MEMBERS PRESENT: Pat DiGiovanni; Malcolm Earhart; Susan Einspahr; Jim Greene; Mary Harper; Robert Jones; Jim Marquardt*; Bob Miller

MEMBERS ABSENT: Larry Bell; Larry Lueth; Jerry Meinzinger; Myra Willis

CITY COMMISSIONERS/CITY STAFF/CITIZENS PRESENT: Jerome Kisscorni (Assistant City Manager); John Kneas (Assistant City Attorney); Antonio Mitchell (Business Assistance Specialist); Tonya Sloan (Administrative Secretary); David Valle; Tom Lueer; John Crandle; Don VanLandengen; Jeff Diner

Meeting was called to order at 7:32 a.m. by Chairperson Greene

MOTION TO EXCUSE ABSENT MEMBERS: Ms. Sloan reported that Mr. Lueth and Ms. Willis had indicated that they would be absent. Mr. Miller moved to excuse those members; supported by Mr. Earhart. Motion approved by voice vote unanimously.

OLD BUSINESS

APPROVAL OF AN EIF LOAN REQUEST FOR KALAMAZOO DOWNTOWN DEVELOPMENT, LLC IN THE AMOUNT OF $138,000: Mr. Kisscorni outlined the loan request and the financing structure of the project, including the collateral position breakdown.

Board members questioned the developers on their experience, their equity investment in the project, the timing of their receipt of profit from the project, their analysis of the demand for downtown condominiums and other aspects of the project. The developers responded to each question.

Mr. DiGiovanni asked if the board has made loans in the past for condominium development. Mr. Mitchell responded that it has provided financing for several condominium projects.

Mr. Marquardt moved that the board approve a loan in the amount of $138,000 to Kalamazoo Downtown Development, LLC, subject to the terms and conditions contained in the staff memo dated June 23, 2004 and with the additional condition that the $100,000 escrow account required by the bank be assigned to the EDC by the bank following payoff of the bank loan; supported by Mr. DiGiovanni. Motion approved by roll call vote unanimously.

ADJOURNMENT: 8:32 a.m.

Tonya Sloan, Recording Secretary

Jim Greene, Chairperson