

**Southeast Iowa Regional Planning Commission
Executive Board Minutes
211 N. Gear Avenue, West Burlington, IA 52655
October 27, 2011**

Members Present: Brent Schleisman, Sue Frice, Hans Trousil, Jim Howell, and Gary Folluo,
Staff Present: Mike Norris, Debbie Laughlin, Bob Kuskowski, Kim Schisel, Jeff Hanan,
and Zach James

Call to order at 12:05 p.m.

Agenda Approval

Motion by Frice to approve the October 27, 2011 agenda, second by Trousil. All Ayes, motion passed.

CONSENT AGENDA APPROVAL

Norris stated that we are looking okay financially. Motion by Frice to accept the consent agenda, second by Trousil. All Ayes, motion passed.

Old Business:

1. Golf Outing Update: Norris stated that staff successfully completed its inaugural golf outing fundraiser for the Great River Housing Trust Fund, and that the initial goal of \$2500 was exceeded with net proceeds totaling \$4100. He further stated that we have received a lot of positive comments and that we had participation from lots of businesses from all over the region. Norris stated that next year's outing will be held on September 26, 2012 at Flint Hills Golf Course in Burlington. No action necessary.

New Business:

1. Amend EDA RLF Administration Plan: Hanan stated that there is only a minor amendment on page 4 which allows a fixed asset loan to be repaid over a 10-year term rather than a 7-year term. Hanan stated that the blended loan on the following agenda item necessitates this change, and to make loan plans with EDA / IRP consistent. Frice made a motion to approve the Amended EDA RLF Administration Plan to allow a fixed asset loan to be repaid over a 10-year term, contingent upon EDA approval, second by Trousil. All ayes, motion passed.
2. RLF Application (Scott & Amy Lowe): Hanan stated that Scott and Amy Lowe are attempting to purchase the existing business of Staats (founded in 1898) and are requesting \$360,000 for machinery and equipment. Hanan further stated that this would be the largest loan ever given by the RLF and that it is recommended that \$125,000 come from EDA I; \$125,000 from EDA II; and \$110,000 from IRP II. Hanan

stated that the Loan Review Committee met on September 29th and approved the loan with a ten year term with an interest rate of 75% of Prime variable annually with a cap of 5% for EDA I & II, and 4% for IRP II; and collateral: 2nd lien position on commercial building; 2nd lien position on machinery & equipment and accounts receivable; 2nd lien position on Lowe's home; personal guaranty from Scott & Amy Lowe; and general UCC business lien filing. Hanan stated that the Lowes' will create six full time positions and retain 35 positions. Hanan further stated that although the application and other materials show Scott & Amy as individuals, the loan will actually be made to Staats, Inc. (the S-Corporation established by Scott & Amy Lowe.) Trousil made a motion to approve the RLF Loan of \$360,000 to Staats, Inc. for machinery and Equipment for their purchase of Staats: \$125,000 from EDA I; \$125,000 from EDA II; and \$110,000 from IRP II with a ten year term with an interest rate of 75% of Prime variable annually with a cap of 5% for EDA I & II, and 4% for IRP II; with collateral recommendations made by the Loan Review Committee, second by Howell. All ayes, motion passed.

3. Lease Agreement: Norris stated that McGladrey has agreed to lease 1694 SF in the southwest corner of the lower level for \$8.50/SF/YR for three years, beginning December 1, 2011, and is inclusive of utilities, taxes, and garbage removal. Norris further stated that there will be approximately 10 employees working in the space, engaged in primarily IT consulting. Norris stated that McGladrey's will be paying for the modular office and other changes regarding electrical and HVAC supply and return, and that in order to remain cost neutral, they will not be leasing the bathroom and hall area, but have agreed to clean the area. He further stated that because we are going back and forth with McGladrey attorneys and EDA stipulated language, the lease document will be executed by the chairman in the near future after obtaining approval from the Board. Folluo made a motion to approve the Lease Agreement with McGladrey for 1694 SF on the lower level for \$8.50/SF/YR for three years, contingent upon EDA approval, second by Frice. All ayes, motion passed.
4. Transportation Planning Work Program (TPWP): James stated that the Transportation Planning Work Program is an outline for the work to be performed with federal transportation planning dollars for FY2012. James stated that the revised draft adds \$30,000 to the total budget to cover the cost of traffic speed indicators and Iowa DOT recently informed staff that there is \$52,428 in STP Carryover from FY2011. James further stated that these changes increase the total transportation planning budget to \$267,880 with \$214,304 coming from federal funding, and \$53,576 in local funding. James stated that the final draft of the FY2012 Transportation Planning Work Program will be presented to the full board in November. No action necessary.
5. November Board Meeting: Norris stated that due to the fourth Thursday of the month falling on Thanksgiving day, the November meeting will need to be decided on. He stated that for a couple years, it was done on the third Thursday of the month, although that usually conflicts with ISAC, we have been able to get a quorum. The consensus of the board was to canvas the full board to see if we would be able to get a quorum for November 17th (3rd Thursday.) No action necessary.

MATTERS FROM THE FLOOR:

None.

Motion to adjourn meeting by Frice.

Second by Howell. All Ayes

Meeting adjourned at 12:32 p.m.

Submitted by Debbie Laughlin

Mike Norris, Executive Director

Jim Howell, Secretary

Date: _____

Date: _____