



Legislation Details (With Text)

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File created:	5/21/2014	In control:	Board of Aldermen
On agenda:	5/27/2014	Final action:	5/27/2014
Title:	Request for the business loan fund from Barry Keith dba Surplus Sids		

PURPOSE: The purpose of this item is for the Board to consider a loan from the business loan fund to Barry Keith, owner and operator of Surplus Sids, at 309 E. Main Street, for façade improvements to the front of the building/porch addition.

Indexes:

Code sections:

Attachments: 1. Surplus Sids Application, 2. SURPLUS SIDS - drawings

Date	Ver.	Action By	Action	Result
5/27/2014	1	Board of Aldermen	approved	Pass

TITLE:

Request for the business loan fund from Barry Keith dba Surplus Sids

PURPOSE: The purpose of this item is for the Board to consider a loan from the business loan fund to Barry Keith, owner and operator of Surplus Sids, at 309 E. Main Street, for façade improvements to the front of the building/porch addition.

DEPARTMENT: Economic and Community Development

CONTACT INFORMATION: Annette D. Stone, AICP Director 919-918-7319

INFORMATION: Barry Keith, owner of Surplus Sids is requesting a loan in the amount of \$12,000 (Attachment A) from the Town’s newly created business loan fund. This would be the first such loan from the new loan fund. The funds would be used to improve the front façade of the building with a new front porch addition. Sid’s is known for their “outdoor displays.” The porch addition will help to improve the appearance and give a more secure location for display items.

Surplus Sid’s has been located at 309 E. Main Street for 23 years. The owner Barry Keith has submitted to staff copies of his credit ratings and 2013 financial records including his tax returns. Barry Keith currently has an outstanding loan from the Town’s Energy Efficiency Loan Program and is current with all his payments. The guidelines for the new business loan funds allow for up to \$25,000 in uncollateralized loans. The applicant will be required to sign a personal guarantee. The ESC recommended the Board approve the loan 24 months at a 2.5% interest rate which would result in a payment of \$513.17 per month. The applicant requested after the ESC meeting, for terms of 36 months at a 2.5% interest rate which would result in a payment of \$346.38.

FISCAL & STAFF IMPACT: The fund currently has \$125,000 in available funds. Loaning these funds out would begin to build the fund with interest earned increasing the revenue stream.

RECOMMENDATION: The staff recommends the Board consider approving the loan with the terms requested by the applicant.