

AMENDMENT NUMBER 1
TO THE
CONTRACT BETWEEN
METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
AND PATHWAY LENDING

This Amendment is entered into on the ____ day of _____, 2021, by and between The Metropolitan Government of Nashville and Davidson County (the “Metropolitan Government”) and Pathway Lending (the “Recipient”).

WHEREAS, the Metropolitan Government and the Recipient entered into Contract #L-4626 dated as of January 4, 2021, (the “Agreement”), wherein Recipient is to provide administrative services and financial support to businesses affected by the COVID-19 pandemic on the terms and conditions set forth therein; and

WHEREAS, the Metropolitan Government desires to provide further relief and assistance to small businesses affected by the COVID-19 pandemic and other emergencies.

NOW THEREFORE the parties agree to amend the Agreement as follows:

1. Scope of Services. Section A of the Agreement shall be amended adding the following subsection:

A.5. The Recipient shall also use funds for the provision of services and financial support to small businesses in Davidson County affected by the COVID-19 pandemic or other emergencies, as detailed in the Small Business Relief Program Requirements, attached and incorporated herein as Attachment 3. Recipient shall comply with the Program Requirements. The Recipient must spend these funds consistent with the Grant Spending Plan, attached and incorporated herein as Attachment 4. The Recipient must collect data to evaluate the effectiveness of their services and must provide those results to Metro upon request.

2. Maximum Liability. Section C.1 of the Agreement is amended by deleting the first paragraph and replacing it with the following:

In no event will Metro’s maximum liability to Recipient under this Grant Contract exceed two million dollars (\$2,000,000). The Grant Spending Plans will constitute the maximum amount to be provided to the Recipient by Metro for all the Recipient’s obligations hereunder. The Grant Spending Plans line items include, but are not limited to, all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Recipient.

All remaining sections in the Contract remain unmodified. This amendment shall not be binding upon the parties until it has been signed by the Recipient and authorized representatives of the Metropolitan Government.

THE METROPOLITAN GOVERNMENT
OF NASHVILLE AND DAVIDSON
COUNTY:

Mayor

APPROVED AS TO AVAILABILITY OF

[Signature]

Director of Finance

APPROVED AS TO RISK AND
INSURANCE:

[Signature]

Director of Insurance

APPROVED AS TO FORM AND
LEGALITY:

Margaret O. Darby

Assistant Metropolitan Attorney

RECIPIENT – PATHWAY LENDING:

By: *Clinton B. Gwin*

Clinton B. Gwin
(print name)

Title: President and CEO

Date: March 19, 2021

SMALL BUSINESS RELIEF PROGRAM REQUIREMENTS –
ATTACHMENT 3 (RESOLUTION RS2021-)

1. Pathway Lending shall administer the Grant Contract funds totaling \$1,000,000.
2. Pathway Lending shall use the Grant Contract funds to provide grants of \$1,000,000 to small business. In accordance with Equity Alliance's Our Fair Share report, Pathway Lending shall continue to ensure that a minimum of 30% of the total small business grant fund is distributed to women and minority-owned businesses.
3. Pathway Lending shall use the Grant Contract funds to provide relief grants of \$1,000,000 to small businesses.
4. All small businesses that receive grants must meet the following criteria:
 - a. Be in existence for 12 months from the date of application; and
 - b. Have minimum annual gross receipts of \$15,000 as evidenced by tax returns filed with the state or federal government; and
 - c. Have maximum annual gross receipts of \$1,250,000 as evidence by tax returns filed with the state or federal government.
5. Eligible grant recipients that have been convicted of a citation, warrant, or administrative penalty for violation of a Metro emergency COVID-19 public health order are ineligible to receive funds.
6. Small businesses with annual gross receipts over \$250,000 and a maximum of \$1,250,000 may receive a grant not to exceed \$10,000.
7. Microbusinesses with annual gross receipts over \$15,000 and a maximum of \$250,000 may receive a grant not to exceed \$5,000.
8. Any eligible grant recipient that received a grant under the live music venues Metropolitan Council Resolution RS2020-515 is ineligible to receive a grant under this Grant Contract.
9. Pathway Lending can accept an administrative fee of 10% from the Grant Contract funds.
10. Pathway Lending shall collect demographic data on the ownership of each business that receives services or funds under the Grant Contract. Demographic data includes Age, Race, Sex and Zip Code.
11. Bi-weekly reporting from Pathway Lending is required and shall include:

- a) Accounting of all grant funds, including identification of any business benefitted by these funds; and
- b) Balance of funds remaining from the \$1,000,000 allocations; and
- c) Demographics of business ownership of any organization that receives grant funds, including but not limited to Age, Race, Sex and Zip Code.

12. Recipient shall act reasonably and exercise due diligence in disbursing funds to organizations that meet the eligibility requirements of this Grant Contract. Recipient shall require reasonable documentation from organizations which show that such organizations meet the eligibility requirements of this Grant Contract. Recipient shall require organizations to provide attestations, certifications or other representations that the organizations meet the eligibility provisions of this Grant Contract and will abide with the requirements of this Grant Contract.

Attachment 4 – Grant Spending Plan

**METROPOLITAN GOVERNMENT OF
NASHVILLE AND DAVIDSON COUNTY
GRANT SPENDING PLAN**

RECIPIENT NAME:	Southeast Community Capital Corporation dba Pathway Lending
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THE FOLLOWING IS APPLICABLE TO EXPENSES PLANNED TO BE INCURRED DURING THE CONTRACT GRANT PERIOD: Enter Start Date through Enter End Date				
	EXPENSE OBJECT LINE-ITEM CATEGORY	METRO GRANT FUNDS	RECIPIENT MATCH (participation)	TOTAL PROJECT
	Salaries and Wages			\$0.00
	Benefits and Taxes [(PERCENT)]			\$0.00
	Professional Fees			\$0.00
	Supplies			\$0.00
	Communications			\$0.00
	Postage and Shipping			\$0.00
	Occupancy			\$0.00
	Equipment Rental and Maintenance			\$0.00
	Printing and Publications			\$0.00
	Travel/ Conferences and Meetings			\$0.00
	Insurance			\$0.00
	Specific Assistance to Individuals	\$900,000.00		\$900,000.00
	Other Non-Personnel	\$100,000.00		\$100,000.00
	GRAND TOTAL	\$1,000,000.00	\$0.00	\$1,000,000.00