A resolution amending RS2020-516 to clarify that small businesses eligible for financial assistance through Pathway Lending can use federal or state tax returns to determine eligibility and to reallocate $200,000.00 previously designated for technical assistance to an administrative fee.

WHEREAS, on September 1, 2020, the Metropolitan Council passed RS2020-516 allocating 3,700,000.00 in federal CARES Relief Act funds to be distributed to small businesses and administered by Nashville Area Chamber of Commerce, Conexión Américas, the Nashville Business Incubation Center, the Nashville Entrepreneur Center, and Pathway Lending; and,

WHEREAS, one of the administrators of these funds, Pathway Lending, has sought clarification as to what small businesses may be eligible for financial assistance and to the source of administrative fees; and,

WHEREAS, the COVID-19 Financial Oversight Committee seeks to clarify that both state and federal tax returns may used to determine eligibility, not just state returns; and,

WHEREAS, the COVID-19 Financial Oversight Committee recognizes that Pathway Lending requires an administrative fee to perform its functions under RS2020-516; and,

WHEREAS, there are federal requirements for use of CARES Act funds and the COVID-19 Financial Oversight Committee requires that the funds in RS2020-515 be used or distributed on or before November 15, 2020.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY:

Section 1: Section 12 of RS2020-516 is removed and replaced with the following:

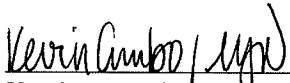Section 12. The Metropolitan Council directs Pathway Lending to use these funds to:

1. Provide grants of $2,000,000.00 to small businesses, ensuring that $600,000.00 of the total grant fund is set aside for microbusinesses with annual gross receipts of $250,000.00 or less, and, in accordance with the Equity Alliance's Our Fair Share report, ensuring that a minimum of 30% of the total grant fund is distributed to minority-owned businesses. All small businesses that receive grants must meet the following criteria:

    a. In existence for 12 months from the date of application;

    b. Minimum annual gross receipts of $35,000.00 as evidenced by tax returns filed with the state or federal government;

    c. Maximum annual gross receipts of $1,000,000.00 as evidence by tax returns filed with the state or federal government;

d.   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 may be deemed by the Committee to be ineligible to receive funds.

e.   Small business with annual gross receipts over $250,000.00 and a maximum of $1,000,000.00 may receive a grant not to exceed $10,000.00. Microbusinesses with annual gross receipts over $35,000.00 and a maximum of $250,000.00 may receive a grant not to exceed $5,000.00.

f.   Any eligible grant recipient that receives a grant under the concurrently submitted live music venues resolution proposed by the Committee is ineligible to receive a grant under this Resolution.

2.   Accept an administrative fee of $200,000.00.

Section 3: That this resolution shall take effect from and after its adoption, the welfare of the Metropolitan Government of Nashville and Davidson County requiring it.

APPROVED AS TO AVAILABILITY
OF FUNDS:

_____
Kevin Crumbo
Director of Finance

APPROVED AS TO FORM
AND LEGALITY:

_____
Assistant Metropolitan Attorney

INTRODUCED BY:

_____

_____

_____
Member(s) of Council

ORIGINAL

METROPOLITAN COUNTY COUNCIL

Resolution No. _____

A resolution amending RS2020-516 to clarify that small businesses eligible for financial assistance through Pathway Lending can use federal or state tax returns to determine eligibility and to reallocate $200,000.00 previously designated for technical assistance to an administrative fee.

Introduced _____

Amended _____

_____

Adopted _____

Approved _____

By _____
    Metropolitan Mayor