



Redwood Region Economic Development Commission
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**Redwood Region Economic Development Commission
 REGULAR MEETING OF THE EXECUTIVE COMMITTEE
 520 E Street, Eureka California 95501
 December 21, 2016, 4 pm
 MINUTES**

I. Call to order

Chair Nancy Koke called the meeting to order at 4:04 pm

Present: John Woolley, Nancy Koke, Michael McKaskle, Sue Long, Marian Brady, Virginia Bass

Absent: Ken Mierzwa

Staff Present: Gregg Foster, Virginia Fisher

II. Approval of agenda and minutes

M/S/P: Woolley/Long: Motion to approve Agenda for December 21, 2016 and minutes from November 28, 2016. Motion passed unanimously.

III. Public Input – for non-agenda items

None.

IV. Old business

None.

V. New Business

A. Loan Approval or Denial: Frank Clemenza - Boyd's Sewing & Vacuum

Applicant is requesting a \$301,000 loan to refinance existing debt on business' real estate at 1595 Myrtle Avenue, and a second loan of \$103,000 to refinance credit card debt related to purchase of inventory. The two loans would be cross-collateralized with this commercial property and residential real estate located at 2475 Ridgewood Drive, Eureka. These loans would improve cash flow by approximately \$15,000/year. The refinance of this debt, coupled with management assistance to be provided by SBDC and monthly financial reporting to RREDC, should help stabilize this long-standing business and retain the jobs it provides.

M/S/P: Woolley/Bass: Motion to approve a 5-year term loan amortized over 25 years with a balloon payment at maturity, of \$301,000 to Frank Clemenza - Boyd Sewing, to refinance existing debt on the business' real estate at 1595 Myrtle Avenue in Eureka, and \$103,000 to refinance credit card debt related to purchase of inventory; both loans to be cross-collateralized with Commercial Real Estate and Primary Residence. Motion passed unanimously.

B. Loan Approval or Denial: Fortuna Audio loan extension

Kurt and Stephanie Halley, owners of Fortuna Audio in Fortuna, are in the process of refinancing RREDC loan #2701 (originating in 2007 to purchase commercial real estate) with Redwood Capital Bank. Refinancing will include a full appraisal of the property which may extend underwriting beyond RREDC's loan maturity date of 2/1/2017. A 3-month extension would allow them to stay within loan compliance.

M/S/P: Long/McKaskle: Motion to approve a 3-month loan extension on Fortuna Audio Loan #2701 from February 1, 2017 to May 1, 2017. Motion passed unanimously.



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

C. Loan Approval or Denial: KIEM loan extension

KIEM-TV's loan #20121 (originating in 2012 to refinance existing debt for better cash flow plus capital improvements of high definition signal) matures on 4/1/2017. Bill Pollack has contacted local lenders to initiate refinancing of this loan. That process will include several guarantors and possibly more than one full appraisal which may extend underwriting beyond RREDC's maturity date of 4/1/2017. A 3-month extension would allow them to stay within loan compliance.

M/S/P: McKaskle/Bass: Motion to approve extending the maturity date of KIEM Loan #20121 from April 1, 2017 to July 1, 2017. Motion passed unanimously.

VI. Reports

A. Loan Pipeline

Gregg Foster and Virginia Fisher gave loan pipeline review.

B. January Schedule

Gregg informed Executive Committee he would be away January 12-February 6, 2017.

C. January 23, 2017 Board Meeting Planning

Meeting will be held in Gregg's absence, and elections will occur.

VII. Adjourn

Meeting adjourned at 6:33 pm.