

**Redwood Region Economic Development Commission
EXECUTIVE COMMITTEE
Thursday, May 20, 2010
4:00 p.m.**

Minutes

I. Call to Order

Chair Tyler Holmes called the meeting to order at 4:17 p.m. A quorum was present.

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

Members Absent: Julie Fulkerson, Sherman Schapiro

Staff Present: Virginia Fisher, Gregg Foster, Bonnie Smoller

II. Approval of Agenda and Minutes

A. Agenda of May 20, 2010 and minutes of April 8, 2010 as presented. M/S/P: Scolari/Edwards

III. Public Input – for non-agenda items

None

IV. Old Business

A. Credit Risk Rating Matrix: On May 18, 2010 the loan committee approved using a scoring tool/matrix to give a numerical score to loan applications. This is an additional way to measure an applicant for loan worthiness. The matrix will be used for a six month trial. At that time it will be brought back to the loan committee for review.

V. New Business

A. Loan Approval or Denial: Ron Ghera dba FV Gerry B: Borrower is current loan client. This request is for a \$15,000 line of credit that will be used in conjunction with an existing RREDC loan to cover the upfront costs of replacing the engine in commercial fishing boat. Loan is collateralized by income and a UCC-1 filing on the Gerry B.

Borrower was informed by FabCast, the installer, that the cost of replacement could be as much as \$10,000 higher than original estimate done in 2009. Payment must be made before work can begin.

On May 18, 2010 the RREDC loan committee recommended approval of this loan with the conditions that lender would verify increased estimate and that funds would be paid off invoices only, directly to vendor(s).

M/S/P: Edwards/Scolari to approve the loan as presented.

B. Loan Approval or Denial: Jim and Leslie O'Neil dba O'Neil Dairy: Borrowers are current loan clients. This request is for \$30,000 line of credit to cover the upfront cost to purchase dry barn for commercial organic dairy. Loan is collateralized by the NRCS with an assignment of funds to RREDC already in place.

Borrowers were awarded a grant from National Resources Conservation Services (NRCS) which will cover the cost of barn materials for this upgrade.

On May 18, 2010 the RREDC loan committee recommended approval of this loan as presented.

M/S/P: Scolari/Edwards to approve the loan as presented.

C. Consideration of Jalisco Café Offer: On May 18, 2010 the RREDC loan committee approved the following recommendation concerning this loan.

M/S/P: Edwards/Scolari to approve the recommendation of a counter proposal to be made to Don Davenport for the purchase of the Jalisco Café property. RREDC is proposing a counter offer of \$410,000 for the property; and a release of all liens on non-real estate business assets and cessation of all collection efforts against the borrower.

VI. Adjourn

The meeting was adjourned at 4:40 p.m.