

1 [Resolution urging continued funding for ARRA SBA 7(a) and 504 loan provisions.]

2 **Resolution urging the United States Congress to extend funding for the SBA 7(a) and**  
3 **504 loan provisions as part of the American Recovery and Reinvestment Act of 2009.**

4 WHEREAS, Small businesses are the backbone of our economy representing 99.7% of  
5 all employer firms nationally and 98% locally; and

6 WHEREAS, Small businesses employ half of all private sector employees and pay  
7 45% of total U.S. private payroll; and

8 WHEREAS, Small businesses have generated 60-80% of net new jobs annually over  
9 the last decade; and

10 WHEREAS, The success of small businesses leads to the creation of more jobs and  
11 therefore, the recovery of our economy; and

12 WHEREAS, President Obama recognized the importance of small businesses by  
13 signing into law in February 2009 as part of the American Recovery and Reinvestment Act  
14 that provided \$730 million in government loans for small businesses; and

15 WHEREAS, The lending provisions, SBA 7(a) and the SBA 504, contained in the  
16 ARRA provided the increase in the guarantee percentage to small business lenders from 75%  
17 to 90%, and waived the 2% guarantee fee for any businesses getting a loan; and

18 WHEREAS, Locally, the SBA's San Francisco District Office reported a 47% increase  
in loan volume in Fiscal Year 2009, which was a direct result of the Recovery Act; and

WHEREAS, A significant share of loans supported by Recovery Act funding has gone  
to minority-owned businesses (20%), women-owned businesses (19%) and veteran-owned  
businesses (9%); and

Supervisor Chiu

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WHEREAS, Funding for these lending provisions have run out since November 20, 2009 and therefore, will hinder recovery efforts related to all small businesses; and, be it

FURTHER RESOLVED, That the Board of Supervisors of the City and County of San Francisco urges the United States Congress to extend funding for both SBA 7(a) and SBA 504 loan provisions of the American Recovery and Reinvestment Act and make credit available to small businesses so that this vital part of our economy can continue on the road to recovery.

Supervisor Chiu