

**Redwood Region Economic Development Commission
EXECUTIVE COMMITTEE
Thursday, February 11, 2010
4:00 p.m.**

Minutes

I. Call to Order

Chair Tyler Holmes called the meeting to order at 4:04 p.m. A quorum was present.

Members Present: Helen Edwards, Tyler Holmes, Mark Lovelace, Sherman Schapiro, Frank Scolari

Members Absent: Julie Fulkerson

Staff Present: Virginia Fisher, Gregg Foster, Bonnie Smoller

II. Approval of Agenda and Minutes

A. It was moved to approve the agenda for Feb. 11, 2010 and the minutes of January 25, 2010 as presented.

M/S/P: Scolari/Schapiro

III. Public Input – for non-agenda items

None

IV. Old Business

A. Updated report on loan: Bryan Konkler and Darcy Fardette-Konkler d.b.a. Flips for Kids: A certified letter was sent to borrower requesting the following information be provided to RREDC by February 28, 2010: 1) copy of security check from Southwest LLC who has leased the main part of 1675 Union Street, 2) 2009 profit and loss statement, including balance sheet, 3) a short description of Southwest LLC business, 4) the Change in Terms dated January 26, 2010, signed by Bryan Konkler.

After reviewing the loan agreement, specifically the Assignment of Rents, counsel for RREDC determined that the addition of an Assignment of Lease wasn't necessary to protect the RREDC's interest.

B. Additional Information for the request for a Change in Terms for John Rath, David Rath and Ann-Marie Rath d.b.a. Giant Redwood RV and Camp: at the January 25, 2010 meeting, the Executive Committee asked for more information regarding the payment deferral requested by the borrowers. Staff provided information concerning borrowers updated business plan, goals and continued relationship with the SBDC.

A motion was made to defer payments for four months only (Dec 09 – Mar 10), with the condition that this payment schedule will be reviewed by RREDC Executive Committee in November 2010 to determine if deferred payments will continue to be an option for the borrowers in the future. M/S/P: Scolari/Edwards

C. Request to Release Personal Guaranty of Frank Povirk for Sasquatch LLC d.b.a. Six Rivers Brewery: Information brought forth at the meeting: 1) counsel for RREDC advised against releasing Frank Povirk's guaranty without additional collateral, 2) no additional collateral will be pledged by the remaining partners, 3) the value of the commercial real estate may have decreased in value since the loan was approved. **A motion was made to deny the request for release of guaranty. M/S/P: Scolari/Edwards**

V. New Business

None

VI. Adjourn

The meeting was adjourned at 4:32 p.m.