



Loan Administration Board

**DRAFT MINUTES**  
**LOAN ADMINISTRATION BOARD (LAB)**  
**REGULAR MEETING**

Thursday, November 29, 2018 | 10:30 AM  
2180 Milvia St. Berkeley, CA  
6<sup>th</sup> Floor – Redwood Room  
Berkeley, CA 94704

**CALL TO ORDER** - Board Chairperson Kathleen Crandall called the meeting to order at 10:36 AM.

**ROLL CALL** – Members present: Kathleen Crandall (chair), Grant Shoaf, Paul Arenstam, Arturo Fernandez, Sylvia Sze. Members absent/excused: Mark Forbes (e), Kyle Smith (a), Public Present: Applicants from the Nabolom Bakery, Yama Kids Yoga and the Sustainable Economies Law Center.

**ANNOUNCEMENTS** – The Board was introduced to the newest appointed Board Member, Arturo Fernandez. Mr. Fernandez provided his background, interests and expertise in the field of finance and economics. Jordan Klein, Economic Development Manager provide the LAB an update on the recent “A” rating from the U.S. Economic Development Administration (EDA). He also updated the LAB on OED’s 2019 workplan and programs that will assist small businesses.

**MINUTES OF PREVIOUS MEETING** – The minutes from the August 30, 2018 meeting were approved. Motion by Board Member Arenstam and Seconded by Board Member Shoaf. Approved unanimously. Staff proposed the approval of a revised set of minutes from the April 26, 2018 meeting. No motion for approval was made and therefore the LAB to no action.

**PUBLIC COMMENT** – No public comments.

**PROGRAM REVIEW** – Staff presented the LAB with the program overview and current financial status of the fund. Mr. Shoaf indicated that due to the programs good credit rating and good performance, it would be a good time to request additional funds from the City Council. Motion by Chair Crandall and Seconded by Mr. Shoaf to begin the budget request process for additional funding from the City Council. The Board also discussed the future of underwriting and the need to find a third party underwriter to allow Board Members the ability to provide additional business services support. The loan recipient tour will occur in January, 2019. Motion by Mr. Shoaf and Seconded by Ms. Sze to request a proclamation acknowledging that Biofuel Oasis successfully repaid their loan. Approved unanimous.

**ACTION ITEMS and DISCUSSION**

- i) CUPCAKIN’, \$100,000 – (REVIEW AND ACTION ON LOAN APPLICATION)
  - a. Motion by Mr. Shoaf and Seconded by Mr. Arenstam to table the item until additional information is provided by the applicant. Approved unanimously
  
- ii) NABOLOM BAKERY, \$150,000 – (REVIEW AND ACTION ON LOAN APPLICATION)

- a. Ms. Elliot of Nabolom Bakery presented her application and how the business will benefit from the loan. Motion by Mr. Shoaf and Seconded by Mr. Arenstam to approve a loan of \$150,000. Approved unanimously.
  - i. The term of the loan is 84 monthly payments of \$2,282.28
  - ii. Six months after the loan is dispersed, the applicant shall determine if all of the funding is necessary, if not, lump sum payment may be paid to the City and the loan will be re-amortized.
- iii) YAMA KIDS YOGA, \$25,000 – (REVIEW AND ACTION ON LOAN APPLICATION)
  - a. Ms. Houghton and Mr. Room of Yama Kids Yoga presented their application and explained how the funding would be used if approved.
  - b. Motion by Mr. Shoaf and Seconded by Ms. Sze to decline the loan application. Unanimous vote.

### **INFORMATIONAL ITEM**

- i) Sarah Stevens from the Sustainable Economies Law Center (SELC) presented proposed changes to the Revolving Loan Fund program's Administrative Plan. She explained the benefits of worker owned cooperatives and made suggestions on how the LAB could modify the plan to accommodate more cooperatives.

### **ADJOURNEMENT**

A motion to adjourn was made by Chair Crandall and seconded by Mr. Arenstam; Unanimous vote.

Meeting Adjourned at 12:29 pm.