

RES 16-058

Wilmington, Delaware
July 7, 2016

#4243

Sponsors:

**Council
President
Gregory**

**Council
Members
M. Brown
Chukwuocha**

Co-Sponsors:

**Council
Members
Williams
Walsh
Shabazz
Cabrera**

WHEREAS, according to the Federal Reserve Bank of New York, student loan debt is the only form of consumer debt which has continued to rise following the 2008 consumer debt peak and the height of the Great Recession; and

WHEREAS, in March 2015, total student loan debt in America was estimated to be between \$1.19 and \$1.27 trillion; and

WHEREAS, student loans, which sometimes carry high interest rates and penalties, continue to saddle young Americans as they enter the workforce after earning their degree; and

WHEREAS, there are long-standing programs in place to forgive portions of student loan debt for those in particular fields – including law – who spend a designated period of time working in public service; and

WHEREAS, there are also various student loan deferral options for students, including those who are attending graduate school and continuing their post-secondary education; and

WHEREAS, considering the possibility of student loan forgiveness and deferral programming to incentivize the engagement of graduates in particular fields, there also exists the opportunity to incentivize residential choice through similar means; and

WHEREAS, low-income communities and those in need of revitalization and renewal can benefit from young professionals and the energy and investment they bring to such neighborhoods; and

WHEREAS, it is worth investigating how the federal government could incentivize residency in particular communities – namely urban, suburban and rural communities with certain levels of poverty and demonstrated economic disadvantage, as well as low home ownership rates and other socioeconomic factors; and

WHEREAS, the City Council urges federal leaders to investigate the potential of designing such a program.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF WILMINGTON, that the Council respectfully encourages the federal government to investigate the feasibility of enacting a program designed to offer young professionals student loan forgiveness and deferral options provided they reside in urban, suburban or rural communities characterized by particular levels of poverty and economic disadvantage – along with other socioeconomic factors – as such an approach could provide much-needed debt relief to these graduates while also injecting energy and investment into these communities.

Passed by City Council,
July 7, 2016

Attest: Maribel Seijo
City Clerk

Approved as to form this 6th
day of July, 2016.

Dana Shatt
Assistant City Solicitor