

El Paso City/County Revolving Loan Fund
Board of Director's Meeting Minutes
September 25, 2007

RLF Board Members Present:

Martha Cooper
Victor Medina
Fernando Grado,

Belen Robles
Marisa Marquez
Joe Fernandez

Guests Present:

Armando Armendariz, Small Business Lender, United Bank of El Paso Del Norte
Ray Aguilar, Small Business Lender, United Bank of El Paso Del Norte
Patrick Sarabia, Small Business Lender, Bank of the West

Staff Advisors:

Luci Ponticelli, City's Department of Economic Development
Leila Melendez, City's Department of Economic Development
Marie Taylor, City Attorney's Office
Terri Reed, El Paso Hispanic Chamber of Commerce

Attendance:

The RLF board members were polled individually, to ascertain that a quorum of the board was present.

Introduction of the RLF Board of Directors:

Each of the members of the RLF Board of Directors introduced themselves to all present. All guests also introduced themselves.

Call to Order:

A quorum of the RLF Board of Directors was established, and the meeting was called to order by Luci Ponticelli, representing the City's Department of Economic Development at 4:15 p.m.

Approval of April 26, 2006 Minutes:

The minutes of the April 26, 2006 meeting were presented by Luci Ponticelli for their review. Following a motion duly made by Belen Robles and seconded by Marisa Marquez, the minutes were approved for the record. The board was polled, and the motion passed unanimously.

Nomination and Election of the RLF Board Chair and Vice Chair:

Luci Ponticelli next instructed the RLF Board on the process to nominate and elect the RLF board Chair and Vice Chair. Belen Robles made the motion to nominate Marisa Marquez to serve as Board Chair. The motion was seconded by Joe Fernandez. The motion passed by acclamation.

A motion was then made by Belen Robles nominating Joe Fernandez to serve as RLF Vice Chair. The motion was seconded by Fernando Grado. The motion passed by acclamation.

Discussion And Action On Proposed Board By-Laws:

Leila Melendez with the City of El Paso next discussed the board bylaws, a copy of which was provided to all board members. The Chair was asked to table any action, pending some additional changes that the City of El Paso was making to the bylaws. A motion was made by Joe Fernandez. The motion was seconded by Belen Robles. The motion passed by acclamation.

Presentation on the Duties of RLF Board Members:

Luci Ponticelli next advised the board of their duties and responsibilities.

Presentation on the Role of the El Paso Hispanic Chamber of Commerce:

Terri Reed, representing the El Paso Hispanic Chamber of Commerce explained the role of the Hispanic Chamber, as a contractor by the City of El Paso. The Chamber role is to outreach the RLF program to the public as large as potential borrowers, as well as to participating lenders. Further, the Chamber is responsible to track payments, outstanding balances, and to complete reporting requirements for the City of El Paso, or the Economic Development Agency.

Presentation and Overview of RLF Program History:

Leila Melendez and Terri Reed next presented a brief overview of the history of the RLF program, including the original sources of the funding that comprises the Revolving Loan Fund.

Discussion and Action on Loan Applications:

1. **Coldstone Creamery, \$50,000:** This loan was presented by Patrick Sarabia, Loan Officer for Bank of the West.
Action: Following some discussion, the RLF board approved the loan as presented, for \$50,000 at a 6% fixed rate of interest for 7 years. A motion was duly made by Belen Robles to approve. The motion was seconded by Joe Fernandez. The board was polled, and the motion passed unanimously.
Action: Following some discussion, a motion was duly made by Belen Robles to reconsider the Coldstone Creamery loan at the interest rate of 5%. The motion was seconded by Joe Fernandez. The board was polled, and the motion passed unanimously.
2. **Med Time Pharmacy, \$50,000:** This loan was presented by Armando Armendariz, Loan Officer for United Bank of El Paso.
Action: Following some discussion, the RLF board approved the loan as presented, for \$50,000 at a 5% fixed rate of interest for 66 months. A motion was duly made by Martha Cooper to approve. The motion was seconded by Victor Medina. The board was polled, with Joe Fernandez abstaining from the vote, and the the motion passed.
3. **Hicks & Company (dba Subway), \$40,000:** This loan was presented by Armando Armendariz, Loan Officer for United Bank of El Paso.
Action: Following some discussion, the RLF board approved the loan as presented, for \$40,000 at a 5% fixed rate of interest for 5 years. A motion was duly made by Belen Robles to approve. The motion was seconded by Martha Cooper. The board was polled, with Victor Medina providing the only dissenting vote, and with Joe Fernandez abstaining. The motion passed.
4. **Reliant Labels, \$50,000:** This loan was presented by Ray Aguilar, Loan Officer for United Bank of El Paso.
Action: Following some discussion, the RLF board approved the loan as presented, for \$50,000 at a 5% fixed rate of interest for 5 years. A motion was duly made by Fernando Grado to approve. The motion was seconded by Victor Medina. The board was polled, with Joe Fernandez abstaining. The motion passed unanimously.

Ratification of Actions:

A motion was duly made, upon the recommendation of City Attorney's office, to ratify the action of the RLF Board of Directors, by Belen Robles and seconded by Joe Fernandez to instruct the staff of the City's Department of Economic Development to process the abovementioned loans for funding. The board was polled, and the motion passed unanimously.

Discussion and Action on Delinquent Loan:

A presentation was made by Patrick Sarabia, Small Business Lender for Bank of the West, on Dicronite. This loan is currently 6 months delinquent on his Bank of the West, and RLF loan payments. Bank of the West has approved a loan restructuring for one year to allow Dicronite to continue making payments. A motion was duly made by Belen Robles to accept the loan restructuring terms as presented by Bank of the West. The motion was seconded by Joe Fernandez. The board was polled, and the motion passed unanimously.

Discussion and update on City/County RLF Program Semi-Annual Report, ending September 30, 2007:

Terri Reed next reported that the final Program report ending September 30, 2007 would be presented at the next meeting of the RLF board of directors, in order to allow time for the report to reflect the loans approved during this board meeting. Leila Melendez provided an update on the process of submitting the final program report to the EDA.

Discussion and Update on Status of RLF Board of Directors:

The current board roster was distributed. Luci Ponticelli reported that there were still 4 vacancies to the RLF board, and requested any referrals be submitted to the City for consideration. Term limits were also reviewed.

Other action:

Update of Brownfields Clean Up status in association with the El Paso City/County Revolving Loan Fund Board of Directors.

Next Meeting:

The El Paso Hispanic Chamber of Commerce will poll the board of directors on their availability to meet in early October.

Adjourn:

There being no further business, the meeting was adjourned at 5:30 p.m.

Respectfully submitted,

Terri Reed
El Paso Hispanic Chamber of Commerce