Approved as to form and legality:

John D. Agnew, City Attorney

Date filed with City Clerk: _____

Vote of Council Members:

Johnson	_____
Miller	_____
DeBruce	_____
Henshaw	_____
Smith	_____