



City of San Antonio

Agenda Memorandum

File Number:15-2874

Agenda Item Number: 4.

Agenda Date: 4/29/2015

In Control: Westside Development Corporation

ORGANIZATION: Westside Development Corporation (WDC) - Board of Directors

POSTING LANGUAGE:

Discussion and possible action to modify the terms of a loan agreement with JVGreen Enterprises, LLC., in an amount up to \$28,500.

SUMMARY:

Mr. Jacob Valenzuela of JVGreen Enterprises, LLC, dba Deco Pizzeria, requests to refinance a \$25,000 note with the WDC and to seek an additional \$3,500 loan for debt consolidation.

Based on recommendations from the Project and Finance committees, staff has negotiated terms for a modified loan agreement.

BACKGROUND INFORMATION:

Deco Pizzeria was an approved applicant for grant funds from the City of San Antonio's (COSA) Operation Facelift program in 2013. The scope of improvements approved by COSA included an outdoor pergola with an integrated electrical system for lighting and overhead fans, in addition to a variety of interior improvements. The program reimburses an awardee upon completion of the project.

Midway through the project, cash assets were depleted and Mr. Valenzuela faced losing the matching grant from the City. He then reached out to the WDC to secure funding in order to complete the project.

The project was completed in the fourth quarter of fiscal year 2014 but has defaulted on the loan.

Staff has worked with the applicant to renegotiate terms that are favorable to both parties including an increase to principal for debt consolidation.

The Project and Finance Committees have reviewed the loan application and suggested terms and recommend approval.

ISSUE:

ALTERNATIVES:

FISCAL IMPACT:

RECOMMENDATION:

Staff recommends approval with \$1,000 down, 6% interest, and mandatory ACH payments. In addition, a disbursement check from the WDC will be made out to LiftFund for a loan payoff on behalf of the applicant.

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