#### CITY OF VINELAND, N.J.

### RESOLUTION NO. 2023-477

## A RESOLUTION APPROVING A UDAG/CDBG – SMALL BUSINESS LOAN PROGRAM TO ROMANS MASONRY REPAIR DEMOLITION COMPANY, LLC.

WHEREAS, the City of Vineland Revolving Loan Fund, LLC Loan Committee has submitted a proposal dated September 26, 2023, for a UDAG/CDBG Small Business Loan to Romans Masonry Repair Demolition Company, LLC; and

WHEREAS, it is considered to be in the best interest of the City of Vineland and the community in particular that UDAG/CDBG Small Business Loan Funds be utilized for the above-mentioned project; now, therefore,

BE IT RESOLVED by the City Council of the City of Vineland that said Council does hereby approve the use of Funds for the following project, in accordance with the proposal submitted by the City of Vineland Revolving Loan Fund, LLC Loan Committee:

UDAG/CDBG Small Business Loan to: Romans Masonry Repair Demolition Company, LLC \$18,000.00

BE IT FURTHER RESOLVED that the Mayor is hereby authorized to execute all documents associated with this loan.

Adopted:

ATTEST:

President of Council

City Clerk



Economic Development Dept. www.vinelandcity.org 640 E. Wood Street PO Box 1508 Vineland, NJ 08362-1508 Phone: (856) 794-4100 Fax: (856) 405-4607

# M E M O R A N D U M



TO: City Council President and Members

FROM: Vineland Revolving Loan Fund, LLC

- SUBJECT: Applicant: Romans Masonry Repair Demolition Company, LLC Loan Amount: \$18,000.00 (UDAG/CDBG – City of Vineland Small Business Loan Program)
- DATE: September 26, 2023

Dear Council President Arthur, Councilmen Acosta, Francheschini, Spinelli, and Vargas

On behalf of the Vineland Revolving Loan Fund, LLC Loan Committee, please accept this letter recommending a commitment be given to the above applicant for a UDAG/CDBG – City of Vineland Small Business Loan in the amount as stated herein above.

Please note that the committee finds that the purpose of the loan finds that the loan will promote economic development, creation of jobs, and/or tax ratable that will benefit the City of Vineland.

Further, please note that based on the information provided, the applicant has the present ability to repay said loan and the loan would be properly protected in that the pledged collateral has a net value which equals or exceeds the amount of the requested funding.

Respectfully submitted,

andre Forosusky

Sandra Forosisky Director of Economic Development

SF/fd

cc: Frank DiGiorgio file



# VINELAND REVOLVING LOAN FUND, LLC LOAN PROPOSAL

Date:	August 25, 2023	
Borrower Nar	ne and Address (s):	Romans Masonry Repair Demolition Company LLC 470 Rainbow Lane Vineland, NJ 08360
Request:	\$18,000 commercial term loan under the City of Vineland's UDAG/Small Business L Program.	
Interest Rate:	5.00%	Term of Loan: 5 Years.

**1. BACKGROUND:** Romans Masonry Repair Demolition Company LLC ("Romans") is a relatively new company specializing in masonry, masonry repair and demolition of concrete projects involving residential and commercial projects. Romans was formed in the State of NJ on April 27, 2023 by Jonathan E. Roman and is a single member entity. Mr. Roman, 100% owner of Romans, operated his masonry business as a sole proprietor since August 4, 2022. Prior to setting out on his own, Mr. Roman was a mason for the bricklayers union since 2015 having completed a four (4) year apprenticeship in 2019. He worked for several general masonry contractors J Palermo Masonry in Egg Harbor, NJ and Duall Building Restoration in Mount Laurel prior to opening his masonry company.

Mr. Roman is desirous of purchasing additional masonry tools, machinery and equipment which will allow his business to expand and grow. Recent growth in jobs has necessitated adding tools and equipment. In addition, to undertake certain jobs, he is required to purchase materials in advance and demonstrate capacity prior to engaging the job. He has approached the City of Vineland for assistance with this undertaking through its small business loan program.

1a. PROJECT: \$18,000 commercial term loan to be used for equipment acquisition and business expansion.

USES		SOURCES	
Masonry Tools & Equip.	\$14,000	City of Vineland \$18,000	*
Capital for business expansion	5,000	Borrower 2,000	
Closing/other/misc.	1,000	\$20,000	
Total	\$20,000		

\*COV is funding this portion of project. As Romans commenced operations last year, the owner, Mr. Roman has invested his personal resources into existing equipment, truck, and startup costs which are not included above.

## 2. COLLATERAL:

- a.) UCC-1 filing and Security Agreement (general filing State of NJ) on all business assets now owned and hereafter acquired of Romans Masonry Repair Demolition LLC,
- b.) UCC-1 filing and Security Agreement (specific filing State of NJ) on specific equipment and machinery being purchased by Romans Masonry Repair Demolition LLC,
- c.) Subordination of any and all current and/or future owner/member debt.

#### **3. GUARANTORS:**

a.) Jonathan E. Roman

4. LIEN POSITION: First on all equipment, machinery, business assets.

## 5. DOLLAR AMOUNT AND HOLDER OF PRIOR LIENS: N/A.

#### 6. SIZE OF PARCEL: N/A.

7. IMPROVEMENTS THEREON: N/A.

8. LOCATION OF PROPERTY / COLLATERAL: Currently Mr. Roman maintains his equipment at his home and has leased a self-storage unit in Vineland, Cumberland County, New Jersey.

#### 9. APPRAISAL INFORMATION:

Loan-to-cost \$18,000 / \$20,000 = 90%

# **10. FINANCIAL:**

11. SUBSTANTIATION:

DSCR = 1.67x, LTV = 100%

Assist small business owner with ramp up and growth of operations.

## **12. RECOMMENDATION:**