

BILL/ RESOLUTION REQUEST

1. Title: Approves providing Sketch Restaurant, LLC with a \$310,000.00 CDBG/RLF loan to finance marketing, inventory, equipment and working capital expenditures incurred by El Diablo restaurant located at 101 Broadway (GE-0A039).

2. Requesting Agency: Office of Economic Development

3. Contact Person with actual knowledge of proposed ordinance

Name:Bryan Slekes
Phone:720-913-1629
Email:bryan.slekes@denvergov.org

4. Contact Person with actual knowledge of proposed ordinance who will present the item at Mayor Council and who will be available for first and second reading, if necessary

Name:Jeff Romine
Phone:720-913-1526
Email:jeff.romine@denvergov.org

5. Describe the proposed ordinance, including what the proposed ordinance is intended to accomplish, who's involved

a. Scope of Work

OED is seeking approval to lend a total of \$310,000.00 in CDBG/RLF to Sketch Restaurant LLC (dba El Diablo restaurant). The restaurant is the anchor tenant of the historic 101 Broadway property.

Sources of funds:		Uses of funds:	
Owner equity:	\$ 929,000.00	Build-out:	\$ 875,000.00
OED loan:	\$ 310,000.00	Working capital:	\$ 177,000.00
Total:	\$1,239,000.00	Inventory:	\$ 18,000.00
		FF&E:	\$ 123,000.00
		Marketing:	\$ 46,000.00
		Total:	\$1,239,000.00

Recommendation:

Loan amount: \$310,000.00
Rate: 3.25%
Term: 7 years
Monthly P&I: \$1,758.31
Deferral: 6 months
Collateral: 1st lien on all business assets located at 101 Broadway
Personal guaranty: Jesse Morreale

b. Duration

7 years

c. Location

101 Broadway, Denver, CO 80203

d. Affected Council District

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e. Benefits

Job creation (total of 135+ employees)

f. Costs

\$1,239,000.00 total project costs; \$310,000 OED participation (25%)

6. Is there any controversy surrounding this ordinance, groups or individuals who may have concerns about it? Please explain.

No.

Bill Request Number: BR10-1083

Date: 11/22/2010