

RESOLUTION NO. 04-07

RESOLUTION APPROVING LOAN FOR
Louise White and Henry Studtmann

WHEREAS, Polk County has funds available through the County's Business Revolving Loan Fund (RLF) Program to make participation loans to businesses located in Polk County; and

WHEREAS, Louise White and Henry Studtmann, Jr. have applied for financial assistance through the Polk County Business RLF Program; and

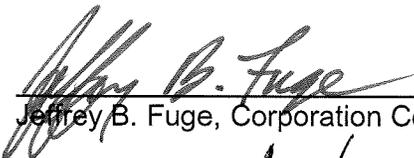
WHEREAS, Louise White and Henry Studtmann, Jr. have met the requirements as stated in the RLF Manual.

NOW, THEREFORE, BE IT RESOLVED, that the Polk County Board of Supervisors does hereby approve of a \$50,000 participation loan for Louise White and Henry Studtmann, Jr., consistent with the terms and conditions proposed by the RLF Committee, as noted in the attached loan summary, for the purpose of opening a grocery business in the Village of Milltown; and

BE IT FURTHER RESOLVED, that County Board Chairman and County Clerk shall sign all documents related to the loan including any amendments approved by the RLF Committee; and

BE IT FURTHER RESOLVED, that RLF Committee shall approve on behalf of Polk County any changes in the terms and conditions of said loan.

Funding Amount: \$50,000
Funding Source: County RLF
Finance Committee Advised:
Effective Date:

Approved as to form: 
Jeffrey B. Fuge, Corporation Counsel

Date Submitted to County Board: 01/16/07

County Board Action: Adopted

Submitted by: 

Loan Review Summary - County Board – January 2007
Polk County Business RLF Program

Applicant Business: Louise White and Henry Studtmann, Jr.

Product or Service: Grocery Store

County RLF Funds: \$50,000

Jobs: 10 to 22 estimated

Louise White and Henry Studtmann, Jr. will purchase the 12,000 square foot grocery store building in Milltown that was formally occupied by Dicks Food Pride and the Holiday Grocery Store. They will reopen it as a grocery business. The new grocery will be an Economomart brand offered by the Nash Finch company. The change to this type of store will fit the needs of the the community. The new grocery store will be of great service to the community.

All other commitments for financing have been approved and the owners are seeking \$50,000 of county funds.

| Sources of Funds | | Use of Funds | |
|-------------------------|------------------|--------------------------------|------------------|
| The RiverBank | \$213,600 | Real Estate/equipment purchase | \$238,000 |
| Cash | \$100,000 | Leasehold Improvements | 22,600 |
| Polk County RLF | \$50,000 | Working Capital and soft costs | \$100,000 |
| Total | \$363,600 | Total | \$363,600 |

Summary of RLF Loan Terms Proposed

Loan Amount: \$50,000
Interest Rate: 4 %
Term: 5 years with a 10 year amortization and a balloon payment at the end of the term
Collateral: Junior lien on all business assets
Junior Mortgage on business property
Junior Assignment of Rents
Supported: Unlimited Personal guaranty from Louise White and Henry Studtmann, Jr. if they incorporate