

DATE SUBMITTED 02/12/16
 SUBMITTED BY PLANNING DIRECTOR
 DATE ACTION REQUIRED 02/17/16

COUNCIL ACTION (X)
 PUBLIC HEARING REQUIRED ()
 RESOLUTION ()
 ORDINANCE 1ST READING ()
 ORDINANCE 2ND READING ()
 CITY CLERK'S INITIALS ()

**IMPERIAL CITY COUNCIL
 AGENDA ITEM**

SUBJECT: DISCUSSION/ACTION: ALLIANCE REGIONAL CENTER (RADISSON INN HOTEL)

1. APPROVE LOAN IN THE AMOUNT OF \$700,000.00 TO DANIEL CHIU/OASIS GROWTH PARTNERS TO COMPLET INFRASTRUCTURE IMPROVEMENTS RELATED TO THE ALLIANCE REGIONAL CENTER (RADISSON INN)
2. APPROVE PHASING OF INFRASTRUCTURE IMPROVEMENTS

DEPARTMENT INVOLVED:

BACKGROUND/SUMMARY:

Mr. Daniel Chiu is applying for a commercial loan to complete the hotel project and pay for his portion of the EDA grant to extend water and sewer lines to the hotel. The commercial lender wants to ensure that all necessary items completed so that the hotel can open. The City was able to receive an EDA grant to extend water line from the water treatment plant and sewer lines from 15th Street. The City is undertaking a public works project to extend water and sewer lines to complete a secondary loop from the east and going under Highway 86 for an estimated cost of approximately \$700,000.00. This secondary loop only benefits the hotel and related projects, so Mr. Chiu is responsible for costs but he does not currently have the funds to pay for it up front. As such, he is requesting that the City move forward with the secondary loop and be allowed to make payments on the \$700,000.00. He will attempt to pay the \$700,000.00 within one year but in the event he is not able to do that, he is requesting that this be structured as a loan. If the loan is approved, the City will have a first lien position on one of the three lots on the property and a second lien position on the other two lots. Mr. Chiu is also requesting that a portion of the improvements on the interior road be deferred to a later phase to coincide with the construction of the other buildings in the project.

FISCAL IMPACT: \$700,000.00 F.O. INITIALS: _____

STAFF RECOMMENDATION:

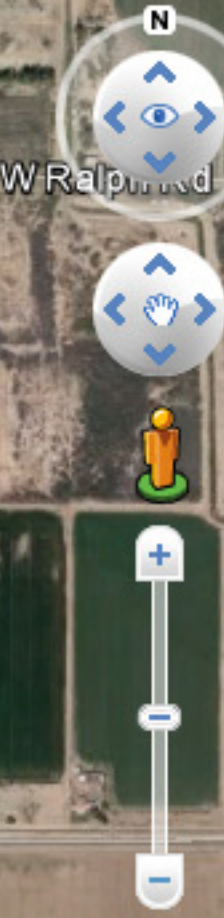
Staff recommends approval of the loan and the phasing of the infrastructure improvements.

MANAGER'S RECOMMENDATION:

MANAGER'S INITIALS

MOTION:

SECONDED: APPROVED () REJECTED ()
 AYES: DISAPPROVED () DEFERRED ()
 NAYES:
 ABSENT: REFERRED TO:



**Phase 2:
Surface
improvements
on interior
road**

**Phase 1:
Water and
Sewer Lines
and
minor
roadway
improvements**

