

**Redwood Region Economic Development Commission
EXECUTIVE COMMITTEE
March 25, 2013
6:00 p.m.
Minutes**

I. Call to Order

Chair Mike Newman called the meeting to order at 6:00 p.m.

Present: Virginia Bass, Julie Fulkerson, Nancy Koke, Sue Long, Mike Newman

Absent: Bruce Rupp, Mike Wilson

Staff present: Don Ehnebuske, Bonnie Smoller

Also present: Frank Scolari

II. Approval of agenda and minutes of February 25, 2013. M/S/P: Bass/Long. Motion passes.

III. Public Input – for non-agenda items

None

IV. Closed Session Discussion

Conference with Legal Counsel – Existing Litigation – Redwood Economic Development Commission v. J. R. Stephens Company, et al., Case No. DR130116 (Pursuant to Government Code Section 54956.9(a).)

At 6:02 p.m. the group went into closed session. They reconvened in open session at 6:07 p.m. No action taken.

V. Old Business

None

VI. New Business

A. Loan approval or denial: Thomas Allen dba Amillia's: On March 19, 2013 the loan committee unanimously recommended this loan for approval. This loan request is for an additional \$25,000 to be added to existing loan #20123, to fund costs associated with restaurant expansion to in-house dining. Additional conditions of approval were: 1) LCPI on title with Humboldt Land Title, 2) increasing the lien from \$50,000 to \$75,000, 3) borrower to submit monthly financial statements.

M/S/P: Bass/Fulkerson to approve loan as presented. Motion passed unanimously.

B. Loan approval or denial: Audrey Henschell dba River Song Natural Foods: On March 19, 2013 the loan committee unanimously recommended this loan for approval. River Song Natural Foods is a grocery store located on Hwy. 299 in Willow Creek. This loan request is for \$42,000 for a point of sale cash register system which will allow inventory tracking. Terms will be 10% fixed interest for seven years. Collateral will be a UCC-1 filing on all business assets. Borrower's father, Christian Blough, agreed to be a guarantor for this loan. Additional terms required for approval of this loan: 1) verification of liquid assets of Christian Blough, 2) borrower to submit monthly financial statements.

M/S/P: Fulkerson/Bass to approve loan as presented. Motion passed unanimously.

- C. **Loan approval or denial: Andrew and Sarah Albin: Albin Enterprise LLC:** On March 19, 2013 the loan committee unanimously recommended this loan for approval. This loan request is for \$240,000 to purchase an existing commercial ranch for expansion of cattle/lamb operations. This is a participation loan with the Headwaters Fund (HWF); each party funding \$120,000. Interest would be 9% fixed, amortized over 25 years, due in 10 years. Collateral would be second deed-of-trust on subject property.

M/S: Bass/Long moved to approve this loan as presented. Ayes: 4, Nays: 1, Abstain: 0.
Motion passed.

- D. **Consideration of approval of Chris Nelson, Umpqua Bank, as RREDC Loan Committee alternate.** RREDC bylaws state that at least one loan committee member from a financial institution is present at all loan committee meetings. Having an alternate from each bank/institution makes it easier to meet this requirement.

M/S/P: Fulkerson/Bass to approve Mr. Nelson as an alternate member of the loan committee. Motion passed unanimously.

VII. **Adjourn**

The meeting adjourned at 6:25 p.m.