



MEMORANDUM

Consent Agenda  
Item # E

---

TO: Rob Fix

Date: August 9, 2022

FROM: Don Goldberg

CC: John Michener 

**SUBJECT: Execution of Loan Documents between the Port of Bellingham Economic Development Administration (EDA) Revolving Loan Fund (RLF) and Structures Brewing, LLC**

---

**ACTION REQUESTED**

Commission motion authorizing Port of Bellingham Executive Director to execute documents required to close the recently approved \$96,000.00 loan between Structures Brewing and the Port of Bellingham EDA RLF.

**BACKGROUND**

Mr. James Alexander opened Structures Brewing in 2015 at 1420 State Street, Bellingham. The business has grown extensively since that time with their products now being distributed as far as Portland, Oregon. Due to a very limited in house seating area (26 patrons max), their on-site sales have not seen the same type of growth as the rest of business. This past spring, working with Bank of the Pacific, Structures Brewing purchased the old Chuckanut Brewing facility located at 601 W. Holly Street in Bellingham and is now in the process of a major remodel. The result of this work will be a virtually new restaurant and seating area capable of accommodating up to 200 patrons at a time. For the foreseeable future, all beer will continue to be brewed at their current State Street facility with the Holly Street location serving as a tasting room/restaurant. This loan will provide working capital needed to help with the opening of the new facility and acquiring inventory needed to open and operate a restaurant of this size.

**FISCAL IMPACT**

Costs of administration are recouped with loan fees.

**STRATEGIC PURPOSE**

This loan will support job creation through support of a local business and revitalization of an underutilized facility in the Old Town area of Bellingham.

**RECOMMENDATION**

Approve the motion

**ATTACHMENTS**

Term Sheet



## Structures Brewing Term Sheet

July 5th, 2022

### Business Information

Business Name: Structures Brewing LLC  
Business Address: 1420 N. State St. Bellingham, WA 98225  
Type of Entity: LLC  
Business Phone: 206-383-8741  
Nature of Business: Craft Brewery/Restaurant  
Principle Owner(s): James Alexander and Bryan Cardwell

### Loan Purpose: Working Capital

The EDA PoB Loan will be used for Working Capital while Structures Brewing expands into the 601 W. Holly Street Location.

### Total Project Costs:

Building	\$1,182,700
Property Renovation	\$591,411
Machinery/Equipment	\$245,382
<u>Working Capital/Inventory</u>	<u>\$96,000</u>
	<b>\$2,115,493 Total</b>

**Source of Repayment:** Primary-Business Cash Flow Profits  
Secondary- Sale of Collateral

### Loan Structure/Rates:

**Amount:** \$96,000  
**Term:** (5 Years) 60 month amortization (1<sup>st</sup> 6 Months Interest Only)  
**Fixed Rate:** 3.00% (.75% of Current WSJ Prime at time of loan application – 4.00%)

**Payments as proposed:** \$1902.94

**Fees:** \$50.00 Application Fee  
\$200 Processing fee  
\$960.00 Loan Fee  
**\$1210.00 Total**

**Collateral-** All Inventory, Chattel Paper, Accounts, Equipment and General Intangibles; whether any of the foregoing is owned now or acquired later; all accessions, additions, replacements, and substitutions relating to any of the foregoing; all records of any kind relating to the foregoing; all proceeds relating to any of the foregoing (including insurance, general intangibles and other accounts proceeds).

**Job Creation:** 5 (total) Full time position(s).