

City of Dalton
CDBG Program Office
300 West Waugh Street
Dalton, Ga. 30720
(706) 529-2470 fax (706)277-4640
cdbg@daltonga.gov



CITY OF DALTON
Small Business Stabilization Forgivable Loan Program Agreement

NAME OF BUSINESS: Automotive Specialist of Dalton
LENDER: The City of Dalton
LOAN: \$11,250.00
NUMBER OF JOBS 3.00
RETAINED/REHIRED:

THIS AGREEMENT, made and entered into on the May _____, 2020 by and between City of Dalton, a municipal corporation of the State of Georgia acting by and through its duly elected City Council, hereinafter referred to as the "City", and Automotive Specialist of Dalton, a for profit entity, hereinafter referred to as the "Borrower," located within the municipal boundary of the City of Dalton, Georgia, and incorporated in the State of Georgia.

WITNESSETH:

WHEREAS, City of Dalton has received a Fiscal Year [FY] 2020 Community Development Block Grant [CDBG], hereinafter referred to as "CDBG" under Title I of the Housing and Community Development Act [HCDA] of 1974, as amended, to carry out various economic development activities in the City's CDBG Program; and

WHEREAS, \$11,250.00 from Fiscal Year 2020 CDBG funds has been appropriated for award to the Subrecipient for the implementation of activities determined to be CDBG eligible by the City; and

WHEREAS, the Borrower agrees to assume certain responsibilities for the implementation of its CDBG assisted activities, and certifies that it will comply with the applicable certifications contained herein.

NOW, THEREFORE, the parties hereunto do hereby agree as follows:

PROJECT DESCRIPTION: The Borrower is seeking program funds for short-term financial relief due to a reduction in revenue as a result of COVID-19, which will consist of a forgivable loan to cover payroll expenses to retain or re-hire employees.

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USE OF FUNDS:

The Loan proceeds may only be used for paying payroll for the retention or rehiring of employees. Borrower will be monitored for the eligible use of said funds.

**JOB RETENTION
AND/OR JOB REHIRE:**

In addition to meeting the requirements provided in the program guidelines, in order to meet the national objective of retaining low to moderate income (LMI) jobs, Borrower and/or Borrower's tenants must retain or rehire a minimum of 3.00 full time equivalent (FTE) jobs with at least 51% of such jobs being jobs held by LMI persons.

FUNDING:

The City shall initially reimburse Borrower for the actual payroll expended for the number of jobs retained and/or rehired for the month of April, 2020 up to the maximum principal loan amount. In addition, the City shall advance to the Borrower an amount of **\$7,500** towards the actual payroll expended for the number of jobs retained and/or rehired for the month of May, 2020 up to the maximum principal loan amount. The City shall pay to Borrower any remaining balance of the maximum principal loan amount not already funded by June 30, 2020. The Borrower shall furnish supporting documentation as requested by City.

INTEREST RATES:

Interest Rate of 0% (zero) per annum during term of loan and/or after default.

**MATURITY AND
REPAYMENTS:**

Repayment of the principal loan amount shall not be required by Borrower provided that for a period of 2 YEARS from the anniversary date of the Note, the Borrower has met the requirements outlined in Job Retention. Principal loan amount shall be forgiven at the rate of 50% of the outstanding loan amount at the 1st anniversary date of the Note and the remaining 50% of the outstanding loan amount at the 2nd anniversary date.

**OTHER FINANCING AND
SCHEDULE OF VALUES:**

Prior to the closing, Borrower shall provide to City all updated source of additional funding received by Borrower for disaster-related issues, including but not limited to: FEMA funds, SBA funds and private insurance funds.

REPORTING:

Borrower shall provide the following information and documentation to

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City as provided in the program guidelines or upon request:

1. Weekly, bi-weekly, or monthly or quarterly payroll register with copies of cancelled checks or EFT's for employees included on the Monthly Job Rehire/Retention Report
2. For W-2 employees include monthly or quarterly federal and state payroll tax reports
3. For 1099 employees include weekly, bi-weekly, or monthly payroll certification form and copies of cancelled checks or EFT's
4. Monthly Job Rehire/Retention Report
5. Self-Certification Report for all LMI employees retained or rehired
6. Annual W-2's or 1099's of each employee

DEFAULT:

The occurrence of any one or more of the following events shall be deemed a default:

1. Failure to submit monthly/quarterly/annual forms
2. Failure to comply with Job Retention/Rehire section of Agreement
3. Borrower ceases operation or otherwise closes business prior to 2nd anniversary date of this Agreement
4. Sale of business to a third party
5. Change of business ownership
6. Borrower files bankruptcy or Borrower's creditor(s) files an involuntary bankruptcy against Borrower
7. Business is located outside the municipal boundary of City
8. Borrower fails to maintain a current City of Dalton business license
9. Borrower fails to pay and is past due on any real estate taxes, occupational taxes, other taxes, licenses or fees owed to City
10. Borrower files suit against City
11. City obtains civil judgment against Borrower on any grounds

Remedy upon default. Upon the occurrence of any event of default, the entire unpaid principal balance, at the option of City, shall become immediately due and payable without further demand.

PREPAYMENT:

Payment is not required except in the event of default. No penalty for prepayment of this obligation.

REPRESENTATIONS AND WARRANTIES:

The Borrower represents that all information provided in the Small Business Stabilization Forgivable Loan Program application and supporting documentation is true and accurate. Further, Borrower

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represents that said business is 1) properly organized in the State of Georgia and administratively active with the Secretary of State; 2) that the undersigned is a duly elected officer, director, or member of the business; 3) that business is not prohibited from borrowing funds pursuant to this Agreement; 4) that the undersigned is duly authorized to sign all documents, including but not limited to the Agreement and Note on behalf of said business.

INDEMNIFICATION:

The Borrowers will indemnify and hold harmless the City and its affiliates and their partners, directors, officers, employees, agents and advisors from and against all losses, claims, damages, liabilities and reasonable expenses arising out of or relating to the Loan, the Borrowers' use of loan proceeds or the commitments, including, but not limited to, reasonable attorneys' fees and settlement. This indemnification shall survive and continue for the benefit of all such persons or entities.

GOVERNING LAW:

This Agreement shall be governed by and interpreted in accordance with the laws of the State of Georgia.

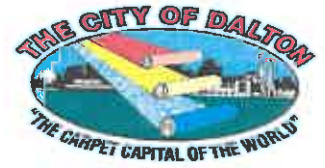
JURISDICTION:

Jurisdiction and Venue of any lawsuit brought in connection with this Agreement shall be in the Superior Court of Whitfield County, Georgia and the parties hereby waive any and all jurisdiction, venue, and inconvenient forum objections to such Court.

JURY TRIAL:

The parties hereby waive the right to trial by jury of any issues in the event any lawsuit is filed in connection with this Agreement.

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IN WITNESS WHEREOF, the parties hereunto have affixed their signatures on the dates specified below:

FOR THE BUSINESS:

FOR CITY OF DALTON:

By Emmaza Hernandez
(Signature)

By _____
(Signature) Mayor

By Emmaza Hernandez CFO
(Typed Name/Title)

By David Pennington, Mayor
(Typed Name/Title)

May 13, 2020
(Signature Date)

(Signature Date)

ATTEST:

ATTEST:

By [Signature]
(Signature)

By [Signature]
(Signature) City Clerk

By Diana Madero CFO
(Typed Name/Title)

By Bernadette Chattam, City Clerk
(Typed Name/Title)

May 13, 2020
(Signature Date)

(Signature Date)

ATTEST:

By _____
(Signature) CFO

By Cindy Jackson, CFO
(Typed Name/Title)

(Signature Date)

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CITY OF DALTON
Small Business Stabilization Forgivable Loan Program Agreement

NAME OF BUSINESS: California Cars
LENDER: The City of Dalton
LOAN: \$8,000.00
NUMBER OF JOBS 1.00
RETAINED/REHIRED:

THIS AGREEMENT, made and entered into on the May 15, 2020 by and between City of Dalton, a municipal corporation of the State of Georgia acting by and through its duly elected City Council, hereinafter referred to as the "City", and California Cars, a for profit entity, hereinafter referred to as the "Borrower," located within the municipal boundary of the City of Dalton, Georgia, and incorporated in the State of Georgia.

WITNESSETH:

WHEREAS, City of Dalton has received a Fiscal Year [FY] 2020 Community Development Block Grant [CDBG], hereinafter referred to as "CDBG" under Title I of the Housing and Community Development Act [HCDA] of 1974, as amended, to carry out various economic development activities in the City's CDBG Program; and

WHEREAS, \$8,000.00 from Fiscal Year 2020 CDBG funds has been appropriated for award to the Subrecipient for the implementation of activities determined to be CDBG eligible by the City; and

WHEREAS, the Borrower agrees to assume certain responsibilities for the implementation of its CDBG assisted activities, and certifies that it will comply with the applicable certifications contained herein.

NOW, THEREFORE, the parties hereunto do hereby agree as follows:

PROJECT DESCRIPTION: The Borrower is seeking program funds for short-term financial relief due to a reduction in revenue as a result of COVID-19, which will consist of a forgivable loan to cover payroll expenses to retain or re-hire employees.

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USE OF FUNDS: The Loan proceeds may only be used for paying payroll for the retention or rehiring of employees. Borrower will be monitored for the eligible use of said funds.

JOB RETENTION AND/OR JOB REHIRE: In addition to meeting the requirements provided in the program guidelines, in order to meet the national objective of retaining low to moderate income (LMI) jobs, Borrower and/or Borrower's tenants must retain or rehire a minimum of 1.00 full time equivalent (FTE) jobs with at least 51% of such jobs being jobs held by LMI persons.

FUNDING: The City shall initially reimburse Borrower for the actual payroll expended for the number of jobs retained and/or rehired for the month of April, 2020 up to the maximum principal loan amount. In addition, the City shall advance to the Borrower an amount of **\$7,500** towards the actual payroll expended for the number of jobs retained and/or rehired for the month of May, 2020 up to the maximum principal loan amount. The City shall pay to Borrower any remaining balance of the maximum principal loan amount not already funded by June 30, 2020. The Borrower shall furnish supporting documentation as requested by City.

INTEREST RATES: Interest Rate of 0% (zero) per annum during term of loan and/or after default.

MATURITY AND REPAYMENTS: Repayment of the principal loan amount shall not be required by Borrower provided that for a period of 2 YEARS from the anniversary date of the Note, the Borrower has met the requirements outlined in Job Retention. Principal loan amount shall be forgiven at the rate of 50% of the outstanding loan amount at the 1st anniversary date of the Note and the remaining 50% of the outstanding loan amount at the 2nd anniversary date.

OTHER FINANCING AND SCHEDULE OF VALUES: Prior to the closing, Borrower shall provide to City all updated source of additional funding received by Borrower for disaster-related issues, including but not limited to: FEMA funds, SBA funds and private insurance funds.

REPORTING: Borrower shall provide the following information and documentation to

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City as provided in the program guidelines or upon request:

1. Weekly, bi-weekly, or monthly or quarterly payroll register with copies of cancelled checks or EFT's for employees included on the Monthly Job Rehire/Retention Report
2. For W-2 employees include monthly or quarterly federal and state payroll tax reports
3. For 1099 employees include weekly, bi-weekly, or monthly payroll certification form and copies of cancelled checks or EFT's
4. Monthly Job Rehire/Retention Report
5. Self-Certification Report for all LMI employees retained or rehired
6. Annual W-2's or 1099's of each employee

DEFAULT:

The occurrence of any one or more of the following events shall be deemed a default:

1. Failure to submit monthly/quarterly/annual forms
2. Failure to comply with Job Retention/Rehire section of Agreement
3. Borrower ceases operation or otherwise closes business prior to 2nd anniversary date of this Agreement
4. Sale of business to a third party
5. Change of business ownership
6. Borrower files bankruptcy or Borrower's creditor(s) files an involuntary bankruptcy against Borrower
7. Business is located outside the municipal boundary of City
8. Borrower fails to maintain a current City of Dalton business license
9. Borrower fails to pay and is past due on any real estate taxes, occupational taxes, other taxes, licenses or fees owed to City
10. Borrower files suit against City
11. City obtains civil judgment against Borrower on any grounds

Remedy upon default. Upon the occurrence of any event of default, the entire unpaid principal balance, at the option of City, shall become immediately due and payable without further demand.

PREPAYMENT:

Payment is not required except in the event of default. No penalty for prepayment of this obligation.

**REPRESENTATIONS
AND WARRANTIES:**

The Borrower represents that all information provided in the Small Business Stabilization Forgivable Loan Program application and supporting documentation is true and accurate. Further, Borrower

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represents that said business is 1) properly organized in the State of Georgia and administratively active with the Secretary of State; 2) that the undersigned is a duly elected officer, director, or member of the business; 3) that business is not prohibited from borrowing funds pursuant to this Agreement; 4) that the undersigned is duly authorized to sign all documents, including but not limited to the Agreement and Note on behalf of said business.

INDEMNIFICATION:

The Borrowers will indemnify and hold harmless the City and its affiliates and their partners, directors, officers, employees, agents and advisors from and against all losses, claims, damages, liabilities and reasonable expenses arising out of or relating to the Loan, the Borrowers' use of loan proceeds or the commitments, including, but not limited to, reasonable attorneys' fees and settlement. This indemnification shall survive and continue for the benefit of all such persons or entities.

GOVERNING LAW:

This Agreement shall be governed by and interpreted in accordance with the laws of the State of Georgia.

JURISDICTION:

Jurisdiction and Venue of any lawsuit brought in connection with this Agreement shall be in the Superior Court of Whitfield County, Georgia and the parties hereby waive any and all jurisdiction, venue, and inconvenient forum objections to such Court.

JURY TRIAL:

The parties hereby waive the right to trial by jury of any issues in the event any lawsuit is filed in connection with this Agreement.

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IN WITNESS WHEREOF, the parties hereunto have affixed their signatures on the dates specified below:

FOR THE BUSINESS:

By 
(Signature)

By Noe Maldonado
(Typed Name/Title)

05/15/2020
(Signature Date)

ATTEST:

By 
(Signature)

By Noe Maldonado
(Typed Name/Title)

05/15/2020
(Signature Date)

FOR CITY OF DALTON:

By _____
(Signature) Mayor

By David Pennington, Mayor
(Typed Name/Title)

(Signature Date)

ATTEST:

By _____
(Signature) City Clerk

By Bernadette Chattam, City Clerk
(Typed Name/Title)

(Signature Date)

ATTEST:

By _____
(Signature) CFO

By Cindy Jackson, CFO
(Typed Name/Title)

(Signature Date)

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CITY OF DALTON
Small Business Stabilization Forgivable Loan Program Agreement

NAME OF BUSINESS: CR&G d/b/a Cyras Restaurant
LENDER: The City of Dalton
LOAN: \$12,000.00
NUMBER OF JOBS 17.78
RETAINED/REHIRED:

THIS AGREEMENT, made and entered into on the May 11th, 2020 by and between City of Dalton, a municipal corporation of the State of Georgia acting by and through its duly elected City Council, hereinafter referred to as the "City", and CR&G d/b/a Cyras Restaurant, a for profit entity, hereinafter referred to as the "Borrower," located within the municipal boundary of the City of Dalton, Georgia, and incorporated in the State of Georgia.

WITNESSETH:

WHEREAS, City of Dalton has received a Fiscal Year [FY] 2020 Community Development Block Grant [CDBG], hereinafter referred to as "CDBG" under Title I of the Housing and Community Development Act [HCDA] of 1974, as amended, to carry out various economic development activities in the City's CDBG Program; and

WHEREAS, \$12,000.00 from Fiscal Year 2020 CDBG funds has been appropriated for award to the Subrecipient for the implementation of activities determined to be CDBG eligible by the City; and

WHEREAS, the Borrower agrees to assume certain responsibilities for the implementation of its CDBG assisted activities, and certifies that it will comply with the applicable certifications contained herein.

NOW, THEREFORE, the parties hereunto do hereby agree as follows:

PROJECT DESCRIPTION: The Borrower is seeking program funds for short-term financial relief due to a reduction in revenue as a result of COVID-19, which will consist of a forgivable loan to cover payroll expenses to retain or re-hire employees.

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USE OF FUNDS:

The Loan proceeds may only be used for paying payroll for the retention or rehiring of employees. Borrower will be monitored for the eligible use of said funds.

**JOB RETENTION
AND/OR JOB REHIRE:**

In addition to meeting the requirements provided in the program guidelines, in order to meet the national objective of retaining low to moderate income (LMI) jobs, Borrower and/or Borrower's tenants must retain or rehire a minimum of 17.78 full time equivalent (FTE) jobs with at least 51% of such jobs being jobs held by LMI persons.

FUNDING:

The City shall initially reimburse Borrower for the actual payroll expended for the number of jobs retained and/or rehired for the month of April, 2020 up to the maximum principal loan amount. In addition, the City shall advance to the Borrower an amount of **\$7,500** towards the actual payroll expended for the number of jobs retained and/or rehired for the month of May, 2020 up to the maximum principal loan amount. The City shall pay to Borrower any remaining balance of the maximum principal loan amount not already funded by June 30, 2020. The Borrower shall furnish supporting documentation as requested by City.

INTEREST RATES:

Interest Rate of 0% (zero) per annum during term of loan and/or after default.

**MATURITY AND
REPAYMENTS:**

Repayment of the principal loan amount shall not be required by Borrower provided that for a period of 2 YEARS from the anniversary date of the Note, the Borrower has met the requirements outlined in Job Retention. Principal loan amount shall be forgiven at the rate of 50% of the outstanding loan amount at the 1st anniversary date of the Note and the remaining 50% of the outstanding loan amount at the 2nd anniversary date.

**OTHER FINANCING AND
SCHEDULE OF VALUES:**

Prior to the closing, Borrower shall provide to City all updated source of additional funding received by Borrower for disaster-related issues, including but not limited to: FEMA funds, SBA funds and private insurance funds.

REPORTING:

Borrower shall provide the following information and documentation to



City as provided in the program guidelines or upon request:

1. Weekly, bi-weekly, or monthly or quarterly payroll register with copies of cancelled checks or EFT's for employees included on the Monthly Job Rehire/Retention Report
2. For W-2 employees include monthly or quarterly federal and state payroll tax reports
3. For 1099 employees include weekly, bi-weekly, or monthly payroll certification form and copies of cancelled checks or EFT's
4. Monthly Job Rehire/Retention Report
5. Self-Certification Report for all LMI employees retained or rehired
6. Annual W-2's or 1099's of each employee

DEFAULT:

The occurrence of any one or more of the following events shall be deemed a default:

1. Failure to submit monthly/quarterly/annual forms
2. Failure to comply with Job Retention/Rehire section of Agreement
3. Borrower ceases operation or otherwise closes business prior to 2nd anniversary date of this Agreement
4. Sale of business to a third party
5. Change of business ownership
6. Borrower files bankruptcy or Borrower's creditor(s) files an involuntary bankruptcy against Borrower
7. Business is located outside the municipal boundary of City
8. Borrower fails to maintain a current City of Dalton business license
9. Borrower fails to pay and is past due on any real estate taxes, occupational taxes, other taxes, licenses or fees owed to City
10. Borrower files suit against City
11. City obtains civil judgment against Borrower on any grounds

Remedy upon default. Upon the occurrence of any event of default, the entire unpaid principal balance, at the option of City, shall become immediately due and payable without further demand.

PREPAYMENT:

Payment is not required except in the event of default. No penalty for prepayment of this obligation.

REPRESENTATIONS AND WARRANTIES:

The Borrower represents that all information provided in the Small Business Stabilization Forgivable Loan Program application and supporting documentation is true and accurate. Further, Borrower



represents that said business is 1) properly organized in the State of Georgia and administratively active with the Secretary of State; 2) that the undersigned is a duly elected officer, director, or member of the business; 3) that business is not prohibited from borrowing funds pursuant to this Agreement; 4) that the undersigned is duly authorized to sign all documents, including but not limited to the Agreement and Note on behalf of said business.

INDEMNIFICATION:

The Borrowers will indemnify and hold harmless the City and its affiliates and their partners, directors, officers, employees, agents and advisors from and against all losses, claims, damages, liabilities and reasonable expenses arising out of or relating to the Loan, the Borrowers' use of loan proceeds or the commitments, including, but not limited to, reasonable attorneys' fees and settlement. This indemnification shall survive and continue for the benefit of all such persons or entities.

GOVERNING LAW:

This Agreement shall be governed by and interpreted in accordance with the laws of the State of Georgia.

JURISDICTION:

Jurisdiction and Venue of any lawsuit brought in connection with this Agreement shall be in the Superior Court of Whitfield County, Georgia and the parties hereby waive any and all jurisdiction, venue, and inconvenient forum objections to such Court.

JURY TRIAL:

The parties hereby waive the right to trial by jury of any issues in the event any lawsuit is filed in connection with this Agreement.

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IN WITNESS WHEREOF, the parties hereunto have affixed their signatures on the dates specified below:

FOR THE BUSINESS:

By [Signature]
(Signature)
By T.J. KAIKOBAD
(Typed Name/Title)
6/1/2020
(Signature Date)

ATTEST:

By [Signature]
(Signature)
By Lily Bradley
(Typed Name/Title)
6/2/2020
(Signature Date)

FOR CITY OF DALTON:

By _____
(Signature) Mayor
By David Pennington, Mayor
(Typed Name/Title)

(Signature Date)

ATTEST:

By _____
(Signature) City Clerk
By Bernadette Chattam, City Clerk
(Typed Name/Title)

(Signature Date)

ATTEST:

By _____
(Signature) CFO
By Cindy Jackson, CFO
(Typed Name/Title)

(Signature Date)

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CITY OF DALTON
Small Business Stabilization Forgivable Loan Program Agreement

NAME OF BUSINESS: Culprit Athletics
LENDER: The City of Dalton
LOAN: \$15,000.00
NUMBER OF JOBS 3.52
RETAINED/REHIRED:

THIS AGREEMENT, made and entered into on the May 14, 2020 by and between City of Dalton, a municipal corporation of the State of Georgia acting by and through its duly elected City Council, hereinafter referred to as the "City", and Culprit Athletics, a for profit entity, hereinafter referred to as the "Borrower," located within the municipal boundary of the City of Dalton, Georgia, and incorporated in the State of Georgia.

WITNESSETH:

WHEREAS, City of Dalton has received a Fiscal Year [FY] 2020 Community Development Block Grant [CDBG], hereinafter referred to as "CDBG" under Title I of the Housing and Community Development Act [HCDA] of 1974, as amended, to carry out various economic development activities in the City's CDBG Program; and

WHEREAS, \$15,000.00 from Fiscal Year 2020 CDBG funds has been appropriated for award to the Subrecipient for the implementation of activities determined to be CDBG eligible by the City; and

WHEREAS, the Borrower agrees to assume certain responsibilities for the implementation of its CDBG assisted activities, and certifies that it will comply with the applicable certifications contained herein.

NOW, THEREFORE, the parties hereunto do hereby agree as follows:

PROJECT DESCRIPTION: The Borrower is seeking program funds for short-term financial relief due to a reduction in revenue as a result of COVID-19, which will consist of a forgivable loan to cover payroll expenses to retain or re-hire employees.

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USE OF FUNDS: The Loan proceeds may only be used for paying payroll for the retention or rehiring of employees. Borrower will be monitored for the eligible use of said funds.

JOB RETENTION AND/OR JOB REHIRE: In addition to meeting the requirements provided in the program guidelines, in order to meet the national objective of retaining low to moderate income (LMI) jobs, Borrower and/or Borrower's tenants must retain or rehire a minimum of 3.52 full time equivalent (FTE) jobs with at least 51% of such jobs being jobs held by LMI persons.

FUNDING: The City shall initially reimburse Borrower for the actual payroll expended for the number of jobs retained and/or rehired for the month of April, 2020 up to the maximum principal loan amount. In addition, the City shall advance to the Borrower an amount of **\$7,500** towards the actual payroll expended for the number of jobs retained and/or rehired for the month of May, 2020 up to the maximum principal loan amount. The City shall pay to Borrower any remaining balance of the maximum principal loan amount not already funded by June 30, 2020. The Borrower shall furnish supporting documentation as requested by City.

INTEREST RATES: Interest Rate of 0% (zero) per annum during term of loan and/or after default.

MATURITY AND REPAYMENTS: Repayment of the principal loan amount shall not be required by Borrower provided that for a period of 2 YEARS from the anniversary date of the Note, the Borrower has met the requirements outlined in Job Retention. Principal loan amount shall be forgiven at the rate of 50% of the outstanding loan amount at the 1st anniversary date of the Note and the remaining 50% of the outstanding loan amount at the 2nd anniversary date.

OTHER FINANCING AND SCHEDULE OF VALUES: Prior to the closing, Borrower shall provide to City all updated source of additional funding received by Borrower for disaster-related issues, including but not limited to: FEMA funds, SBA funds and private insurance funds.

REPORTING: Borrower shall provide the following information and documentation to

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City as provided in the program guidelines or upon request:

1. Weekly, bi-weekly, or monthly or quarterly payroll register with copies of cancelled checks or EFT's for employees included on the Monthly Job Rehire/Retention Report
2. For W-2 employees include monthly or quarterly federal and state payroll tax reports
3. For 1099 employees include weekly, bi-weekly, or monthly payroll certification form and copies of cancelled checks or EFT's
4. Monthly Job Rehire/Retention Report
5. Self-Certification Report for all LMI employees retained or rehired
6. Annual W-2's or 1099's of each employee

DEFAULT:

The occurrence of any one or more of the following events shall be deemed a default:

1. Failure to submit monthly/quarterly/annual forms
2. Failure to comply with Job Retention/Rehire section of Agreement
3. Borrower ceases operation or otherwise closes business prior to 2nd anniversary date of this Agreement
4. Sale of business to a third party
5. Change of business ownership
6. Borrower files bankruptcy or Borrower's creditor(s) files an involuntary bankruptcy against Borrower
7. Business is located outside the municipal boundary of City
8. Borrower fails to maintain a current City of Dalton business license
9. Borrower fails to pay and is past due on any real estate taxes, occupational taxes, other taxes, licenses or fees owed to City
10. Borrower files suit against City
11. City obtains civil judgment against Borrower on any grounds

Remedy upon default. Upon the occurrence of any event of default, the entire unpaid principal balance, at the option of City, shall become immediately due and payable without further demand.

PREPAYMENT:

Payment is not required except in the event of default. No penalty for prepayment of this obligation.

REPRESENTATIONS AND WARRANTIES:

The Borrower represents that all information provided in the Small Business Stabilization Forgivable Loan Program application and supporting documentation is true and accurate. Further, Borrower

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represents that said business is 1) properly organized in the State of Georgia and administratively active with the Secretary of State; 2) that the undersigned is a duly elected officer, director, or member of the business; 3) that business is not prohibited from borrowing funds pursuant to this Agreement; 4) that the undersigned is duly authorized to sign all documents, including but not limited to the Agreement and Note on behalf of said business.

INDEMNIFICATION:

The Borrowers will indemnify and hold harmless the City and its affiliates and their partners, directors, officers, employees, agents and advisors from and against all losses, claims, damages, liabilities and reasonable expenses arising out of or relating to the Loan, the Borrowers' use of loan proceeds or the commitments, including, but not limited to, reasonable attorneys' fees and settlement. This indemnification shall survive and continue for the benefit of all such persons or entities.

GOVERNING LAW:

This Agreement shall be governed by and interpreted in accordance with the laws of the State of Georgia.

JURISDICTION:

Jurisdiction and Venue of any lawsuit brought in connection with this Agreement shall be in the Superior Court of Whitfield County, Georgia and the parties hereby waive any and all jurisdiction, venue, and inconvenient forum objections to such Court.

JURY TRIAL:

The parties hereby waive the right to trial by jury of any issues in the event any lawsuit is filed in connection with this Agreement.

City of Dalton
CDBG Program Office
300 West Waugh Street
Dalton, Ga. 30720
(706) 529-2470 fax (706) 277-4640
cdbg@daltonga.gov



IN WITNESS WHEREOF, the parties hereunto have affixed their signatures on the dates specified below:

FOR THE BUSINESS:

By [Signature]
(Signature)

By Austin Cup (owner)
(Typed Name/Title)

5/14/2020
(Signature Date)

ATTEST:
By [Signature]
(Signature)
By ELIZABETH BURNETT
(Typed Name/Title) Financial Director
5/14/2020
(Signature Date)

FOR CITY OF DALTON:

By _____
(Signature) Mayor

By David Pennington, Mayor
(Typed Name/Title)

(Signature Date)

ATTEST:
By _____
(Signature) City Clerk

By Bernadette Chattam, City Clerk
(Typed Name/Title)

(Signature Date)

ATTEST:
By _____
(Signature) CFO

By Cindy Jackson, CFO
(Typed Name/Title)

(Signature Date)

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CITY OF DALTON
Small Business Stabilization Forgivable Loan Program Agreement

NAME OF BUSINESS: Juli-Yo, LLC d/b/a Sweet Spot
LENDER: The City of Dalton
LOAN: \$15,000.00
NUMBER OF JOBS 3.50
RETAINED/REHIRED:

THIS AGREEMENT, made and entered into on the June 5, 2020 by and between City of Dalton, a municipal corporation of the State of Georgia acting by and through its duly elected City Council, hereinafter referred to as the "City", and Juli-Yo, LLC d/b/a Sweet Spot, a for profit entity, hereinafter referred to as the "Borrower," located within the municipal boundary of the City of Dalton, Georgia, and incorporated in the State of Georgia.

WITNESSETH:

WHEREAS, City of Dalton has received a Fiscal Year [FY] 2020 Community Development Block Grant [CDBG], hereinafter referred to as "CDBG" under Title I of the Housing and Community Development Act [HCDA] of 1974, as amended, to carry out various economic development activities in the City's CDBG Program; and

WHEREAS, \$15,000.00 from Fiscal Year 2020 CDBG funds has been appropriated for award to the Subrecipient for the implementation of activities determined to be CDBG eligible by the City; and

WHEREAS, the Borrower agrees to assume certain responsibilities for the implementation of its CDBG assisted activities, and certifies that it will comply with the applicable certifications contained herein.

NOW, THEREFORE, the parties hereunto do hereby agree as follows:

PROJECT DESCRIPTION: The Borrower is seeking program funds for short-term financial relief due to a reduction in revenue as a result of COVID-19, which will consist of a forgivable loan to cover payroll expenses to retain or re-hire employees.



USE OF FUNDS:

The Loan proceeds may only be used for paying payroll for the retention or rehiring of employees. Borrower will be monitored for the eligible use of said funds.

**JOB RETENTION
AND/OR JOB REHIRE:**

In addition to meeting the requirements provided in the program guidelines, in order to meet the national objective of retaining low to moderate income (LMI) jobs, Borrower and/or Borrower's tenants must retain or rehire a minimum of **3.50** full time equivalent (FTE) jobs with at least 51% of such jobs being jobs held by LMI persons.

FUNDING:

of June
of July

The City shall initially reimburse Borrower for the actual payroll expended for the number of jobs retained and/or rehired for the month of ~~April~~, 2020 up to the maximum principal loan amount. In addition, the City shall advance to the Borrower an amount of **\$7,500** towards the actual payroll expended for the number of jobs retained and/or rehired for the month of ~~May~~, 2020 up to the maximum principal loan amount. The City shall pay to Borrower any remaining balance of the maximum principal loan amount not already funded by ~~June 30, 2020~~. The Borrower shall furnish supporting documentation as requested by City. *August*

INTEREST RATES:

Interest Rate of 0% (zero) per annum during term of loan and/or after default.

**MATURITY AND
REPAYMENTS:**

Repayment of the principal loan amount shall not be required by Borrower provided that for a period of 2 YEARS from the anniversary date of the Note, the Borrower has met the requirements outlined in Job Retention. Principal loan amount shall be forgiven at the rate of 50% of the outstanding loan amount at the 1st anniversary date of the Note and the remaining 50% of the outstanding loan amount at the 2nd anniversary date.

**OTHER FINANCING AND
SCHEDULE OF VALUES:**

Prior to the closing, Borrower shall provide to City all updated source of additional funding received by Borrower for disaster-related issues, including but not limited to: FEMA funds, SBA funds and private insurance funds.

REPORTING:

Borrower shall provide the following information and documentation to



City as provided in the program guidelines or upon request:

1. Weekly, bi-weekly, or monthly or quarterly payroll register with copies of cancelled checks or EFT's for employees included on the Monthly Job Rehire/Retention Report
2. For W-2 employees include monthly or quarterly federal and state payroll tax reports
3. For 1099 employees include weekly, bi-weekly, or monthly payroll certification form and copies of cancelled checks or EFT's
4. Monthly Job Rehire/Retention Report
5. Self-Certification Report for all LMI employees retained or rehired
6. Annual W-2's or 1099's of each employee

DEFAULT:

The occurrence of any one or more of the following events shall be deemed a default:

1. Failure to submit monthly/quarterly/annual forms
2. Failure to comply with Job Retention/Rehire section of Agreement
3. Borrower ceases operation or otherwise closes business prior to 2nd anniversary date of this Agreement
4. Sale of business to a third party
5. Change of business ownership
6. Borrower files bankruptcy or Borrower's creditor(s) files an involuntary bankruptcy against Borrower
7. Business is located outside the municipal boundary of City
8. Borrower fails to maintain a current City of Dalton business license
9. Borrower fails to pay and is past due on any real estate taxes, occupational taxes, other taxes, licenses or fees owed to City
10. Borrower files suit against City
11. City obtains civil judgment against Borrower on any grounds

Remedy upon default. Upon the occurrence of any event of default, the entire unpaid principal balance, at the option of City, shall become immediately due and payable without further demand.

PREPAYMENT:

Payment is not required except in the event of default. No penalty for prepayment of this obligation.

REPRESENTATIONS AND WARRANTIES:

The Borrower represents that all information provided in the Small Business Stabilization Forgivable Loan Program application and supporting documentation is true and accurate. Further, Borrower

City of Dalton
CDBG Program Office
300 West Waugh Street
Dalton, Ga. 30720
(706) 529-2470 fax (706)277-4640
cdbg@daltonga.gov



represents that said business is 1) properly organized in the State of Georgia and administratively active with the Secretary of State; 2) that the undersigned is a duly elected officer, director, or member of the business; 3) that business is not prohibited from borrowing funds pursuant to this Agreement; 4) that the undersigned is duly authorized to sign all documents, including but not limited to the Agreement and Note on behalf of said business.

INDEMNIFICATION:

The Borrowers will indemnify and hold harmless the City and its affiliates and their partners, directors, officers, employees, agents and advisors from and against all losses, claims, damages, liabilities and reasonable expenses arising out of or relating to the Loan, the Borrowers' use of loan proceeds or the commitments, including, but not limited to, reasonable attorneys' fees and settlement. This indemnification shall survive and continue for the benefit of all such persons or entities.

GOVERNING LAW:

This Agreement shall be governed by and interpreted in accordance with the laws of the State of Georgia.

JURISDICTION:

Jurisdiction and Venue of any lawsuit brought in connection with this Agreement shall be in the Superior Court of Whitfield County, Georgia and the parties hereby waive any and all jurisdiction, venue, and inconvenient forum objections to such Court.

JURY TRIAL:

The parties hereby waive the right to trial by jury of any issues in the event any lawsuit is filed in connection with this Agreement.

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IN WITNESS WHEREOF, the parties hereunto have affixed their signatures on the dates specified below:

FOR THE BUSINESS:

By Denise Smith
(Signature)
By Denise Smith/owner
(Typed Name/Title)
6-8-20
(Signature Date)

FOR CITY OF DALTON:

By _____
(Signature) Mayor
By David Pennington, Mayor
(Typed Name/Title)

(Signature Date)

ATTEST:

By Cindy Jackson
(Signature)
By Cindy Jackson, CFO
(Typed Name/Title)
6-8-20
(Signature Date)

ATTEST:

By _____
(Signature) City Clerk
By Bernadette Chattam, City Clerk
(Typed Name/Title)

(Signature Date)

ATTEST:

By _____
(Signature) CFO
By Cindy Jackson, CFO
(Typed Name/Title)

(Signature Date)

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CITY OF DALTON
Small Business Stabilization Forgivable Loan Program Agreement

NAME OF BUSINESS: MedNow, Inc.
LENDER: The City of Dalton
LOAN: \$12,000.00
NUMBER OF JOBS 12.00
RETAINED/REHIRED:

THIS AGREEMENT, made and entered into on the May 12, 2020 by and between City of Dalton, a municipal corporation of the State of Georgia acting by and through its duly elected City Council, hereinafter referred to as the "City", and MedNow, Inc., a for profit entity, hereinafter referred to as the "Borrower," located within the municipal boundary of the City of Dalton, Georgia, and incorporated in the State of Georgia.

WITNESSETH:

WHEREAS, City of Dalton has received a Fiscal Year [FY] 2020 Community Development Block Grant [CDBG], hereinafter referred to as "CDBG" under Title I of the Housing and Community Development Act [HCDA] of 1974, as amended, to carry out various economic development activities in the City's CDBG Program; and

WHEREAS, \$12,000.00 from Fiscal Year 2020 CDBG funds has been appropriated for award to the Subrecipient for the implementation of activities determined to be CDBG eligible by the City; and

WHEREAS, the Borrower agrees to assume certain responsibilities for the implementation of its CDBG assisted activities, and certifies that it will comply with the applicable certifications contained herein.

NOW, THEREFORE, the parties hereunto do hereby agree as follows:

PROJECT DESCRIPTION: The Borrower is seeking program funds for short-term financial relief due to a reduction in revenue as a result of COVID-19, which will consist of a forgivable loan to cover payroll expenses to retain or re-hire employees.

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300 West Waugh Street
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cdbg@daltonga.gov



USE OF FUNDS:

The Loan proceeds may only be used for paying payroll for the retention or rehiring of employees. Borrower will be monitored for the eligible use of said funds.

**JOB RETENTION
AND/OR JOB REHIRE:**

In addition to meeting the requirements provided in the program guidelines, in order to meet the national objective of retaining low to moderate income (LMI) jobs, Borrower and/or Borrower's tenants must retain or rehire a minimum of 12.00 full time equivalent (FTE) jobs with at least 51% of such jobs being jobs held by LMI persons.

FUNDING:

The City shall initially reimburse Borrower for the actual payroll expended for the number of jobs retained and/or rehired for the month of April, 2020 up to the maximum principal loan amount. In addition, the City shall advance to the Borrower an amount of **\$7,500** towards the actual payroll expended for the number of jobs retained and/or rehired for the month of May, 2020 up to the maximum principal loan amount. The City shall pay to Borrower any remaining balance of the maximum principal loan amount not already funded by June 30, 2020. The Borrower shall furnish supporting documentation as requested by City.

INTEREST RATES:

Interest Rate of 0% (zero) per annum during term of loan and/or after default.

**MATURITY AND
REPAYMENTS:**

Repayment of the principal loan amount shall not be required by Borrower provided that for a period of 2 YEARS from the anniversary date of the Note, the Borrower has met the requirements outlined in Job Retention. Principal loan amount shall be forgiven at the rate of 50% of the outstanding loan amount at the 1st anniversary date of the Note and the remaining 50% of the outstanding loan amount at the 2nd anniversary date.

**OTHER FINANCING AND
SCHEDULE OF VALUES:**

Prior to the closing, Borrower shall provide to City all updated source of additional funding received by Borrower for disaster-related issues, including but not limited to: FEMA funds, SBA funds and private insurance funds.

REPORTING:

Borrower shall provide the following information and documentation to

City of Dalton
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300 West Waugh Street
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City as provided in the program guidelines or upon request:

1. Weekly, bi-weekly, or monthly or quarterly payroll register with copies of cancelled checks or EFT's for employees included on the Monthly Job Rehire/Retention Report
2. For W-2 employees include monthly or quarterly federal and state payroll tax reports
3. For 1099 employees include weekly, bi-weekly, or monthly payroll certification form and copies of cancelled checks or EFT's
4. Monthly Job Rehire/Retention Report
5. Self-Certification Report for all LMI employees retained or rehired
6. Annual W-2's or 1099's of each employee

DEFAULT:

The occurrence of any one or more of the following events shall be deemed a default:

1. Failure to submit monthly/quarterly/annual forms
2. Failure to comply with Job Retention/Rehire section of Agreement
3. Borrower ceases operation or otherwise closes business prior to 2nd anniversary date of this Agreement
4. Sale of business to a third party
5. Change of business ownership
6. Borrower files bankruptcy or Borrower's creditor(s) files an involuntary bankruptcy against Borrower
7. Business is located outside the municipal boundary of City
8. Borrower fails to maintain a current City of Dalton business license
9. Borrower fails to pay and is past due on any real estate taxes, occupational taxes, other taxes, licenses or fees owed to City
10. Borrower files suit against City
11. City obtains civil judgment against Borrower on any grounds

Remedy upon default. Upon the occurrence of any event of default, the entire unpaid principal balance, at the option of City, shall become immediately due and payable without further demand.

PREPAYMENT:

Payment is not required except in the event of default. No penalty for prepayment of this obligation.

**REPRESENTATIONS
AND WARRANTIES:**

The Borrower represents that all information provided in the Small Business Stabilization Forgivable Loan Program application and supporting documentation is true and accurate. Further, Borrower

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represents that said business is 1) properly organized in the State of Georgia and administratively active with the Secretary of State; 2) that the undersigned is a duly elected officer, director, or member of the business; 3) that business is not prohibited from borrowing funds pursuant to this Agreement; 4) that the undersigned is duly authorized to sign all documents, including but not limited to the Agreement and Note on behalf of said business.

INDEMNIFICATION:

The Borrowers will indemnify and hold harmless the City and its affiliates and their partners, directors, officers, employees, agents and advisors from and against all losses, claims, damages, liabilities and reasonable expenses arising out of or relating to the Loan, the Borrowers' use of loan proceeds or the commitments, including, but not limited to, reasonable attorneys' fees and settlement. This indemnification shall survive and continue for the benefit of all such persons or entities.

GOVERNING LAW:

This Agreement shall be governed by and interpreted in accordance with the laws of the State of Georgia.

JURISDICTION:

Jurisdiction and Venue of any lawsuit brought in connection with this Agreement shall be in the Superior Court of Whitfield County, Georgia and the parties hereby waive any and all jurisdiction, venue, and inconvenient forum objections to such Court.

JURY TRIAL:

The parties hereby waive the right to trial by jury of any issues in the event any lawsuit is filed in connection with this Agreement.

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cdbg@daltonga.gov



IN WITNESS WHEREOF, the parties hereunto have affixed their signatures on the dates specified below:

FOR THE BUSINESS:

By Steven Foster
(Signature)

By Steven Foster/owner
(Typed Name/Title)

May 12, 2020
(Signature Date)

ATTEST:

By [Signature]
(Signature)

By Hazel Moreno
(Typed Name/Title)

May 12, 2020
(Signature Date)

FOR CITY OF DALTON:

By _____
(Signature) Mayor

By David Pennington, Mayor
(Typed Name/Title)

(Signature Date)

ATTEST:

By _____
(Signature) City Clerk

By Bernadette Chattam, City Clerk
(Typed Name/Title)

(Signature Date)

ATTEST:

By _____
(Signature) CFO

By Cindy Jackson, CFO
(Typed Name/Title)

(Signature Date)

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CITY OF DALTON
Small Business Stabilization Forgivable Loan Program Agreement

NAME OF BUSINESS: Paleteria Monarca

LENDER: The City of Dalton

LOAN: \$15,000.00

**NUMBER OF JOBS
RETAINED/REHIRED:** 6.00

THIS AGREEMENT, made and entered into on the May 13, 2020 by and between City of Dalton, a municipal corporation of the State of Georgia acting by and through its duly elected City Council, hereinafter referred to as the "City", and Paleteria Monarca, a for profit entity, hereinafter referred to as the "Borrower," located within the municipal boundary of the City of Dalton, Georgia, and incorporated in the State of Georgia.

WITNESSETH:

WHEREAS, City of Dalton has received a Fiscal Year [FY] 2020 Community Development Block Grant [CDBG], hereinafter referred to as "CDBG" under Title I of the Housing and Community Development Act [HCDA] of 1974, as amended, to carry out various economic development activities in the City's CDBG Program; and

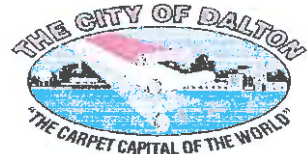
WHEREAS, \$15,000.00 from Fiscal Year 2020 CDBG funds has been appropriated for award to the Subrecipient for the implementation of activities determined to be CDBG eligible by the City; and

WHEREAS, the Borrower agrees to assume certain responsibilities for the implementation of its CDBG assisted activities, and certifies that it will comply with the applicable certifications contained herein.

NOW, THEREFORE, the parties hereunto do hereby agree as follows:

PROJECT DESCRIPTION: The Borrower is seeking program funds for short-term financial relief due to a reduction in revenue as a result of COVID-19, which will consist of a forgivable loan to cover payroll expenses to retain or re-hire employees.

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USE OF FUNDS: The Loan proceeds may only be used for paying payroll for the retention or rehiring of employees. Borrower will be monitored for the eligible use of said funds.

JOB RETENTION AND/OR JOB REHIRE: In addition to meeting the requirements provided in the program guidelines, in order to meet the national objective of retaining low to moderate income (LMI) jobs, Borrower and/or Borrower's tenants must retain or rehire a minimum of 6.00 full time equivalent (FTE) jobs with at least 51% of such jobs being jobs held by LMI persons.

FUNDING: The City shall initially reimburse Borrower for the actual payroll expended for the number of jobs retained and/or rehired for the month of April, 2020 up to the maximum principal loan amount. In addition, the City shall advance to the Borrower an amount of **\$7,500** towards the actual payroll expended for the number of jobs retained and/or rehired for the month of May, 2020 up to the maximum principal loan amount. The City shall pay to Borrower any remaining balance of the maximum principal loan amount not already funded by June 30, 2020. The Borrower shall furnish supporting documentation as requested by City.

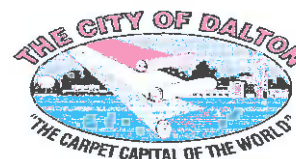
INTEREST RATES: Interest Rate of 0% (zero) per annum during term of loan and/or after default.

MATURITY AND REPAYMENTS: Repayment of the principal loan amount shall not be required by Borrower provided that for a period of 2 YEARS from the anniversary date of the Note, the Borrower has met the requirements outlined in Job Retention. Principal loan amount shall be forgiven at the rate of 50% of the outstanding loan amount at the 1st anniversary date of the Note and the remaining 50% of the outstanding loan amount at the 2nd anniversary date.

OTHER FINANCING AND SCHEDULE OF VALUES: Prior to the closing, Borrower shall provide to City all updated source of additional funding received by Borrower for disaster-related issues, including but not limited to: FEMA funds, SBA funds and private insurance funds.

REPORTING: Borrower shall provide the following information and documentation to

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City as provided in the program guidelines or upon request:

1. Weekly, bi-weekly, or monthly or quarterly payroll register with copies of cancelled checks or EFT's for employees included on the Monthly Job Rehire/Retention Report
2. For W-2 employees include monthly or quarterly federal and state payroll tax reports
3. For 1099 employees include weekly, bi-weekly, or monthly payroll certification form and copies of cancelled checks or EFT's
4. Monthly Job Rehire/Retention Report
5. Self-Certification Report for all LMI employees retained or rehired
6. Annual W-2's or 1099's of each employee

DEFAULT:

The occurrence of any one or more of the following events shall be deemed a default:

1. Failure to submit monthly/quarterly/annual forms
2. Failure to comply with Job Retention/Rehire section of Agreement
3. Borrower ceases operation or otherwise closes business prior to 2nd anniversary date of this Agreement
4. Sale of business to a third party
5. Change of business ownership
6. Borrower files bankruptcy or Borrower's creditor(s) files an involuntary bankruptcy against Borrower
7. Business is located outside the municipal boundary of City
8. Borrower fails to maintain a current City of Dalton business license
9. Borrower fails to pay and is past due on any real estate taxes, occupational taxes, other taxes, licenses or fees owed to City
10. Borrower files suit against City
11. City obtains civil judgment against Borrower on any grounds

Remedy upon default. Upon the occurrence of any event of default, the entire unpaid principal balance, at the option of City, shall become immediately due and payable without further demand.

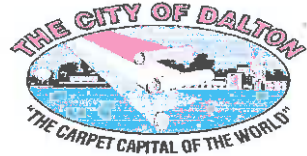
PREPAYMENT:

Payment is not required except in the event of default. No penalty for prepayment of this obligation.

REPRESENTATIONS AND WARRANTIES:

The Borrower represents that all information provided in the Small Business Stabilization Forgivable Loan Program application and supporting documentation is true and accurate. Further, Borrower

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represents that said business is 1) properly organized in the State of Georgia and administratively active with the Secretary of State; 2) that the undersigned is a duly elected officer, director, or member of the business; 3) that business is not prohibited from borrowing funds pursuant to this Agreement; 4) that the undersigned is duly authorized to sign all documents, including but not limited to the Agreement and Note on behalf of said business.

INDEMNIFICATION:

The Borrowers will indemnify and hold harmless the City and its affiliates and their partners, directors, officers, employees, agents and advisors from and against all losses, claims, damages, liabilities and reasonable expenses arising out of or relating to the Loan, the Borrowers' use of loan proceeds or the commitments, including, but not limited to, reasonable attorneys' fees and settlement. This indemnification shall survive and continue for the benefit of all such persons or entities.

GOVERNING LAW:

This Agreement shall be governed by and interpreted in accordance with the laws of the State of Georgia.

JURISDICTION:

Jurisdiction and Venue of any lawsuit brought in connection with this Agreement shall be in the Superior Court of Whitfield County, Georgia and the parties hereby waive any and all jurisdiction, venue, and inconvenient forum objections to such Court.

JURY TRIAL:

The parties hereby waive the right to trial by jury of any issues in the event any lawsuit is filed in connection with this Agreement.

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IN WITNESS WHEREOF, the parties hereunto have affixed their signatures on the dates specified below:

FOR THE BUSINESS:

FOR CITY OF DALTON:

By Guadalupe Alvarez By _____
(Signature) (Signature) Mayor

By Guadalupe Alvarez-CFO By David Pennington, Mayor
(Typed Name/Title) (Typed Name/Title)

May 13, 2020 _____
(Signature Date) (Signature Date)

ATTEST:

ATTEST:

By [Signature] By _____
(Signature) (Signature) City Clerk

By Diana Madero-Bookkeeper By Bernadette Chattam, City Clerk
(Typed Name/Title) (Typed Name/Title)

May 13, 2020 _____
(Signature Date) (Signature Date)

ATTEST:

By _____
(Signature) CFO

By Cindy Jackson, CFO
(Typed Name/Title)

(Signature Date)

City of Dalton
CDBG Program Office
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Dalton, Ga. 30720
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revised 5/26/20

CITY OF DALTON
Small Business Stabilization Forgivable Loan Program Agreement

NAME OF BUSINESS: Pay4Less, LLC
LENDER: The City of Dalton
LOAN: \$12,000.00
NUMBER OF JOBS 3.00
RETAINED/REHIRED:

THIS AGREEMENT, made and entered into on the May 26, 2020 by and between City of Dalton, a municipal corporation of the State of Georgia acting by and through its duly elected City Council, hereinafter referred to as the "City", and Pay4Less, LLC, a for profit entity, hereinafter referred to as the "Borrower," located within the municipal boundary of the City of Dalton, Georgia, and incorporated in the State of Georgia.

WITNESSETH:

WHEREAS, City of Dalton has received a Fiscal Year [FY] 2020 Community Development Block Grant [CDBG], hereinafter referred to as "CDBG" under Title I of the Housing and Community Development Act [HCDA] of 1974, as amended, to carry out various economic development activities in the City's CDBG Program; and

WHEREAS, \$12,000.00 from Fiscal Year 2020 CDBG funds has been appropriated for award to the Subrecipient for the implementation of activities determined to be CDBG eligible by the City; and

WHEREAS, the Borrower agrees to assume certain responsibilities for the implementation of its CDBG assisted activities, and certifies that it will comply with the applicable certifications contained herein.

NOW, THEREFORE, the parties hereunto do hereby agree as follows:

PROJECT DESCRIPTION: The Borrower is seeking program funds for short-term financial relief due to a reduction in revenue as a result of COVID-19, which will consist of a forgivable loan to cover payroll expenses to retain or re-hire employees.

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cdbg@daltonga.gov



USE OF FUNDS:

The Loan proceeds may only be used for paying payroll for the retention or rehiring of employees. Borrower will be monitored for the eligible use of said funds.

JOB RETENTION AND/OR JOB REHIRE:

In addition to meeting the requirements provided in the program guidelines, in order to meet the national objective of retaining low to moderate income (LMI) jobs, Borrower and/or Borrower's tenants must retain or rehire a minimum of 3.00 full time equivalent (FTE) jobs with at least 51% of such jobs being jobs held by LMI persons.

FUNDING:

The City shall initially reimburse Borrower for the actual payroll expended for the number of jobs retained and/or rehired for the month of April, 2020 up to the maximum principal loan amount. In addition, the City shall advance to the Borrower an amount of \$7,500 towards the actual payroll expended for the number of jobs retained and/or rehired for the month of May, 2020 up to the maximum principal loan amount. The City shall pay to Borrower any remaining balance of the maximum principal loan amount not already funded by June 30, 2020. The Borrower shall furnish supporting documentation as requested by City.

INTEREST RATES:

Interest Rate of 0% (zero) per annum during term of loan and/or after default.

MATURITY AND REPAYMENTS:

Repayment of the principal loan amount shall not be required by Borrower provided that for a period of 2 YEARS from the anniversary date of the Note, the Borrower has met the requirements outlined in Job Retention. Principal loan amount shall be forgiven at the rate of 50% of the outstanding loan amount at the 1st anniversary date of the Note and the remaining 50% of the outstanding loan amount at the 2nd anniversary date.

OTHER FINANCING AND SCHEDULE OF VALUES:

Prior to the closing, Borrower shall provide to City all updated source of additional funding received by Borrower for disaster-related issues, including but not limited to: FEMA funds, SBA funds and private insurance funds.

REPORTING:

Borrower shall provide the following information and documentation to

City of Dalton
CDBG Program Office
300 West Waugh Street
Dalton, Ga. 30720
(706) 529-2470 fax (706)277-4640
cdbg@daltonga.gov



City as provided in the program guidelines or upon request:

1. Weekly, bi-weekly, or monthly or quarterly payroll register with copies of cancelled checks or EFT's for employees included on the Monthly Job Rehire/Retention Report
2. For W-2 employees include monthly or quarterly federal and state payroll tax reports
3. For 1099 employees include weekly, bi-weekly, or monthly payroll certification form and copies of cancelled checks or EFT's
4. Monthly Job Rehire/Retention Report
5. Self-Certification Report for all LMI employees retained or rehired
6. Annual W-2's or 1099's of each employee

DEFAULT:

The occurrence of any one or more of the following events shall be deemed a default:

1. Failure to submit monthly/quarterly/annual forms
2. Failure to comply with Job Retention/Rehire section of Agreement
3. Borrower ceases operation or otherwise closes business prior to 2nd anniversary date of this Agreement
4. Sale of business to a third party
5. Change of business ownership
6. Borrower files bankruptcy or Borrower's creditor(s) files an involuntary bankruptcy against Borrower
7. Business is located outside the municipal boundary of City
8. Borrower fails to maintain a current City of Dalton business license
9. Borrower fails to pay and is past due on any real estate taxes, occupational taxes, other taxes, licenses or fees owed to City
10. Borrower files suit against City
11. City obtains civil judgment against Borrower on any grounds

Remedy upon default. Upon the occurrence of any event of default, the entire unpaid principal balance, at the option of City, shall become immediately due and payable without further demand.

PREPAYMENT:

Payment is not required except in the event of default. No penalty for prepayment of this obligation.

REPRESENTATIONS AND WARRANTIES:

The Borrower represents that all information provided in the Small Business Stabilization Forgivable Loan Program application and supporting documentation is true and accurate. Further, Borrower

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represents that said business is 1) properly organized in the State of Georgia and administratively active with the Secretary of State; 2) that the undersigned is a duly elected officer, director, or member of the business; 3) that business is not prohibited from borrowing funds pursuant to this Agreement; 4) that the undersigned is duly authorized to sign all documents, including but not limited to the Agreement and Note on behalf of said business.

INDEMNIFICATION:

The Borrowers will indemnify and hold harmless the City and its affiliates and their partners, directors, officers, employees, agents and advisors from and against all losses, claims, damages, liabilities and reasonable expenses arising out of or relating to the Loan, the Borrowers' use of loan proceeds or the commitments, including, but not limited to, reasonable attorneys' fees and settlement. This indemnification shall survive and continue for the benefit of all such persons or entities.

GOVERNING LAW:

This Agreement shall be governed by and interpreted in accordance with the laws of the State of Georgia.

JURISDICTION:

Jurisdiction and Venue of any lawsuit brought in connection with this Agreement shall be in the Superior Court of Whitfield County, Georgia and the parties hereby waive any and all jurisdiction, venue, and inconvenient forum objections to such Court.

JURY TRIAL:

The parties hereby waive the right to trial by jury of any issues in the event any lawsuit is filed in connection with this Agreement.

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Dalton, Ga. 30720
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IN WITNESS WHEREOF, the parties hereunto have affixed their signatures on the dates specified below:

FOR THE BUSINESS:

By Falima
(Signature)

By FATIMA ASSANI / CEO
(Typed Name/Title)

05-26-20
(Signature Date)

ATTEST:

By [Signature]
(Signature)

By Sandra Nunez / witness
(Typed Name/Title)

[Signature] 5/26/20
(Signature Date)

FOR CITY OF DALTON:

By _____
(Signature) Mayor

By David Pennington, Mayor
(Typed Name/Title)

(Signature Date)

ATTEST:

By _____
(Signature) City Clerk

By Bernadette Chattam, City Clerk
(Typed Name/Title)

(Signature Date)

ATTEST:

By _____
(Signature) CFO

By Cindy Jackson, CFO
(Typed Name/Title)

(Signature Date)