

Minutes of the
MERCER-MUSCATINE COUNTY
REVOLVING LOAN FUND
LOAN ADMINISTRATION BOARD

Friday, February 27, 2015, 9:00 a.m.
Community Bank & Trust
615 Cedar Street
Muscatine, Iowa

MEMBERS PRESENT: Tom Spread-Vice-Chair, Denise Bulat, Dave Jones, Bret Robinson

MEMBERS ABSENT: Angie Bigham, Ron Monahan, Ted Pappas

STAFF PRESENT: Donna Moritz, Bi-State Regional Commission

OTHERS PRESENT: Greg Jenkins, Greater Muscatine Chamber of Commerce; Gregg Mandsager, City of Muscatine; Mike & Jamie Jones, Shirt Tales, Inc.; James Howe & Andy MacLellan, Stanley Hotel & Conference Center

The meeting was called to order at 9:00 a.m. All present introduced themselves and explained which community or organization they represented. Community Bank & Trust was thanked for hosting the meeting.

1. Approval of Minutes of the August 4, 2014 meeting. Mr. Jones moved approval of the minutes of the August 4, 2014 Mercer-Muscatine County Revolving Loan Fund Board adding Mr. Greg Jenkins in attendance to the written and mailed version. Ms. Bulat seconded the motion, and it passed unanimously.
2. Review of Financial Summary Report. The Financial Summary, as of January 31, 2015 was reviewed. The principal balance outstanding for the program is \$137,691.42. There were \$22,621.94 available funds to loan from repayments. June repayments generated approximately \$4,600 in program income. There was \$350,000 available to loan from the EDA grant and match.
3. Review of Shirt Tales, Inc. Loan Application. Ms. Moritz introduced Mike & Jamie Jones, Shirt Tales, Inc. to the Board. Mr. Jones explained the project and the need for an automatic screen printing machine and supporting equipment. Ms. Moritz reviewed the project summary stating the RLF funds will be used for equipment. Ms. Bulat reported the Aledo City Council voted to support the project and provide local match. The company plans on retaining 4 jobs and creating 3 jobs within the first two years of the project.

STAFF RECOMMENDATION:

RLF Amount	\$20,000
Term/Amortization	5 Years
Loan Review	2 Years
Interest Rate	2.44%
Collateral	Second Position – equipment, accounts receivable and inventory
Other Conditions	Personal guarantee – Michael & Jamie Jones

After discussion, Mr. Jones moved, seconded by Ms. Bulat to approve the loan to Shirt Tales, Inc. as recommended by staff. The motion passed with Mr. Robinson abstaining.

4. Review of The Stanley Hotel and Conference Center Loan Application. Ms. Moritz introduced James Howe & Andy MacLellan to the Board. Mr. Howe explained the project and the study conducted by Scottford Hospitality concluding that a hotel located in downtown Muscatine would be successful. Mr.

MacLellan reviewed other market studies and explained the process of securing business support for the project. Ms. Moritz reviewed the project summary stating the RLF funds will be used for architectural and engineering. Ms. Bulat reported the Muscatine City Council and Muscatine County Board voted to support the project and provide local match. The company plans on retaining 5 jobs and creating 49 jobs within the first two years of the project.

STAFF RECOMMENDATION:

RLF Amount	\$358,000
Term/Amortization	7 Years
Loan Review	2 Years
Interest Rate	2.44%
Collateral	Second Position – land, building, equipment, accounts receivable and inventory
Other Conditions	Corporate guarantee – Howe Investment Fund

After discussion, Mr. Robinson moved, seconded by Ms. Bulat to approve the loan to Stanley Hotel and Conference Center as recommended by staff. The motion passed with Mr. Spread abstaining.

5. Other Business. There was no other business.
6. Adjournment. The meeting adjourned at 10:30 a.m.