

## **RESOLUTION NO. 25 –**

### **RESOLUTION AUTHORIZING THE EXECUTION OF LANDLORD AND MORTGAGEE WAIVER AND OTHER ACTS RELATED TO THE COMMUNITY DEVELOPMENT LOAN FOR AGWOOD MILL & LUMBER CO.**

WHEREAS, on November 10, 2009, the Mendocino County Board of Supervisors adopted Resolution 09-260 authorizing an application for funding from the economic development allocation of the State Community Development Block Grant (CDBG) program, which included a \$2,000,000 loan to Agwood Mill & Lumber Company to support economic recovery and job retention following the 2008 recession; and

WHEREAS, in 2010, Mendocino County issued a \$2,000,000 loan to Agwood Mill & Lumber Company with a 2% interest rate and a maturity date of September 1, 2030, using CDBG economic development funds; and

WHEREAS, on August 28, 2012, the Board of Supervisors authorized the Executive Office to issue a letter acknowledging and not opposing a \$500,000 loan from the Savings Bank of Mendocino County to Agwood Mill & Lumber Company, subordinating the County's lien position accordingly; and

WHEREAS, on June 3, 2025, the Board of Supervisors adopted Resolution 25-103 authorizing the execution of subordination Agreements and other acts related to the community development loan for Agwood Mill & Lumber Company; and

WHEREAS, Agwood Mill & Lumber Company has repaid approximately 70% of the original loan, and is current on all payments with no history of delinquency, as confirmed by the County's loan servicer, the Economic Development & Financing Corporation (EDFC); and

WHEREAS, Agwood Mill & Lumber Company has now entered into a lease agreement with Farm Credit Leasing Services Corp. for a new facility with solar system, to enhance their local business operations, and now seeks to except that newly leased facility from any security liens the County may issue against the Property related to grant re-payments; and

WHEREAS, Farm Credit Leasing Services Corp. seeks assurances that the newly leased facility will not be subject to a lien by the County and such waiver by the County is necessary to secure the transaction intended for the use and benefit of Agwood Mill & Lumber Company.

NOW, THEREFORE, BE IT RESOLVED:

1. The Board of Supervisors has reviewed Agwood Mill & Lumber Company's request to waive County security rights as to the newly leased facility described in Exhibit A of the attached Agreement; That Agwood and lender, Farm Credit Leasing Services Corp., have declared this waiver to be necessary as part of the financing agreement to secure the facility; . The agreement seeks to except the new facility from any future liens that could be placed upon it by the County in an event of default on the County's existing County Business Loan of \$2,000,000 from the Community Development Block Grant program.
2. The Board of Supervisors find that the Landlord and Mortgagee Waiver agreement will continue to facilitate the rehabilitation of Agwood Mill & Lumber, preserve local jobs, and address the prevention of blight and the continued economic rehabilitation of the Company.
3. The Board of Supervisors hereby authorizes the Chief Executive Officer, or designee, to execute the Landlord and Mortgagee Waiver Agreement between the County and

Agwood's proposed lender any additional ancillary documents required by Agwood's proposed lender, necessary to effectuate the waiver.

The foregoing Resolution introduced by Supervisor \_\_\_\_\_, seconded by Supervisor \_\_\_\_\_, and carried this \_\_\_\_\_ day of \_\_\_\_\_, 2025, by the following vote:

AYES:

NOES:

ABSENT:

WHEREUPON, the Chair declared said Resolution adopted and SO ORDERED.

ATTEST: DARCIE ANTLE  
Clerk of the Board

\_\_\_\_\_  
JOHN HASCHAK, Chair  
Mendocino County Board of Supervisors

\_\_\_\_\_  
Deputy

I hereby certify that according to the provisions of Government Code Section 25103, delivery of this document has been made.

*APPROVED AS TO FORM:*  
CHARLOTTE E. SCOTT  
County Counsel

BY: DARCIE ANTLE  
Clerk of the Board

\_\_\_\_\_  
Deputy