

**MINUTES  
LOAN ADMINISTRATION BOARD MEETING  
APRIL 19, 2012**

Pursuant to public notice, a special meeting of the Escanaba Loan Administration Board was held on Thursday, April 19, 2012, at 8:00 a.m. at City Hall, Room C102, 410 Ludington Street, Escanaba, MI:

Board Members Present: Chairperson Tim Kobasic, Boardmembers Roni Beaudoin, Jeanine Dagenais and Chris Economos

Also Present: City Treasurer Robert Valentine, City Attorney Russ Hall, and Executive Secretary Kim Peterson

Chairperson Tim Kobasic called the meeting to order at 8:04 a.m.

Agenda was accepted as written.

**Motion was made by Boardmember Dagenais, seconded by Boardmember Beaudoin to approve the meeting minutes of November 4, 2011, and December 1, 2011. Motion was approved unanimously.**

**NEW BUSINESS**

**Quarterly Loan Review**

In response to a question from Chairman Kobasic, Treasurer Valentine advised that MEDC still intends to regionalize the CDBG fund, but has not yet done so. Secretary Valentine believes that administrative responsibilities will be transferred to Northern Initiatives at some point, but until then we can write loans from the fund if we choose.

Chairman Kobasic questioned whether the City would be able to use these funds for infrastructure. Treasurer Valentine stated the City has tried this and were told no. Chairman Kobasic stated he spoke with the Governor's Representative, Greg Andrews, and this topic came up of the transfer of funds to the State and a discussion was also held on the 50,000 s.f. Rebuilder's building being an incubator. It was a consensus of the Board to have Chairman Kobasic recommunicate this project to Mr. Andrews.

Discussed an upcoming potential application that will be coming before the Loan Administration Board.

Discussed the loan to Gordon Cashen. Mr. Cashen would like to do a payment plan of an extra \$1,000 a month until he gets current. Mr. Cashen's current monthly payment is \$461 and he is eight months in arrears. Treasurer Valentine made a recommendation to accept such payments with the Board being in agreement. It was consensus of the board to allow the proposal as requested.

A letter was mailed to Matt Heath stating that his loan was in arrears.

Discussed the Peacock loan being in arrears. Mr. Peacock is approximately seven months in arrears but is currently making his monthly payment. Mr. Peacock was behind in his loan payment before he got his sporting goods inventory going and fell behind from such. It was a recommendation from

Treasurer Valentine to refinance the loan to include all arrears. It was a consensus of the Board to have Treasurer Valentine offer this opportunity to Mr. Peacock.

Discussed delinquent loans and action that will be taken on such.

**A motion was made by Boardmember Beaudoin, seconded by Boardmember Economos, to accept the quarterly report with recommendations for Peacock and Cashen loans. Ayes were unanimous.**

#### **Update from Attorney Hall on Status of Cal Marcoe Collections**

Attorney Russ Hall advised that he took Cal Marcoe's deposition. He further discussed Mr. Marcoe's collectability. Attorney Hall will pursue available legal remedies. There was a general discussion regarding the outcome of BayBank's proceedings against Mr. Marcoe.

#### **Review Donalaway Golf Options With Attorney Hall**

Discussed the eighteen month delinquent loan of Donalaway Golf and the action that will occur to try and recover funds. Allan Waeghe presented a written letter to Treasurer Valentine dated 12/05/11. The letter was intended to respond to the Board's request for a written plan from Mr. Waeghe. Treasurer Valentine received sign copies of contracts for business that Donalaway Golf was currently pursuing.

**Motion was made by Boardmember Beaudoin, seconded by Boardmember Economos, to direct Attorney Russ Hall to write a demand letter to Allan Waeghe stating he has ten days to commence regular monthly payments in the amount of \$7232 per month and come up with a repayment plan to address the 18 month arrearage and to furnish all requested materials to include financial records, bank statements for the preceding 12 months and current tax returns. If no action is taken by Mr. Waeghe, the Loan Administration Board will call a special meeting to see how they are going to proceed. Ayes were unanimous.**

#### **General Public Comment**

None.

#### **Announcements**

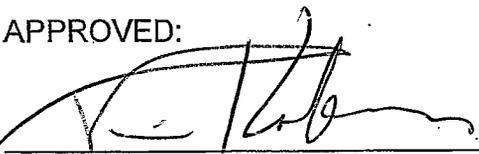
None.

#### **Adjournment**

**A motion was made by Boardmember Economos, seconded by Boardmember Dagenais, to adjourn the meeting at 8:48 a.m.**

**Motion was approved unanimously.**

APPROVED:



TIM KOBASIC, CHAIRPERSON

  
KIMBERLY PETERSON, RECORDER