



**TO:** Mayor Shaun Sipma  
Members of the City Council

**FROM:** David Lakefield, Finance Director

**DATE:** January 3, 2022

**SUBJECT:** **Approval of Magic Fund Grant for Stevens Welding**

**I. RECOMMENDED ACTION**

The recommendation is to approve the Magic Fund request from Stevens Welding, approve the Development Agreement with Stevens Welding and authorize the Mayor and Finance Director to sign the necessary documents.

**II. DEPARTMENT CONTACT PERSONS**

David Lakefield 857-4774  
Harold Stewart 857-4750

**III. DESCRIPTION**

A. Background

Stevens Welding made a request from the Magic Fund for \$128,571.49. The funds will be used for the community match for a BND PACE loan to purchase the business real estate and equipment.

B. Proposed Project

Approval of the Magic Fund request, approval of the Development Agreement and authorization to sign the necessary documents for the PACE loan.

C. Consultant Selection

N/A

**IV. IMPACT:**

A. Strategic Impact:

This grant will provide the community contribution for the PACE interest rate buydown. The agreement contains minimum employment thresholds through 2025.

B. Service/Delivery Impact:

This agreement will allow the business to continue operations and will retain the current employees and is anticipated will add 8 additional employees by year 3.

C. Fiscal Impact:

The funding is available in the Magic Fund.

**V. TIME CONSTRAINTS**  
ASAP

**VI. CITY COUNCIL ASPIRATIONS**

These agreements achieve all of the City Council Aspirations: Dynamic and Prosperous. This will allow the business to continue operations and expand its employee base.

**VII. LIST OF ATTACHMENTS**

1. Development Agreement
2. Stevens Welding and Machine LLC Loan #2 PACE Documents
3. Stevens Welding and Machine LLC Loan #3 PACE Documents