

Minutes of the
REVOLVING LOAN FUND
LOAN ADMINISTRATION BOARD

Wednesday, August 22, 2012, 8:00 a.m.
Bi-State Regional Commission
Bi-State Regional Commission Conference Room
1504 Third Avenue
Rock Island, Illinois

MEMBERS PRESENT: Jay Morrow – President, Carl Becker, Denise Bulat, Randy Hollerud, Eileen Roethler, Mark Petersen, Berlinda Tyler-Jamison, Lee Schneider, Jim Tank

MEMBERS ABSENT: None

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

OTHERS PRESENT: Scott Florence, AFS Classico, LLC

President Morrow called the meeting to order at 8:00 a.m. All in attendance introduced themselves.

1. Approval of Minutes of the April 20, 2012 Meeting. President Morrow asked if there were any additions or corrections to the April 20, 2012 Revolving Loan Fund Loan Administration Board minutes. Mr. Becker moved approval of the minutes as mailed. Ms. Roethler seconded the motion, and it passed unanimously.
2. Financial Report
 - a. Financial Summary. The Financial Summary as of July 31, 2012 was reviewed. The principal balance outstanding for the program is \$849,402.41. There were \$557,624.40 available funds to loan from repayments with \$91,368.00 of the available funds sequestered in a separate account. July repayments generated approximately \$12,500 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, 2012 continue to be Interactive Marketing, Inc. and TESBO Conception Group, LLC.
3. Status of Loan Reviews
 - a. Upcoming Loan Reviews. There were no upcoming loan reviews.
4. Review of AFS Classico, LLC Loan Application. Ms. Chappell introduced Scott Florence, AFS Classico, LLC to the Board. Mr. Florence provided an overview of this project. Ms. Chappell reviewed the project summary letter stating the RLF funds will be used for equipment. The company plans on retaining 15 jobs and creating 24 jobs within the first two years of the project.

STAFF RECOMMENDATION:

RLF Amount	\$292,500
Term/Amortization	7 Years
Loan Review	2 Years
Interest Rate	4%
Collateral	Second Position – real estate, equipment and inventory
Other Conditions	Personal guarantee – Scott Florence and Stanley Coin

After considerable discussion, Mr. Tank moved, seconded by Ms. Tyler-Jamison, to approve the loan to AFS Classico, LLC. as recommended by staff. The motion passed with Ms. Roethler abstaining.

5. Old Business. Ms. Moritz stated the Boemecke Enterprises, Inc. loan closed on March 11, 2011 in the amount of \$100,000. The Char-Nor, Inc. loan closed on August 17, 2011 in the amount of \$153,000 and November 29, 2011 in the amount of \$97,000 for a total of \$250,000. Ms. Moritz stated the Heather Allen Enterprises, Inc. loan closed on February 29, 2012 in the amount of \$43,000. Loan summaries were provided to the board for all three companies.

Ms. Chappell updated the board on the TESBO Conception Group, LLC environmental review issue. There are 5 monitoring wells on the site, and further research is being completed before the sale can be financed.

6. New Business. Ms. Moritz requested the board write off effective June 30, 2012 Bouncetown Adventures, Inc. in the amount of \$22,389.15 and Comedy Freight in the amount of \$35,905.82 as both owners have filed bankruptcy and there are no assets to collect the debt. Mr. Hollerud moved, seconded by Mr. Petersen to write off Bouncetown Adventures, Inc. and Comedy Freight as presented above as of June 30, 2012. The motion passed unanimously.
7. Upcoming Loan Applications. Staff representatives from the Cities of Bettendorf, Coal Valley, 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. Ms. Chappell stated the City of Rock Island is working with a company and should bring the application next month. Mr. Burke stated the City of Moline didn't have any applications to report on at this time.
8. Other Business. There was no other business.
9. Adjournment. The meeting adjourned at 8:45 a.m.