



COUNTY OF HUMBOLDT

For the meeting of: 5/19/2020

File #: 20-598

To: Board of Supervisors

From: County Administrative Office

Agenda Section: Consent

SUBJECT:

Headwaters Fund Agenda Item 20-411, Clarifying Retroactive Effective Date of March 20, 2020, for Amendments to Lender Agreements and Master Participation Agreements with Arcata Economic Development Corporation and Redwood Regional Economic Development Corporation, approved by Board of Supervisors on April 28, 2020

RECOMMENDATION(S):

That the Board of Supervisors:

1. Affirm that Amendments to the Headwaters Fund (HWF) Revolving Loan Fund (RLF) Lender Agreements with Arcata Economic Development Corporation (AEDC) and Redwood Region Economic Development Commission (RREDC), and Amendment to the HWF Master Participation Agreements with AEDC and RREDC, approved on April 28, 2020, are retroactive to March 20, 2020.

SOURCE OF FUNDING:

Headwaters Fund Fund-3843 and Fund-3846

DISCUSSION:

To facilitate local business loans through the Headwaters Funds' Revolving Loan Fund, your Board approved amendments to the Lender Agreements and Master Participation Agreements with AEDC and RREDC on April 28, 2020. The intent of the agenda item was to have an effective date of March 20, 2020, the day the County's Shelter in Place order was implemented, for all documents approved.

Your Board's approval of this clarification will make clear that all changes to the HWF-RLF and loans made by AEDC and RREDC beginning March 20, 2020, were made pursuant to the amended rules in the HWF Lender Agreement Amendments and Master Participation Agreement Amendments.

The original amendments to the Lender Agreements and Master Participation Agreements as submitted with agenda item 20-411 on April 28, 2020 are attached as attachments 1 through 4.

FINANCIAL IMPACT:

There is no financial impact to the County General Fund. There is minimal staffing cost associated to the proposed clarification to the effective date of the contracts. Staffing costs have been included in the fiscal year 2019-20 Adopted Budget and are reimbursable by the Headwaters Fund.

STRATEGIC FRAMEWORK:

This action supports your Board's Strategic Framework by retaining existing and facilitating new living-wage private sector jobs and housing and providing community-appropriate levels of service; and supporting business, workforce development and creation of private-sector jobs.

OTHER AGENCY INVOLVEMENT:

Arcata Economic Development Corporation
Redwood Region Economic Development Commission
Humboldt Area Foundation
City of Arcata
City of Eureka
City of Fortuna
Vocality Community Credit Union

ALTERNATIVES TO STAFF RECOMMENDATIONS:

Your Board could choose to not approve the clarifications to Agenda Item 20-411 as recommended by Headwaters Fund Board and staff. This is not recommended.

ATTACHMENTS:

Attachment 1 - Second Amendment AEDC Lenders Agreement BOS 4-22
Attachment 2 - Third Amendment RREDC Lenders Agreement BOS 4-22
Attachment 3 - First Amendment-Master Participation Agreement-AEDC
Attachment 4 - First Amendment-Master Participation Agreement-RREDC1

PREVIOUS ACTION/REFERRAL:

Board Order No.: [Click or tap here to enter text.](#)
Meeting of: April 28, 2020
File No.: 20-411