

PLANNING AND ECONOMIC DEVELOPMENT COMMITTEE

08-0644R

RESOLUTION AUTHORIZING A JOB INCENTIVE PROGRAM AGREEMENT
WITH LOY KRATHONG, INC., D/B/A SALA THAI RESTAURANT, IN
AN AMOUNT NOT TO EXCEED \$40,000.

CITY PROPOSAL:

RESOLVED, that the proper city officials are authorized to enter into a job incentive program agreement, substantially in the form of that on file in the office of the city clerk as Public Document No. _____, with Loy Krathong, Inc., d/b/a Sala Thai Restaurant, in an amount not to exceed \$40,000, payable from 2005 Federal Program Fund 262 - community development - Agency 020, Object 5434, Project CD05CD -ECDV-05E1.

Approved:

Approved for presentation to council:

Department Director

Chief Administrative Officer

Approved as to form:

Approved:

Attorney

Auditor

CD JC:jle 10/17/2008

STATEMENT OF PURPOSE: The job incentive program uses CDBG monies to offer a financial incentive to employers in exchange for the creation of jobs to be filled by economically disadvantaged job seekers with the goal of self-sufficiency for these individuals. The program is structured as a forgivable loan program. The employer may receive \$10,000 for each new job created and maintained for a two-year period.

Loy Krathong, Inc., d/b/a Sala Thai Restaurant, is opening a Thai restaurant at 4023 Woodland Avenue. Sumlee Beede, the company's principal, has made application for job incentive program funds to be used for job training, salaries and fringe benefits for four new employees, for a total forgivable loan amount of \$40,000. Upon the provision of documentation showing employment, the agreement provides for payments to be made on a reimbursable basis each quarter, and each quarterly payment will be deemed to be forgiven upon such payment. The new employees will be hired through the city's workforce office and shall be paid the current living wage (\$8.40 per hour with benefits and \$9.37 per hour without).