



# General Board Meeting

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## Community Foundation Meeting Room

204 S. Oak St., Ukiah, CA

Remote Conferencing Site(s): 416 N Franklin St, Fort Bragg, CA 95437; 541 Winifred, Fort Bragg, CA, 95437; 10850 Pallette Dr, Mendocino, CA, 95460; 329 E Redwood Ave, Fort Bragg, CA, 95437

To Join Remotely:

Video link: [zoom.us/j/5464503098](https://zoom.us/j/5464503098)

Phone: (408) 638-0968

Meeting ID: 5464503098

**Thursday, November 14, 2019 2:00 – 4:00pm**

## MINUTES

- 1. **Call to Order at 2:09pm** John Goldsmith *Action*
  
- 2. **Roll Call of Board Members** *Action*  
**Present:** John Goldsmith, Jesse Burnett, Aaron Obenyah, Barbara Burkey, Barbara Fishelson, Madge Strong, Michael Derry, Robert Hartline, Shannon Riley, Tess Albin-Smith, Teri Ullrich  
**By Video Conference:** Jeremy Logan, Ted Williams, Kyala Shea  
**Not Present:** John Haschak, Patty Bruder, Sattie Clark, Minerva Flores  
**Staff:** Heather Gurewitz, Diann Simmons, Robert Gernert, Wilder Herbertson
  
- 3. **Changes/Modifications to Agenda** *Action*  
**Gurewitz** moved the loan packages to after Consent Calendar.
  
- 4. **Introductions** *Discussion*  
Brent Schultz, Mendocino County Planning and Building Director  
Carmel Angelo, Mendocino County CEO
  
- 5. **Public Comments/Correspondence/Public Expression**  
**Board member Williams** asked Gurewitz, “Is EDFC engaging in discussions with other government organizations, other than the county, in conjunction with the West business contracts?” Gurewitz responded that she had a conversation with the EDA [Economic Development Administration] per EDFC’s co-applicant role in the shared grant.



6. Consent: Action

Approval of September 12, 2019 Board Meeting Minutes
(There was not an October meeting due to the PG&E Public Safety Power Shutdown.)

Motion by Burkey to approve the September 12, 2019 Board Meeting Minutes;

Seconded by Burnett

Roll-call: Goldsmith-yes, Burnett-yes, Burkey-yes, Fishelson-yes, Strong-yes, Derry-yes, Hartline-yes, Riley-yes, Logan-yes, Williams-abstain

Motion passed

Ullrich and Albin-Smith joined the meeting.

7. New Business Discussion/Action

a. Loan Review for Tamar Distillery—discussion and action

Gurewitz put forward the Tamar Distillery package. She went through the details of the credit memo, with discussion.

Motion by Riley to approve the loan contingent upon a Personal Guaranty and quarterly financial monitoring during the first year

Seconded by Ulrich

Roll-call: Goldsmith-yes, Burnett-yes, Obenyah-abstain (due to conflict of interest), Burkey-yes, Fishelson-yes, Strong-yes, Derry-yes, Hartline-yes, Ulrich-yes, Logan-abstain (due to conflict of interest), Williams-no, Riley-yes

Motion passed

a. Package review for Ukiah Brewing Company—discussion

Gurewitz explained that the loan committee referred this package for board consideration without recommendation for approval. She explained the Credit Memo, with discussion.

There was board consensus that we are not in a position to move forward with consideration at a later date.

(Rest of New Business taken up later in the meeting – see p. 4)

8. Jurisdiction Updates John Goldsmith Discussion

Strong shared that the city of Willits recently had a retreat in which strategies for economic development were discussed. Because of budget shortfalls, the Chamber of Commerce and other groups will be working to improve economic development in Willits.

Riley shared that Ukiah’s major downtown construction project designs have been approved, and December 18th the construction bids will be received. The City’s grant matching program for the downtown business improvement district has also been renewed.



**Gurewitz** introduced Fort Bragg City Council member **Tess Albin-Smith**, who is replacing Scott Perkins on EDFC’s Board.

- 9. **Executive Director Report** Heather Gurewitz *Discussion*  
 The county has chosen to take broadband development in-house, and while that causes a budget shortfall for EDFC (causing **Herbertson** to be laid off effective November 15th), Gurewitz hopes it will be an improvement for broadband development in the county.

**Gernert** developed a Lending Activity Report, which will be presented at each future board meeting. **Herbertson** developed a Google Analytics Report that will be shared on a quarterly basis with the board.

- 10. **Financial Report** Heather Gurewitz *Discussion*
  - a. **September and October Financials**  
 The bottom line displays a loss because of a loan write-off that has been in default for a long period. Collections are still being made on that account. **Gurewitz** also described line items per board member questions.
  - b. **September and October Loan Portfolio Performance Report**  
 EDFC’s outstanding loan balance is 1.4M, which (before deployment to Macias and Cain) is a 38% deployment rate. In October we had five new inquiries, one new loan, one loan pending, and one loan application refused. Since the PG&E planned outage, **Gernert** has had 13 new inquiries.

- 11. **Acceptance September and October Financials** John Goldsmith *Action*  
 No action was taken

- 12. **Old Business** Heather Gurewitz *Discussion/Action*
  - a. **Branding appropriateness of cannabis job fair—discussion and action**  
 By consensus during discussion, the board decided that affiliating EDFC with cannabis ventures at this time would be unproductive as EDFC is not able to make loans to cannabis businesses.

**Shea** joined the meeting remotely

- b. **Contract updates—discussion**
  - 1. **Economic Recovery and Resiliency**  
**Gurewitz** explained that EDFC has been asked by the county to pause work on the EDA Economic Recovery and Resiliency work. The County’s position is that EDFC is out of their scope of work by starting work on the contract without the county having hired an economic development coordinator. **Gurewitz** shared that the



# Economic Development & Financing Corporation

Executive Committee is moving forward in working with the County on this matter.

**Angelo** asked to speak to this item: She expressed her gratitude to EDFC for the work they have done on broadband, and requested that Gurewitz, the EDFC Chair and other board members, County staff, and representatives from West all meet in order to discuss an effective collaborative plan to move forward on the EDA Economic Recovery R project. **Gurewitz** and **Goldsmith** agreed.

## 2. Broadband

*This topic was covered in previous sections.*

13. **New Business Cont.** Heather Gurewitz *Discussion/Action*

a. **FY 2018-2019 Audit Review — Action**

Gurewitz shared that EDFC’s auditor stressed that overall, “We had really clean books.”

**Motion** by Riley to approve the FY 2018-2019 audited Financial Statements;

**Seconded** by, Burkey

**Roll-call:** Goldsmith-yes, Burnett-yes, Obenyah-yes, Burkey- yes, Fishelson-yes, Strong-yes, Derry-yes, Hartline-yes, Ulrich-yes, Logan-yes, Williams-yes, Riley-yes, Shea-yes

**Motion passed**

b. **FY 2019-2020 Budget revision — Approval**

**Gurewitz** explained that because of the loss of the Broadband contract, EDFC can’t afford to pay her current salary. She is proposing that she cut back to 80% time and reduce her salary to 80%. She has revised the budget and left a 10% margin.

**Gurewitz** briefly discussed that Sonoma County may be interested in offering EDFC their RLF program.

c. EDFC’s upcoming 25<sup>th</sup> Anniversary—discussion and possible action

EDFC’s anniversary is coming in January. **Gurewitz** asked for board volunteers to form an anniversary committee, for which **Burkey** volunteered. **Simmons** will work with the Board committee.

14. **Next Meeting Date and Time**

December 12<sup>th</sup> - 2:00 – 4:00 PM

15. **Member Updates**

*Discussion*

**Strong** shared about an open house in the works to look for ways to address the climate crisis.

16. **Adjourn at 4:00**