

LENAWEE COUNTY ADMINISTRATOR'S OFFICE

WILLIAM R. BACON  
County Administrator  
301 N. Main Street  
Adrian, MI 49221



Telephone: (517) 264-4508  
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**A G E N D A**

**BUSINESS REVOLVING LOAN FUND REVIEW COMMITTEE  
THURSDAY, AUGUST 3, 1995 -- 2:00 P.M.  
COMMISSIONER'S COMMITTEE ROOM  
Old County Courthouse, 301 N. Main St., Adrian, MI 49221**

**Members:** Commissioner Gould, Commissioner Eisenmann and Irv Shaw

- 1) Review loan application of Enviro-Metal Finishing, Inc.
- 2) Other business
- 3) Adjournment

WRB/tjm

Enclosure(s)

CC: David Munson, Lenawee Tomorrow  
Harold Baily, County Treasurer  
Vincent E. Lysaght

570 Hawthorne Drive  
Adrian, Michigan 49221  
June 19, 1995

County Administrator's Office  
Lenawee County Courthouse  
Adrian, Michigan 49221

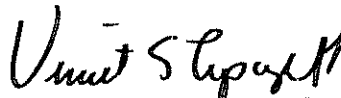
Gentlepersons:

Accompanying this letter is an application to borrow \$500,000 from the Lenawee County Revolving Loan Fund. Proceeds from the loan, if approved, will be used to construct a building for a new full service zinc plating facility in the Adrian Industrial Park.

While the Fund is not frequently used to help start up companies, we believe our request is consistent with the objectives of the Fund; i.e. to make possible the establishment of manufacturing facilities which could not be accomplished without assistance from the Fund. We have been advised additional financing necessary to complete the project is available providing we are successful in securing assistance from the Fund. The amounts secured from Other Debt and from Equity and their actual use may vary from that shown in Item III depending on funding specifics. However, no more than the requested amount will be sought from the Fund and it will all be applied towards new facility construction.

Thank you for your consideration of this request. We look forward to your favorable response.

Sincerely,

  
Vincent E. Lysaght, Jr.

CC: S. Gietzen  
G. Henry  
D. Ziese mer  
D. Munson

LOAN APPLICATION FORM

LENAWEE COUNTY REVOLVING LOAN FUND

Administrator's Office

Lenawee County  
Courtthouse

I. Identification of Loan Applicant

Organization Name ENVIRO-METAL FINISHING, INC.

Trade Name (d.b.a.) \_\_\_\_\_

Street/PO Box 570 Hawthorne Drive

City Adrian State MI Zip Code 49221

Contact Person Vincent E. Lysaght, Jr. 517 265-7587  
(Name and Telephone Number)

II. Project Location (must be in Lenawee County)

City, Village or Township City of Adrian

III. Sources and Uses of Funds

	Revolving Loan Fund	Other Debt	Equity	Total
Land Acquisition		\$70,000		\$70,000
New Construction	\$500,000			500,000
Purchase/Remodel Existing Building				
Machinery & Equipment		\$520,000		520,000
Working Capital			\$410,000	410,000
Other				
Totals	\$500,000	\$590,000	\$410,000	\$1,500,000

NOTE: Please see remarks in transmittal letter.

IV. Application Exhibits

Note: All Exhibits A-Q must be adequately addressed. Incomplete loan applications will not be accepted for review.

Additional information may be requested during review and evaluation of the proposed project.

Exhibit A

A narrative description of the loan project, including the following elements:

1. A brief history and description of your company's business.
2. The location of the project.
3. The plan of action for which the loan is requested.
4. The expected benefits which the company will receive from the loan.
5. The proposed loan terms; including the terms of repayment, interest rate, collateral and security position, and names of any co-signers or guarantors of the loan. 80% Prime-15 years

Label this as Exhibit A. See Business Plan

Exhibit B

An independent appraisal report of real property to be purchased with loan proceeds. In addition to market value, the report should also address the condition of the title, identifying the title holder and any liens or encumbrances. Label this as Exhibit B. If not applicable, check here X.

Exhibit C

Cost estimates by machinery and equipment suppliers and installers, including Davis-Bacon costs associated with major installations. If not applicable, check here X.

Exhibit D

Current financial statements, including balance sheet and income statement, dated within 90 days of the date of this application. Audited statements should be provided. Label this as Exhibit D. Not Applicable

Exhibit E

Aging of accounts payable and receivable, dated within 90 days of the date of this application. Label this as Exhibit E. Not Applicable

Exhibit F

Historical financial statements, including balance sheets and income statements for the most recent three complete years or the number of years your company has been in business, whichever is shorter. Audited statements should be provided. Label this as Exhibit F. Not Applicable

Exhibit G

Projected financial statements and assumptions made to create such statements, including balance sheets and income statements for the first two years, and monthly cash flow analysis for 12 months after start-up or three months beyond break even, whichever is longer. Projected statements should include proposed sources of funds. Label this as Exhibit G. See Business Plan

## MARKETING AND CAPACITY INFORMATION

1. Nature of Business - Describe the overall objective of the business, the area served by each facility and the products produced or distributed.
2. Marketing Area - Describe the geographic area in which your product is sold (e.g., local, regional, national) and what portion of the total market which is controlled. If market expansion is to occur, describe how and where the expansion will occur.
3. Competition -
  - (a) Describe the major competitors offering the same or similar products in the company's market area and their methods of operation, percentage of the total market, and concentration of effort.
  - (b) Identify by name and location any competitor that ceased operations or withdrew from your market area(s) within the past year and state reasons, if known.
  - (c) Describe by name and location any potential new entry or planned expansions which will be competitive in your market areas, if known.
4. Major Suppliers - List the major sources of suppliers and what they provide.
5. Customers - Describe the type, location and financial strength of customers and potential customers; including the names of the five largest and the percentage of the gross revenue accounted for by these customers.
6. Marketing Organization - Describe how the company is staffed to handle sales.
7. Marketing and Distribution Methods - Describe how the product is marketed (i.e., advertised), sold and distributed (trade journals, direct to the user, wholesale, technical representatives, etc.).

Except for Item 4 which is not applicable, the Business Plan supplies the information desired for marketing and capacity information.

2. That the governing body has considered the proposed project and does hereby find that the project is consistent with the approved Small Cities Community Development Plan of the grant applicant and that, to the best of its knowledge and belief, it is not prohibited by the laws of the State of Michigan or the unit of government in which it is to be located.

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Name & Title

Signature

Date

Exhibit Q

An explanation of any transfer of employment by your company from another community in this state which will occur in connection with this project, including the numbers and kinds of jobs affected, the communities involved, and the circumstances surrounding the transfer. Label this as Exhibit P. If not applicable, check here X.

Exhibit R

Other information which the applicant wishes to furnish in support of the application or which was specifically requested by the Michigan Department of Commerce. Label these as Exhibit R. If not applicable, check here X.

V. Certifications

A. The undersigned, as authorized representative of the loan applicant, certifies the following:

1. That the company will comply with state and federal statutes, regulations, and guidelines associated with the Michigan Small Cities Program, including those related to Civil Rights and Equal Opportunity, Labor Standards, Environmental Protection, and Historic Preservation;
2. That the company will provide authorized state and/or local officials with access to all records, personnel, and facilities pertaining to the project in order to make audits, examinations, excerpts, and transcripts;
3. That the company will not relocate employment of more than 20 full time persons from another community in this state as a result of this project without the expressed written consent of the governing body of the municipality from which employment is to be transferred;
4. That the information provided in this loan application, exhibits and attachments, is true and complete to the best knowledge and belief of the applicant and the undersigned.

Vincent E. Lysaght, Jr.		6/19/95
Name & Title	Signature	Date

B. The undersigned, as authorized representative of the grant applicant, certifies the following:

1. That the governing body has considered the qualifications of the loan applicant in the foregoing request and has approved the loan application for the purpose of meeting the requirements of the Small Cities Community Development Block Grant Program and the Lenawee County Revolving Loan Fund.

Exhibit H

A list of all current debt for your company, including original date and amount, current balance, interest rate, monthly payments required, maturity, and security for each. Indicate whether each loan is current or delinquent. Label this as Exhibit H. Not Applicable

Exhibit I

If your company operates a franchise, provide a copy of the franchise agreement. Label this Exhibit I. Not Applicable

Exhibit J

Names and relationships of affiliate, parent, and subsidiary businesses or corporations with a current balance sheet and income statement for each. Label this Exhibit J. If not applicable, check here X.

Exhibit K

Marketing and Capacity Information. Complete Exhibit K. (Attached) See Business Plan

Exhibit L

Details of any involvement by your company or any of its officers or guarantors in bankruptcy proceedings or law suits. Label this as Exhibit L. If not applicable, check here X.

Exhibit M

Personal Financial Statement(s) and resumes for all key management personnel, proprietors, partners, officers, directors, and stockholders owning 20 percent or more of outstanding stock (aggregate all ownership interests of immediate family). Include Personal Financial Statement(s) for any co-signers or guarantors for this loan. Label this as Exhibit M. Resumes in Business Plan.

Exhibit N

Information on any concern or company in which anyone in your company has a significant interest with which your company buys or sells goods or services. Label this Exhibit N. If not applicable, check here X.

Exhibit O

A resolution by the corporate board authorizing loan application. Label this Exhibit O. If applicant is not a corporation and no resolution is provided, check here X.

Exhibit P

Name and address of the bank handling company business accounts. Furnish name and telephone number of bank officer handling your company accounts. Label this Exhibit P. Corporate Bank has not been determined. Will depend, in part, on which other funding sources are employed.