



SALT LAKE CITY TRANSMITTAL

To:
Salt Lake City Council Chair

Submission Date:
05/13/2025

Date Sent to Council:
05/15/2025

From:

Department*
Economic Development

Employee Name:
Feldman, Andie

E-mail
andrea.feldman@slc.gov

Department Director Signature

Lorena Rizzo Jensen

Chief Administrator Officer's Signature

Jill Love

Director Signed Date
05/13/2025

Chief Administrator Officer's Signed Date
05/14/2025

Subject:
Economic Development Revolving Loan Fund (EDLF) – Hruskas, LLC

Additional Staff Contact:
Peter Makowski, Business Development Deputy Director,
Peter.Makowski@slc.gov
William Wright, Project Manager, William.Wright@slc.gov

Presenters/Staff Table
Peter Makowski, Peter.Makowski@slc.gov
William Wright, William.Wright@slc.gov

Document Type
Ordinance

Budget Impact?
☒ Yes
☐ No

Budget Impact:
\$200,000 from the Economic Development Loan Fund

Recommendation:
The EDLF Loan Committee recommends approval of \$200,000 loan to Hruskas, LLC.

Background/Discussion
See attached documents.

Will there need to be a public hearing for this item? *
☐ Yes
☒ No

Public Process

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ERIN MENDENHALL
MAYOR



LORENA RIFFO-JENSON
DIRECTOR

DEPARTMENT *of* ECONOMIC DEVELOPMENT

CITY COUNCIL TRANSMITTAL

Jill Love, Chief Administrative Officer

Date Received: _____

Date sent to Council: _____

TO: Salt Lake City Council
Chris Wharton, Chair

DATE: May 13, 2025

FROM: Lorena Rizzo-Jenson, Director, Department of Economic Development

SUBJECT: Economic Development Revolving Loan Fund (EDLF) – Hruskas, LLC

STAFF CONTACTS: Peter Makowski, Business Development Deputy Director, Peter.Makowski@slc.gov
Andie Feldman Project Manager, Andie.Feldman@slc.gov

DOCUMENT TYPE: Ordinance

RECOMMENDATION: The EDLF Loan Committee **recommends approval** of \$200,000 loan to Hruskas, LLC.

BUDGET IMPACT: \$200,000 from the Economic Development Loan Fund

BACKGROUND/DISCUSSION: On April 10, 2025, a \$200,000 loan request from Hruskas, LLC, was presented to the EDLF Loan Committee for review and discussion. Hruskas, LLC, is a takeout restaurant offering sweet and savory kolaches stuffed pastries for everyone from college students to tech moguls to enjoy. They are moving from 2030 S 900 E to 1751 S 1100 E.

Basic Loan request

Business Name: Hruskas, LLC

Address: 1751 S 1100 E, 84105

Loan Amount Requested: \$200,000

Loan Term: 7 years

Interest Rate: 11%

Use of Funds: Renovation, Working Capital, Equipment, Furniture and Fixtures

Loan Type: Existing

Council District: District 7

Reasoning behind staff recommendation

Applicants of The Economic Development Loan Fund (EDLF) go through a thorough application process consisting of a pre-screening, underwriting analysis and economic impact statement. Only after the loan applicant goes through these processes, is the loan recommended to be reviewed by the Loan Committee members. Upon thorough review by the Loan Committee members, a recommendation is made before the loan is transmitted to the Mayor for Council to receive the recommendation for final approval. Because the Loan Committee review process must adhere to the Open Meetings Act, Department of Economic Development staff worked closely with the City Attorney's Office to ensure that applicants' information is protected while following public process.

In addition, the EDLF loans must meet the following goals of the Economic Development Loan Fund as stated in the EDLF [program guidelines](#). This loan meets the EDLF program guidelines in the following areas.

- Increases employment opportunities,
- Stimulate business development and expansion,
- Enhances neighborhood vitality,
- Promotes economic development,
- Boost commercial enterprise.

This loan will assist in the creation of 2 new jobs in the next year and retention of 9 current jobs. This loan was recommended by the EDLF Committee to the City Council for approval.

EDLF Loan Balances

1. As reported from The Finance Department on April 22nd, 2025, the EDLF available fund balance is approximately \$7,300,000.
2. As of April 22, 2025, the amount of outstanding loans total is: \$5,651,017.20

EDLF Loan Committee

There is a total of nine (9) EDLF Committee members.
City Employees:

1. Community and Neighborhoods Finance
2. Mayor's Office
3. Employee at large
4. Housing Stability
5. Economic Development

Community Volunteers:

6. Business Advisory Board (BAB) member
7. Banker
8. Community lender
9. Business mentor

List Attachments:

- 1. EDLF Terms Sheet for Hruskas, LLC**
- 2. Resolution**

LOAN TERM SHEET

Applicant: Hruskas, LLC

Address: 1751 East 1100 South

Salt Lake City, UT 84105

Proposed Loan Terms

Loan Amount: \$200,000

Monthly Payment: \$3,424.49

Loan Terms: 7 Years

Interest Rate Calculation Prime Interest Rate: 8% (at the time of application fee payment and initiation of Part B of the Application on June 24, 2024)

Plus EDLF Charge: 4%

Less Discount: 1% for each

- Sustainability (e2 Business Program)

Final Interest Rate: 11%

Use of Funds: Building Renovation, Machinery & Equipment, Furniture & Fixtures, Working Capital, Contingencies

Loan Type: Existing

Collateral: Equipment

Personal Guarantees: Ross Hruska

Conditions for Closing

- Obtain all City approvals, execute all loan documents as deemed necessary by City legal counsel and DED staff, such other terms as recommended by City legal counsel and DED staff.

SALT LAKE CITY ORDINANCE
No. _____ of 2025

(Ordinance approving a \$200,000 loan for Hruskas, LLC, at 1751 South 1100 East from the Economic Development Loan Fund)

WHEREAS, Salt Lake City Corporation's ("City") Economic Development Loan Fund ("EDLF") is a program to stimulate local business development, encourage private investment, enhance neighborhood vitality, and boost commercial enterprise in Salt Lake City.

WHEREAS, the EDLF is administered by the Department of Economic Development ("DED") and loan applications are first prescreened by DED staff, and then reviewed by the EDLF Loan Committee.

WHEREAS, the EDLF Loan Committee and DED staff recommend the approval of a \$200,000 loan as set forth in the loan term sheet attached hereto as Exhibit A ("Term Sheet") to Hruskas, LLC, a local business located at 1751 South 1100 East, Salt Lake City, UT 84105.

NOW, THEREFORE, be it ordained by the City Council of Salt Lake City, Utah, that:

SECTION 1. Loan Approval. The City Council approves the loan outlined in the Term Sheet attached hereto as Exhibit A, subject to revisions that do not materially affect the rights and obligations of the City hereunder. The City Council authorizes the Mayor to negotiate and execute the loan agreement and any other relevant documents consistent with the Term Sheet, and incorporating such other terms and agreements as recommended by the City Attorney's office.

SECTION 2. Effective Date. This ordinance shall become effective on the date of its first publication.

Passed by the City Council of Salt Lake City, Utah, this _____ day of _____, 2025.

Chris Wharton, Council Chair

ATTEST AND COUNTERSIGN:

CITY RECORDER

Transmitted to Mayor on _____.

Mayor's Action: _____ Approved. _____ Vetoed.

MAYOR

CITY RECORDER
(SEAL)

Bill No. _____ of 2025.

Published: _____.

APPROVED AS TO FORM
Salt Lake City Attorney's Office

Date: **May 13, 2025**

Sara Montoya

Sara Montoya, City Attorney

EXHIBIT A
Loan Term Sheet

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Salt Lake City, UT 84105

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