



Legislation Text

File #: EDA M2019-032, **Version:** 1

DATE: December 19, 2019

TO: Members of the Economic Development Authority

FROM: Nate Carlson, Economic Development Coordinator

EDA Revolving Loan Application - All Flex Flexible Circuits, LLC

SUMMARY AND ACTION REQUESTED:

The EDA Board shall review the application for an EDA Loan for All Flex Flexible Circuits, LLC as part of the MIF application. The EDA shall make a motion to draft loan documents contingent upon the approval of the MIF award. The EDA Board will take formal action on the loan following the MIF approval.

BACKGROUND:

As part of the MIF Application, the EDA has the opportunity to take part in this expansion effort of All Flex by offering a low-interest loan to supplement the application. DEED encourages local support when scoring the application. At this time, the EDA should consider whether the EDA would pledge a low-interest loan to All Flex should DEED approve the MIF application. Staff recommends using the EDA 293 fund as a source of this potential loan to offer a \$50,000 loan to All Flex.

The EDA Loan Committee reviewed this application and recommended that the EDA make a motion to draft loan documents for a \$50,000 Revolving Loan to All Flex Flexible Circuits, LLC.

ANALYSIS:

The EDA loan would be fully secured with a second lien position on the capital equipment purchased by All Flex.

OPTIONS:

The EDA has the following options:

- Make a motion to draft loan documents for a \$50,000 Revolving Loan.
- Take no action.

RECOMMENDATION:

Staff recommends the EDA make a motion to draft loan documents for a \$50,000 loan to All Flex contingent upon the approval of MIF funding.