

Minutes of the
REVOLVING LOAN FUND
LOAN ADMINISTRATION BOARD

Wednesday, February 22, 2012, 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

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

STAFF PRESENT: Pat Burke, City of Moline; Annette Ernst, Village of Milan; Donna Moritz, Bi-State Regional Commission

OTHERS PRESENT: Heather and Todd Allen, Heather Allen Enterprises, Inc.

President Hollerud called the meeting to order at 8:04 a.m.

1. Approval of Minutes of the November 30, 2011 Meeting. President Hollerud asked if there were any additions or corrections to the November 30, 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. Election of Officers. Mr. Hollerud stated current officers of the RLF Loan Administration Board include: President – Randy Hollerud, Vice President – Jay Morrow, and Secretary – vacant. They are all in their second terms of office; therefore, they are not eligible for re-election. Mr. Petersen nominated the following slate of officers: Jay Morrow as President, Eileen Roethler as Vice President, and keep the Secretary position vacant as Bi-State staff record the minutes. Mr. Hollerud seconded the slate of officers nominated and the officers were approved unanimously.

The RLF Loan Administration Board Officers for 2012 are: President – Jay Morrow (first term) and Vice President – Eileen Roethler (first term).

3. Financial Report
 - a. Financial Summary. The Financial Summary, as of January 31, 2012 was reviewed. The principal balance outstanding for the program is \$878,582.79. There were \$194,072.52 available funds to loan from repayments with \$91,299.69 of the available funds sequestered in a separate account. January repayments generated approximately \$21,000 in program income.
 - b. Delinquency Report. Ms. Moritz reported there was no delinquency report to review. Ms. Moritz shared the delinquent accounts as of February 10, 2012 continue to be Interactive Marketing, Inc.
4. Status of Loan Reviews
 - a. Upcoming Loan Reviews. There were no upcoming loan reviews.

5. Review of Heather Allen Enterprises, Inc. Loan Application. Mr. Burke introduced Heather and Todd Allen, Heather Allen Enterprises, Inc. to the Board. Ms. Allen provided an overview of this project. Mr. Burke reviewed the project summary letter stating the RLF funds will be used for acquiring assets. The company plans on retaining 6 jobs and creating 1 job within the first two years of the project.

STAFF RECOMMENDATION:

RLF Amount		\$43,000
Term/Amortization		5 Years
Loan Review		2 Years
Interest Rate	4%	
Collateral		Second Position – real estate, equipment and inventory
Other Conditions		Personal guarantee – Heather and Todd Allen

After considerable discussion, Mr. Petersen moved, seconded by Ms. Bulat to approve the loan to Heather Allen Enterprises, Inc. as recommended by staff. The motion passed with Ms. Roethler abstaining.

6. Old Business. Ms. Moritz updated the board on VFC Partners 10 LLC foreclosing on the TESBO Conception Group, LLC (Rock Island Country Market) mortgage. The board requested Ms. Moritz to keep them informed on the progress of this situation.

Ms. Moritz requested action on Gary Freeman’s email request to be released from Bent River Brewery, LLC personal guarantee as he no longer is a partner. Ms. Moritz explained the loan hasn’t closed and no guarantees have been signed. Mr. Petersen moved, seconded by Mr. Schneider to release Mr. Freeman from the personal guarantee. The motion passed unanimously.

7. New Business. There was no new business.

8. Upcoming Loan Applications. Staff representatives from the Cities of Bettendorf, Coal Valley, Davenport, East Moline, Eldridge and Rock Island 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. Ernst stated the Village of Milan didn’t have any applications to report on at this time. Mr. Burke stated the City of Moline didn’t have any applications to report on at this time.

9. Other Business. There was no other business.

10. Adjournment. The meeting adjourned at 8:35 a.m.