

RESOLUTION NO. _____ - 2021

A RESOLUTION AUTHORIZING AN ADDITIONAL \$2,500,000.00 FOR THE LFUCG SMALL BUSINESS ECONOMIC RECOVERY PROGRAM CREATED BY RESOLUTION NO. 235-2021 TO PROVIDE GRANTS OF UP TO \$25,000.00 TO QUALIFYING LOCAL SMALL BUSINESSES; AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE A CONTRACT AMENDMENT WITH COMMERCE LEXINGTON, INC. TO ADMINISTER THE PROGRAM FOR A FEE IN THE AMOUNT OF 7.5% OF THE ADDITIONAL FUNDS DISTRIBUTED (NOT TO EXCEED \$187,500.00); AND FURTHER AUTHORIZING THE MAYOR OR HER DESIGNEE TO TAKE ANY OTHER ADDITIONAL NECESSARY ACTIONS; ALL EFFECTIVE UPON PASSAGE OF COUNCIL.

WHEREAS, Lexington-Fayette County has experienced an unprecedented health pandemic related to COVID-19, which has resulted in economic turmoil and significant economic losses to many local small businesses; and

WHEREAS, in Resolution No. 235-2021, the Urban County Council created the LFUCG Small Business Economic Recovery Program (or hereinafter the "Program"), a \$2,500,000.00 grant program to assist local small businesses in their recovery from the pandemic; and

WHEREAS, in Resolution No. 235-2021, the Lexington-Fayette Urban County Government established the minimum criteria for qualifying for Program funding; determined how the Program was to be operated; and set the desire that at least fifty percent (50%) of Program funds be provided to minority or women-owned businesses and/or small businesses located in lower income areas in Lexington-Fayette County; and

WHEREAS, due to the popularity of, and the need for, the Program, many applicants did not receive funding from the first allocation of \$2,500,000.00; and

WHEREAS, the Urban County Council desires to replenish funding for the Program by an additional \$2,500,000.00 to help more local small businesses recover from the pandemic.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT:

Section 1 – That the preamble set forth following the title to this Resolution be and hereby is incorporated herein as if set out in full.

Section 2 – That an additional \$2,500,000.00 be and hereby is authorized to fund the LFUCG Small Business Economic Recovery Program (or hereinafter the "Program"), providing certain qualified local small business with grants of up to \$25,000.00 each, with

a primary goal of providing funding stability to local small businesses such that they can retain or expand jobs and their related Lexington-Fayette County payroll base.

Section 3 – That Resolution No. 235-2021 be and hereby is incorporated herein by reference, and that its provisions shall direct the distribution of additional grant funds authorized by this Resolution, unless inconsistent with the provisions contained herein.

Section 4 – That Commerce Lexington, Inc., by and through its Access Loan Program, be and hereby is retained to continue to administer the Program including application review and compliance, and the Mayor, on behalf of the Lexington-Fayette Urban County Government, be and hereby is authorized to execute an Amendment to the Agreement (authorized in Resolution No. 235-2021), which is attached hereto and incorporated herein by reference, with Commerce Lexington, Inc., for the administration of the additional funds authorized by this Resolution, with an administrative fee in the amount of seven and one-half percent (7.5%) of the funds allocated by this Resolution and actually disbursed to the local small businesses, payable to Commerce Lexington, Inc. (not to exceed \$187,500.00).

Section 5 – That a total amount not to exceed \$2,500,000.00 be and hereby is approved for payment to Commerce Lexington, Inc., from account # 1144-136102-1364-78112, with Commerce Lexington, Inc. retaining a maximum amount up to \$187,500.00 from the total sum, pursuant to the terms of the agreement and contingent upon the approval of a pending budget amendment.

Section 6 – That the Mayor or her designee is hereby authorized to take any additional necessary actions related to the Program, which are consistent with the Program as provided for in this Resolution.

Section 7 – If any section, subsection, sentence, clause, phrase, or portion of this Resolution, or Resolution No. 235-2021, is for any reason held invalid or unlawful by a court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions hereof.

Section 8 – That this Resolution shall become effective upon the date of its passage.

PASSED URBAN COUNTY COUNCIL:

MAYOR

ATTEST:

CLERK OF THE URBAN COUNTY COUNCIL
PUBLISHED:

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