



SALT LAKE CITY TRANSMITTAL

To:
Salt Lake City Council Chair
Salt Lake City Redevelopment Agency Chair

Start Date:
06/25/2024

Date Sent to Council:
06/26/2024

From:

Employee Name:
Brian Pantle

E-mail
Brian.Pantle@slcgov.com

Department
Economic Development

Department Director Signature

Lorena Rizzo-Jenson

Chief Administrator Officer's Signature *

Jill Love

Director Signed Date
06/26/2024

Chief Administrator Officer's Signed Date
06/26/2024

Subject:
EDLF Transmittal for Goat Head, LLC

Additional Staff Contact:
Roberta Reichgelt - Roberta.Reichgelt@slcgov.com
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Presenters/Staff Table
Brian Pantle - Brian.pantle@slcgov.com
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Document Type *
Ordinance

Budget Impact *
☐ Yes
☒ No

Budget Impact:

Recommendation: *
The EDLF Loan Committee recommends approval of \$100,000.00 loan to Goat Head, LLC.

Background/Discussion (?)
On May 23, 2024, a loan request for Goat Head, LLC was presented to the Economic Development Loan Fund (EDLF) Loan Committee for review and discussion. Goat Head, LLC is a restaurant serving vegan, vegetarian food.

Will the City Council need to hold a public hearing for this item? *
☐ Yes
☒ No

Public Process

Chief Administrator Officer's Comments

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
Victoria Petro, Chair

DATE: 06/24/2024

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

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

STAFF CONTACTS:

Roberta Reichgelt, Business Development Director, Roberta.reichgelt@slcgov.com
Project Manager, Brian Pantle, Brian.Pantle@slcgov.com

DOCUMENT TYPE: Loan Approval

RECOMMENDATION: The EDLF Loan Committee **recommends approval** of \$100,000 loan to Goat Head LLC.

BUDGET IMPACT: \$100,000 from the Economic Development Loan Fund

BACKGROUND/DISCUSSION: On May 23rd, 2024, a loan request from Goat Head, LLC was presented to the EDLF Loan Committee for review and discussion. Goat Head, LLC is a restaurant serving vegan, vegetarian food.

Basic Loan request

Business Name: Goat Head, LLC

Address: 702 South 300 East

Loan Amount Requested: \$100,000

Loan Term: 7 Years

Interest Rate: 10.5%

Use of Funds: Kitchen and service equipment, buildout of new leased space, licenses working capital and owner's wages.

Loan Type: Start-up

Council District: D4

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, then the loan is recommended to be reviewed by the Loan Committee members. Upon the thorough review of the Loan Committee members then 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, DED's staff has worked closely with the City Attorney's Office to ensure that applicants' information is protected and at the same time the public process is followed.

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.

- Increase employment opportunities,
- Stimulate business development and expansion,
- Promote economic development,
- Enhance neighborhood vitality,
- Boost commercial enterprise.

This loan will assist in the creation of 4 new jobs in the next year and retention of 2 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 06/14/2024, the EDLF available fund balance is: \$8,800,000.00.
2. As of 06/14/2024 the amount of outstanding loans total is: \$3,221,925.22

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

Attachments: Terms Sheet and Ordinance

SALT LAKE CITY ORDINANCE

No. _____ of 2024

(Ordinance approving a \$100,000 loan for Goat Head LLC, at 702 S 300 E 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 the attached loan term sheet for a \$100,00 loan to Goat Head LLC, a local business located at 702 South 300 East.

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, 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 _____, 2024.

Victoria Petro, Council Chair

ATTEST AND COUNTERSIGN:

CITY RECORDER

Transmitted to Mayor on _____.

Mayor's Action: _____ Approved. _____ Vetoed.

MAYOR

CITY RECORDER
(SEAL)

Bill No. _____ of 2024.

Published: _____.

APPROVED AS TO FORM
Salt Lake City Attorney's Office

Date: June 18, 2024

Sara Montoya
Sara Montoya, City Attorney

LOAN TERM SHEET

Applicant: Goat Head, LLC

Address: 702 South 300 East

Proposed Loan Terms

Loan Amount: \$100,000

Loan Terms: 7 Years

Interest Rate Calculation Prime Interest Rate: 8.5% at the time of application on 11/13/2023

Plus, EDLF Charge: 4%

Less Discount: 1% for each

- SEDI
- Sustainability

Final Interest Rate: 10.5%

Use of Funds: Kitchen and service equipment, buildout of new leased space, licenses working capital and owner's wages.

Business Type: Start-up

Collateral: Two vehicles and Equipment

Personal Guarantees: Sarah Boone-Witham

Michael Boone-Witham

Conditions for Closing

- Complete enrollment in Sustainability's E2 program
- 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.

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