

MEMORANDUM

TO: City Council

FROM: Gregory E. Buckley  
City Manager



DATE: March 28, 2025

SUBJECT: Amendment to TID 8 Business Grant to Pop-Start Restaurant Group LLC  
To Assist With Improvements at 1033 22<sup>nd</sup> Street

I am requesting that the City Council authorize an amendment to the above-described agreement, originally approved on August 4, 2024, to change several deadline dates as follows:

	<u>Original Date</u>	<u>Proposed Date</u>
Complete Required Capital Investment Of at Least \$100,000	March 31, 2025	June 30, 2025
Business Open Date	March 31, 2025	June 30, 2025
Submit Documentation of Developer Expenditures for Required Capital Investment	March 31, 2025	June 30, 2025

At a meeting on March 21 with one of the principals in the business and their banker, we reviewed the status of this project. The building was purchased in October 2024, renovations began in January of this year, and about \$70,000 has been spent on work on the building to date. The pizza oven has been delivered, and is scheduled for installation in early April. There have been no draws on the \$63,000 City loan (authorized through the BIDC) to date, but they should start drawing on that loan shortly.

The project is taking a little longer than these investors anticipated, but they are confident about completing work and opening some time in May. I am recommending the dates above to allow a little “cushion,” so we don’t have to consider any further amendments.

Note: The BIDC at its meeting on March 25 authorized an increased loan amount of up to \$20,000 for this project, to cover additional documented capital costs. While the Pop-Start investors are hopeful that they will not need that full amount, they are incurring some extra costs to make the facility ready and want to have this contingent funding available. The bank is pursuing authorization for a similar increase in the bank loan, for working capital purposes.