

AURORA BUSINESS ADVISORY BOARD

Minutes of the Regular Meeting
February 25, 2019

Board Members Present:

Bob Fryberger, Nosh Tarachand, Jim Bickford, Tony Brake, Hitesh Patel, Martin Liles

Board Members Absent:

Phillip Villard, Alok Sarwal, Ramona Bode, Garrett Walls

Staff Present: Chad Argentar, Leslie Epperson

APPROVAL OF THE MINUTES

Bob Fryberger moved to approve minutes. Hitesh Patel seconded.

October 2018 Minutes Approved.

(Note: no quorum in November, December and January 2019)

APPROVAL OF THE 2019 MEETING CALENDAR

Hitesh Patel and Martin Liles commented they would not be able to attend March 18th meeting.

Board talked briefly about changing the date. Board agreed to keep the date and Chad Argentar stated he would set-up conference call for those who could not attend.

Jim Bickford moved to approve calendar. Hitesh Patel seconded.

2019 Meeting calendar approved.

PUBLIC COMMENTS

None

COUNCIL CONTACTS

Jim Bickford asked if Board members should check-in with Council member before meetings. Chad Argentar stated it was a good idea as a reminder for the Council members.

Jim Bickford stated he talked with Dave Gruber regarding progress of Smoky Hill and Gun Club.

BAD WEATHER TEXT LIST

The Board members present gave staff cell phone numbers so that when there is inclement weather a text can go out with instructions for the meeting: No meeting, Delay meeting, Call-in.

BUSINESS AWARDS DEBRIEF

Mr. Argentar stated that he and others met with Jim Twombly, the City Manager, to discuss what he thought about the dinner. Mr. Twombly stated that the event flow needed to be improved. Mr. Argentar stated that there was a discussion the city's immigrant affairs group doing more outreach to immigrant businesses to increase nominations from that segment of the community. Mr. Argentar stated that the City Manager was supportive of being mindful of recognizing a diversity of businesses (i.e. by industry, geography, etc.) but not necessarily making it a requirement.

Mr. Argentar discussed with the Board some of the changes proposed for the 2019 Dinner: The buffet will have 2 lines on either side and be self-serve. The salads and rolls will be placed at the table to

give people something to do while they wait for their turn at the buffet table. The trivia will be electronic using cell phones and there will be table numbers and table assignments. Also discussed was the electronic nomination form. Mr. Argentar discussed that the form was cleaned up and put back on the website. An announcement went out in this month's and next month's water bill. Mr. Argentar also stated that the deadline for nominations is now July 31st to give staff time to "vet" the nominees and the Board time to go out and visit the businesses nominated. Mr. Argentar also stated he is currently looking for a speaker.

REVOLVING LOAN FUND DRAFT PLAN

Mr. Argentar discussed the history of the program. Mr. Patel asked about the red lines on the current copy. Mr. Argentar stated that the red lines were only proposed changes to the adopted 2008 plan. Mr. Argentar stated that we are required to have a plan and we need to make ours current. We can still authorize loans while we work on updating the Revolving Loan Fund Plan.

Chad Argentar reviewed different sections of the plan, including Section II.D. RLF Loan Selection Criteria, which focused on the goals of the loan program. Mr. Tarachand stated not to focus on specific types of businesses.

Chad Argentar stated that the revolving loan program needs to be sustainable. If they can borrow from traditional sources, they would not need a loan from the city.

Mr. Liles asked how we promote the loan program. Mr. Argentar responded the we do not actively promote it since the funds are limited. Instead, leads come from the clients of the city's Small Business Development Center.

Mr. Tarachand asked what happens once the funds are depleted and if the federal government provides additional funds. Mr. Argentar stated that no additional funds would be given unless the city applies for additional funding and provides matching funds.

Chad Argentar moved on to Loan Application Process. Mr. Argentar commented that the applications would be submitted to and reviewed by staff who would then make recommendations to the Board. Mr. Argentar states that collateral/security is typically business equipment, motor vehicle liens and personal guarantees from family and friends.

Mr. Brake asked about using a house as collateral. Mr. Bickford advised that the city could foreclose or use as leverage to pay the loan or attach a lien and recover the money when the house sells. Mr. Argentar stated that the city has moved away from deeds of trust on houses. Nosh Tarachand stated we should go ahead with the process ASAP.

Chad Argentar reiterated that the board can still make a loan while they are reviewing and refining the Loan Plan.

Mr. Argentar discussed the collection process stated that the city has used a collection service in the past to go after borrowers in arrears. Jim Bickford stated that the board can talk about it over the next several months on how to handle.

Mr. Fryberger recommended that we look at first payment and asked if we can add working line of credit that can be monitored. Mr. Liles stated that with the line of credit you can set benchmarks to pay the loan money out or the client would pay it out and then show proof it was paid and get reimbursed.

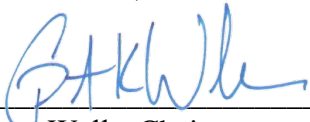
Mr. Argentar also stated the EDA RLF funds cannot be used for loan guarantees. However, the city could provide funds for a separate loan guarantee program. Mr. Argentar also stated that while loans for tenant improvements are allowed, we tend to avoid it due to added reporting/monitoring requirements for labor rates. Also, we cannot make loans for real estate. Mr. Bickford stated they would take all this under advisement and revisit in the next couple of months. Mr. Argentar stated the loan plan should be updated and approved before the end of the year.

BOARD ELECTIONS

Mr. Bickford moved that they wait until next month (March) to elect new chairpersons. Also he would like to change by-laws to remove the requirement that the chairperson first has to serve as Vice-Chairperson. Instead, it should be based on a minimum level of attendance. All agreed to discuss this further.

9:20am meeting adjourned.

Next Meeting: MARCH 18th, 2019

APPROVED: 
Garrett Walls, Chairperson

APPROVED by Board Vote 04/15/2019