

Center City Development Corporation Board Meeting

To: Center City Development Corporation (CCDC) Forgivable Loan Committee
From: DMC Staff
Date: April 10, 2020
RE: Downtown Business Continuity Forgivable Loan Request – Fantom Events

The enclosed Business Continuity Forgivable Loan has been submitted for consideration at the April 13, 2020, CCDC Forgivable Loan Committee Meeting.

Project: **Fantom Events (The Broom Closet), 546 S. Main Street**

Applicant: Stephen Guenther
546 S. Main St
Memphis, TN 38103

Property Owner: Harry S Zepatos Jr Family Trust
2025 Glenbuck Cv.
Germantown, TN 38139

Project Description: Fantom Events, also known as The Broom Closet, serves the Downtown community as a retail shop, a tour hub, and community meeting location. This business is located in South Main, immediately south of the Arcade Restaurant and directly east of the Central Station Hotel. Fantom Events is entering its fourth year of operation. The business has experienced an 80% decrease in sales as a direct result of the COVID-19 crisis.

Use of Loan Funds: Staff has satisfactorily reviewed current financial statements for this business and recommends that the loan proceeds be used for the following immediate expenses:

- Rent
- Utilities
- Insurance and advertising
- Business services, processing, and software

EBO Program: This application will not involve making any physical improvements to the space using the Forgivable Loan proceeds.

Payment Schedule: The initial repayment will be deferred for 6 months. The payments will begin in October, 2020, at a minimum amount of \$83.33 per month.


Staff Recommendation: Approve a Business Continuity Forgivable Loan of \$5,000.

APPENDIX I: DOWNTOWN BUSINESS CONTINUITY FORGIVABLE LOAN PROGRAM APPLICATION

Date of Application:	March 31, 2020
Building/Property Address:	546 S. Main St
Applicant's Name:	Stephen Guenther
Name of Business:	Fantom Events, LLC DBA The Broom Closet and DBA Histo

How long have you been operating in this location?	2016
Building Ownership Status:	<input type="checkbox"/> Own <input checked="" type="checkbox"/> Lease <input type="checkbox"/> Other _____
Size of Current Location (Sq. Ft.)	Approx 1500 s/f
How do you plan to use the grant?	The tour company Historical Haunts has completely suspended operating and we have been forced to move our retail sales at The Broom Closet to online. The money would be used for restructuring our accounts payable debts, continue to be able to pay rent as required and cover costs of equipment and software to move to a digital presence. It would help us add staff back if online orders begin to come in.

Legal Disclosure:	<p><i>Disclose in writing whether any applicant, guarantor, or any other person involved with the project is currently engaged in any civil or criminal proceeding or ever filed for bankruptcy. Also, disclose whether any individual involved with the project has ever been charged or convicted of any felony or currently is under indictment:</i></p> <p>NONE</p>
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Board Relationship Disclosure:	<p><i>Disclose in writing whether the applicant or any guarantor has any previous or ongoing relationship with any Board member or legal counsel of the Board.</i></p> <p>NONE</p>
Applicant's Certification:	<p>This application is made in order to induce the CCDC to grant financial incentives to the applicant. The applicant hereby represents that all statements contained herein are true and correct. All information materially significant to the CCDC in its consideration of the application is included. The applicant acknowledges that it has reviewed the descriptions of the CCDC financial program for which it is applying and agrees to comply with those policies. The applicant shall also be required to show best faith efforts with regard to the employment of minority and/or women contractors and subcontractors in the project development. The applicant specifically agrees to pay all reasonable costs, fees and expenses incurred by the CCDC whether or not the incentive is granted or project completed.</p> <p> <u>3/31/2020</u></p> <p>Signature: _____ Date: _____</p>