



Redwood Region  
Economic Development  
Commission

520 E Street Eureka • California 95501 • (707) 445-9651 • FAX (707) 445-9652

**Redwood Region Economic Development Commission  
MEETING OF THE LOAN COMMITTEE  
520 E Street, Eureka, California 95501  
Tuesday, July 12, 2016  
11:00 am  
Minutes**

**Present:** Dan Sweet, Patrick Whitchurch, Christopher Nelson, Scott Pesch, David Tyson, Jennifer Budwig

**Absent:** Phil Sullivan, John Woolley, Bruce Rupp, Greg Bowen, Liana Simpson

**Staff Present:** Virginia Fisher, Gregg Foster, Shirley Santino.

**I. Call to Order**

Chairman Scott Pesch called the meeting to order at 11:06 am.

**II. Approval of Agenda and Minutes**

**M/S/P: Sweet/Whitchurch:** Motion to approve July 12, 2016 Agenda and January 12, 2016 Minutes. Motion passed unanimously.

**III. Public Input**

Jon O'Connor presented his plans for the Samoa Airport B&B Boutique Hotel project; answered questions from committee regarding this and his other Humboldt tourism centric business ventures. O'Connor and Jennifer Budwig left the meeting at 11:30 am before committee discussion about the loan request commenced.

**IV. Old Business**

None

**V. New Business**

**A. Loan Approval or Denial: Jon O'Connor Airport B&B**

Jon O'Connor founded 5 small business in Humboldt County focused on North Coast Tourism. Currently, Jon is involved with Humboldt Bay Tourism, Oyster Beach and The Coat Shop Building. He also works as a project management consultant. Jon's educational background includes a Business degree and a Master of Science in Organizational Leadership.

This \$120,000 loan request is for leasehold improvements and equipment purchase to create a mid-range boutique hotel and resort on the Samoa Peninsula airport site off New Navy Base Road. Loan will be collateralized with a 2<sup>nd</sup> deed of trust on The Coat Shop and a UCC-1 on business assets. The City of Eureka owns the Samoa Airport property and will hold the lease agreement, as well as contribute \$60,250 for renovations. Jon O'Connor has an excellent micro loan history with RREDC. This loan would be 25-year term amortized due in 10 years, 9% fixed interest, from EDA funds.

**MEMBER AGENCIES**

City of Arcata • City of Blue Lake • City of Eureka • City of Ferndale • City of Fortuna • City of Rio Dell • City of Trinidad  
County of Humboldt • Humboldt Bay Harbor, Recreation and Conservation District • Humboldt Bay Municipal Water District  
Humboldt Community Services District • Manila Community Services District • McKinleyville Community Services District  
Orick Community Services District • Redwoods Community College District • Hoopa Valley Tribe  
Willow Creek Community Services District • Orleans Community Services District • Redway Community Services District

**M/S/P: Sweet/Nelson: Motion to approve the Jon O'Connor Airport B&B loan request as presented and recommend approval of this loan to the RREDC Executive Committee.**  
Motion passed, with Jennifer Budwig recusing herself.

**VI. Reports**

**A. Review of Microloans Granted since last meeting**

Virginia Fisher presented the Micro Loan Program report dated June 30<sup>th</sup>, 2016, stating all clients are up to date.

**B. Portfolio Review**

Gregg Foster provided committee with the April 30, 2016 Monthly Loan Portfolio Report and offered to send them all future monthly reports as prepared for the Board if they are interested.

**C. Executive Director's Report**

Gregg Foster presented his June 29, 2016 monthly memo to the RREDC Board.

**D. Plans for 2016-2017**

Gregg Foster shared the draft of RREDC Staff Goals/Activities – FY 2017.

**VII. Adjourn**

Meeting adjourned at 11:55 am.