



Metropolitan Nashville and Davidson County, TN

Legislation Text

File #: RS2023-2150, **Version:** 1

A resolution amending Substitute RS2022-1356, which appropriated \$20,000,000.00 in American Rescue Plan Act funds from Fund #30216 to create the Nashville Small Business Recovery Fund, by enhancing the program to expediate deployment of funds.

WHEREAS, Substitute Resolution 2022-1356 was passed by Metro Council on February 2, 2022, to create a program that helped small businesses have adequate support to recover from the impacts of the COVID-19 pandemic; and,

WHEREAS, the program is approaching the one year mark; and,

WHEREAS, the Committee finds that certain program enhancements are needed to expedite the deployment of funds, including but not limited to, changing revenue thresholds, adjusting the dates of operation requirement, waiving certain requirements for business in the North Nashville zip code and waiving the minimum credit score requirement, collectively ("Program Enhancements"), as further shown in Exhibit A, attached hereto; and,

WHEREAS, it is to the benefit of the citizens of The Metropolitan Government of Nashville and Davidson County that this resolution be approved.

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

Section 1. That the Metropolitan Council accepts this resolution as a recommendation of the COVID-19 Financial Oversight Committee.

Section 2. That the Program Enhancements described in Exhibit A, attached hereto and incorporated herein, be accepted and implemented.

Section 3. That this resolution shall take effect from and after its final passage, the welfare of the public requiring it.

Analysis

This resolution amends Resolution No. RS2022-1356, as substituted, which appropriated \$20,000,000.00 in American Rescue Plan Act funds from Fund #30216 to create the Nashville Small Business Recovery Fund ("NSBRF").

RS2022-1356 appropriated funds to the Mayor's Office of Economic and Community Development for the creation of a program to help small businesses throughout Metropolitan Nashville a Davidson County with a focus on businesses in North Nashville/Bordeaux and the areas of distress. Pursuant to that resolution, \$9,000,000 to a grant program under the NSBRF, an additional \$9,000,000 was allocated to a Nashville Opportunity Fund managed by Pathway Lending, and \$2,000,000 was allocated to the non-profit community to provide technical assistance, marketing, and outreach to small businesses in Nashville and Davidson County.

The resolution under consideration amends the NSBRF program by amending the eligible thresholds to allow

for applicants who had less than \$1M in gross receipts for 2020 and 2021, but exceeded \$1M in gross receipts in 2022, to be eligible for a maximum loan of \$200,000. In addition, the dates of operation for business requirements would be adjusted to require that the applicant be in business for two years, since September 30, 2020. The amendment would also waive the grant or loan requirement for businesses in North Nashville zip codes to allow for previous grant recipients to now be eligible for a 2% loan.