

Minutes of the
REVOLVING LOAN FUND
LOAN ADMINISTRATION BOARD

Wednesday, February 25, 2015, 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, Mark Petersen, Eileen Roethler, Lee Schneider, Jim Tank

MEMBERS ABSENT: Randy Hollerud

STAFF PRESENT: Annette Ernst, Village of Milan; Jim Grafton, City of Silvis; Susanne Knutsen, City of Davenport Donna Moritz, Bi-State Regional Commission; Jeff Reiter, City of Bettendorf

OTHERS PRESENT: Joe Batten, Batten Preservation

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

1. Approval of Minutes of the December 16, 2014 Meeting. President Morrow asked if there were any additions or corrections to the December 16, 2014 Revolving Loan Fund Loan Administration Board minutes. Mr. Becker moved approval of the minutes as mailed. Mr. Tank seconded the motion, and it passed unanimously.
2. Financial Report
 - a. Financial Summary. The Financial Summary, as of January 31, 2015 was reviewed. The principal balance outstanding for the program is \$1,037,012.51. There were \$395,125.74 available funds to loan from repayments. January repayments generated approximately \$17,000 in program income.
 - b. Delinquency Report. Ms. Moritz shared that the delinquent accounts as of February 10, 2015 were Process Automation Concepts, LEDs America, Inc., and Barley & Rye, Inc.

Ms. Moritz stated she left a message with Process Automation Concepts regarding their delinquency. She will continue to pursue information on this loan.

Ms. Moritz shared an update from Joel Westermarck, LEDs America, Inc. The board concurred to continue to monitor this loan.

Ms. Moritz shared an update from Randy Linn, Barley & Rye, Inc. The board concurred to continue to monitor this loan.
3. Status of Loan Reviews
 - a. Upcoming Loan Reviews. There were no upcoming loan reviews.

4. Review of Batten Preservation Loan Application. Ms. Susanne Knutsen introduced Joe Batten, Batten Preservation. Ms. Knutsen reviewed the project summary letter stating the RLF funds will be used for purchase of L. K. Behncke Construction. The company plans on retaining 3 jobs and creating 6 jobs within the first two years of the project.

STAFF RECOMMENDATION:

RLF Amount	\$45,000
Term/Amortization	5 Years
Loan Review	2 Year
Interest Rate	2.44%
Collateral	Second Position – Real Estate, Accounts Receivable, equipment, and inventory
Other Conditions	Personal guarantee – Joe Batten

After discussion, Mr. Petersen moved, seconded by Mr. Becker to approve the loan to Batten Preservation for \$45,000 with a term of 5 years, at 2.44% with a 2 year review and personal guarantees as stated above contingent upon obtaining full financing. The motion passed unanimously.

5. Old Business. Ms. Moritz reported Hilltop Hardware is making their payments as approved by the board. Ms. Bulat explained the updated RLF plan is still in review at EDA.
6. New Business. Staff will work with the City of Bettendorf to fill the vacancy created with Ms. Tyler-Jamison's retirement.
7. Upcoming Loan Applications. Staff representatives from the Cities of Coal Valley, East Moline, Eldridge, and Moline were unable to attend this meeting. Mr. Reiter stated the City of Bettendorf didn't have any applications to report on at this time. Ms. Knutsen stated the City of Davenport didn't 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. Ms. Moritz, representing Rock Island County and Scott County, did not have any applications to report on at this time. Mr. Hollerud stated the City of Rock Island didn't have any applications to report on at this time.
8. Other Business. Mr. Tank questioned if Mr. Hollerud had a conflict of interest being on the board and working for the City of Rock Island. Ms. Moritz stated he is the Rock Island County representative. Ms. Bulat will contact EDA regarding this situation and report back to the board.
9. Adjournment. The meeting adjourned at 8:30 a.m.