

**COLUMBIA RIVER GORGE NATIONAL SCENIC AREA  
OREGON INVESTMENT BOARD**

Wednesday, March 18, 2015

Hood River County Library, 502 State Street, Hood River, OR  
10:00 AM

**ATTENDANCE:**

OIB Members: Ken Farner, Ken Bailey, Jack Miller, Judith Perry, Karen Fairchild and Bob McFadden.

Staff: Amanda Hoey, Sherry Wickert, Eric Nerdin and Sherry Bohn

Guest: Kathy Fitzpatrick (City of Mosier) and Victor Van Koten (OIB Legal Representative)

**CALL TO ORDER:**

Chair Ken Bailey called the meeting to order at 10:03 a.m. A quorum was present.

**CONFLICT OF INTEREST POLICY AND INTRODUCTIONS:**

Ken Bailey asked the Board to disclose any conflict of interests for any of the applications to be reviewed today. None were presented.

**MINUTES:**

Judith Perry moved to approve the minutes from February 18, 2015. Karen Fairchild seconded the motion. Motion passed unanimously.

**CITY OF MOSIER PRESENTATION**

Amanda Hoey explained the history of the City of Mosier Property Acquisition project and introduced Kathy Fitzpatrick.

Eric Nerdin arrived at 10:05 a.m.

**EXECUTIVE SESSION:**

Per ORS 192.660 (f) Exempt Documents, the Oregon Investment Board moved into Executive Session at 10:06 a.m.

Victor Van Koten arrived at 10:11 a.m.

Regular session was reconvened at 10:16 a.m.

Bob McFadden arrived at 10:16 a.m.

**LOAN MODIFICATION PROPOSALS: HOOD RIVER LEARNING CENTER**

Eric Nerdin presented a request from Hood River Learning Center to extend the \$600.00 monthly loan repayment period set to expire April 15, 2015.

**LOAN MODIFICATION PROPOSALS: FULL CIRCLE**

Eric Nerdin presented a request from Full Circle, LLC to restructure OIB loans #94-02-01 and #94-03-02 to lower the monthly payments and to add a default interest rate and higher late fee.

## **FUNDED LOANS & LOAN DELINQUENCY REPORT**

Eric Nerdin presented an update on the recently funded loan and the loan delinquency report.

### **EXECUTIVE SESSION:**

Per ORS 192.660 (f) Exempt Documents, the Oregon Investment Board moved into Executive Session at 10:17 a.m.

Regular session was reconvened at 11:02 a.m.

### **LOAN MODIFICATION DECISION: HOOD RIVER LEARNING CENTER:**

Jack Miller moved to authorize staff to accept \$675 as monthly loan payments on OIB Loans #92-01-01 and #92-02-01 from Hood River Learning Center, LLC for a monthly period beginning May 15, 2015 and concluding December 31, 2015. He further moved to approve that there is not a grace period; all monthly payments must be received by the 15th of each month along with the additional conditions as outlined in the staff report. All other conditions and terms of these loans remain in place. Judith Perry seconded the motion. Motion passed unanimously.

### **LOAN MODIFICATION DECISION: FULL CIRCLE**

Judith Perry moved to approve a loan restructure as outlined in the staff report including the additional conditions and to include a loan restructure fee. Karen Fairchild seconded the motion. Motion passed unanimously. (Bob McFadden absent for the vote).

### **FINANCIAL REPORT:**

Sherry Wickert presented the financial report for the period ending February 28, 2015. She reported that, as per the presented report, the February Revolved Interest was \$8,648.57 and the YTD Revolved Interest was \$65,017.37 which reflects the reduction for the Structured Accrued Loan Interest. Sherry reported that the YTD Loan Late Fees was \$585.98. She reported that Total Disbursements was \$7,548.08 and that the funds available to grant/loan were \$957,922.98. She also reported that the prior year Structured Accrued Loan Interest balance was \$16,590.81 and the current year was \$4,583.84 for a total of \$21,174.65

Judith Perry moved to accept the financials as presented. Ken Farner seconded the motion. Motion passed unanimously.

### **FY16 BUDGET**

Amanda Hoey explained that OIB's funds are included as part of MCEDD's overall budget each fiscal year (annually from July 1 through June 30). She requested input from the OIB board to appropriately reflect anticipated revenues and expenditures in the agency and operational funds. Amanda explained that staff was seeking review and consideration by the board of the OIB agency funds figures as this creates the OIB portion of the budget. Amanda reported that details on the OIB staffing (MCEDD operational) were included to give the board a sense of allocation of the funding under the staffing contract with MCEDD. Amanda stated that the board needed to approve a staffing contract with MCEDD for the next biennium as part of this process. The contract is proposed with no increase in FY16 and a 2% increase in FY17 to keep pace with increased costs. Amanda highlighted the other revenue figure and the additional cost in professional services which reflects the commitment of funds

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for the Resource Development Committee. Amanda also asked for the board's input and recommendation on the figure levels included for grants requested, contract requested and the level of new lending vs. carry-over funding projected.

*Discussion: Judith Perry asked about the Travel budget figure. Amanda explained that it was incorporated into the OIB staffing costs and covers staff travel to meetings with the board and loan/grant clients. Karen Fairchild asked about Indirect Costs figure and if the Grants Distributed figure included the Port of the Dalles grants approved but not yet disbursed. Amanda stated that the Grants Disbursed figure did not include those not yet disbursed and should be increased to \$45,000 to reflect the carryover. Ken Farner asked what happens if a line item exceeds the budget. Amanda explained the requirements. Karen Fairchild asked how this budget compared to FY15 and how the vacancy of Scott Turnoy's position affected the budget. Amanda explained the process of hiring Michele Spatz and the interim work load shift to other staff. Jack Miller stated that he found the budget reasonable.*

Ken Farner moved to approve the budget as amended to reflect an additional \$20,000 for grants distributed and a proportional decrease in the carryover. Judith Perry seconded the motion. Motion passed unanimously.

#### **BOARD APPOINTMENT STATUS:**

Amanda Hoey thanked Karen Fairchild for her service on the board. She reported that Hood River County has opened their process to solicit interest for the Hood River County position. She stated that deadline to apply is March 26, 2015. An electronic copy of the application/interest form is available on the OIB website. The Hood River County Board of Commissioners will review applications on April 20, 2015 and make a recommendation to the Governor. The Governor's office makes actual appointment for the position.

Amanda reported that Multnomah County is engaging in an informal solicitation of candidates at this point and their economic development office has requested ideas for individuals from Commissioner McKeel's office. The OIB has expressed a preference for an individual residing in eastern Multnomah County.

#### **OTHER NEW BUSINESS**

Amanda updated the board on the OIB/WIB funding request and her conversations with Senator Merkley's office. She reported that the senator's office had stated that some view the remaining two million dollars as an earmark. Amanda stated that the senator's office has suggested continued meetings with staff but contact should also be made with noted individuals explaining that the funds were "preauthorized funding." Amanda will e-mail the contacts to the board members so that they can write letters.

Amanda highlighted a Port of The Dalles press release regarding Trade Show Marketing Grants included in the board packet.

Amanda noted the following events:

April 7<sup>th</sup> – Gorge(ous) Night Out an evening in Salem with local legislative leaders

May 14<sup>th</sup> – Gorge Economic Summit

Sept 11<sup>th</sup> – Annual Legislative Event

Ken Bailey reported that in response to the letter that was sent to the Gorge Commission he had met with the chair, Keith Chamberlain. They had talked general philosophies and how to improve communication. Judith suggested a specific invitation to the WIB for a board or staff member to join the OIB meetings.

**ADJOURNMENT:** The meeting was adjourned at 11:35 a.m.