

**Redwood Region Economic Development Commission  
EXECUTIVE COMMITTEE  
Thursday, October 6, 2011  
4:00 p.m.  
Minutes**

**I. Call to Order**

Chair Mark Lovelace called the meeting to order at 4:06 p.m.

Present: Tyler Holmes, Mark Lovelace, Bruce Rupp, Frank Scolari

Absent: Julie Fulkerson, Mike Wilson

Staff Present: Virginia Fisher, Gregg Foster, Bonnie Smoller

**II. Approval of Agenda and Minutes of September 26, 2011**

**M/S/P: Holmes/Rupp**

**III. Public Input** – for non agenda items

None

**IV. Old Business**

None

**V. New Business**

**A. Loan Approval or Denial: McKeever Energy & Electric Inc. (ME&E).** Nathan McKeever owns ME&E, a full service electrical contracting and energy consulting business. He specializes in renewable energy practices.

ME&E secured a contract with Danco Group to complete the solar installation of the Aster Place Project, an affordable housing project in the Myrtle town area of Eureka.

This loan request is for a \$250,000 line of credit to fund upfront costs for the project. The term would be 15 months at 10% fixed interest.

Collateral will be payment from Danco Group in the form of checks made payable to ME&E and RREDC. Additional collateral would be liquidation of ME&E business assets.

On October 4, 2011 the RREDC Loan Committee unanimously recommended approval for this loan with the following conditions: 1) to change the wording of condition #4 to read, "Before the second disbursement is made, RREDC will request written verification from Danco that work performed to date is satisfactory, and payment will be forthcoming. Before the third disbursement, as well as all subsequent disbursements, this written verification will be a requirement." 2) to clarify, \$80,000 is the maximum amount that will be disbursed before receiving payment and/or verification of satisfactory completion and intent to pay, from Danco. 3) Preliminary Lien Notice to be filed by ME&E.

**M/S/P: Rupp/Holmes to approve the recommendation and approve the loan with all conditions.** Motion passed unanimously.

**B. Consideration of Request for Payment Deferral: Heidi Myers and Jana Lyons dba Coco & Cuvee:** Borrowers requested a four month payment deferral: August, September, October and November 2011, with the intention of resuming monthly payments in December 2011.

Borrowers have been consistently 30-60 days late in paying. The monthly loan payment is \$1982.00.

Loan collateral is a second deed of trust on property located in the Bella Vista area of McKinleyville owned by Jan Lyons, mother of Jana Lyons.

**M/S/P: Scolari/Rupp moved to deny this request and instead have staff send a letter to Jan Lyons advising that foreclosure would be forthcoming if the loan remains delinquent.** Motion passed unanimously.

## **VII. Adjourn**

The meeting adjourned at 4:39 p.m.