



**Roberto L. DaSilva**  
**Mayor**

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**Council votes to allocate \$500K to support new business in East Providence**

EAST PROVIDENCE, RI – The East Providence City Council has voted to increase the City of East Providence’s Urban Development Action Grant (UDAG) Revolving Loan Fund to support new businesses moving into East Providence.

The Council on Tuesday voted in favor of a resolution introduced by Council President Bob Rodericks and Councilman Rick Lawson to increase the funding of the small business revolving fund by \$500,000.

“Our Urban Development Action Grant (UDAG) Revolving Loan Fund is an example that this City is making small business support a priority,” Council President Bob Rodericks said. This one-time revenue from the sale of this long vacant property is put to immediate use by small business, without adversely affecting our budget. This is property that never generated any revenue but actually cost the City money.”

The increase comes from the revenues from the sale of the Platt-Watters School and will be overseen by the East Providence Economic Development Commission.

Mayor Bob DaSilva requested that the Council allocate the funds from the sale of eight, city-owned parcels located on Burnside and Hoppin Avenues to the UDAG fund to support existing businesses seeking to grow and new businesses interested in calling East Providence home.

“Directing resources to this fund will provide an infusion of capital for small businesses to grow in East Providence,” Mayor Bob DaSilva said. “From the start, my administration has been

dedicated to boosting economic development in our city – we want East Providence to be the place to live, learn, work and play and start a business.”

Beginning in the late 1980’s and supported with initial funding of \$800,000 from the U.S. Dept. of Housing and Urban Development’s (HUD) UDAG program, the city has leveraged this grant to assist small businesses expand and grow with a revolving fund.

The City of East Providence, over the last four years and through the Economic Development Commission, has issued loans from the fund to a total of 23 small businesses totaling \$783,000.

This revolving loan fund helps local business owners by providing businesses with the necessary startup capital to funds to expand in East Providence.

**About UDAG:** *The Urban Development Action Grant Program (UDAG) provides development funds to states to assist physically and economically distressed cities and urban counties. A review was made of the administration of this program by the Department of Housing and Urban Development, addressing the amount of private investment stimulated, the number of permanent jobs created or retained, and the degree to which the grantees' tax bases were expanded. "Leverage" occurs when the UDAG investment generates a greater amount of private investment, and, therefore, economic growth. Analysis of the levered private investment should take into account all public funds that are in evidence and applicable to the project.*