

TO: MAYOR JUSTIN NICKELS, CITY OF MANITOWOC
MANITOWOC CITY COUNCIL

FROM: PETER WILLS, PROGRESS LAKESHORE

RE: Proposal by Progress Lakeshore to provide Revolving Loan Fund Administration for City of Manitowoc Industrial & Commercial Revolving Loan Funds (RLF)

DATE: SEPTEMBER 28, 2016

PROPOSAL

Progress Lakeshore to manage the City of Manitowoc Industrial & Commercial Revolving Loan Funds:

Progress Lakeshore & City of Manitowoc Joint Duties:

- **Preliminary Review**- Communicate initial applicant project on specific needs for a loan.
- **Loan Underwriting**- Underwrite summary of loan and recommend applications to the committee.
- **Review & Explain Loan Terms**-Contact business to review loan terms
- **(Possible)Coordinated Joint Access to Cities Financial Management Software**

Progress Lakeshore Duties:

- **Reviews Application with Applicant**- meet with applicants go over closing checklist & loan process. Review applications for completeness and meet loan requirements
- **Award Notice Successful Applicants**-Schedule closing; execute loan documents & all required documentation.
- **Credit Administration:** Provide monthly, quarterly & annual credit administration of reviewing all financial statements, loan amortization schedules of RLF recipients and use of RLF funds by recipients.
- **Payment Collection:** Contact recipients regarding past due payments and periodic financial statement collection and analysis.
- **Records:** Maintain applications and loan on each loan to meet requirements of CDBG guidelines and RLF manual for file administration.
- **Provide Quarterly Reporting on current loans to City for required reporting**
- **Complete required CDBG training,** webinars as required by State and/or Federal Block Grant Programs.

Duties: City of Manitowoc:

- **Publish** loan committee notices
- **Host** loan review committees, decision loan applications.
- **(If Needed) City attorney or outside counsel review of loan documents.**
- **Collect** payments and disburse funds
- **Provide CDBG reporting as required.**

Administrative Compensation: Progress Lakeshore

- **Progress Lakeshore** proposes, receiving 50% of the allowed Program Administrative Funds for administration of the program.
- **Additional fees**, if needed, directly related to application for loan origination, closing, or servicing per City approval.

Administrative Compensation: City of Manitowoc

- **City of Manitowoc** reserves remaining 50% of the allowed Program Administrative Funds for City legal, administrative and compliance with local, state and federal requirements.

Additional Cost Considerations:

- **Additional unexpected legal, environmental or appraisal costs related to loan preparation or ongoing management. Coordinate with City in regards to what costs to pass onto loan applicant /recipient.**
- **(If Needed)Progress Lakeshore** would invest in Loan Management Software Program.