CITY/COUNTY REVOLVING LOAN FUND

Board Meeting Minutes
October 13, 2005

The City/County Revolving Loan Fund Board met Thursday, October 13, 2005, 3:30 p.m., in the Economic Development Department Conference Room, 1st Floor, City Hall. The following members were present:

Albert Hernandez	Maggie Adame Alvidrez
Larry Madrid	Marisa Marquez
Roberto Guerra	Mary Haynes

Others present: Pete Payan, Ray Aguilar, and Jessica Margeherrio, United Bank; Patrick Sarabia, Bank of the West; Larry Romero, Economic Development.

A. **<u>Call to Order and Establish Quorum</u>**
Chair Mary Haynes called the meeting to order at 3:35 p.m.

B. **<u>Discussion and Action on Approval of Minutes for July 22, 2005.</u>**
Minutes were unavailable. No discussion or action.

C. **<u>Discussion and Action on Loan Application.</u>**
Mr. Payan presented a loan application for United Photography, LLC for $50,000. The bank has already approved their portion of the SBA loan for the customer. Mr. Payan was asked if the customer would get the life insurance and he said they would. A motion was made by Ms. Marquez to approve the loan for $50,000 for 5 years at 5% interest, seconded by Ms. Alvidrez. The loan was approved 4-1, with Mr. Guerra voting no and Mr. Madrid abstaining.

D. **<u>Discussion and Action on Loan Application.</u>**
Mr. Aguilar presented a loan application for Universal Graphics, Inc. for $40,000. He explained how this company has been in business for over 15 years and how the company is going to use the proceeds from the SBA loan to pay off their factoring accounts. This will save them tens of thousands of dollars in expenses by using the bank's line of credit. Mr. Guerra made a motion to approve the $40,000.00 revolving loan fund for working capital, ~~Mr. Madrid~~ seconded the motion and the motion passed unanimously. [illegible]

E. **<u>Discussion and Action on Loan Application.</u>**
Mr. Sarabia from Bank of the West presented the loan package for Lowther Enterprises, d/b/a Heavenly Creations for $9,100. Mr. Sarabia explained how this loan was being made so the customer could open his own flower shop. The bank's portion was a $33,100 loan for start up costs and working capital. Motion was made by Ms. Marquez and seconded by Ms. Alvidrez to approve. The motion passed unanimously 4-0 with abstentions by Mr. Madrid and Mr. Guerra.

F. **<u>Discussion and Action on Loan Modification.</u>**
Mr. Sarabia made a presentation for a request from an existing customer, Peter's German Café and Bakery, to pay interest only for six months. Motion was made by Ms. Haynes and seconded by Ms. Marquez to approve. The motion passed unanimously 5-0, with Mr. Guerra abstaining.

G. **<u>Discussion and Action on Loan Modification.</u>**
Mr. Sarabia made a presentation for a request from an existing customer, Dicronite Dry Lube, to pay interest only for six months. Motion was made by Ms. Alvidrez and seconded by Mr. Madrid to approve. The motion passed unanimously 5-0, with Mr. Guerra abstaining.

H. **Discussion and Action on adding new banks to RLF program.**
Mr. Romero informed the Board that three new banks were interested in participating in the RLF program. They were:CIT Finance, InterNational Bank of El Paso, and Greater El Paso Credit Union (formerly Govt. Employees Credit Union). The motion was made by Ms. Marquez and seconded by Ms. Alvidrez to approve the addition of the banks. The motion passed unanimously.

I. **Discussion on status of RLF loans.**
There was not a status report available and the Board was told that it would be available at the next meeting. No action taken.

J. **New Business**

K. **Adjournment**
Motion to adjourn made by Ms. Marquez and seconded by Ms. Alvidrez. The motion passed unanimously.