

Minutes of the
REVOLVING LOAN FUND
LOAN ADMINISTRATION BOARD

Wednesday, August 24, 2011, 8:00 a.m.
Bi-State Regional Commission
Bi-State Regional Commission Conference Room
1504 Third Avenue
Rock Island, Illinois

MEMBERS PRESENT: Randy Hollerud –President, Denise Bulat, Mark Petersen, Eileen Roethler, Lee Schneider, Jim Tank

MEMBERS ABSENT: Carl Becker, Jay Morrow, Berlinda Tyler-Jamison

STAFF PRESENT: Annette Ernst, Village of Milan; Mary Chappell, City of Rock Island; Donna Moritz, Bi-State Regional Commission; Steve VanDyke, City of Bettendorf

OTHERS PRESENT: Doug Borgeson, Tom McGhee, BEM Lighthouse Development; Joel Westermarck, LEDS of America, Inc.

President Hollerud called the meeting to order at 8:05 a.m.

1. Approval of Minutes of the May 25, 2011 Meeting. President Hollerud asked if there were any additions or corrections to the May 25, 2011 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 July 31, 2011 was reviewed. The principal balance outstanding for the program is \$729,820.98. There were \$895,858.01 available funds to loan from repayments with \$171,704.26 of the available funds sequestered in a separate account. July repayments generated approximately \$39,000 in program income.
 - b. Delinquency Report. Ms. Moritz reported there was no delinquency report to review. Ms. Moritz shared the delinquent accounts as of August 10, 2011 continue to be Interactive Marketing, Inc.
3. Status of Loan Reviews
 - a. Upcoming Loan Reviews. There were no upcoming loan reviews.
4. Review of LEDs America, Inc. Loan Application. Mr. Van Dyke introduced Joel Westermarck, Doug Borgeson and Tom McGhee to the Board. Mr. Van Dyke reviewed the project summary letter stating the RLF funds will be used for machinery and equipment. The company plans on creating 132 jobs within the next two years.
STAFF RECOMMENDATION:

RLF Amount	\$250,000
Term/Amortization	7 Years
Loan Review	2 Years
Interest Rate	4%
Collateral	Second Position – land, building, fixtures, inventory, accounts receivable, machinery and equipment
Other Conditions	Personal guarantee – Joel Westermarck & Paul Kenny

After considerable discussion, Mr. Petersen moved, seconded by Mr. Tank to approve the loan to LEDs America, Inc. as recommended by staff contingent upon other financing sources secured. The motion passed with Ms. Roethler abstaining.

5. Old Business. Mr. Bulat updated the board regarding Global Hybrid Roofing Solutions Iowa L.L.C, removing their application for consideration.
6. New Business. Ms. Moritz informed the board of the joint Mercer-Muscatine RLF and Bi-State RLF loan seminar scheduled for October 6th. Chair Hollerud and Mr. Petersen offered to participate as requested. All board members were encouraged to attend as a resource for the attendees.
7. Upcoming Loan Applications. Staff representatives from the Cities of Coal Valley, Davenport, East Moline, Eldridge and Moline 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. Van Dyke stated the City of Bettendorf did not have any applications to report on at this time. Ms. Ernst stated the Village of Milan did not have any applications to report on at this time. Ms. Chappell, City of Rock Island informed the board of Bent River Brewing Company's manufacturing expansion and will bring an application to the next board meeting.
8. Other Business. There was no other business.
9. Adjournment. The meeting adjourned at 9:15 p.m.