The Headwaters Fund invests in projects through grants and loans with the goal of helping the citizens of Humboldt County achieve increased economic opportunity, prosperity, and quality of life.

1. Opening
   a. Public comment on non-agenda items
   b. Board member recusals, conflicts, or reports on meetings, engagements, or activities which relate to (or inform) Headwaters activity.

2. Approval of Minutes for October 10, 2023 (Attachment 1)
   a. Discussion
   b. Public Comment
   c. Action

3. Approval of Minutes for January 9, 2023 (Attachment 2)
   a. Discussion
   b. Public Comment
   c. Action

4. Report out from liaisons, to and from, the Humboldt County Workforce Development Board
   a. Discussion
   b. Public Comment

5. Application for $5,000 in Mini Grant Funds for Black Humboldt to support the Black Leaders Fellowship Program (Attachment 3)
   a. Discussion
   b. Public Comment
   c. Action
6. Authorize staff to take an item to the Board of Supervisors to request provide a two-year extension to the current Master Participation and Lender Agreements with Arcata Economic Development Corporation and Redwood Region Economic Development Commission
   a. Discussion
   b. Public Comment
   c. Action

7. Authorize Staff to take an item to the Board of Supervisors as needed to request transfer funding from the Investment Portfolio to the Revolving Loan Fund/Loan Loss Reserve Fund and increase the Lender pool of funding based upon expressed need by the lenders.
   a. Discussion
   b. Public Comment
   c. Action

8. Authorize Staff to take an item to the Board of Supervisors discharging debt from the Traditional Farmers Foundation DBA International Cannabis Farmers Association
   a. Discussion
   b. Public Comment
   c. Action

9. Review and approve fiscal year 2024-25 Spending Plan and discuss grant timeline and promotion activity (Attachment 4)
   a. Discussion
   b. Public Comment
   c. Action

10. Discussion of Future Agenda Items
    a. Discussion
    b. Public Comment
AGENDA ITEM 2

DISCUSSION
Due to a technical issue, the recording of the October 10th, 2023 meeting was lost and the HWF board took action on January 9th, 2024 to ratify decisions made previously. This item’s intention is to seek approval of the minutes for the meeting based upon the ratification action on January 9th, 2024.

Action: Staff are requesting the HWF board to approve the minutes of the October 10th, 2023 meeting.

AGENDA ITEM 3

DISCUSSION
This item’s intention is to seek approval of the minutes for the meeting of January 9th, 2024.

Action: Staff are requesting the HWF board to approve the minutes of the October 10th, 2023 meeting.

AGENDA ITEM 4

DISCUSSION
This item serves as an opportunity for report out from liaisons to and from the HWF to the Humboldt County Workforce Development Board. Updates on current activities, opportunities for collaboration, studies, etc.

Action: Non Action

AGENDA ITEM 5

DISCUSSION
Staff have received a request from Black Humboldt to support their Black Leader Fellowship program. This program will provide an opportunity for 5 individuals to enter into 10 month fellowships during which they will be working with businesses to enhance their skills, leadership, and connections.

This proposal includes a 15% admin fee which will assist Black Humboldt in building capacity to support local individuals and address systemic issues.

Action: Approve or Deny Funding request
AGENDA ITEM 6

DISCUSSION

The HWF maintains lending operations through partnerships with Arcata Economic Development Corporation (AEDC) and the Redwood Region Economic Development Commission (RREDC) who underwrite and service loans with participation from the HWF. These agreements are dictated by Master Participation Agreements, Lender Agreements, individual participation agreements, and the Revolving Loan Fund (RLF) Manual.

These agreements are set to expire mid-calendar year. The staff’s intentions were to release a Request for Proposals allowing new lenders to potentially apply and for clean up to occur related to problematic language in the agreements. Due to staff capacity limitations and prolonged activity elsewhere in the program, it is unlikely staff will be able to bring sufficient resources to this activity.

Considering these issues, staff are seeking authorization to bring an item to the Board of Supervisors to extend the current agreement for two years. This will allow our current lenders to continue support of this program while providing ample time for meaningful negotiations of future agreements and potentially seeking additional partnerships.

Action: Staff are seeking authorization to bring an extension of the current agreements of two years to the Board of Supervisors. Agreements to terminate June 30th,

AGENDA ITEM 7

DISCUSSION

The RLF is capitalized at 7 million dollars with 3.5 million available for each lender, pending availability of funding. RREDC and AEDC have 2.35 million and 2.41 million in total HWF dollars out in loans currently. Following discussion with our lenders, it appears that the pipeline for new loans potentially exceeds current capacity in the RLF.

The Investment Fund is Capitalized at 7 million in staggered 5-year investments which provides additional interest revenues more than what is achievable at the County’s Pooled Investment Rate. This fund was capitalized with HWF dollars at the Board of Supervisors discretion.

Staff are seeking authority to bring additional RLF capitalization requests to the BOS should the RLF lenders need additional funding. This request would include funding needed for the RLF and sufficient funding to retain 8% of the RLF available in the Loan Loss Reserve Fund.

Action: Authorize staff to bring capitalization request to the BOS using Investment Fund monies to expand RLF and Loan Loss Reserve Fund capacity.
AGENDA ITEM 8

DISCUSSION

In January staff provided a report on a grant to Traditional Farmers Foundation, dba International Cannabis Farmers Association. This project was disrupted due to delays due to COVID, loss of staff, and finally suspended status with the state Franchise Tax Board. Staff have attempted to resolve this issue but have been unsuccessful to date. Following discussion with Counsel and the Dept Head, staff have determined that no further action is readily available.

Action: Staff are seeking authority to bring an item to the BOS, should it be determined to be necessary, to discharge the debt related to this grant.

AGENDA ITEM 9

DISCUSSION

Staff have prepared a budget for future grant activity to start during Fiscal Year 2024-25. This budget is based upon interest revenues from loans, investments, and cash held in the county pooled funds which occurred in Fiscal Year 2022-23. Due to delays in accounting and previous instances of over expenditure, the HWF uses only past revenues to budget its grant activities.

Staff are proposing three uses of these revenues; mini grant funding, a competitive grant round, and an injection of capital into the corpus of the fund which will remain in the liquidity fund for future allocation.

Administrative funding must come from outside sources of revenue (County General Fund)

Mini Grants may be applied for until all funds are awarded following adoption of the county budget.

The competitive grant round timeline recommendations and activities are as follows:

- Prior to adoption of Fiscal Year budget: Staff to return with proposal on modification to the scoring rubric, priority of projects, and any needed modifications to the HWF Grant Manual necessary
- Date=X: Approval of the Fiscal Year budget
- X+ 5 working days: Publication of Notice of Funding Availability, Application Materials, and Press Release
- X+10 working days: Beginning of Community engagement and support (staff propose several events during which Q&A, Letter of Intent Review, Eligibility Verification, and Grant Writing workshops held)
- X+15 working days: Applications accepted.
- X+30 working days: Application Period Ends
• X+40 working days: Staff review complete, applications submitted to HWFB.
• (Next HWFB meeting): Single purpose meeting, hear presentations and Q&A of all applicants deemed eligible.
• 5 working days later: HWFB member provide final scores.
• (Second HWFB meeting): Staff return with compiled and weighted rank ordered scores for the HWFB to review and make final award determinations.

*Timeline and activity subject to change based upon need and staff capacity

**Action:** Staff are seeking approval of Spending Plan, authorization to submit County Budget, and direction on timeline

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Email Public Comment: To submit public comment to the Humboldt County Headwaters Fund Board please email gohumco@co.humboldt.ca.us, provide your name and the agenda item number(s) on which you wish to comment. All public comment submitted after the agenda has been published will be included with the administrative record after the fact.

The County of Humboldt is committed to providing equal access to all county programs, services and activities through the provision of accommodations for individuals with disabilities as required under the Americans with Disabilities Act (ADA). With 72 hours prior notice, a request for reasonable accommodation or modification can be made. Please contact the CAO’s office of Economic Development at 707-445-7745 or by email gohumco@co.humboldt.ca.us or the ADA Coordinator at 844-365-0352 or by email at ada@co.humboldt.ca.us
The Headwaters Fund invests in projects through grants and loans with the goal of helping the citizens of Humboldt County achieve increased economic opportunity, prosperity, and quality of life.

1. Opening
   a. Approval of minutes from September 12, 2023 - (Attachment 1)
   b. Public comment on non-agenda items
      - Public comment period provided, none given.
   c. Board member recusals, conflicts, or reports on meetings, engagements, or activities which relate to (or inform) Headwaters activity.

2. HWB to discuss possible collaboration with the Humboldt County Workforce Development Board with the current chair and staff
   a. Discussion
   b. Public Comment
      - Public comment period provided, none given.
   c. Action
      - Board members requested the HWFB to offer staff direction on next steps. Motion passed unanimously. Ratified on 1/9/2024.

3. HWFB to discuss preferred avenues for community engagement by board members outside of Headwaters meetings
   a. Discussion
   b. Public Comment
      - Public comment period provided, none given.

4. Staff update on contracting for policy, procedure, and reconciliation work
a. Discussion
b. Public Comment
   • Public comment period provided, none given.

c. Action
   • Board members Motioned to approve to have future HWF meetings to the F street location and cancelling November and requesting consideration on topics for December meeting. Motion passed unanimously. *Ratified on 1/9/2024.*
The Headwaters Fund invests in projects through grants and loans with the goal of helping the citizens of Humboldt County achieve increased economic opportunity, prosperity, and quality of life.

Members Present: Jenna Catsos, Brian Papstein, Tammy Brown, Carl Hansen. Michael Fields arrived 3:08PM, left at 4:49PM.
Staff Present: Ryan Heitz, Shay Duarte, Scott Adair.

1. Opening at 2:04PM called to order.
   a. Public comment on non-agenda items
      • Public comment period provided, none given.
   b. Board member recusals, conflicts, or reports on meetings, engagements, or activities which relate to (or inform) Headwaters activity.
      • Board member Catsos attended RWE Holiday Mixer.
      • Board member Hansen asked to put item #14 and #15 after item #2.

2. Ratification of actions taken during the HWF board meeting on October 10, 2023 (Attachment 1)
   a. Discussion
      • Members and staff discussed the agenda, and minutes from 10/10/23 meeting.
   b. Public Comment
      • Public comment provided, none given.
   c. Action
      • Board Member Papstein motioned to ratify the decisions made on October 10th, seconded by board member Brown. Motion approved: 3:1 Catsos abstained.

3. Application for $5,000 in Mini Grant Funds for the County of Humboldt on behalf of the Samoa Community Service District (Attachment 2)
   a. Discussion
b. Public Comment
   • Public comment period provided, none given.
c. Action
   • Board member Hansen moved to approve funding, seconded by board member Catsos. Motion approved unanimously.

4. Application for $5,000 in Mini Grant Funds for the Redwood Region Economic Development Commission in support of design of fisherman’s market in Eureka (Attachment 3)
   a. Discussion
   b. Public Comment
      • Public comment period provided, one received.
c. Action
      • Board member Papstein moves to approve the funding seconded by board member Brown. Motion approved 3:1, Hansen against.

5. Application for $2,500 in Mini Grant Funds for the County of Humboldt to support a viewing of the documentary “Cape Spin” (Attachment 4) Chair Fields arrives at 3:08pm.
   a. Discussion
   b. Public Comment
      • Public comment period provided, none given.
c. Action
      • Board Chair Fields motioned to bring this item back if they need funds, seconded by board member Hansen. Motion approved unanimously.

6. Discussion of grant pipeline for the Community Investment Fund
   a. Discussion
   b. Public Comment
      • Public comment period provided, one received.

7. HWFB to establish liaison role to the Humboldt County Workforce Development Board
   a. Discussion
   b. Public Comment
      • Public comment period provided, none given.
c. Action
      • Board member Catsos motioned to appoint board member Hansen as liaison role, seconded by Chair Fields. Motion approved 3:1, Hansen abstained.

8. Humboldt County Workforce Development Board Liaison update
a. Discussion  

b. Public Comment  
   • Public comment period provided, none given.

9. Presentation on County work related to Offshore Wind consideration of supporting a HWFB member to apply for the University of Massachusetts scholarship opportunity. (Attachment 5)  
   a. Discussion  
   b. Public Comment  
   • Public comment period provided, none given.  
   c. Action  
   • No action made.

10. Discussion related to ongoing work around updates to the County’s Comprehensive Economic Development Strategy (CEDS), industry specific analysis, and potential involvement of the HWFB in the CEDS committee. (Attachment 7)  
   a. Discussion  
   b. Public Comment  
   • Public comment period provided, none given.

11. Staff update on termination for cause on the International Cannabis Farmers Association  
   a. Discussion  
   b. Public Comment  
   • Public comment period provided, none given.

12. Check in and next steps for the Code of Conduct Ad Hoc and the Loan Ad Hoc  
   a. Discussion  
   b. Public Comment  
   • Public comment period provided, one received.

13. Discuss possible involvement of the HWF in the facilitation of grants and loans through Offshore Wind Community Benefit Agreements  
   a. Discussion  
   b. Public Comment  
   • Public comment period provided, one received.

14. Staff report out on work to date with Cliffton Larsen and Allen related to clean up and reconciliation work on HWF accounts.  
   a. Discussion  
   b. Public Comment  
   • Public comment period provided, none given.
15. Discussion on the fiscal year 2024-25 HWF budget and spending plan
   a. Discussion
   b. Public Comment
      • Public comment period provided, none given.

16. Discussion of Future Agenda Items
   a. Discussion
   b. Public Comment
      • Public comment period provided, none given.

Adjourned 5:05pm.
Headwaters Funding Request
January 12th 2024
Black Humboldt
627 3rd st Eureka CA
(707)-840-4641

To whom it may concern,

Black Humboldt, BH, is a community-based, grassroots organization offering cultural, arts and educational programming to the Black and Brown communities of The Northern Coast of CA. BH is interested in networking, building relationships and community with residents who identify as Black, Indigenous or as a person of color that also find themselves intersected with other marginalized identities like 2S/LGBTQAI+, experiencing poverty, being disabled, experiencing incarceration or not having access to higher education. Black Humboldt is a fiscally sponsored project of The Ink People Center of The Arts and was established in 2018 by visionary Dionna Ndoovu and co-founder Mo Harper-Desir. The inception of BH was inspired by the lack of inclusiveness and the under-representation of Black & Brown communities, both Dionna and Mo were experiencing first hand in Humboldt County. BH uses the blanket phrase “Black & Brown” instead of “African American” to ensure the geographical and cultural inclusivity of everyone within the African diaspora. We hope to highlight that African Americans are one of many variations within a larger global community of individuals who have a shared ancestry yet diverse cultures, customs, and languages. Black Humboldt hopes to provide a space where people can see a positive and beautiful reflection of themselves and their cultures: past, present and future, woven into the structure of the community they belong to. Black Humboldt is interested in networking, building relationships and community with the Black & Brown population residing and visiting California’s North Coast communities. Offering programming, community gatherings, monetary opportunities and culturally significant events Black Humboldt works to decrease the vulnerability and increase the general well being of the communities we serve. Black Humboldt’s goals include highlighting positive stories already present in the community, investing in Black & Brown owned/operated businesses, providing resources to the Black & Brown community and promoting Black and Brown healing through exclusive events made “FOR US BY US”. A few ongoing methods of achieving these goals have been through community partnerships, Black mixers, culturally significant space and teachings, gathering Black & Brown community members in necessary spaces and providing support and resources to the Black & Brown community. Black Humboldt is filling the gaps we see in education, representation, positions of power, and accessibility to resources for Black & Brown identities. Black Humboldt does not self-identify as a social justice organization but recognizes that Black and Brown communities experience the negative implications of ongoing social justice issues that we are intentional in targeting. We focus on Black & Brown joy, freedom, empowerment, autonomy, safety, culture and community.

Black Humboldt respectfully requests $5,000 to support our 2024 Black Leaders Fellowship program. The funds will be subject to our fiscal sponsor fee of 15% and the remainder of funds will go directly to the fellows. The Black Leaders Fellowship Program was created to connect with the communities we serve, create leaders, create job opportunities, provide professional and personal training/development and further the mission of Black Humboldt. This program will provide the opportunity for five local BIPOC community members of various identities and backgrounds, to enrich their experiences, harness their leadership skills and work hand in hand with the Black and Brown community of California’s North Coast Communities for 10 months. Through this program Black Humboldt will expand internal capacity and administration needs while creating jobs. Through this grant BH is creating BIPOC leaders, dismantling systems of oppression, decolonizing communal spaces and decreasing BIPOC vulnerability through opportunities for success. Through this fellowship Black Humboldt will begin the deconstruction of institutional and societal means of community organizing to dismantle, abolish, and replace current systems of oppression and harm. This project removes the barriers these communities encounter attempting to create space and representation for themselves. This project creates resources and tools and engages the BIPOC community directly. It strengthens BIPOC self identity, community involvement and creates a higher sense of self. Fellows will gain the skills to analyze their current barriers and create solutions and opportunities for growth, to combat them. This project is intentionally organized in ways that create new strategies in direct responses to the ever changing political conditions faced by BIPOC identities. This is a great opportunity for disenfranchised identities to learn first hand how to best become leaders in their communities, how to work within nonprofit/organizational structures, about community outreach,
communications and development and many administrative duties that will lead them to succeed wherever they wind up at the end of the program.

The project's goals are:

- Diminishing the gaps we see in employment, education, class and incarceration between BIPOC and non-BIPOC communities.
- Increasing the amount of opportunities for BIPOC community members to organize, coordinate and participate in the building of our programming and local civics.
- Fill positions of power and decision making with members of the communities we serve.
- Increase access to education, training, employment and positions of power.
- Produce opportunities for community outreach, community connection and internal restructuring.

Community partners in this program are The Eureka chapter of the NAACP, Building Black Community, Thee Social Justice Donor Circle, Queer Humboldt, a large collection of small local businesses and The Humboldt Area Foundation.
### FY22-23 INCOME

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<th>Forecasted Earnings</th>
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### FY23-24 INCOME

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### FY24-25 SPENDING PLAN

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### FY23-24 LOANS IN DEFAULT

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### CAPITAL RETURNED IN FY23-24

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