Agenda Item No. D-1

DATE SUBMITTED	02/26/16	COUNCIL ACTION	(X)
		PUBLIC HEARING REQUIRED	( )
SUBMITTED BY	PLANNING DIRECTOR	RESOLUTION	( )
		ORDINANCE 1ST READING	( )
DATE ACTION REQUIRED	03/02/16	ORDINANCE 2ND READING	( )
		CITY CLERK'S INITIALS	( )

IMPERIAL CITY COUNCIL
AGENDA ITEM

SUBJECT: DISCUSSION/ACTION: BUSINESS LOANS

1. APPROVE BUSINESS LOAN TO TUCKER AUTOBODY & TOWING IN THE AMOUNT OF $75,000.00
2. APPROVE BUSINESS LOAN TO MARK GADDIS IN THE AMOUNT OF $12,500.00

DEPARTMENT INVOLVED:

BACKGROUND/SUMMARY:

The Successor Agency set aside another $200,000 for business assistance loans during the ROPS15-16B period. These funds must be expended before June 30, 2016.Two businesses applied for funding assistance.

Tucker Autobody & Towing is requesting funding assistance in the amount of $75,000 for façade improvements, air conditioning, signage, and equipment to increase their workflow thereby increasing tax revenue to the City. Loan terms would be for 5 years at 5% with no interest charges if paid in full within the first 6 months. Loan will be secured through a Deed of Trust.

Mark Gaddis is requesting funding assistance to start an indoor radio controlled (RC) race track inside Ricochet's building. Funds would be used to build the track, building improvements and purchase of equipment. Although Mr. Gaddis' request was for a higher amount, the Loan Committee is recommending a loan amount of $12,500. Loan terms would be for 3 years at 5% with no interest charges if paid in full within the first 6 months. Loan will be secured through a UCC-1 filing.

FISCAL IMPACT: $87,500 from Successor Agency Funds F.O. INITIALS: _____

STAFF RECOMMENDATION:

The loan requests were presented to the Loan Committee and based on those discussions, Staff recommends approval of the loans.

MANAGER'S RECOMMENDATION: MANAGER'S INITIALS

MOTION:

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