

RESOLUTION NO. 2020- 321

A RESOLUTION APPROVING THE USE OF SECOND GENERATION ENTERPRISE ZONE ASSISTANCE FUNDS FOR ECONOMIC DEVELOPMENT LOAN TO SYNERGY TATTOO STUDIO, LLC.

WHEREAS, the City of Vineland Revolving Loan Fund Second Generation Loan Committee has submitted a proposal dated July 28, 2020, for use of Second Generation Enterprise Zone Assistance Funds for the following project: Economic Development Loan to Synergy Tattoo Studio LLC.; and

WHEREAS, it is considered to be in the best interest of the City of Vineland and the community in particular that Second Generation Enterprise Zone Assistance Funds be utilized for the above-mentioned project; now, therefore,

BE IT RESOLVED by the City Council of the City of Vineland that said Council does hereby approve the use of Second Generation Enterprise Zone Assistance Funds for the following project, in accordance with the proposal submitted by the City of Vineland Revolving Loan Fund Second Generation Loan Committee:

Economic Development Loan to	
Synergy Tattoo Studio, LLC	\$16,000.00

BE IT FURTHER RESOLVED that the Mayor is hereby authorized to execute all documents associated with this loan.

Adopted:

President of Council

ATTEST:

City Clerk



ECONOMIC DEVELOPMENT
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PO Box 1508
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MEMORANDUM



TO: City Council President and Members

FROM: City of Vineland Revolving Loan Fund
Second Generation Loan Committee

SUBJECT: **Applicant:** Synergy Tattoo Studio, LLC.
Loan Amount: \$16,000.00

DATE: July 28, 2020

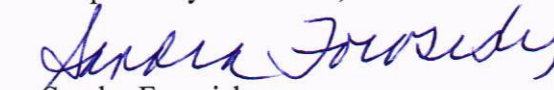
Dear Council President Spinelli, Councilmen Acosta, Franceschini, Vargas, and Councilwoman Arthur:

On behalf of the City of Vineland Revolving Loan Fund Second Generation Loan Committee, please accept this letter recommending a commitment be given to the above applicant for a Second Generation loan in the amount as stated herein above.

Please note that the committee finds that the purpose of the loan meets the criteria set forth in the Statute made and provided governing Urban Enterprise Zone Loans. The committee further finds that the loan will promote economic development, creation/retention of jobs, and/or tax ratable(s) that will benefit the City of Vineland.

Further, please note that based on the information provided, the applicant has the present ability to repay said loan and the loan would be properly protected in that the pledged collateral has a net value which equals or exceeds the amount of the requested funding.

Respectfully submitted,


Sandra Forsosky
Director of Economic Development

SF/fd

cc: Frank DiGiorgio
file





Special arrangements for persons with disabilities may be made if requested in advance by contacting the Business Administrator's office at 856-794-4144.

**VINELAND UEZ LOAN COMMITTEE
LOAN PROPOSAL**

Date: July 15, 2020

Borrower Name and Address (s): Synergy Tattoo Studio, LLC
3 LaSalle Drive
Vineland, NJ 08360

Request: \$16,000 commercial term loan.

Interest Rate: 5.50%

Term of Loan: 7 Years.

1. BACKGROUND: Francis Nardi, II, is the 100% owner of Synergy Tattoo Studio, LLC, a tattoo studio (non-cosmetic), currently located at 16 N. High Street, Millville, NJ. Mr. Nardi has been operating Synergy since 2010 in Millville. Mr. Nardi is interested in moving his business to Vineland, NJ, more specifically to 3 LaSalle Drive. His lease at the Millville location is scheduled to end in September of 2020. The unit which is being leased has been vacant and is comprised of 1,500 sq. ft. of space.

Mr. Nardi is interested in a small business loan to fund the interior improvements and plumbing upgrades at the new location. The increased space will allow for the creation of additional artist opportunity or independent / freelance business.

1a. PROJECT: Provide permanent financing for leasehold improvement via an interest only to permanent loan. Interest only for two months and two draws of \$8,000 each will be disbursed.

<u>Uses:</u>		<u>Sources:</u>	
Leasehold improvements	\$16,545	Borrower	\$ 3,000
Zoning and health dept. fees	1,100	Loan	<u>16,000</u>
Estimated permit fees	605	Total	\$19,000
Closing costs	650		
Recording costs	<u>100</u>		
Total	\$19,000		

2. COLLATERAL:

- a.) UCC-1 filing and Security Agreement on all business assets of Synergy Tattoo Studio, LLC (location 3 LaSalle Drive, Vineland, NJ 08360),
- b.) Subject to receipt and satisfactory review of executed lease from landlord demonstrating terms acceptable to the Lender.
- c.) Landlord waiver.

3. GUARANTORS:

- a.) Francis Nardi, II

4. LIEN POSITION: First position on all business assets.

5. DOLLAR AMOUNT AND HOLDER OF PRIOR LIENS: N/A.

6. SIZE OF PARCEL: N/A.

7. IMPROVEMENTS THEREON: N/A.

8. LOCATION OF PROPERTY: Business assets and operation will be located at 3 LaSalle Drive, Vineland, NJ 08360.

9. APPRAISAL INFORMATION: N/A.

10. FINANCIAL:

11. SUBSTANTIATION: LTV = NM, DSCR = 1.32x.

- Assist a small business owner.
- A vacant retail / service unit will be leased and occupied.

12. RECOMMENDATION: