

ORDINANCE NO.

AN ORDINANCE ESTABLISHING AN ECONOMIC INCENTIVE AND GRANT FOR SMALL BUSINESSES TO REMAIN IN THE CITY OF ERLANGER AND MAKE CAPITAL IMPROVEMENTS TO THEIR BUILDINGS THROUGH FAÇADE AND EXTERIOR IMPROVEMENTS

WHEREAS, Mayor Jessica Fette created the Small Business Task Force the Task Force consisted of councilmembers, business owners and city staff, and after several meetings, the Small Business Task Force is desirous to create a grant program, called the Small Business Façade and Exterior Improvement Program for legacy businesses that are either tenants or currently own commercial real estate;

WHEREAS, Mayor Jessica Fette and the Erlanger City Counsel have allocated \$50,000 in Fiscal Year 2019/2020 for small businesses to improve the aesthetics of their place of business;

WHEREAS, the program will initially consist of ten (10) grants annually, of up to \$5,000 each, to be used to improve the exterior aesthetics of the business.

WHEREAS, it is the hope of Mayor Fette and the Erlanger City Council that funding will continue in future years.

WHEREAS, businesses with payroll under \$750,000 are eligible for said grant.

WHEREAS, all grants will require the businesses to match the City of Erlanger's contribution.

WHEREAS, The Façade and Exterior Improvement Program is an incentive available to legacy commercial businesses located in any commercial zone for aesthetic and structural improvements to the exterior of a commercial building and site. The intent of the program is to assist tenants and/or property owners to preserve and enhance existing buildings in the City of Erlanger.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF ERLANGER, IN KENTON COUNTY, KENTUCKY, AS FOLLOWS:

Section 1.0

DEFINITIONS.

For the purpose of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

AESTHETIC AND STRUCTURAL IMPROVEMENTS. Façade improvements, structural improvements, painting of the building, paving, installation of awnings, new doors/windows are examples of approved improvements.

GRANT. An amount of matching fund provided by the City of Erlanger not to exceed \$5,000.

LEGACY BUSINESS. Any business in the City of Erlanger that has existed in the City of Erlanger for a period of no less than ten (10) years.

ELIGIBLE BUSINESS. Any franchise, trade, occupation, profession or other business within the meaning and context of KRS 92.280, 92.281 and § 181 of the Kentucky Constitution, that has less than \$750,000 in annual payroll (Defined as W-2 wages or K-1 wages) other than:

(1) Those business activities of sexually oriented businesses or sexual encounter establishments as elsewhere defined and regulated in other ordinances of the city; and

(2) Those business activities which receive incentives from the Commonwealth that involve occupational license fees for which the City already is contributing to those incentives; and

(3) Any business that has received a Grant within the prior five (5) years.

ESTABLISHMENT OF SMALL BUSINESS FAÇADE AND EXTERIOR IMPROVEMENT GRANT

In order to promote and induce existing Legacy Businesses to engage in new or expanded eligible business activities in the city that increase the property values of all businesses in the City of Erlanger, there is hereby established the Small Business Façade and Exterior Improvement Program for Legacy Businesses described in this chapter for existing employers who are an Eligible Business that make Aesthetic and Structural improvements to their buildings certified by the Economic Development Director, as qualified for the Grant in conformity with the provisions of this chapter.

DESCRIPTION OF SMALL BUSINESS FAÇADE AND EXTERIOR IMPROVEMENT GRANT

The Small Business Façade and Exterior Improvement Grant shall be awarded annually to all Eligible businesses in an amount not to exceed \$5,000 per eligible business. All Grants are matching grants and would require the Eligible Business to make Aesthetic and Structural Improvements to the exterior of their building.

GRANT QUALIFICATIONS AND CERTIFICATION.

(A) No Eligible Business shall receive a grant established by this chapter without a valid certification by the Economic Development Director that the proposed Aesthetic and Structural improvements are qualified for the Grant.

(B) An Eligible Business may qualify for a Grant established in this chapter by submitting a written application for it to the city with all the information required by the city, which shall include, without limitation:

- (1) Information about the organizational structure of the business and the owners thereof;
- (2) The business history of the employer;
- (3) Proof of operating in the City of Erlanger for the prior ten (10) years;
- (4) An explanation of the improvements;
- (5) Proof of Ownership of the Building or Business; and
- (6) An explanation for how the improvements of the business meets any of the following factors:
 - a) Directly increase future revenue/job creation in the City of Erlanger.
 - b) Significantly decrease blight within the City of Erlanger.
 - c) The businesses aesthetic and structural improvements will significantly increase the property tax value.
- (7) A commencement date for the proposed improvements.
- (8) The anticipated cost of the proposed improvements and the amount requested by the Business.

(C) An application for Grant established in this chapter shall be reviewed by the Mayor, City Administrative Officer, and the Economic Development Director of the city for completeness, accuracy and compliance with this chapter; but the

Economic Development Director shall certify that said Grant will benefit the citizens of Erlanger and improve the property values of the City of Erlanger.

REIMBURSEMENT OF EXPENSES PURSUANT TO THE GRANT

The approved business shall submit documentation satisfying the City of Erlanger Economic Director, showing proof of the approved Aesthetic and Structural improvements and the City of Erlanger shall match the expenses, up to \$5,000.

Section 2.0

The provisions of this ordinance are severable; and the invalidity of any provision of this ordinance shall not affect the validity of any other provision thereof; and such other provisions shall remain in full force and effect if they remain valid in the absence of those provisions determined to be invalid.

Section 3.0

All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict.

Section 4.0

This ordinance shall be effective as soon as possible according to law.

Section 5.0 - Publication

This ordinance shall be published in summary pursuant to K.R.S. 83A.060 (9).

Adopted this _____ day of _____, 2019.

First Reading- _____, 2019

Second Reading- _____, 2019 Votes Cast _____ Yes _____ No

JESSICA FETTE, Mayor