



Louisville Metro Government

Legislation Text

File #: R-165-22, Version: 1

RESOLUTION NO. _____, SERIES 2022
A RESOLUTION TO REQUEST THE RELEASE OF THE FEDERAL INTEREST IN THE REVOLVING LOAN FUND OPERATED BY METROPOLITAN BUSINESS DEVELOPMENT CORPORATION (“METCO”).

SPONSORED BY: COUNCIL MEMBER BILL HOLLANDER

WHEREAS, on January 27, 2021, Louisville/Jefferson County Metro Government was invited by the US Department of Commerce, Economic Development Administration to request release of the federal interest in METCO’s Revolving Loan Fund, pursuant to the Reinvigorating Lending for the Future (RLF) Act, enacted on October 30, 2020;

WHEREAS, the federal interest in METCO includes \$1,050,000 in legacy Revolving Loan Funds (hereinafter the “Funds”) originally received as follows:

1. EDA Title IX Long-Term Economic Deterioration Revolving Loan Fund Grant Award No. 043902036 of \$750,000 on or around September 29, 1980; and
2. EDA Title IX Long-Term Economic Deterioration Revolving Loan Fund Grant Amendment Award No. 043902036-01 of \$300,000 on or around June 29, 1992;

WHEREAS, the original US Department of Commerce, Economic Development Administration awardee, the City of Louisville, in 2003 merged with Jefferson County to become the Louisville/Jefferson County Metro Government;

WHEREAS, the funds have been used solely to fund METCO’s Gap Loan program since their receipt, with a federal investment rate of 77.8%, and a Capital Base of \$2,916,525.13 as of June 30, 2022;

WHEREAS, the final disbursement of the Funds occurred prior to 2003;

WHEREAS, METCO has certified that it has complied with the terms and conditions of the relevant Federal Grant Awards for the duration of their use;

WHEREAS the METCO Board of Directors found that it would be in the best interest of METCO and the community to pursue release of the federal interest in METCO's Revolving Loan Fund by METCO Resolution 001, Series 2021, a copy of which is attached hereto as Exhibit A;

WHEREAS, METCO will continue to use the Funds as part of its operation of its Revolving Loan Fund; and

WHEREAS, METCO's use of the Funds will comply in perpetuity with Section 602 of the Davis-Bacon Act.

NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATIVE COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT ("COUNCIL") AS FOLLOWS:

SECTION I: The Council authorizes the request to release the United States Department of Commerce Economic Development Administration's federal interest share in the Funds.

SECTION II: The Director of Economic Development or Chief of Louisville Forward shall be and hereby is authorized to execute any and all documents in furtherance of such release of the United States Department of Commerce Economic Development Administration's federal interest share in the Funds.

SECTION III: This Resolution shall become effective upon passage and approval or otherwise becoming law.

Sonya Harward
Metro Council Clerk

David James
President of the Council

Greg Fischer
Mayor

Approval Date

APPROVED AS TO FORM AND LEGALITY:

Michael J. O'Connell
Jefferson County Attorney

By: _____

R-165-22 METCO release federal interest in RLF.docx (APS)

EXHIBIT A