

# **LOAN ADMINISTRATION BOARD MEETING MINUTES**

## **APRIL 19, 2018**

Pursuant to public notice, a scheduled meeting of the Escanaba Loan Administration Board was held on Thursday, April 19, 2018, at 8:00 a.m. at City Hall, Room C102, 410 Ludington Street, Escanaba, MI.

Board Members Present: Vice-Chairperson Chris Economos, Boardmember Roni Beaudoin, and Boardmember Holly Thomma

Also Present: City Treasurer Robert Valentine, Council Liaison Michael Sattem, City Attorney Russ Hall, and Executive Assistant Lisa Glish

Absent: Boardmember Jeanine Dagenais

Vice-Chairperson Chris Economos called the meeting to order at 8:04 a.m.

### **APPROVAL/ADJUSTMENTS TO THE APRIL 19, 2017 AGENDA**

A motion was made by Boardmember Beaudoin, seconded by Boardmember Thomma, to accept the April 19, 2018 meeting agenda as submitted. Motion was approved unanimously.

### **APPROVAL OF THE JANUARY 19, 2017 MINUTES**

A motion was made by Boardmember Beaudoin, seconded by Boardmember Thomma, to accept the January 19, 2017 meeting minutes as submitted. Motion was approved unanimously.

### **NEW BUSINESS**

#### **1. Loan Status Review**

Bob Valentine reviewed the current Portfolio Report for the Revolving Loan Funds. He noted that the only issue that is being dealt with is the bankruptcy proceedings for Donalway Golf; stating that the owner of that entity has stock in another business that is currently under deliberation. Russ Hall went onto explain that the stock interest has been set to sell for \$55,000 which will go into the bank estate, which would mean the City would receive a little over \$40,000 once everything is approved.

Russ Hall then explained that a judgement lien has been filed against Michigan Meats. He went onto explain that with this lien the City may be obtaining a cottage in Alger County, that the City would then be able to sell and recoup some of its lost monies.

Bob Valentine then reviewed the CDBG Loans and noted that the only outstanding loan is for the House of Ludington, in which they pay monthly as scheduled without issue.

Bob Valentine then reviewed the outstanding UDAG Loans noting that there currently are not any issues with payments on these loans, stating that the City is receiving payments as they had been set.

## **2. Consideration of Subordination Request from Baybank**

Bob Valentine stated that Andrew Crispigna of Crispigna's Restaurant and BayBank are requesting that the City of Escanaba subordinate its first mortgage on 1215 Ludington Street.. Mr. Valentine advised that the request is a condition of BayBank funding a \$165,000 loan for improvements to the property and for the purpose buying out the land contract on the restaurant property next door. Mr. Valentine advised that MEDC would provide matching funds approximately equal to the BayBank loan.

**A motion was made by Vice-Chairperson Economos to accept the subordination request from Baybank and Crispigna's Foods, LLC dated March 20, 2018, subject to BayBank's prior mortgage being capped at the \$165,000 amount. Ayes were unanimous.**

## **3. Items from the Board**

None.

## **GENERAL PUBLIC COMMENT**

None.

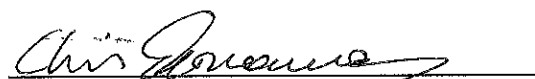
## **ANNOUNCEMENTS**

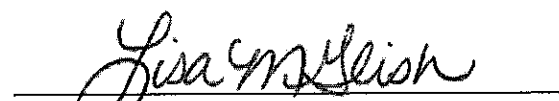
None.

## **ADJOURNMENT**

**A motion was made by Boardmember Beaudoin, seconded by Boardmember Thomma, to adjourn the meeting at 8:30 a.m. Motioned approved unanimously.**

APPROVED:

  
CHRIS ECONOMOS  
VICE-CHAIRPERSON

  
LISA M. GLISH,  
RECORDER