

**MINUTES**  
**MT. JACKSON INDUSTRIAL DEVELOPMENT AUTHORITY**  
**July 18, 2002**

Chairman Rick Koontz called the meeting to order at 5 p.m. at the Town Office. In attendance were Messrs. Amoss, M. Koontz, Shepherd, and Moore.

Minutes of June 6, 2002, were read and approved as amended. Minutes of July 1, 2002, approved as presented on a **MOTION** by Mr. M. Koontz, 2<sup>nd</sup> by Mr. Amoss. UNANIMOUS

**RBEG SMALL BUSINESS LOANS:**

1. Loan #01-2002 – Mr. Moore reported that the application for money has been sent to USDA and the settlement attorney is working on the documents for this first case. It is creating new material, so takes a little longer.
2. Loan #02-2002 – In response to last meeting's request the applicant submitted financial statements, pro-forma information, and appraisal. The loan to appraised value ratio is 85%. After discussion Mr. M. Koontz made the following **MOTION**, 2<sup>nd</sup> by Mr. Amoss:
  - Approval of \$10,000 loan for 5 years at 5% payable monthly with 5% late penalty
  - Loan is to be second deed of trust and further secured by the personal endorsement of all four principals to the loan
  - Lender is to be named on all property insurance policies as additional insured
  - Normal application fee of \$250 must be paid to IDA
  - Borrower pays all costs of issuance

Passed by UNANIMOUS vote.

3. Loan #03-2002 – Mr. Moore summarized the project and the favorable report from the bank. After extensive discussion Mr. M. Koontz made the following **MOTION** 2<sup>nd</sup> by Mr. Amoss:
  - Loan approved at \$25,000
  - Second Deed of Trust required and all principals of the borrowing entity must personally endorse the loan.
  - Lender is to be named on all property insurance policies as additional insured
  - Normal application fee of \$250 must be paid to IDA
  - Borrower pays all costs of issuance
  - Borrower must provide evidence of prospective tenant's firm interest in leasing space.
  - No interest will be charged for up to six months to allow for construction to occur.
  - After six months the loan will be a 5-year loan.
  - Since this is a construction loan the loan will be provided in "draws" of approximately \$5000 upon receipt of supporting information and inspection by town.
  - A fee of one point (\$250) is assessed.

The motion was adopted by UNANIMOUS vote.

NEW BUSINESS:

1. Resolution – R-03-2002 Awarding \$5000 economic incentive grant to Valley Fertilizer Company to expand industrial warehouses and expand employment within the town was adopted on **MOTION** by Mr. Shepherd, 2<sup>nd</sup> by Mr. M. Koontz. UNANIMOUS
2. Election of Officers – **MOTION** by Mr. Shepherd, 2<sup>nd</sup> by Mr. M. Koontz that the officers for the coming year are to be: Rick Koontz, Chairman; Willie Pirtle, Vice Chairman, Charles Moore, Secretary/Treasurer. UNANIMOUS
3. Check signatures – Two are to be required, Chairman, Vice-Chairman, Sec/Treas. Are all authorized.

The meeting adjourned at 6:10 p.m.

Respectfully Submitted,

Charles Moore, Secretary