

Minutes of the
REVOLVING LOAN FUND
LOAN ADMINISTRATION BOARD

Wednesday, November 30, 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, Carl Becker, Denise Bulat, Jay Morrow, Mark Petersen, Lee Schneider, Jim Tank

MEMBERS ABSENT: Eileen Roethler, Berlinda Tyler-Jamison

STAFF PRESENT: Pat Burke, City of Moline; Mary Chappell, City of Rock Island; Annette Ernst, Village of Milan; Tim Huey, Scott County; Donna Moritz, Bi-State Regional Commission; Liz Tallman, Quad Cities Chamber

OTHERS PRESENT: John Riches, ALCOA; Nick Bowes, Gary Freeman, Joel Krogman, Alan & Kathy Reschke, Brian Smith, Bent River Brewery, LLC

President Hollerud called the meeting to order at 8:00 a.m.

1. Approval of Minutes of the August 24, 2011 Meeting. President Hollerud asked if there were any additions or corrections to the August 24, 2011 Revolving Loan Fund Loan Administration Board minutes. Mr. Becker 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 October 31, 2011 was reviewed. The principal balance outstanding for the program is \$822,854.90. There were \$589,700.79 available funds to loan from repayments with \$91,725.22 of the available funds sequestered in a separate account. October repayments generated approximately \$25,400 in program income.
 - b. Delinquency Report. Ms. Moritz reported there was no delinquency report to review. Ms. Moritz shared the delinquent accounts as of November 10, 2011 continue to be Interactive Marketing, Inc. We have received bankruptcy notices for Comedy Freight, Inc. with a balance of \$35,905.82 and Bouncetown Adventures, Inc. with a balance of \$22,389.13.
3. Status of Loan Reviews
 - a. Upcoming Loan Reviews. There were no upcoming loan reviews.
4. Review of ALCOA Loan Application. Mr. Huey introduced John Riches, ALCOA, Inc. to the Board. Mr. Riches provided an overview of this project. Mr. Huey reviewed the project summary letter stating the RLF funds will be used for machinery and equipment. He reported

Scott County and Bettendorf are partnering in bringing this application and have provided adequate match for the loan amount. Ms. Tallman explained the State funds were approved under the location disadvantage award and required local match which this loan fund can be used to meet the matching requirement. The company plans on creating 150 jobs within the first two years of the project.

STAFF RECOMMENDATION:

RLF Amount	\$395,000
Term/Amortization	5 Years
Loan Review	2 Years
Interest Rate	4%
Collateral	First Position – machinery and equipment
Other Conditions	Corporate guarantee

After considerable discussion, Mr. Tank moved, seconded by Mr. Petersen to approve the loan to ALCOA, Inc. as recommended by staff contingent upon other financing sources secured and the Iowa Department of Natural Resources air permit approved. The motion passed with Mr. Morrow abstaining.

5. Review of Bent River Brewery, LLC Loan Application. Ms. Chappell introduced Nick Bowes, Gary Freeman, Joel Krogman, Alan & Kathy Reschke and Brian Smith from Bent River Brewery, LLC to the Board. Ms. Chappell reviewed the project summary letter stating the RLF funds will be used for equipment. The company plans on creating 14 jobs within the next two years.

STAFF RECOMMENDATION:

RLF Amount	\$100,000
Term/Amortization	5 Years
Loan Review	2 Years
Interest Rate	4%
Collateral	Second Position – land, building, inventory, fixtures and equipment
Other Conditions	Personal guarantee – Gary Freeman, Joel Krogman, Brian Smith, Alan & Kathy Reschke

After considerable discussion, Mr. Becker moved, seconded by Mr. Morrow to approve the loan to Bent River Brewery, LLC as recommended by staff. The motion passed unanimously.

6. Old Business. Ms. Moritz stated the October 6th RLF Seminar was well attended and thanked Randy Hollerud and Mark Petersen for speaking and other board members who attended.
7. New Business. There was no new business.
8. Upcoming Loan Applications. Staff representatives from the Cities of Bettendorf, Coal Valley, Davenport, East Moline, and Eldridge 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. Ms. Earnst stated the Village of Milan didn't have any applications to report on at this time. Mr. Burke stated the City of Moline has a possible loan applications to bring to a future meeting. Ms. Chappell, City of Rock Island informed the board of Crawford Company's expansion and may bring an application to the next board meeting.

9. Other Business. There was no other business.
10. Adjournment. The meeting adjourned at 9:00 a.m.