

City of Rancho Cordova Economic Development Subsidy Report,
American River Brewing Company, LP

Awarded: November 2, 2015

Description: Economic development loan not to exceed \$250,000 for an existing micro-brewery expansion, a 3,500 square foot tasting room and administrative office space, located at 11151 Trade Center Drive, Suite 106, Rancho Cordova, CA 95670

In compliance with Section 53083 of the Government Code:

1. In receipt of the loan: American River Brewing Company LP., 11151 Trade Center Drive, Suite 104, Rancho Cordova, California 95670.
2. Start and end dates and schedule of loan: November 2015 through October 2022. City will distribute loan funds upon receive of copies of bills and invoices or may distribute funds directly to third parties on behalf of American River Brewing Company, LP.
3. Description of subsidy: The City will loan up to \$250,000 for the expansion of an existing micro-brewery into an additional suite which includes: architectural design and tenant improvements for a new on-site tasting room, equipment purchases, opening supplies, furniture, and advertising and other business related expenses. The City expended \$245,133.32 toward the project and received \$7,073.43 in interest and \$4,990.40 in principal on the loan.
4. Public purpose and benefit: The public will benefit from additional net new jobs, overall economic growth due to the new patrons to the business and the creation of an additional amenity for local residents; increased sales tax revenue for the City; and provide social gathering space.
5. Net tax revenue: In the eight quarters where sales tax was collected, the City received \$2,169 in sales tax revenue from the business. It was estimated that the new tasting room would generate, an estimated, \$8,000 in sales tax revenue per year to the City.
6. Job creation: The construction of the tenant improvements created temporary construction jobs. The operation of the new tasting facility created two (2) new part-time positions.