

RESOLUTION NO. 20-32

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF HUMBOLDT,  
ADOPTING THE HEADWATERS FUND REVOLVING LOAN FUND MANUAL AS AMENDED**

**WHEREAS**, on December 17, 2002, the Board of Supervisors of the County of Humboldt (County) adopted Ordinance 2289, Management of the Headwaters Fund, codified in Humboldt County Code sections 2151-1 through 2151-5 (the Headwaters Fund Charter); and

**WHEREAS**, the Purpose of the Headwaters Fund includes, in part, supporting the growth of base industry clusters and increasing the number of sustainable jobs that pay near or above the median income in the County, and managing the Headwaters Fund to keep the funds working in the community in perpetuity; and

**WHEREAS**, the COVID-19 pandemic caused the County of Humboldt to issue a Shelter in Place order on March 20, 2020, and declare a Local Emergency on March 30, 2020; and

**WHEREAS**, businesses located in the County of Humboldt have been adversely impacted by the pandemic, which directly impacts the vitality of the County's economy and its base industry clusters and the number of sustainable jobs in Humboldt County; and

**WHEREAS**, to provide assistance to local businesses, on March 27, 2020, the Headwaters Fund Board directed the Headwaters Fund Executive Director to develop proposed revisions to the Headwaters Fund Revolving Loan Fund Manual, and other documents as would be necessary, to provide immediate lending assistance to businesses in County of Humboldt, to bring before the Board of Supervisors; and

**WHEREAS**, the resulting amendments to the Headwaters Fund Revolving Loan Fund Manual create a Business Relief Emergency Loan Fund within the RLF, which provides streamlined and relaxed lending guidelines for loans made to local businesses during the COVID-19 pandemic, and allows potential debt refinancing or tax payment loan options, while still requiring lenders to implement lending criteria, and allows contracted lenders to loan funds to local businesses with less lender or borrower capital, with the goal of permitting lenders to offer loans to more local businesses more quickly; and

**WHEREAS**, the County of Humboldt currently contracts with the Arcata Economic Development Corporation (AEDC) and Redwood Region Economic Development Commission (RREDC) as lenders for the Headwaters Revolving Loan Fund; and

**WHEREAS**, to bolster the economic resiliency of the county as described in the County Economic Development Strategy (CEDS) named "Prosperity 2018", adopted by the Board of Supervisors in November 2018, and as approved by the US Economic Development Administration on December 18, 2018, the Board of Supervisors finds it is in the best interest of local businesses to approve the revised Lenders Manual; and

**WHEREAS**, Humboldt County Code Section 2151-4 sets forth that the Headwaters Revolving Loan Fund Manual shall be adopted by resolution of the Board of Supervisors.

**BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT, STATE OF CALIFORNIA**

Certified copy of portion of proceedings, Meeting of April 28, 2020

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**NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:**

**Section 1.** Headwaters Revolving Loan Fund Manual as attached and incorporated herein is approved adopted.

**Section 2.** This adopted Headwaters Revolving Loan Fund Manual is retroactive to March 20, 2020.

**Section 3.** This resolution shall become effective upon adoption by the Board of Supervisors.

Dated: April-28, 2020



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Estelle Fennell, Chair  
Humboldt County Board of Supervisors

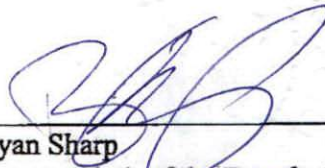
Adopted on motion by Supervisor Wilson, seconded by Supervisor Bass, and the following vote:

AYES:	Supervisors	Bohn, Fennell, Madrone, Wilson, Bass
NAYS:	Supervisors	--
ABSENT:	Supervisors	--
ABSTAIN:	Supervisors	--

STATE OF CALIFORNIA )  
County of Humboldt )

I, KATHY HAYES, Clerk of the Board of Supervisors, County of Humboldt, State of California, do hereby certify the foregoing to be an original made in the above-entitled matter by said Board of Supervisors at a meeting held in Eureka, California.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Seal of said Board of Supervisors.



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Ryan Sharp  
Deputy Clerk of the Board of Supervisors of the  
County of Humboldt, State of California