

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

LAFAYETTE SQUARE SBLC, LLC,

Plaintiff,

v.

SMALL BUSINESS ADMINISTRATION, et al.

Defendants.

Civil Action No. 25-0755 (DLF)

CONSENT MOTION TO VACATE BRIEFING SCHEDULE AND TO STAY CASE

Defendants, the Small Business Administration and Kelly Loeffler, in her official capacity as Administrator of the Small Business Administration (collectively, the “Agency”), respectfully move this Court to vacate the briefing schedule, *see* Min. Order (Jul. 30, 2025), stay this case until September 30, 2025, and permit the parties to file a joint status report on or before September 30, 2025, informing the Court of the status of this case. Pursuant to Local Civil Rule 7(m), the parties conferred, through counsel, and Plaintiff indicates that it consents to the requested relief.

Good cause exists to grant this request. Plaintiff, Lafayette Square SBLC, LLC (“Lafayette”), alleges that the Agency’s decision not to issue Lafayette a Small Business Lending Company (“SBLC”) license was arbitrary, capricious, and contrary to law, and thus violated the Administrative Procedure Act. Compl. (ECF No. 1) ¶¶ 57-72. Lafayette asks this Court to declare the decision unlawful, compel the Agency “to consider [Lafayette’s] Application and materials,” and require the Agency “to deliver SBA’s Form 750, Small Business Administration Loan Guaranty Agreement for execution by Lafayette Square SBLC.” *Id.* at 16. In effect, Lafayette asks the Court to order the Agency to issue a SBLC license to Lafayette.

Lafayette currently is pursuing through the administrative process the acquisition of a different SBLC license, the grant of which will moot this case. “A case is moot if events have so transpired that the decision will neither presently affect the parties’ rights nor have a more-than-speculative chance of affecting them in the future.” *Transwestern Pipeline Co. v. F.E.R.C.*, 897 F.2d 570, 575 (D.C. Cir. 1990). Here, the Agency received from Lafayette a copy of a June 9, 2025, executed letter of intent for a proposed transaction by which Lafayette or an affiliate will acquire a SBLC license from a third party. The transaction still requires Agency review and approval. 13 C.F.R. § 120.468(a). The administrative process is ongoing and on August 4, 2025, the Agency sent to Lafayette a letter outlining the remaining documents Lafayette must submit for the Agency to process and adjudicate the proposed transaction. The approval of that transaction would result in Lafayette obtaining a SBLC license. Once in control of that SBLC, Lafayette may not obtain another SBLC license through this litigation because Lafayette may not control more than one SBLC. 13 C.F.R. § 470(f)(1).

To allow the parties sufficient time to attempt to resolve their differences through the administrative process, the Agency requests that the Court vacate the existing briefing schedule, stay this case until further order of the Court, and permit the parties to file a joint status report on or before September 30, 2025, informing the Court of the status of the administrative process.

Dated: August 18, 2025

Respectfully submitted,

JEANINE FERRIS PIRRO
United States Attorney

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[PROPOSED] ORDER

UPON CONSIDERATION of Defendants' motion and the entire record herein, it is hereby
ORDERED that Defendants' motion is granted; it is further
ORDERED that the Court's July 30, 2025, Minute Order is hereby VACATED; it is further
ORDERED that this case is stayed until September 30, 2025; and it is further
ORDERED that the parties shall file a joint status report on or before September 30, 2025,
informing the Court of the status of the administrative process.

SO ORDERED:

Dated

DABNEY L. FRIEDRICH
United States District Judge