

ORDINANCE NO. 2020-06-___

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, AMENDING ORDINANCE NO. 2020-04-032; PROVIDING FOR THE REAUTHORIZATION AND EXTENSION OF THE 'MCKINNEY STRONG' COVID-19 BUSINESS GRANT PROGRAM; AND PROVIDING FOR AN EFFECTIVE DATE HEREOF

WHEREAS, the City Council of the City of McKinney, Texas, adopted Ordinance 2020-04-025 which incorporated the Governor's Orders regarding essential services and activities and further provides for the regulation of McKinney businesses during the declared Local State of Disaster Due to Public Health Emergency in response to the COVID-19 pandemic; and

WHEREAS, the regulations and orders issued incident to the COVID-19 pandemic have resulted in numerous McKinney businesses enduring financial hardship; and

WHEREAS, the City Council in adopting Ordinance 2020-04-032 concluded that a locally funded and administered small business grant program was needed to support economic development and promote business recovery and ensure the economic health of businesses in the City of McKinney; and

WHEREAS, Ordinance 2020-04-032 authorized and created the 'McKinney Strong' COVID-19 Business Grant Program to assist in business recovery; and

WHEREAS, the City Council desires to extend the 'McKinney Strong' program to continue the City's efforts to address COVID-19-related financial hardship for McKinney businesses.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, THAT:

Section 1. The City Council of the City of McKinney, Texas hereby reauthorizes the and extends the 'McKinney Strong' COVID-19 Small Business Grant Program, subject to its management, funding and authorization by the McKinney Community Development Corporation ("MCDC") in an aggregate amount not to exceed \$1,000,000, and subject to the ten (10%) promotional expenditure cap under Texas Local Government Code Section 505.103 and further subject to any currently-budgeted MCDC promotional expenses. The remaining funds (approx. \$650,000) in the initial 'McKinney Strong' fund are hereby authorized for additional grants under the extended program.

Section 2. The COVID-19 Small Business Grant Program shall be open to small businesses with a commercial business address and location in the City of McKinney. In addition, home-based, small businesses which hold a current Tax ID (EIN) or which file an IRS Information Return and which are located within the city's corporate limits shall also be eligible. Nonprofit entities shall not be eligible.

(a) A small business shall be defined as a registered, for-profit entity employing fifty (50) or fewer FTEs (full-time equivalents) as of March 16, 2020.

(b) Approved commercial, small business grants shall not exceed One Thousand Five Hundred and No/100 Dollars (\$1,500.00) in the aggregate, per eligible entity and shall only be awarded to entities which satisfy certain hardship criteria under the program's guidelines. Approved home-based, small business grants shall not

exceed One Thousand and No/100 Dollars (\$1,000.00) in the aggregate, per eligible entity and shall only be awarded to entities which satisfy certain hardship criteria under the program's guidelines. For any eligible small business, the amount of each grant shall not exceed that entity's verified business expenses incurred from March 2020 through June 2020:

- (1) Rent
- (2) Utilities (water, gas, electric, trash)
- (3) Communication (internet, phone)

Section 3. The Council authorizes the MCDC, in conjunction with City staff, to develop guidelines for the review and approval of qualified applications.

Section 4. The MCDC, through the City's Finance Department, shall process payment to eligible grant recipients.

Section 5. This Ordinance amends Ordinance No. 2020-04-035 and repeals any section thereof in conflict herewith.

Section 6. This Ordinance shall become effective from and after the date of its final passage and publication as provided by law, and it is accordingly so ordained.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS ON THE 2nd DAY OF JUNE, 2020.

CITY OF MCKINNEY, TEXAS

GEORGE C. FULLER
Mayor

CORRECTLY ENROLLED:

EMPRESS DRANE
City Secretary

DATE: _____

APPROVED AS TO FORM:

MARK S. HOUSER
City Attorney