

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 – Rachel’s Salon

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

Project: Rachel’s Salon and Day Spa, 10 N. Main

Applicant: Paige Garland
10 N. Main
Memphis, TN 38103

Property Owner: Christopher and Paige Garland
2205 Poplar Ave
Memphis, TN 38104

Project Description: Rachel’s is a salon and retail store that has been in business for nearly 30 years. The salon is located at 10 N. Main in the D.T. Porter building. Rachel’s closed completely due to COVID-19 on March 18, 2020, since the salon business requires direct physical contact with customers.

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:

- Restock key inventory
- Business purchase loan payment
- Taxes & HOA fees


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 approximately \$126 per month.

Staff Recommendation: Approve a Business Continuity Forgivable Loan of \$7,500.

APPENDIX I: DOWNTOWN BUSINESS CONTINUITY FORGIVABLE LOAN PROGRAM APPLICATION

Date of Application:	March 31, 2020
Building/Property Address:	10 N Main Street Memphis, TN 38103
Applicant's Name:	Paige Garland
Name of Business:	Rachel's Salon & Day Spa
How long have you been operating in this location?	Rachel's has been in this location since 1990 and under current ownership since 2014
Building Ownership Status:	<input checked="" type="checkbox"/> Own <input type="checkbox"/> Lease <input type="checkbox"/> Other _____
Size of Current Location (Sq. Ft.)	
How do you plan to use the grant?	<p>At this time it is next to impossible to narrow down the needs we will have upon re-opening however, operational costs will include a necessary re-stocking of both retail and professional products which we were forced to let drop below our normal inventory levels due to the decreasing business prior to closing as well as payroll, utilities, and needed interior repairs and improvements.</p>
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>No applicant is engaged with any civil or criminal proceeding, has never filed for bankruptcy, and has never been convicted of a felony nor is currently under indictment.</p>

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>No applicant has a previous or ongoing relationship with any Board member or legal counsel or the Board.</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> Signature: _____ Date: <u>3/31/20</u></p>