

Minutes of the
REVOLVING LOAN FUND
LOAN ADMINISTRATION BOARD

Wednesday, July 15, 2009, 8:00 a.m.
Bi-State Regional Commission
Bi-State Regional Commission Conference Room
1504 Third Avenue
Rock Island, Illinois

MEMBERS PRESENT: Carl Becker – President, Denise Bulat, Randy Hollerud, Jay Morrow, Mark Petersen, Lee Schneider, Jim Tank

MEMBERS ABSENT: Mike Powers, Berlinda Tyler-Jamison

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

Chair Becker called the meeting to order at 8:00 a.m.

1. Approval of Minutes of the June 24, 2009 Meeting. Chair Becker asked if there were any additions or corrections to the June 24, 2009 Revolving Loan Fund Loan Administration Board minutes. Mr. Petersen moved approval of the minutes as mailed. Mr. Schneider seconded the motion, and the motion passed unanimously.
2. Financial Report
 - a. Financial Summary. The Financial Summary, as of June 30, 2009 was reviewed. The principal balance outstanding for the program is \$877,856.07. There were \$1,010,488.09 available funds to loan from repayments with \$250,550.72 of the available funds sequestered in a separate account. We will have to request from EDA to use the sequestered funds when needed and will be sending them quarterly interest payments earned on those funds. June repayments generated approximately \$35,000 in program income.
 - b. Delinquency Report. Ms. Moritz reported there was no delinquency report to review. Ms. Moritz shared the delinquent accounts as of July 10, 2009 continue to be Interactive Marketing, Inc.
3. Status of Loan Reviews
 - a. Upcoming Loan Reviews. There were no upcoming loan reviews.
4. RLF Loan Fund Plan Revisions Discussion. Ms. Moritz distributed and reviewed a handout comparing the Mercer/Muscatine RLF and the BSRLF. Ms. Moritz explained

staff recommended no changes to BSRLF job creation ratios as they are very similar. The following are recommended changes: change the interest rate language to add the ability to go below the floor of 4% when 75% of the prime interest rate quoted in the Wall Street Journal is less than 4%, then the rate could be that amount; also, to adopt conflict of interest language and disclosure agreements for Board members and staff; and to put guidelines and portfolio standards on the RLF webpage.

Mr. Petersen moved to adopt all the staff recommended changes as stated above. The motion was seconded by Mr. Morrow and the motion passed unanimously.

5. Old Business. Ms. Moritz explained, after reviewing the project from the City of Davenport applicant, it was going to be a stock purchase instead of an asset purchase and basically was a refinance of existing debt. We are unable to use RLF monies for refinancing and are unable to be a partner in this project.
6. New Business. Ms. Moritz informed the Board of the upcoming closing of the Rock Island Ace Hardware. We are hopeful the partners in the project will help pay off the loan. There are outstanding issues with Ace before all is known regarding the financial situation of the project. Ms. Chappell and Ms. Moritz will continue to monitor the situation.
7. Upcoming Loan Applications. Staff representatives from the Cities of Bettendorf, Coal Valley, Davenport, East Moline, Eldridge, Milan, and Silvis 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 has no application to report on at this time. Ms. Chappell stated the City of Rock Island has no application to report on at this time. Ms. Moritz stated she is working with the City of Davenport on another potential loan applicant.
8. Other Business. Future meetings will be changed from the third Wednesday to the fourth Wednesday of each month at 8 a.m. The next meeting was set for August 26, 2009 at 8 a.m.
9. Adjournment. The meeting adjourned at 8:45 a.m.