

**Redwood Region Economic Development Commission
LOAN COMMITTEE
Tuesday, March 16, 2010
4:00 p.m.**

Minutes

Present: Jennifer Budwig, Helen Edwards, Angela Machado, Scott Pesch, Frank Scolari, Liana Simpson

Absent: Dean Charlton, Sherman Schapiro, Phil Sullivan, Dan Sweet

Staff Present: Gregg Foster, Virginia Fisher, Bonnie Smoller

I. Call to Order

Chair Scott Pesch called the meeting to order at 4:01 p.m. A quorum was present.

II. Approval of Agenda and Minutes

The agenda and the minutes of December 15, 2009 were approved as written. M/S/P: Scolari/Schapiro

III. Public Input

Liana Simpson explained the 80/20 Program, a part of the federal government's American Recovery and Reinvestment Act (ARRA), an economic stimulus package. The 80/20 Program allows employers to hire new employees and pay only 20 percent of the employment cost; the remaining 80 percent is reimbursed by the federal government.

Applicants are screened through The Job Market and both Sequoia Personnel and Express Personnel will screen requests from employers.

IV. Old Business

None

V. New Business

A. Loan Approval or Denial: Rebecca Thornton d.b.a. R & B Auto: The borrower is a current client; the original loan (\$40,000) funded in 2007. This request is for \$60,000 which would refinance the existing loan and provide working capital; primarily for vehicle purchases. This would be an EDA, 7-year term loan at 10 %. Collateral is a 2nd deed of trust on the subject property located at 140 Hatchery Road, Blue Lake, CA.

R& B Auto sells used Toyota pickup trucks. Borrower has managed the business since 2001 and has owned the business since 2007. Borrower has an excellent payment history with RREDC and has fulfilled all loan terms. Borrower will continue to work with the Small Business Development Center on financial and marketing strategies to maximize profitability.

A motion was made to recommend approving this loan to the Executive Committee as presented, and with the additional conditions: 1) a UCC-1 filing on all rolling stock/business assets, and, 2) that staff will monitor the disbursement of working capital funds. M/S/P: Budwig/Simpson

B. Loan Committee Terms: The terms of Loan Committee members Jennifer Budwig, Angela Machado, Dan Sweet, Dean Charlton, Scott Pesch, Helen Edwards and Sherman Schapiro ended on March 1, 2010.

Those members present stated they would serve on the committee for another two-year term, ending March 1, 2012. Loan terms are for two years; there is no term limit for the Loan Committee. The appointments will be approved at the March 22, 2010 Board of Directors meeting.

C. Election of Chair and Vice Chair: Scott Pesch and Liana Simpson said they would continue to serve as Loan Committee chair and vice chair, respectively. **A motion was made to approve Mr. Pesch as chair and Ms. Simpson as vice chair of the RREDC Loan Committee for the term of March 1, 2010 until March 1, 2011. M/S/P: Scolari/Budwig**

VI. Adjourn

The meeting was adjourned at 4:39 p.m.