

# ***SPECIAL MEETING AGENDA***

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## ***Champaign County Environment & Land Use Committee***

### ***Members:***

*Jan Anderson, Chris Doenitz, Matthew Gladney,  
Brad Jones, Ralph Langenheim, Carrie Melin, Steve  
Moser, Jon Schroeder (VC), Barbara Wysocki (C)*

***Date:*** July 26, 2007

***Time:*** 6:00 p.m.

***Place:*** Meeting Room 2  
Brookens Administrative Center  
1776 E. Washington St.  
Urbana, Illinois

***Phone:*** (217) 384-3708

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## **AGENDA**

***Old Business shown in Italics***

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1. Call to Order
2. Approval of Agenda
3. Public Participation
4. *CDAP Loan Request – Premier Printing of Illinois d/b/a/ Printec Press* 1 thru 4
5. *CDAP Loan Request – Premier Printing of Illinois d/b/a Printec Press* 5 thru 7
4. Other Business
5. Adjournment



CHAMPAIGN COUNTY  
REGIONAL PLANNING COMMISSION

**To:** Environmental Land Use Committee  
**From:** Brent Rose  
**Re:** Premier Printing of Illinois d/b/a Printec Press  
**Date:** July 26, 2007

Attached are the updated loan request memos for Premier Printing of Illinois d/b/a Printec Press.

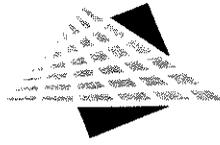
Please recall that a total of 73 jobs will be retained and at least 10 jobs will be created within Champaign County due to these financing packages. In this and all cases, credit decisions are based mainly on the cash flow of the business involved. Cash flow is the key in helping these businesses grow and prosper, and more importantly in our case, the ability to pay back the debt. In the case of this business, the information in the file demonstrates that cash flow is very strong. Collateral is provided, but is only a secondary source of payment if it were ever to get to that point. Directly below is a list of the overall sources and uses (all notes combined).

<b>Uses</b>		<b>Sources</b>		
New Equipment Purchase	\$2,000,000	Busey / SBA note	34%	\$2,000,000
Purchase Crouse Printing	\$400,000	Busey notes	47%	\$2,750,000
Purchase Custom Color	\$1,900,000	Proposed RPC / CDAP	18%	\$1,050,000
Working Capital	\$500,000	Cash Equity	2%	<u>\$100,000</u>
Purchase Real Estate	<u>\$1,100,000</u>			
<b>Total</b>	<b>\$5,900,000</b>			<b>\$5,900,000</b>

I would also like to point out that grant funds are available through the Illinois Department of Commerce and Economic Opportunity (DCEO) if the need for additional loan funds arises. The funds are granted to the Regional Planning Commission and can then be lent out to qualified businesses. There is a set limit of \$750,000 that the RPC can apply for each fiscal year.

If you have the opportunity, please stop by my office at the Brookens Center the week of July 23<sup>rd</sup> or give me a call at (217) 328-3313. I would be happy to answer any questions related to this credit decision. All information related to this credit will be available the week of the 23<sup>rd</sup> in my office. It will also be available to committee members at the ELUC meeting.

Thank you.



**To:** Environmental Land Use Committee  
**From:** Brent Rose  
**Re:** Loan request from Premier Printing of Illinois d/b/a Printec Press  
**Date:** July 26, 2007

This is a request for \$950,000 in Community Development Assistance Program (CDAP) assistance.

**Background**

Premier Printing of Illinois d/b/a Printec Press, located at 2602 North Mattis Avenue in Champaign, is a recently formed entity that engages in the printing business.

Premier Printing is purchasing the assets of Custom Color Graphics with CDAP loan funds, Busey Bank financing, and a cash injection.

Daniel Paulson has over 8 years of experience in this type of business while Scott Moore has over 15 years of experience.

**Loan Request**

Premier Printing of Illinois d/b/a Printec Press is requesting financing of \$950,000 for the purchase of assets of the business.

**Sources and Uses of Funds**

The entire CDAP borrowed amount of \$950,000 will be used to purchase the printing business.

Uses

Purchase Custom Color (inc. equipment) \$1,900,000

Sources

Busey Bank \$850,000  
CDAP / RPC \$950,000  
Cash Equity \$100,000

Total \$1,900,000 \$1,900,000

Collateral: Lien on equipment of the business to be purchased

### **Total Debt Service Coverage (including all Busey Bank debt and CDAP debt)**

#### Historical 2005

Cash Flow Available for Debt Service	\$1,425,000
Total Debt Service	<u>\$1,141,000</u>
Cash Flow After Debt Service	<u>\$284,000</u>
Debt Service Coverage Ratio	125%

#### Historical 2006

Cash Flow Available for Debt Service	\$1,688,000
Total Debt Service	<u>\$1,141,000</u>
Cash Flow After Debt Service	<u>\$547,000</u>
Debt Service Coverage Ratio	148%

#### Projected for 2008

Cash Flow Available for Debt Service	\$3,170,000
Total Debt Service	<u>\$1,141,000</u>
Cash Flow After Debt Service	<u>\$2,029,000</u>
Debt Service Coverage Ratio	278%

### **Collateral Coverage**

Collateral coverage is sufficient. There will be a lien on the assets of the business being purchased and personal guaranties to be signed by Daniel Paulson and Scott Moore.

### **Jobs Created**

As a result of the CDAP assistance, this project will create/retain at least 78 full-time equivalent jobs. At least 10 of these jobs will be newly created full-time equivalent jobs inside of Champaign County.

### **Rate and Term of CDAP loan**

Up to \$950,000 for 15 years at a 6% interest rate for years 1-10 of the loan and a maximum interest rate of 8% for years 11-15. The interest rate after year 10 will depend on interest rate market conditions. There will be a ½% closing fee and monthly payments of \$8,017.26.

### **Staff Recommendation**

The projected debt service coverage and the Guarantor's (Mr. Paulson & Mr. Moore) experience in this business setting give them a great chance for continued success. The participation with Busey Bank and a cash injection for the business purchase also makes this a strong credit.

Staff recommends approval of up to \$950,000 for 15 years with an interest rate of 6% for years 1-10 and a maximum rate of 8% for years 11-15, the personal guaranties of Daniel Paulson and Scott Moore and a ½% fee at closing.

RESOLUTION NO. \_\_\_\_\_

RESOLUTION APPROVING CDAP LOAN

WHEREAS, Premier Printing of Illinois d/b/a Printec Press of Champaign, Illinois has requested CDAP Assistance in the sum of \$950,000 for the purpose of purchasing a printing business; and

WHEREAS, collateral for the CDAP loan will consist of a lien on equipment of Premier Printing of Illinois d/b/a Printec Press, and personal guaranties signed by Scott Moore and Dan Paulson; and

WHEREAS, as a result of the CDAP assistance, this project will assist in creating/retaining 78 full-time equivalent jobs; and

WHEREAS, CDAP support of Premier Printing of Illinois d/b/a Printec Press is in the best interest of the citizens of Champaign County, Illinois

NOW THEREFORE BE IT RESOLVED that the Champaign County Board approve CDAP Loan to Premier Printing of Illinois d/b/a Printec Press of Champaign, Illinois in the sum of \$950,000.

PRESENTED, ADOPTED, APPROVED and RECORDED this 26th day of July 2007.

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C. Pius Weibel Chair  
Champaign County Board

ATTEST:

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Mark Shelden, County Clerk and  
Ex-officio of the Champaign County  
Board



**To:** Environmental Land Use Committee  
**From:** Brent Rose  
**Re:** Loan request from Premier Printing of Illinois d/b/a Printec Press  
**Date:** July 26, 2007

This is a request for \$100,000 in Community Development Assistance Program (CDAP) assistance.

**Background**

Premier Printing of Illinois d/b/a Printec Press, located at 2602 North Mattis Avenue in Champaign, is a recently formed entity that engages in the printing business.

Premier Printing is purchasing the assets of Crouse Printing & Mailing. The total purchase price of these assets is \$400,000 with Busey Bank providing financing of \$300,000 for the purchase.

Daniel Paulson has over 8 years of experience in this type of business while Scott Moore has over 15 years of experience.

**Loan Request**

Premier Printing of Illinois d/b/a Printec Press is requesting financing of \$100,000 for the purchase of assets of the business.

**Sources and Uses of Funds**

The entire borrowed amount of \$400,000 (Busey Bank and CDAP) will be used to purchase the printing business.

<u>Uses</u>		<u>Sources</u>	
Purchase Crouse Printing (inc. equipment)	\$400,000	Busey Bank	\$300,000
		CDAP / RPC	\$100,000
Total	\$400,000		\$400,000
Collateral: Lien on equipment to be purchased			

**Total Debt Service Coverage (including all Busey Bank debt and CDAP debt)**

Historical 2005

Cash Flow Available for Debt Service	\$1,425,000
Total Debt Service	<u>\$1,141,000</u>
Cash Flow After Debt Service	\$284,000
Debt Service Coverage Ratio	125%

Historical 2006

Cash Flow Available for Debt Service	\$1,688,000
Total Debt Service	<u>\$1,141,000</u>
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Debt Service Coverage Ratio	148%

Projected for 2008

Cash Flow Available for Debt Service	\$3,170,000
Total Debt Service	<u>\$1,141,000</u>
Cash Flow After Debt Service	\$2,029,000
Debt Service Coverage Ratio	278%

**Collateral Coverage**

Collateral coverage is sufficient. There will be a lien on the assets of the business being purchased and personal guaranties to be signed by Daniel Paulson and Scott Moore.

**Jobs Created**

As a result of the CDAP assistance, this project will create/retain at least five full-time equivalent jobs.

**Rate and Term of CDAP loan**

Up to \$100,000 for 15 years at a 6% interest rate for years 1-10 of the loan and a maximum interest rate of 8% for years 11-15. The interest rate after year 10 will depend on interest rate market conditions. There will be a ½% closing fee and monthly payments of \$843.86.

**Staff Recommendation**

The projected debt service coverage and the Guarantor's (Mr. Paulson & Mr. Moore) experience in this business setting give them a great chance for continued success. The participation with Busey Bank also makes this a strong credit.

Staff recommends approval of up to \$100,000 for 15 years with an interest rate of 6% for years 1-10 and a maximum rate of 8% for years 11-15, the personal guaranties of Daniel Paulson and Scott Moore and a ½% fee at closing.

RESOLUTION NO. \_\_\_\_\_

RESOLUTION APPROVING CDAP LOAN

WHEREAS, Premier Printing of Illinois d/b/a Printec Press of Champaign, Illinois has requested CDAP Assistance in the sum of \$100,000 for the purpose of purchasing a printing business; and

WHEREAS, collateral for the CDAP loan will consist of a lien on equipment of Premier Printing of Illinois d/b/a Printec Press, and personal guaranties signed by Scott Moore and Dan Paulson; and

WHEREAS, as a result of the CDAP assistance, this project will assist in creating/retaining 5 full-time equivalent jobs; and

WHEREAS, CDAP support of Premier Printing of Illinois d/b/a Printec Press is in the best interest of the citizens of Champaign County, Illinois

NOW THEREFORE BE IT RESOLVED that the Champaign County Board approve CDAP Loan to Premier Printing of Illinois d/b/a Printec Press of Champaign, Illinois in the sum of \$100,000.

PRESENTED, ADOPTED, APPROVED and RECORDED this 26th day of July 2007.

\_\_\_\_\_  
C. Pius Weibel Chair  
Champaign County Board

ATTEST:

\_\_\_\_\_  
Mark Shelden, County Clerk and  
Ex-officio of the Champaign County  
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