

**Redwood Region Economic Development Commission
EXECUTIVE COMMITTEE
November 19, 2012
5:30 p.m.
Minutes**

I. Call to Order

Vice Chair Mike Newman called the meeting to order at 5:32 p.m.
Present: Julie Fulkerson, Mark Lovelace, Mike Newman, Bruce Rupp
Absent: Nancy Koke, Mike Losey, Mike Wilson
Staff Present: Don Ehnebuske, Virginia Fisher, Bonnie Smoller

II. Approval of November 19, 2012 agenda and executive minutes of Sept. 24, 2012.

M/S/P: Fulkerson/Lovelace: to move items VI and VII after item III, and have the closed session at the end of the agenda; to approve minutes as written. Motion passed unanimously.

III. Public Input – for non-agenda items
None

VI. Old Business

A. Update of Aquaculture Project:

VII. New Business

A. Request for subordination: Humboldt Senior Resource Center: In July 2012 HSRC was approved for a \$100,000 line of credit. RREDC collateral was a first deed of trust on property at 1910 California Street, Eureka. It was understood that HSRC may request RREDC to take a second position if they were able to raise \$1,000,000 to implement the PACE program.

HSRC was able to secure a loan guarantee of \$750,000 from the Bertha Lytle Russ Foundation and the Smullin Foundation. Umpqua Bank will fund the remaining \$250,000 on the condition they take first position on the California Street property.

M/S/P: Lovelace/Fulkerson: to approve RREDC moving into second position, after Umpqua Bank, on 1910 California Street, to allow HSRC to proceed with the development of the PACE program.

B. Request for authorization to proceed with negotiation for sale of property: Mike Stussi: This foreclosure property has been listed with Landmark Real Estate since February 2012, On November 4, 2012, listing agent Matt Allen presented an offer to purchase in the amount of \$40,000 with a request that RREDC carryback a loan for \$30,000.

Staff recommended a counter offer of \$50,000 with a carryback of \$40,000, with authorization for staff to continue negotiation, with a minimum sales price of \$45,000, and a \$10,000 down payment. Staff would structure loan carryback according to scenarios presented to the committee.

Buyer has a RREDC loan application and would have to meet RREDC credit worthiness.

M/S/P: Rupp/Fulkerson: to authorize staff recommendation as presented for purchase of Stussi property.

C. Introduction of draft audit for FY 2011-2012: The draft audit was presented to the group. It is not a complete draft, but was presented as an introduction. A more complete draft version will be brought to the January 2013 RREDC Board of Directors meeting. Final approval of the FY 2011-2012 audit should take place at the February board meeting. No action needed.

IV. Closed Session

Closed session per California Government Code Section 54957: Public Employee Performance Evaluation, Title: Executive Director: At 6:05 p.m. the group went into closed session.

V. Reconvene in open session – possible action: At 6:35 p.m. the group reconvened in open session. No action taken.

VIII. Adjourn

The meeting adjourned at 6:40 p.m.