



General Board Meeting

Community Foundation Meeting Room

204 S. Oak St., Ukiah, CA

Thursday, August 8, 2019 2:00 – 4:00pm

MINUTES

For information, or if you need disability modification or accommodation in order to participate in this meeting, please contact EDFC office 48 hours before the meeting at 707-234-5705.

1. **Call to Order** 2:03 *Action*

2. **Roll Call of Board Members** *Action*

Present: Michael Derry, Minerva Flores, John Goldsmith, Barbara Fishelson, Robert Hartline, Teri Ullrich, John Haschak, Ted Williams, Madge Strong, Barbara Burkey, Scott Perkins, Shannon Riley

Not Present: Jesse Burnett, Patty Bruder, Aaron Obenyah, Kyala Shea, Jeremy Logan, Sattie Clark

Staff Members: Heather Gurewitz, Diann Simmons, Wilder Herbertson

3. **Changes/Modifications to Agenda** *Action*

Voting actions were moved to the front, as two board members had to leave early

4. **Introductions**

None

5. **Public Comments/Correspondence/Public Expression**

The Governing Board welcomes public input. This agenda item is limited to matters that are under the jurisdiction of the Governing Board and are not listed elsewhere on this agenda. Comments are limited to three minutes per person, and 10 minutes per topic. Action on these matters is not allowed.

6. **Consent:** *Action*

All consent items are acted upon by a single vote with no discussion, unless pulled from Consent and placed on the agenda as a regular item.

Approval of June 13th, 2019 Board Meeting Minutes

Motion by Burkey to accept the June 13th, 2019 Board Meeting Minutes; **Seconded** by Haschak.



Economic Development & Financing Corporation

Roll-call: Michael Derry, yes; Minerva Flores, yes; John Goldsmith, yes; Barbara Fishelson, yes; Robert Hartline, yes; Teri Ullrich, yes; John Haschak, yes; Ted Williams, yes; Madge Strong, yes; Barbara Burkey, yes; Scott Perkins, yes; Shannon Riley, yes

Motion passed

7. Financial Report Heather Gurewitz *Discussion*

a. FY 2018-2019 Year End Financials

Gurewitz shared that FY 18 - 19 finances are better than previous years because of both diversity and amount of new funding sources. In FY 18- 19, EDFC shows a profit.

b. June Loan Portfolio Performance Report

Gurewitz explained that the June and July reports were combined. In FY 18 - 19, EDFC saw a 6% write-off. This percentage was so high because an old loan that had been consistently a problem finally defaulted. Two new loans, however, are in the pipeline. The new Lending Relations Manager is going to have an exciting path, with EDFC having about 2.2 million dollars available to loan.

8. Acceptance FY 2018-2019 Financials John Goldsmith *Action*

Motion by Derry to accept the FY 2018-2019 and June and July Financials; **Seconded** by Fishelson.

Roll-call: Michael Derry, yes; Minerva Flores, yes; John Goldsmith, yes; Barbara Fishelson, yes; Robert Hartline, yes; Teri Ullrich, yes; John Haschak, yes; Ted Williams, absent; Madge Strong, yes; Barbara Burkey, yes; Scott Perkins, yes; Shannon Riley, yes.

Motion passed

9. Old Business Heather Gurewitz *Discussion/Action*

a. Low-interest RMAP loan policy approval

Gurewitz led a discussion on the proposed low-interest RMAP loan policy. Riley was a main contributor to the discussion. The board learned that: there would be no minimum loan amount; businesses impacted by streetscape projects could apply for the loan under the “business interruption” clause; while RMAP may be changing their policy so that interest income earned from these RMAP loans could be used for EDFC’s operating costs, this low-interest program is still a priority for EDFC. Questions:

ACTION ITEM: Find out if commercial landlords would be able to qualify for the low-interest RMAP loans

ACTION ITEM: Determine if code-required improvements such as seismic retrofitting would qualify for the low-interest loans.

Motion by Ullrich to accept the Low-Interest RMAP Loan Policy; **Seconded** by Haschak.

Roll-call: Michael Derry, yes; Minerva Flores, yes; John Goldsmith, yes; Barbara Fishelson, yes; Robert Hartline, yes; Teri Ullrich, yes; John Haschak, yes; Ted Williams, yes; Madge Strong, yes; Barbara Burkey, yes; Scott Perkins, yes; Shannon Riley, yes.

Motion passed



Economic Development & Financing Corporation

b. EDFC Loan Policy and Procedure Manual—approval

Gurewitz appreciated all the work that members of the board provided for the development of the loan policy. She reminded members that if issues arise, the policy is open to revision. The only thing that has been added to the draft is a \$25 fee for a returned check due to insufficient funds.

Motion by Ullrich moved to accept the EDFC Loan Policy and Procedure Manual; **Seconded** by Haschak.

Roll-call: Michael Derry, yes; Minerva Flores, yes; John Goldsmith, yes; Barbara Fishelson, yes; Robert Hartline, yes; Teri Ullrich, yes; John Haschak, yes; Ted Williams, yes; Madge Strong, yes; Barbara Burkey, yes; Scott Perkins, yes; Shannon Riley, yes.

Motion passed

10. New Business

Heather Gurewitz

Discussion/Action

a. 2018-2019 Mendocino County Economic Assessment—discussion and approval

The first annual 2018-2019 Mendocino County Economic Assessment is finished, and the board is requested to approve it so that EDFC can share it with the county. EDFC will host an online presentation on the 21st of August.

Motion by Burkey to accept the 2018-2019 Mendocino County Economic Assessment; **Seconded** by Riley.

Roll-call: Michael Derry, yes; Minerva Flores, yes; John Goldsmith, yes; Barbara Fishelson, yes; Robert Hartline, yes; Teri Ullrich, yes; John Haschak, yes; Ted Williams, yes; Madge Strong, yes; Barbara Burkey, yes; Scott Perkins, yes; Shannon Riley, yes.

Motion passed

b. Zoom Prospector

Discussion

Gurewitz provided an explanation and short live demonstration on how the Zoom Prospector website works. She explained that it would be added onto the current EDFC website as a tool for investors and businesspeople. The site would be pre-populated with real estate data, and will be fairly quick to set up as the web developer, jurisdiction shape files, negotiated contracts, and software were all ready to be implemented starting the 15th. Additionally, the grant funds will be used to promote the site.

c. Direct Public Offering update

Discussion

As a DPO investor, Strong recused herself from the room and discussion.

Gurewitz shared that the mill is now equipped enough to the point that they are making skeins of yarn, and that they have plenty of orders and wool. At the end of the year, they will need a cone-winder for a client who wishes to buy cones at that time. The mill has hired their first employee, who has also taken on the bookkeeping. The mill is also in a work-trade agreement with another worker who may know of a potential equity investor.



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Gurewitz shared that board member Shea has been a strong advocate for the mill, and would like the board to support fundraising through the investors of \$10,000-15,000 for the next piece of equipment. As Shea was absent, the discussion was tabled until the next meeting.

TABLED: Discussion/possible action related to fundraising efforts by EDFC on behalf of the DPO.

Strong re-joined the meeting.

11. Executive Director Report

Heather Gurewitz

Discussion

A hiring offer was made today for a full time Lending Relations Manager.

Our funding streams have become very diversified. The IRP loan program is now zero-risk tolerant. We need to reinvest the interest income back into the program. If we don't make any more loans from it, we'll need to put more funds into it to be able to pay USDA back. If we eventually default on the loan, EDFC will have to dissolve. With the right loan and the iBank 80% loan guarantee, we could lend from it, but we have other funds we can lend first. The iBank program is on a loan-by-loan basis

Otherwise, we're in a really good position with our loan program, lots of money to lend, potential guarantees, and a lending manager! And we've found enough funds for operating to shift reliance from interest income from RMAP and IRP.

12. Jurisdiction Updates

John Goldsmith

Discussion

Willits - Strong: Our recent grant report to the City Council, showed over 7M in grants over several years. The biggest is Rails to Trails. The California Conservation Corps plans to build a new campus near hospital the hospital, near the trail. Willits is looking at areas for "large scale" housing development with sewer and water capacity, which would eventually be annexed.

Ukiah - Riley: We're also building our Rail Trail and received grant funding for the next step. In 2 months Ukiah should have completed a city limit to city limit trail. We passed our Broadband Ordinance, establishing guidelines that will impact the new 5G equipment. Verizon and others have approached the City to begin installations. We passed a revision to our camping ordinance to prevent encampments from becoming embedded. People may sleep from 10-7, then move on. The year-round day shelter has opened, with computers and healthcare connections. Single family residences are in the predevelopment stage, the first in a long time. There are also housing developments in progress outside of the city limits. Last night we approved a lot of street improvements.

Fort Bragg - Perkins: We have a homeless camping ordinance is in the pipeline, and are also working on tower guidelines. We are about to sign contracts for street overlays. Over the last year we've been looking at fee waivers and reductions, and we notice that they come in randomly. Our finance department is working with the Council to create a fair, holistic approach. An issue is that sometimes the businesses subject to fees aren't the property owners.

SP: one of the issues is that businesses subject to fees isn't nec. Property owner.



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County - Williams: The County held a public update on the Housing Element; we have to find space for 1300 units across county. There will be a public meeting on the coast in October. The Board has been heavily focused on cannabis, trying to get it out of the red.

Haschak: The Board passed the budget and we're in labor negotiations with all seven bargaining units.

Williams: Every dollar is allocated. The only way to do projects is to cut fat and we don't have much fat.

Point Arena - Burkey: We're hosting the League of CA Cities tomorrow. We're going to try and show them the highlights of Point Arena. We finished our open spaces parks and trails meetings and will now write state grants. Our new housing development was just finished with 8 new market value homes, our first housing development in ten years.

Gurewitz: We're reaching out local groups and clubs to set up Strategic Economic Visioning Sessions as part of the County Strategic Plan process. Also in collaboration with the Workforce Alliance, this year, instead of a resource fair, we're going to have a by-invitation free brunch for business owners, to celebrate them and offer resources.

13. Next Meeting Date and Time

September 12th - 2:00 – 4:00 PM

14. Member Updates

Discussion

Riley: The merge of the Chamber, MainStreet and Visit Ukiah has happened and is now named the Greater Ukiah Business and Tourism Alliance. Our new ED, Una Wirkegau, is a ball of energy. We hired an event coordinator, Carter Grissam, who is the perfect person for the position.

15. Adjourn 3:23