



**Background Paper for Proposed  
Resolution**

**COUNCIL MEETING DATE:** April 25, 2022

TO: President Heather Graham and Members of City Council  
CC: Mayor Nicholas A. Gradisar  
VIA: Marisa Stoller, City Clerk  
FROM: Daniel C. Kogovsek, City Attorney  
SUBJECT: A RESOLUTION GRANTING LOCAL BUSINESSES A DEFERMENT UNTIL JANUARY 1, 2023 TO MAKE THEIR FIRST MONTHLY PAYMENTS ON LOANS FROM THE COVID-19 EMERGENCY PROJECT

**SUMMARY:**

Attached is a proposed Resolution granting local businesses which received loans in 2020 from the COVID-19 Emergency Project a deferment until January 1, 2023 to make their first payments on said loans.

**PREVIOUS COUNCIL ACTION:**

On April 13, 2020, by Ord. No. 9698, the City Council established the COVID-19 Emergency Project within the Sales and Use Tax Capital Improvement Project Fund, commonly referred to as the "half-cent sales tax fund." On April 13, 2020, by Resolution No.14394, City Council also transferred \$5,000,000 from the 1992-2021 Sales and Use Tax Capital Improvement Projects Fund to the COVID-19 Emergency Project.

On July 12, 2021, by Resolution No. 14663, City Council granted local businesses which received loans in 2020 from the COVID-19 Emergency Project, a deferment until May 1, 2022 to make their first payments on said loans. The Resolution also waived interest on said loans during the deferment interval.

**BACKGROUND:**

Under the attached Resolution, local businesses shall be given another eight (8) months to financially recover from the pandemic before being required to make their first monthly payments on the loans.

**FINANCIAL IMPLICATIONS:**

None. Interest on the loans during the additional 8 month deferment period is not being waived.

**BOARD/COMMISSION RECOMMENDATION:**

Not applicable to this Resolution.

**STAKEHOLDER PROCESS:**

Not applicable to this Resolution.

**ALTERNATIVES:**

City Council has the option of not giving local businesses an additional 8 month deferment in making their first loan payments.

**RECOMMENDATION:**

None.

**Attachments:**

Proposed Resolution.

**As Amended  
April 25, 2022**

RESOLUTION NO. 14870

A RESOLUTION GRANTING LOCAL BUSINESSES A DEFERMENT UNTIL JANUARY 1, 2023 TO MAKE THEIR FIRST MONTHLY PAYMENTS ON LOANS FROM THE COVID-19 EMERGENCY PROJECT

BE IT RESOLVED BY THE CITY COUNCIL OF PUEBLO, that:

SECTION 1.

The thirty-four (34) local businesses listed on the attached Exhibit A, which received loans from the COVID-19 Emergency Project shall be and hereby are granted a deferment until January 1, 2023 to make their first monthly payments on said loans. Said loans shall not accrue interest during this deferment period.

SECTION 2.

The officers and staff of the City are authorized to perform any and all acts consistent with this Resolution to implement the policies and procedures described herein.

SECTION 3.

This Resolution shall become effective immediately upon final passage.

INTRODUCED April 25, 2022

BY: Dennis E. Flores  
MEMBER OF CITY COUNCIL

APPROVED: Lawrence W. Arterio  
VICE PRESIDENT OF CITY COUNCIL

ATTESTED BY:   
CITY CLERK