

Minutes of the City Loan Committee – August 31st 2015

A meeting of the City of Prairie du Chien City Loan Committee was held on Monday August 31st 2015 at 6:00 PM in City Hall. Chairman Bob Standorf called the meeting to order.

GENERAL ITEMS TO BE ACTED UPON:

1. Call to order/Roll Call – Bob Standorf, Bob McDonald, Lori Bekkum, Sheri Jackson, Ashley Christensen
CITY STAFF ALSO PRESENT- City Administrator Aaron Kramer

2. Certification of the open meeting law agenda requirements and approval of the agenda – MOTION: McDonald SECOND: Bekkum VOTE: 5-0

3. Approval of the meeting minutes of May 12th 2015 – MOTION: Christensen SECOND: Bekkum VOTE: 5-0

ACTION ITEMS

4. DISCUSSION AND ACTION – Loan Application – PDC Capital, LLC - PDC Capital, LLC intends to construct a \$1.7 million, 7,760 square foot dental and eye clinic for Gundersen Lutheran Hospital southeast of the Blackhawk Avenue-Marquette Road roundabout, with an occupancy target of February 2016. To achieve a minimum debt service coverage ratio and Return on Investment, the developer is requesting the land purchase be financed, in part, with a \$90,000 loan through the City Revolving Loan Funds. Considerable discussion was held on the terms as well as the financing package for the loan. ACTION: To approve the \$90,000 loan, payable over fifteen (15) years, with the first payment due on January 1st 2017, with a one (1) percent interest rate for the first five years, a two (2) percent interest rate the second five years of the loan and a three (3) percent interest rate for the final five years of the loan, and the loan being contingent on the following: 1) PDC Capital, LLC providing proof of primary bank financing documentation, 2) PDC Capital, LLC providing copies of the LLC Articles of Incorporation and Operator Agreement, 3) PDC Capital, LCC providing proof of a second assignment of its lease with Gundersen Lutheran Hospital with the City of Prairie du Chien Revolving Loan Fund, 4) PDC Capital, LLC providing a proof of an appraisal, 5) PDC Capital LLC paying the \$25 application fee for the loan application, and 6) the City of Prairie du Chien providing Tax Increment Financing funds to the land purchase MOTION: Bekkum SECOND: Jackson VOTE: 5-0

5. ADJOURNMENT (6:28 PM) – MOTION: Bekkum SECOND: Jackson VOTE: 5-0

Submitted by City Administrator Aaron Kramer