

**GARDINER CITY COUNCIL MEETING
AGENDA SUPPLEMENT**

Item Number:

Agenda Topic: IRP Loan Application

For The Agenda of: October 3rd, 2007

Submitted: September 28th, 2007

Authorized by: Jason Simcock, Planning & Development Director

Attachments: N/A

Background Information: The Economic Development Committee (EDC) has reviewed a revolving loan fund application submitted by Stephen and June Chaisson for a business named *The Sportsman's BARR*. After much discussion, the EDC voted unanimously to recommend that the City Council approve a \$45,000 loan with the following terms: 10 years (with a 5 year balloon payment) at 4% interest. The monthly payment would be \$455.60.

The loan will be used to fund start-up costs for the new business, including working capital, building improvements and inventory investment. The EDC considered many factors on the application and scored the application on collateral, credit, cash flow, job creation and fitting the community's vision. This application compares to other application scores that have received City Council approval, when factoring in the same criteria.

The Sportsman's BARR (Bows, Arrows, Rods & Reels) will be an outdoor recreation business, initially focused on archery and fishing. The owners will locate the business at the bowling alley building on Maine Avenue in Gardiner and plan to have the business become a major Central Maine retail outlet. The store will feature an indoor archery range, which will be available for recreational use (including tournaments and hourly rentals). The owners will also assist customers plan outdoor adventures and connect with the Maine Guide system, as well offer outdoor education programs. There will be two full-time and two part-time positions at start-up. In the future, the owner's plan to offer kayak and bike rental services. Given the proposed location, the business meets the goals of the Downtown Revitalization plan and will help promote destinations in Gardiner, like the waterfront, the Kennebec River, and Cobbossee Stream, as well as the rail trail in the future.

Recommended Action: Approve the Economic Development Committee's recommendation and authorize a loan to The Sportsman's BARR for \$45,000, from the City's Revolving Loan Fund program.