



RIVERSIDE
C O U N T Y
Moving Business Forward

COUNTY OF RIVERSIDE
ECONOMIC DEVELOPMENT AGENCY
**SMALL BUSINESS FINANCING
ASSISTANCE PROGRAM**

Hill Electric, Inc.

Economic Development Subsidy Report

Pursuant California Government Code Section 53083





INTRODUCTION

The following Economic Development Subsidy Report has been prepared pursuant to California Government Code Section 53083, which requires local agencies to provide specific information to the public before applying an economic subsidy within its jurisdiction. The report sets forth certain details of the proposed Loan Agreement between the following parties:

1. The County of Riverside, a political subdivision of the State of California; and
2. Hill Electric, Incorporated

This report will be available to the public through the County of Riverside Economic Development Agency's website (www.rivcoeda.org) and in written form at the County of Riverside's Clerk of the Board of Supervisors as required.

The Loan Agreement between parties is to provide a business loan from the County of Riverside Economic Development Agency's Small Business Financing Assistance Program to Hill Electric, Incorporated for working capital, restructure business debt and purchase materials for additional projects.

The report includes: (1) The name and address of all business entities, except for sole proprietorships, that are the beneficiary of the economic development subsidy, if applicable; (2) The start and end dates and schedule, if applicable, for the economic development subsidy; (3) A description of the economic development subsidy, including the estimated total amount of the expenditure of public funds by, or of revenue lost to, the County of Riverside as a result of the economic development subsidy; (4) A statement of the public purposes for the economic development subsidy; (5) The projected tax revenue to the County as a result of the economic development subsidy; and (6) The estimated number of jobs created by the economic development subsidy, broken down by full-time, part-time, and temporary positions. California Government Code Section 53083 also requires that this information remain available and be posted on the Economic Development Agency's website for the entire term of the economic development subsidy.

SUBSIDY REPORT COMPONENTS:

I. NAME AND ADDRESS OF THE BUSINESS

Hill Electric, Incorporated
42215 Washington Street
Palm Desert, CA 92211
Attn: Todd Hill



II. THE START AND END DATES, AND THE SCHEDULE, FOR THE SUBSIDY

The proposed loan start date will be dictated by the date loan documents are executed by both parties; it's estimated that if approved the proposed loan will commence on March 28, 2019 and end on February 28, 2024, a period of five years.

III. DESCRIPTION OF THE SUBSIDY, INCLUDING THE ESTIMATED TOTAL AMOUNT OF THE EXPENDITURE OF PUBLIC FUNDS BY, OR REVENUE LOST TO, THE LOCAL AGENCY AS A RESULT OF THE SUBSIDY

Approval of the Loan Agreement will authorize the County of Riverside to issue an interest-earning loan in the amount of \$100,000 to Hill Electric, Incorporated ("Borrower") at 5.5 % simple interest for five years.

IV. STATEMENT OF THE PUBLIC PURPOSE FOR THE SUBSIDY

The interest-earning loan is being provided to assist Hill Electric, Incorporated to expand and increase job creation, capital investment and increased sales tax generation in the County of Riverside.

V. PROJECTED TAX REVENUE TO THE LOCAL AGENCY AS A RESULT OF THE SUBSIDY

The loan will generate a total of \$14,606.97 in interest revenue over the five year term that will be reinvested into the Small Business Financing Assistance Program Fund. The yearly breakdown of the interest to be paid to the County of Riverside is as follows:

Year 1 \$5,054.06
Year 2 \$4,046.19
Year 3 \$2,981.49
Year 4 \$1,856.72
Year 5 \$ 668.51

VI. ESTIMATED NUMBER OF JOBS CREATED BY THE SUBSIDY, CATEGORIZED BY FULL-TIME, PART-TIME, AND TEMPORARY POSITIONS

The loan assistance is estimated to create 3 new full-time, permanent jobs as dictated by the RLF program requirements.