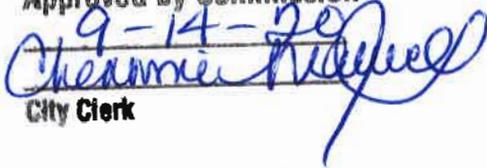


Approval of Frankfort Economic Recovery Fund Grants for small businesses

CC: Grants
Finance
EM

Approved by Commission

9-14-20

City Clerk

EXECUTIVE ORDER NO. 15, 2020 SERIES**AN EXECUTIVE ORDER SPECIFYING ADMINISTRATION OF FRANKFORT ECONOMIC RECOVERY GRANTS
FOR SMALL BUSINESSES**

WHEREAS, the President of the United States, Governor of Kentucky, Mayor of the City of Frankfort, and Franklin County Judge Executive have declared states of emergency at the federal, state and local levels in response to the novel coronavirus (COVID-19) pandemic; and

WHEREAS, the COVID-19 pandemic caused small businesses to suffer great economic losses due to closures and reduced operations brought upon by the need to protect public health; and

WHEREAS, the City of Frankfort is reliant upon our small business community for general fund revenue, quality of life, and other important functions; and

WHEREAS, restaurants had to quickly change their model of operating and proved to be nimble in doing so; and

WHEREAS, restaurants are niche establishments that are difficult to replace when they cease operations; and

WHEREAS, the Frankfort/Franklin County Tourism Commission is dependent upon transient room tax to fund their entire operations; and

WHEREAS, travel restrictions and event cancellations caused great economic harm to hotels and bed & breakfasts; and

WHEREAS, it is important that Frankfort maintain as many overnight accommodation options as possible and not lose the gains we've made in recent years; and

WHEREAS, day care facilities are critical to having a reliable workforce; and

WHEREAS, the forced closure of day care facilities was necessary to prevent the rapid spread of COVID-19 but caused great economic uncertainty to day care facility operators; and

WHEREAS, Frankfort already had a shortage of qualified child care providers and cannot afford to lose any; and

WHEREAS, public-facing businesses aid the quality of life of Frankfort residents, provide many opportunities for employment and entrepreneurship, and are integral parts of any community; and

WHEREAS, public-facing businesses were forced to close in order to reduce the spread of COVID-19 and despite efforts to expand unemployment insurance to cover such individuals many still have high overhead costs to keep their businesses viable for a full return; and

WHEREAS, nonessential retail operations were forced to close in-store operations in order to prevent the spread of COVID-19; and

WHEREAS, retail and other businesses not mentioned above contribute tremendously to the wellbeing of the City of Frankfort, add to our quality of life, enhance tourism, and are the backbone of our downtown community; and

WHEREAS, a large number of businesses not reopening after the lifting of restrictions related to COVID-19 would be devastating not only to our local economy, but our local identity.

NOW THEREFORE, BE IT ORDERED AS FOLLOWS:

SECTION 1

This Order establishes and sets forth procedures for the City of Frankfort Economic Recovery Grants for Small Businesses Program (“Grants Program”), and is intended to support businesses that have been adversely impacted by the COVID-19 pandemic and have had to continue to pay fixed costs despite a decline in revenue.

The funds are appropriated in the City of Frankfort 2020-2021 budget ordinance.

In order to administer this Order, the Grants Program Review Panel (“the panel”) is created to collect all applications submitted under this Order and determine award amounts pursuant to the guidelines below. The panel shall consist of the following:

1. Mayor, or designee;
2. Frankfort City Clerk or Finance Director, or designee; and
3. Representative of the Franklin County Chamber of Commerce.

SECTION 2

Establishments in the following business categories, if forced to close or reduce service due to federal, state, and/ or local government actions taken to protect public health in response to the COVID-19 pandemic, and who otherwise meet the requirements in Section 3 of this Order, are eligible for the Grants Program:

1. Restaurant and Bar establishments;
2. Hotel and Bed & Breakfast establishments;
3. Day Care facilities;
4. Public-Facing Businesses, defined for the purposes of this Order as those that, by the nature of their service to the public, could not fully comply with any or all public health guidelines regarding social distancing; and
5. Retail establishments and other businesses not covered in Categories 1 – 4 above.

SECTION 3

In addition to the requirements of Section 2 of this Order, each business establishment must meet the following criteria in order to be eligible for assistance:

1. Must have a brick and mortar location within Frankfort City limits;
2. Must have fewer than fifty (50) employees;

3. Must not be a national or multi-state chain or franchise unless 51% of ownership is by a resident of Franklin County;
4. Must have experienced a documented decrease in revenue since March 12, 2020;
5. Must be current on all required licensing, permits, taxes, fees and payments with the City of Frankfort and the Frankfort Sewer Department; and
6. If applicable, must be appropriately licensed by the Commonwealth of Kentucky.

SECTION 4

Each applicant is eligible for assistance of up to \$5,000. The eligible amount shall be no more than the largest of:

1. The amount of rent or mortgage paid since March 12, 2020 for a location within Frankfort;
2. For a building owned without a mortgage, an amount equivalent to \$0.58 per square foot per month from March 12, 2020 until the date of the application;
3. The amount spent on water, sewer, electricity, gas, insurance and internet since March 12, 2020;
4. The amount of payroll paid since March 12, 2020; or
5. The reduction in projected revenue since March 12, 2020, as evidenced by appropriate documentation, multiplied by 0.25.

SECTION 5

1. An application shall be developed and approved by the Frankfort Board of Commissioners that contains, at a minimum, the following:
 - a. Name of business;
 - b. Name and address of any person who owns more than 51% of the business; and
 - c. Signature line for owner(s) attesting that all information provided is true to the best of their knowledge, that they have not been previously reimbursed by any other government loan or grant for expenses listed on this application, and that they intend to continue businesses operations for at least the next twelve (12) months.
2. Applications for grants created by this Order will be open until 5 p.m. October 30, 2020. Information from the applications will be disseminated to members of the panel. The panel shall meet as many times as required, in person or via Zoom, to determine eligibility of each applicant and the specific grant amounts for each. The panel shall try as much as practicable to award grants according to proportion of eligible amounts in cases where the requested amounts exceed the maximum established in the applicable section, except that preference may be given to businesses that are minority-owned, woman-owned, or veteran-owned. The panel may ask any applicant for more information or documentation.
3. After reviewing all applications, the panel may ask the Frankfort Board of Commissioners to amend this Order to more appropriately allocate maximum total grant awards.
4. The panel will review the applications and make recommendations concerning grant amounts to the Board of Commissioners which will then make the final determination of the grants to be awarded under the program.

Adopted and executed on this 14 day of September, 2020.

APPROVED

A handwritten signature in blue ink, appearing to read "William D. Masf.", written over a horizontal line.

Mayor

ATTEST

A handwritten signature in blue ink, appearing to read "Cherronie R. Daniel", written over a horizontal line.

City Clerk

FRANKFORT SMALL BUSINESS GRANT APPLICATION

Please return application by close of business Friday, October 30, 2020.



Please submit completed applications to Rebecca Hall by mail, email, or drop off:
 315 West Second Street, Kentucky 40601
 rhall@frankfort.ky.gov (502-352-2076)

Governor Beshear has made funds available to local governments for reimbursement of necessary expenses related to the COVID-19 pandemic. The City of Frankfort has determined that the continued operation of our small businesses is a necessary expense. Please complete this application for consideration of a grant to aid with hardships experienced during this pandemic. Details may be found on the City of Frankfort website at www.frankfort.ky.gov.

Section A - Business Information:

Name: _____

Address: _____

Mailing Address: _____
(if different than above)

Phone Number: _____

If franchise or chain, name and address of ownership amounting to at least 51% living in Franklin County: _____

Type of Business: _____

Please check all that apply: minority-owned women-owned veteran-owned

Section B - Reimbursable Expenses:

Please complete all items below. Check the box next to the amount listed if any portion of the amount has been submitted for reimbursement by any other federal, state, or local grant or forgivable loan program.

Total of Rent or Mortgage Paid on Business Property since March 20, 2020:	\$ _____	<input type="checkbox"/>
If no rent or mortgage, number of square feet multiplied by \$0.58:	\$ _____	<input type="checkbox"/>
Amount spent on water, sewer, electricity, gas, property & casualty insurance, and internet since March 20, 2020:	\$ _____	<input type="checkbox"/>
Amount paid to employees since March 20, 2020:	\$ _____	<input type="checkbox"/>
Reduction in revenue beginning March 20, 2020 and explanation/ proof of how that number was derived:	\$ _____	<input type="checkbox"/>
Explanation of reduction in revenue: _____ _____ _____		

I (we) affirm that all information provided above is true, we have not been previously reimbursed by any other federal, state, or local grant or forgivable loan program for reimbursable expenses listed above; and I (we) intend to continue this business in operation for at least the next twelve (12) months.

 Owner(s) _____ Date

Please note, further information may be requested to verify reported reimbursable expenses. All expense information reported on this application, and any supporting documentation, is confidential.