



Legislation Text

File #: EDA Res. 2020-003, **Version:** 1

DATE: October 22, 2020

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 shall make a motion to approve Resolution 2020-003 authorizing the execution of an EDA Loan to All Flex Flexible Circuits, LLC as part of the MIF project.

BACKGROUND:

The EDA approved drafting of loan documents for a \$50,000 revolving loan to All Flex on December 19, 2019 as part of the incentive package for the business expansion. This loan was contingent upon successful awarding of MIF funds from DEED to All Flex. See the minutes from that meeting attached.

The company was awarded the funding from the State prior to the pandemic occurring. The company has held off on expansion efforts during the midst of the pandemic. However, the company is now ready to initiate the expansion. DEED's incentives are still in place, and the EDA Loan has yet to be authorized.

The EDA Loan Committee has already 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 following are the terms of the loan:

- Loan Amount: \$50,000
- Terms: 5 year term, 5 year amortization
- Interest: 1% interest
- Monthly payment of \$854.69
- Lien on equipment purchased for expansion (UCC-1 filing)

OPTIONS:

The EDA has the following options:

- Make a motion to approve Resolution 2020-003.
- Take no action.

RECOMMENDATION:

Staff recommends the approval of Resolution 2020-003.