



MINUTES

Ellensburg Business Development Authority Special Meeting August 16, 2004

PRESENT: Bob Titus Desmond Knudson Jerry Decker
 Lynn Jenison Fritz Glover Bill Meyer
 Charlotte Tullos John Winbauer Doug Ryder

STAFF PRESENT: Debbie Strand

GUESTS PRESENT: Jim Quilter, Iron Horse Brewery

I Establish Quorum

The Ellensburg Business Development Authority held a special meeting to consider a microloan request on Monday, August 16th. Chair Desi Knudson confirmed that a quorum was present and called the meeting to order at 5:30 p.m.

II MicroLoan Request from Jim Quilter, Iron Horse Brewery

Debbie Strand introduced Jim Quilter to the Board and also the members of the Board to Quilter. Knudson announced that Quilter has applied for a microloan of \$12,000. Strand invited Quilter to make a short presentation to the Board. Quilter briefly described his wholesale brewing operation and related his experience in the field. The Board then questioned Quilter regarding his marketing plan, use of funds, financial projections and future plans. Following this presentation Quilter was excused to allow the Board to discuss the application further.

The Loan Committee Chair Jerry Decker reported that the loan committee along with Knudson

recommended approving the loan. Board members questioned whether the declination requirement was met since U S Bank is financing the project. Strand replied that without the microloan funds Quilter would not meet the additional capital requirements that are a condition of the bank financing. Collateral that could be used to secure the loan consists of a note payable to Quilter and vehicles that Quilter owns and has clear title. After a discussion Board members agreed that securing the loan with the note was the most attractive option. Fritz Glover moved to approve a \$12,000 microloan to James Quilter at 8% interest. Charlotte Tullos seconded. Decker made a friendly amendment to secure the loan with the note payable and set payments of interest only with a balloon payment of any interest accrued and principal due in January of 2006. Also loan would be subject to title search. Tullos agreed to the amendment and the motion passed. Decker offered to assist Strand with the documents and securing the loan.

Adjourn

Lynn Jenison made a motion to adjourn at 6:30 p.m., seconded by John Winbauer that was passed unanimously.

Respectfully Submitted,

Lynn Jenison
Secretary