

**Minutes
RREDC Loan Committee
November 3, 2009**

Present: Jennifer Budwig, Helen Edwards, Angela Machado, Scott Pesch, Sherman Schapiro, Frank Scolari, Liana Simpson, Dan Sweet

Absent: Dean Charlton, Phil Sullivan

Staff Present: Gregg Foster, Virginia Fisher, Bonnie Smoller

I. Call to Order

Chair Scott Pesch called the meeting to order at 4:00 p.m. A quorum was present.

II. Approval of Agenda and Minutes

The agenda and the minutes of September 29, 2009 were approved as presented. **M/S: Edwards/Scolari**

III. Public Input

None

IV. Old Business

None

V. New Business

A. Loan Approval or Denial: James and Leslie O'Neil: The O'Neils are the sole proprietors of an organic (cow) dairy in Loleta, California. They have been in the dairy business since 1984. In 2002 they began the process of becoming a certified organic dairy, which they successfully completed.

This loan request is for \$60,000 operating line of credit to enable them to keep current with feed vendors. This will be an 84-month term loan, EDA, at 10% fixed rate. There will be a UCC-1 filing on any and all assets.

This loan was referred to RREDC by Belle Davis, loan manager of Farm Service of America (FSA). This loan will be guaranteed to 90% of the loan amount through the FSA loan guarantee program.

A motion was made to recommend this loan to the RREDC Executive Committee for approval. **M/S/P: Schapiro/Scolari**

B. Loan Approval or Denial: Ron Ghera: Ron Ghera, commercial fisherman, is a recipient of a Carl Moyer Grant Award from the North Coast Unified Air Quality Management District (NCUAQMD). The purpose of the grant program is to fund replacement of older gross polluting engines and machinery with new, cleaner than required ones. This includes engines for commercial fishing vessels. The terms of the grant are that the work must be completed and paid for before funds are reimbursed to the recipient. Borrower was referred to RREDC by the Air Quality Management District.

This loan request is for \$79,600 to purchase and install a new engine and transmission in a commercial fishing vessel, "Gerry B". This will be a 120-day term loan (LOC), EDA, at 10% fixed rate. \$79,600 is 79% of the cost of the engine, transmission and installation. Borrower is contributing \$21,194, or 21%.

The loan will be collateralized by a lien on the "Gerry B" through a U.S. Coast Guard Homeland Security filing and a UCC-1 filing on the vessel and all business assets. RREDC will be listed as a loss payee on his insurance.

A motion was made to recommend this loan to the RREDC Executive Committee for approval. Dan Sweet recused himself from discussion and voting on this loan.

M/S: Simpson/Edwards. Ayes: Budwig, Edwards, Machado, Pesch, Schapiro, Scolari, Simpson; **Noes:** none;

Recuse: Sweet. Motion passes.

VI. Adjourn

The meeting was adjourned at 4:40 p.m. **M/S/P: Schapiro/Edwards**