



MEMORANDUM

AGENDA

ACTION ITEM # 1

TO: Rob Fix

Date: March 19, 2019

FROM: Don Goldberg

CC: John Michener 

SUBJECT: Execution of Loan Documents between the Port of Bellingham Economic Development Administration (EDA) Revolving Loan Fund (RLF) and Booda Organics Inc.

ACTION REQUESTED

Commission motion authorizing the Port of Bellingham Executive Director to execute documents required to close the \$57,974.00 loan between Booda Organics Inc., and the Port of Bellingham EDA RLF. This loan was approved by the Revolving Loan Fund Loan Committee on March 12th, 2019.

BACKGROUND

Booda Organics Inc., located in Bellingham, manufactures handmade purest body care products. The Company specializes in moisturizer, lip balm, bar soap, deodorant and laundry soap. Proceeds from this loan will be used to expand the product line including three new lip balm flavors available for the first time in new 100% biodegradable paper tube packaging. Staff will be hired to support new levels of production and increased marketing efforts for both new and existing products.

FISCAL IMPACT

Cost of administration are recouped with loan fees.

STRATEGIC PURPOSE

Job creation through support of local businesses.

RECOMMENDATION

Approve the motion

ATTACHMENTS

Terms Letter

12 March, 2019

Steve Vincente
Booda Organics Inc.
P.O. Box 30823
Bellingham, WA 98228

Re: Revolving Loan Fund Loan Application

Dear Steve,

The Revolving Loan Fund Committee met on March 12, 2019 and approved your loan application with the following terms and conditions:

1. Loan Amount: \$57,974.00
2. Interest Rate: 4% fixed for term
3. Amortized over 5 years (60months)
4. \$200.00 Processing fee due at the time of closing
5. Closing fees: 1% of the loan value due at the time of closing (\$580.00)
6. Payments will be \$1067.68 for the 5 year (60 Month) term of the loan
7. 1st payment due on May 1, 2019 and each additional payment will be due on the 1st day of every month thereafter until the loan is paid in full
8. Loan secured by - All Inventory, Chattel Paper, Accounts, Equipment and General Intangibles; whether any of the foregoing is owned now or acquired later; all accessions, additions, replacements, and substitutions relating to any of the foregoing; all records of any kind relating to the foregoing; all proceeds relating to any of the foregoing (including insurance, general intangibles and other accounts proceeds).
9. For the duration of the loan, Company will furnish to the Port of Bellingham quarterly financial statements to include a Balance Sheet and Income Statement
10. Company will furnish to the Port of Bellingham their State of Washington Employer's Quarterly Tax Report 5208A (**Social Security numbers are NOT required**), or other official document, showing the number of people employed. This is to verify enough jobs have been created per EDA regulations.
11. Port of Bellingham to be named as Additional Insured on Company's Liability Insurance Policy for duration of the loan

If the above terms and conditions are acceptable to you, please sign below as provided and return this letter to our office. Upon receipt of this letter, the Port of Bellingham will prepare the closing documents.

Sincerely,

John Michener
Economic Development Programs Manager
Port of Bellingham

Acceptance of Terms and Conditions of the Revolving Loan Fund Loan as listed above:

Steve Vincente

Date

Exhibit A

Collateral- All Inventory, Chattel Paper, Accounts, Equipment and General Intangibles; whether any of the foregoing is owned now or acquired later; all accessions, additions, replacements, and substitutions relating to any of the foregoing; all records of any kind relating to the foregoing; all proceeds relating to any of the foregoing (including insurance, general intangibles and other accounts proceeds).