

Minutes of the
REVOLVING LOAN FUND
LOAN ADMINISTRATION BOARD

Wednesday, April 19, 2006, 8:00 A.M.
Bi-State Regional Commission
Bi-State Regional Commission Conference Room
1504 Third Avenue
Rock Island, Illinois

MEMBERS PRESENT: Berlinda Tyler-Jamison – President, Denise Bulat, Randy Hollerud, Mark Petersen, Mike Powers, Lee Schneider, Jim Tank

MEMBERS ABSENT: Carl Becker, Martin Coe

STAFF PRESENT: Pat Burke, City of Moline; Mary Chappell, City of Rock Island; Kathryn Holladay, Village of Coal Valley; Donna Moritz, Bi-State Regional Commission

OTHERS PRESENT: Tom Fritzsche, Attorney; William & Kim Gordon, Gordon Enterprises, Ltd.

Ms. Tyler-Jamison called the meeting to order at 8:00 a.m.

1. Approval of Minutes of the March 15, 2006 Meeting. Ms. Tyler-Jamison asked if there were any additions or corrections to the March 15, 2006 Revolving Loan Fund Loan Administration Board minutes. Mr. Hollerud moved approval of the minutes as mailed. Mr. Tank seconded the motion, and the motion passed unanimously.
2. Financial Report
 - a. Financial Summary. The Financial Summary, as of March 31, 2006 was reviewed. The principal balance outstanding for the program is \$1,872,194.56. The available funds to loan from repayments total \$299,871.24. March repayments generated approximately \$34,000 in program income.
 - b. Delinquency Report. Board members reviewed the Delinquency Report as of April 10, 2006. The following companies are in the over 90 days delinquent column: J T & S Production Co. (August 2005 through April 2006); Dominic Rivera Restaurant Corporation (November 2004 through April 2006); Interactive Marketing, Inc. (April 2005 through April 2006) and Parakeet Island, Inc. (May 2003 through April 2006).
3. Status of Loan Reviews
 - a. Upcoming Loan Reviews. Upcoming loan reviews include: Quad City Engineering Co., Inc.; JPF Investment, L.C.
4. Review of Gordon Enterprises, Ltd. Loan Application. Ms. Chappell introduced Bill and Kim Gordon to the Board. Ms. Chappell reviewed the project summary letter stating the RLF funds will be used for purchase and renovation of a building. The company plans on creating four jobs within the next two years.

STAFF RECOMMENDATION:

RLF Amount	\$30,000
Term/Amortization	5 Years
Loan Review	2 Years
Interest Rate	4%
Collateral	Second Position – land, building, equipment & inventory
Other Conditions	Personal Guarantee – William E. Gordon III & Kim A. Gordon

After considerable discussion, Mr. Hollerud moved, seconded by Mr. Powers, to approve the loan to Gordon Enterprises, Ltd. as recommended by staff. The motion passed unanimously.

5. Old Business. Ms. Tyler-Jamison explained Mr. Fritzsche was asked to review the four delinquent companies and to recommend collection possibilities to the Board. Mr. Fritzsche reported the following on each company.
 - a. Dominic Rivera Restaurant. Mr. Fritzsche said Mr. Rivera is personally liable as he signed a personal guarantee. He recommended verifying this loan wasn't listed in the bankruptcy, then getting updated financial statements to pursue repayment options.
 - b. Interactive Marketing, Inc. Mr. Fritzsche recommended requesting updated personal financial statements from the Sapatos. We should keep in contact with the bank and stay informed of any action they may be taking.
 - c. JT & S Productions, Inc. Mr. Fritzsche stated we should file a claim against the personal bankruptcy, request updated business financials, and call our contact at the bank.
 - d. Parakeet Island, Inc. Mr. Fritzsche advised finding out where the equipment is being stored and file a UCC-1 for that address on the equipment. He also suggested we contact someone involved in the Appleton, Wisconsin project to verify project status.

Mr. Hollerud moved to follow Mr. Fritzsche's recommendations. The motion was seconded by Mr. Powers and the motion passed unanimously.

6. New Business. There was no new business.
7. Upcoming Loan Applications. Staff representatives from the Cities of Bettendorf, Davenport, East Moline, Eldridge and Milan were unable to attend this meeting. Ms. Moritz, representing Rock Island County and Scott County, did not have any applications to report on at this time. Mr. Burke stated the City of Moline did not have any application to report on at this time. Ms. Chappell stated the City of Rock Island did not have any application to report on at this time. Ms. Holladay stated the Village of Coal Valley did not have any application to report on at this time.
8. Other Business. Ms. Bulat explained there may be monies coming into the Quad Cities to create a RLF for the types of businesses affected by the BRAC realignment and that this Board may be asked to administer those funds.
9. Adjournment The meeting was adjourned at 9:00 a.m.