



Lexington-Fayette Urban County Government

200 E. Main St
Lexington, KY 40507

Legislation Text

File #: 0992-22, **Version:** 1

An Ordinance amending Ordinance No. 153-2013, as amended by Ordinance No. 187-2016, to remove reference to Grants; to provide that the Urban County Council may approve more than one loan per business; and clarifying that all Agreements must include provision(s) requiring the repayment of funds and imposing penalties in the event that the terms of the Agreement are not fulfilled; all effective upon date of passage. [Mayor's Office, Atkins]

Authorization to amend Ordinance No. 153-2013, as amended by Ordinance No. 187-2016, to remove reference to Grants, clarify interest rate requirements, and provide that the Urban County Council May approval more than one loan per business, and to update the Lexington Jobs Fund Policies and Guidelines, as recommended by the Economic Development Investment Board (EDIB). No Budgetary impact. (L0992-22)(Atkins)

Budgetary Implications: No

Advance Document Review:

Law: {Yes, Completed by [Evan Thompson, 9/27/2022]}

Risk Management: {Select Yes/No, Completed by [Official, Date]}

Fully Budgeted: N/A

Account Number: N/A

This Fiscal Year Impact: \$N/A

Annual Impact: \$N/A

Project:

Activity:

Budget Reference:

Current Balance:

BE IT ORDAINED BY THE COUNCIL OF THE LEXINGTON-FAYETTE URBAN COUNTY
GOVERNMENT:

Section 1 - That Section 2 of Ordinance No. 153-2013, as amended by Ordinance No. 187-

2016, be amended to read as follows:

The purpose of the Program is to provide certain qualified businesses with local funding through loans, forgivable loans, or other Agreements in order to promote employment growth in Lexington-Fayette County. The Program is focused on attracting innovative businesses and promoting the expansion of existing businesses. Restaurant or retail components of a business are not qualified to receive funding.

Section 2 - That Section 6 of Ordinance No. 153-2013, as amended by Ordinance No. 187-

2016, be amended to read as follows:

All funds awarded pursuant to the Program shall be solely at the discretion of the Urban County Government and shall be in the form of a loan Agreement, forgivable loan Agreement, or similar Agreement. Each funding Agreement must be approved by the Urban County Council. A business shall only be eligible for a maximum of one type of Program funding at any given time, unless otherwise approved by the Urban County Council. This does not preclude a business from applying for an amendment to its existing funding Agreement.

Section 3 - That Section 7 of Ordinance No. 153-2013, as amended by Ordinance No. 187-

2016, be amended to read as follows:

The typical maximum amount of any funding Agreement will not exceed \$100,000 for a forgivable loan and \$250,000 for a loan or other Agreement. Upon the recommendation of the Chief Development Officer and the Economic Development Investment Board, and the final approval of the Urban County Council, the funding May exceed the above amounts.

Section 4 - That Section 8 of Ordinance No. 153-2013, as amended by Ordinance No. 187-

2016, be amended to read as follows:

All funding will be made subject to an Agreement by the business that a minimum number of jobs in Fayette County will be created and that those jobs will continue to exist for the period of time provided in Agreement. All loans are to be repayable to the Urban County Government within ten (10) years. All Agreements shall include provision(s) requiring the repayment of some or all of the funds and imposing penalties in the event that the terms of the Agreement are not fulfilled.

Section 5 - That Ordinance No. 153-2013, as amended by Ordinance No. 187-2016, shall otherwise remain in effect.

Section 6 - That the revised "Lexington Jobs Fund Policies and Guidelines", which are

attached hereto and incorporated herein by reference, be and hereby are approved and adopted, and replace those policies and guidelines previously adopted.

Section 7 - That the requirement contained within Ordinance No. 31-2014 for an annual review of the Jobs Fund program shall otherwise remain in effect.

Section 8 - That this Ordinance shall become effective upon the date of its passage.

PASSED URBAN COUNTY COUNCIL:

MAYOR _____

ATTEST:

CLERK OF URBAN COUNTY COUNCIL
PUBLISHED:

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