



Headwaters Fund Board (HWFB) Meeting Agenda
May 9, 2023 – 1:30 pm
825 5th St, Eureka, CA 95501
Conference Room B

*Public Attendance also available through Zoom

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.

Please click the link below to join the webinar:

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Webinar ID: 821 4020 8239

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Tammy Brown, Brian Papstein, Jenna Catsos, Michael Fields, Elizabeth Cameron Walter Geist (arrived 1:41 PM). Board Remote (non-voting): Carl Hansen.

Staff in Attendance: Ryan Heitz, Tanner Etherton, and Shenaz Duarte.

1. Opening time 1:31 PM
 - a. Approval of minutes from March 14, 2023 - (Attachment 1)
 - Motion by Brian Papstein with Tammy Brown seconding to approve the March 14th, 2023 minutes. Motion carried unanimously (Walter Geist absent).
 - 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.
 - Tammy Brown attended a meeting to discuss the State loan program which would provide working capital to businesses working on government contracts.
 - No recusals.
2. HWFB to recommend to the Board of Supervisors that Elizabeth Cameron be reappointed for a final term of 3 years to the Board of Supervisors (BOS)
 - a. Discussion
 - Elizabeth Cameron expressed interest to be re-appointed and serving a final term.
 - b. Public Comment
 - Public comment period provided, none given.
 - c. Action
 - Motion by Elizabeth Cameron and seconded by Walter Geist to recommend to the HWFB that Elizabeth Cameron be reappointed for a final term of 3 years.
3. HWFB to review Arcata Economic Development Corporation (AEDC) Quarterly Report for the second quarter of fiscal year 2022-23 – (Attachment 2)
 - a. Discussion
 - This report was submitted late due to staff retirement at AEDC. New staff have been hired and will be available for discussion at the next meeting. The HWFB discussed the need for identical reports from both lenders and directed staff to address this at a future date.

Public Comment

 - Public comment period provided, none given.
 - b. Action
 - Motion by Walter Geist and seconded by Brian Papstein to defer review and approval of the Q2 report until AEDC forwards the Q3 report.
 - Motion carried unanimously.
4. HWFB to determine meeting schedule for fiscal year 2023-24
 - a. Discussion
 - Brief discussion of the future meeting locations and timing.
 - b. Public Comment
 - Public comment period provided, none given.
 - c. Action
 - Motion by Elizabeth Cameron and seconded by Tammy Brown to start future meetings at 2 pm.

5. HWFB staff to report on potential work by CliftonLarsonAllen LLP (CLA) regarding reconciliation of fund balances and providing policy guidance.
 - a. Discussion
 - Staff discussed the proposed scope of work for CLA to tackle in relationship to HWF. Includes up to 120 hours of reconciliation work with the remaining hours available for policy work.
 - b. Public Comment
 - Public comment period provided, none given.

6. HWFB and staff to discuss Community Investment Fund(CIF) loan pipeline
 - a. Discussion
 - Staff discussed several possible opportunities around making loans through the CIF. Historically few loans have been made through the CIF and therefore interest earnings are limited to the county pooled investment rate. Staff will be continuing to seek eligible projects and bring them before the HWFB.
 - b. Public Comment
 - Public comment period provided, none given.

7. HWFB and staff to discuss community engagement related to HWF lending activity
 - a. Discussion
 - Previously the HWFB identified a number of avenues for expanding community engagement and knowledge of HWF programs and funding availability.
 - At no point has the HWF been fully deployed, there is a need for marketing the availability of loan and grant funds to engage with additional institutions.
 - Staff will draft some marketing materials for HWF programs and reach out to AEDC and RREDC about their individual programs and products to market the availability of services.
 - Much of this work will be conducted following the completion of reconciliation work by CLA.
 - b. Public Comment
 - Public comment period provided, none given.

8. Adjourn
 - 2:30 PM

Next Meeting: June 13, 2023, 2:00 pm.

Agenda Staff Report

AGENDA ITEM 2

DISCUSSION

The HWFB members may serve for a total of 8 years. The first term is for a period of two years, followed by two subsequent terms of three years each. Elizabeth Cameron's current term expires at the end of the month of May 2023. Recommendation to be reappointed will be taken to the Board of Supervisors for their determination.

Recommended Action: Recommend reappointment of Elizabeth Cameron to a final term of three years to the HWFB.

AGENDA ITEM 3

DISCUSSION

The HWFB will receive and discuss the fiscal year 2022-23 second quarterly report from the AEDC. This report summarizes Revolving Loan Fund activities facilitated by AEDC on behalf of the HWFB. Due to the retirement of long-standing staff, this report was delayed in being provided and new staff are unavailable at this time. The third quarter report will be presented at the next HWFB meeting, at which time discussion on both reports will be possible.

AGENDA ITEM 4

DISCUSSION

Headwaters Fund Board to determine a meeting schedule for fiscal year 2023-24, which may include the day of week, time of day, location, and any other factors that are deemed necessary. Current meetings are held the second Tuesday of the month, 1:30pm, at the county courthouse, and retain a call-in option for the public via zoom.

Staff encourage discussion of the possibility of periodic meetings being held at noncentral locations to allow greater access to HWF meetings by members of the public.

Recommended Action: Approve a meeting schedule for fiscal year 2023-24

AGENDA ITEM 5

DISCUSSION

Staff to provide report on work with CLA to provide reconciliation and policy support. At this time contracting is pending authorization via the county budget which will use funds rolled over from the current fiscal years American Rescue Plan Act funding to pay for work under the contract. Points of discussion include scope of work and timeline.

AGENDA ITEM 6

DISCUSSION

Staff have had several conversations on possible loans via the Community Investment Fund. Loan made through the CIF. Loans made through the CIF have significant potential for generating additional revenues to support new grant/loan opportunities and the ability to offset inflation. The program is highly flexible and can support many opportunities which support economic development in the community. Current pipeline and staff efforts to identify opportunities for investment of funds to be discussed.

AGENDA ITEM 7

DISCUSSION

HWFB and staff to explore options for marketing availability of funds via community engagement. Prior discussions around community engagement included possibility of advocacy through community meetings such as chambers, rotary, etc.

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.

Zoom Public Comment: When it is time for public comment on the item you wish to speak on, the Humboldt County Headwaters Fund Board Chair will ask for public comment. You may virtually raise your hand using the raise hand function on Zoom and staff will unmute your phone. Staff will then ask you to state your name and begin your comment. You will have 3 minutes to comment.

Phone Public Comment: You may call into the meeting by dialing +1 669 900 9128 and entering using meeting ID 821 4020 8239. When it is time for public comment on the item you wish to speak on, the Humboldt County Headwaters Fund Board Chair will ask for public comment. Staff will unmute phone lines and you may introduce yourself and express your desire to speak. Staff will then ask you to state your name and begin your comment. You will have 3 minutes to comment.

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