



Executive Committee Meeting
Wednesday, October 5, 2016
4:00 P.M.

MCEDD Office
515 East Second Street
The Dalles, OR

AGENDA

<u>Topic</u>	<u>Estimated Time</u>	<u>Item</u>
Call to Order- Chairperson Jan Brending		
Introductions		
Executive Committee Minutes <i>August 3, 2016</i>	5 minutes	Approval
Finance Report <i>Loan Program status</i>	20 minutes	Information Discussion
Best Practices Checklist	10 minutes	Review
CEDS Update/Steering Committee Report	10 minutes	Information
Executive Director Report <i>Board Member Appointments Status- Tech Representative</i> <i>Attainable Housing Fund Update</i> <i>Mobility Management Position</i> <i>Foundation partnerships</i>	15 minutes	Information
Other New Business; Committee Members Updates		
Adjourn		

The meeting location is accessible to persons with disabilities. If you have a disability that requires any special materials, services or assistance, please contact Sherry Bohn at 541-296-2266 (TTY 711) at least 48 hours before the meeting.

MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
EXECUTIVE COMMITTEE MEETING
WEDNESDAY, AUGUST 3, 2016
4:00 p.m.
MCEDD Office and Teleconference

ATTENDANCE:

In Person: Bob Hamlin, Bill Schmitt, Rod Runyon, Ken Bailey and Eric Proffitt

Teleconference: Rex Johnston

Staff: Sherry Wickert, Sherry Bohn, and Amanda Hoey

CALL TO ORDER:

Ken Bailey called the meeting to order at 4:00 p.m. Introductions took place. A quorum was present.

EXECUTIVE COMMITTEE MINUTES:

Bill Schmitt moved to approve the July 6, 2016 Executive Committee meeting minutes as presented. Eric Proffitt seconded the motion. Motion carried unanimously.

FINANCE REPORT:

Sherry Wickert presented the June 2016 financial reports. Sherry reported that due to the fiscal yearend required accounting, June's financial reports are not final, and are subject to change. She reported that June's balance sheet includes variances from FY15 and that Prepaid Expenses are higher in the current year due to professional fees not included in the prior year's balance. Sherry reported that the Loans Receivable total balance is less than the prior year's and that entries for adjustments for allowance for loans have yet to be completed, thus there is no change between the years. Sherry reported that for liabilities, Accounts Payable General's current year reflects a decrease from the prior year, due to fewer expenses at year-end and that Long-term Liabilities, IRP loans payable, have been updated with June's payments on two of the IRP loans. She noted that this is now done through ACH payment.

Sherry reported that the Operations Budget vs. Actual report has differences in both income and expense categories. She reported that categories for Federal, State and Contract Reimbursement are under budget due to special project billings that were anticipated but were not realized in FY16. She also reported on the status of loan fund revenue for MCEDD. Sherry reported that for expenses, all categories are under budget at year-end and that total personnel expenses are lower than projected due to less Personal Time Off costs and less expense for health insurance. Sherry also reported that it was predicted that Other Materials and Supplies would be slightly over budget, but with actual year-end adjustments it is under budget.

Bob Hamlin moved to accept financials as presented. Bill Schmitt seconded the motion. Motion carried unanimously.

DMV POLICY

Amanda reported that in May MCEDD hosted an individual from SDIS to conduct a risk assessment analysis. One of the primary recommendations was to enhance MCEDD's employee driving policy as it is the most likely avenue for risk to the agency. Subsequently, staff has been working with the Special Districts Association of Oregon (SDAO) to review recommended policy language and template materials from other entities. She requested that the MCEDD

Executive Committee make a recommendation to the Board of Directors to update the personnel policy driving section as presented by staff.

Rod Runyon moved to recommend to the MCEDD Board of Directors to update the personnel policy driving section as presented by staff with direction to staff to research verbiage on the use of vehicle instead of personal vehicle. Bill Schmitt seconded the motion. Motion carried unanimously.

Discussion: Rod Runyon asked if MCEDD owned any vehicles. Amanda stated that MCEDD does not. Rod also asked about the difference between using a vehicle vs. a personal vehicle. Amanda stated that the new policy wording used "vehicle" vs. "personal vehicle" due to rental car usage. Rod asked if MCEDD uses an insurance endorsement for driving while on business and suggested having each individual check with their personal insurance carrier if one was available. Eric Proffitt suggested staff check into on-line advanced road craft training.

ENCORE FELLOW

Amanda reported that MCEDD staff submitted an initial application to the Social Venture Partners Portland Encore Fellows Program. She reported that the Encore Fellows program matches retired professionals interested in community service with nonprofit agencies and public sector agencies for a one-year, part time, approximately 1,000 hour assignment. While the cost of hosting a fellowship is usually \$25,000, currently the Encore Program is experiencing an influx of corporate-sponsored fellows from Intel. Over 280 individuals, who previously worked with Intel, have applied for fellowships and the agency is seeking to match them with qualified agencies. As a corporate sponsor, Intel covers the cost of the fellowship.

Amanda reported that MCEDD applied for an Encore Fellow to support further strategic development of the Agora Investment Platform. Amanda stated that the fellowship is potentially a huge benefit to MCEDD as we would receive a significant infusion of talent and support at very little cost to the organization. Amanda requested the Executive Committee approve hosting an Encore Fellow, if matched. Amanda noted that an action to approve will likely require a future budget adjustment to accommodate a transfer of funds from the sponsor to cover the cost of the fellowship.

Eric Proffitt moved to approve hosting an Encore Fellow, if matched. Bob Hamlin seconded the motion. Motion carried unanimously.

Discussion: Rod Runyon asked if the AmeriCorps RARE included a financial cost to MCEDD. Amanda stated that RARE does require community match at a little over \$20,000 but MCEDD did not apply for a RARE for the fiscal year 2017. Amanda noted that the Encore Fellow would not require funds from MCEDD, just management time. Bob Hamlin asked about the difference between the two programs. Amanda explained that the difference was a RARE is usually a recent student who has completed an undergraduate degree and that the Encore Fellow is usually a retired or laid off professional. She also noted that there would be difference in experience, skill set and abilities.

MCEDD WEBSITE/MARKETING

Amanda reported that included in FY17 budget approval were funds to contract with a firm to redesign the MCEDD website and to develop collateral materials. Amanda stated that she would

like to issue an RFP for design services within the next month, but was seeking Executive Committee feedback on the elements that they thought were important to retain in the site and elements that should be changed. She noted that while the selected contractor should advise on site design, staff would like to be prepared to discuss what is important to the governing body and to ensure the RFP reflects those qualities as well.

Discussion: Ken Bailey stated that a current and up to date website was essential to success of an organization. Bob Hamlin asked how wide of an area would the RFP cover. Rod Runyon asked what was budgeted. He reported on Wasco County's recent website update process. He noted the need to ensure the site was compatible with mobile devices. Eric Proffitt asked if the current website had fillable forms for documents. Amanda stated that it had both fillable and standard forms for primary programs, such as the loan application.

EXECUTIVE DIRECTOR REPORT:

Amanda Hoey noted that all MCEDD private sector board members, except Steve Maier, are seeking reappointment. She requested recommendations for someone to serve from the Technology sector. Amanda also reported that AJ Turnasky had submitted an application for the alternate private sector position on the MCEDD Loan Administration Board.

Amanda reported that MCEDD was asked by a regional employer if MCEDD was going to take a stance on Oregon Initiative Petition 28. She reported that she had talked with the director for Greater Portland, Inc., as they have the closest structure to MCEDD in that they are bi-state with local government members. Amanda explained the different levels of risk should the MCEDD board decide to take a stance. Options include: 1) discuss a stance but follow recommendation of legal counsel, 2) referring to MCEDD Oregon Center and 3) not take any action.

Discussion: Ken Bailey stated that this is a policy issue and noted the close relationship between MCEDD and MCEDD Oregon Center stating that from an outside perspective, they appear the same. Ken questioned the value of MCEDD taking a stance against the measure vs. the risk. Eric Proffitt asked what the consensus was with other entities. Amanda provided a synopsis from the Oregon Economic Development entities press release who have elected to take a stance in opposition. Rod Runyon stated he anticipated that Wasco County will have a stance but was uncertain if it is the role for MCEDD. The consensus of the Executive Committee members present was to take no action at this time.

Amanda reviewed highlights from the Director's report, including the following.

- The 2016 MCEDD Annual Report is available on the MCEDD website and will be mailed to all local entities as their annual dues are paid.
- The MCEDD Loan Administration Board approved a \$201,000 loan to Car Stereo Specialists. MCEDD anticipates closing a \$20,000 loan to Cloud Cap Cycle and Bicycle Shop in August. She reported that TGE, LLC and Artistic Excavation completed loan payoffs and that staff is anticipating payoffs from H & H Enterprises and Oregon Growers and Shippers. Amanda also reported that Eric Nerdin is working with Business Oregon on a potential loan package deal for a new manufacturing business.
- A survey of was sent following the Economic Symposium to all attendees. 22 responses were received with the following common themes:
 - Housing issues
 - Importance of agriculture, high technology and manufacturing

- Increase wages and decrease poverty
- Transportation
- Broadband
- Issues related to the availability of industrial and commercial property, particularly in areas with a small tax base

Survey responses indicated that the information was clearly presented and accessible but discussed the need to provide interpretation of the data through the Strategy. Amanda noted that the CEDS Steering Committee will take that into account in the process.

- The CEDS Steering Committee met to refine the schedule and anticipated outcomes for planning and outreach sessions across the region. The Committee modified the schedule to begin in September, rather than August, to provide additional time to prepare for the session.
- Gorge Night Sky is August 18 and 19, 2016. Amanda invited the Board to participate and noted that the event has been receiving some excellent press, including in the Seattle market.
- Sherry Wickert attended the grand opening of the Klickitat Community Center. MCEDD supported grant administration and labor standards management for the project.

ADJOURN: Meeting adjourned at 5:05 p.m.

*Respectfully submitted,
Sherry Bohn, Office Administrator*



FINANCIAL SUMMARY

FOR: August 2016

The Balance Sheet for August is overall very similar to the prior year, with the exception of the following accounts. For Assets, there are two noticeable variations between years. 1202-Accounts Receivable balance is significantly lower because of the prior year's balance that included a large billing for a federal grant that has since closed. Accrued Loan Interest (1227) is higher this year due to the accumulation of delinquent interest. For Liabilities, A/P General (2010) is currently below due to a large invoice that was pending reimbursement in the last fiscal year. Other liabilities for the current year's payroll expenses were paid in September, while last year's expenses were paid in the same month.

MCEDD's August Operations Budget vs. Actual report has differences between both revenue and expense categories. Loan Fund Revenue, excluding the Housing RLF funds, is below projections by \$1,978.34. With a lack of new lending and large principal payoffs received, it is likely that the trend of under budget will continue throughout the year. Most expenses are currently under budget due to the timing of the expenses. The exception is Event Services (6190), which has expenses that went over category, but is within the overall budget for the Gorge Night Sky event. At this point, no carryover figures have been entered, but will be updated after the audit is completed.

Respectfully Submitted,

Sherry Wickert
Finance & Operations Manager

Mid-Columbia Economic Development District
Balance Sheet
As of August 31, 2016

	Aug 31, 16	Aug 31, 15
ASSETS		
Current Assets		
Checking/Savings		
1000 · Bank Demand Deposits		
1010 · MCEDD Checking	78,265.18	61,083.07
1015 · MCEDD MM	301,209.84	291,543.69
1020 · IRP		
1021 · IRP - Sherman	79,543.64	158,966.54
1022 · IRP - WA	61,137.89	73,107.00
1020 · IRP - Other	121,779.71	20,530.47
Total 1020 · IRP	262,461.24	252,604.01
1030 · Loan Funds		
1036 · EDA RLFs	126,723.13	152,697.72
1045 · Reg Strat	127,326.05	169,828.17
1050 · RBEG-OR	39,368.44	22,167.89
1055 · RBEG-WA	48,902.12	29,375.74
1057 · RBEG-KL	126,628.69	86,942.20
1067 · CDBG Microenterprises	59,173.79	53,384.13
Total 1030 · Loan Funds	528,122.22	514,395.85
1031 · Housing RLF	2,000,776.47	2,000,460.32
1070 · National Scenic Fund	1,119,381.84	1,213,172.03
Total 1000 · Bank Demand Deposits	4,290,216.79	4,333,258.97
1100 · CDS		
1121 · IRP Reserve	96,031.33	96,031.33
Total 1100 · CDS	96,031.33	96,031.33
1122 · IRP - DDM Product	451,875.57	436,537.70
1196 · OR Telecom Conference	30,983.69	30,670.74
Total Checking/Savings	4,869,107.38	4,896,498.74
Accounts Receivable		
1202 · Accounts Receivable	29,295.40	46,353.51
Total Accounts Receivable	29,295.40	46,353.51
Other Current Assets		
1200 · Receivables & Accruals		
1205 · Accrued Revenue	14,166.66	12,208.34
1227 · Accrued Loan Interest	27,049.71	20,735.10
1229 · Structured Accts Accr'd Int		
1231 · Unrecorded Structured Accrd Int	-1,081.42	-512.39
1229 · Structured Accts Accr'd Int - Other	6,964.40	6,238.38
Total 1229 · Structured Accts Accr'd Int	5,882.98	5,725.99
Total 1200 · Receivables & Accruals	47,099.35	38,669.43
1300 · Loans Receivable		
1330 · MCEDD Loans Receivable		
1320 · IRP	1,898,881.59	2,038,956.18
1321 · IRP - Sherman	177,260.08	100,000.00
1322 · IRP - WA	256,505.61	250,443.88
1336 · EDA RLFs	558,123.55	512,873.10
1345 · Reg Strat	44,827.70	9,049.65
1350 · RBEG-OR	257,274.84	282,020.05
1355 · RBEG-WA	47,123.97	65,938.08
1357 · RBEG-KL/SK	0.00	39,361.75

Mid-Columbia Economic Development District
Balance Sheet
As of August 31, 2016

	Aug 31, 16	Aug 31, 15
1367 · CDBG Microenterprises	47,747.72	51,829.79
Total 1330 · MCEDD Loans Receivable	3,287,745.06	3,350,472.48
1370 · OIB Loans Receivable	1,740,322.84	1,641,854.29
Total 1300 · Loans Receivable	5,028,067.90	4,992,326.77
1500 · Allowance for Doubtful Loans		
1520 · IRP Allowance	-118,027.66	-127,089.85
1521 · IRP - SH Co	-10,797.99	-15,000.00
1522 · IRP - WA	-14,476.77	-15,178.13
1536 · EDA RLFs Allowance	-35,290.15	-37,163.51
1545 · Reg Strat Allowance	-2,776.54	-644.83
1555 · RBEG Allowance	-18,584.67	-23,405.81
1567 · CDBG Microenterprises	-2,987.33	-3,171.24
1575 · OIB Allowance	-45,000.00	-45,000.00
Total 1500 · Allowance for Doubtful Loans	-247,941.11	-266,653.37
Total Other Current Assets	4,827,226.14	4,764,342.83
Total Current Assets	9,725,628.92	9,707,195.08
TOTAL ASSETS	<u>9,725,628.92</u>	<u>9,707,195.08</u>
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
2010 · A/P General	605.44	11,981.79
Total Accounts Payable	605.44	11,981.79
Other Current Liabilities		
2030 · Accrued Loan Payment	19,827.77	18,244.28
2035 · Accrued Interest Payable	5,598.29	5,998.56
2050 · PTO - Accrued	23,098.99	24,497.84
2060 · Deferred Comp Payable	1,968.80	0.00
2080 · Life & Disability Payable	22.12	0.00
2090 · WC SAIF Ins	-51.09	-140.17
2100 · Payroll Liabilities		
2120 · State Payroll Liabilities		
2115 · OR- SUTA Payroll Liabilities		
2105 · WBF Payroll Assessment	75.75	63.98
2115 · OR- SUTA Payroll Liabilities - Other	84.32	76.92
Total 2115 · OR- SUTA Payroll Liabilities	160.07	140.90
Total 2120 · State Payroll Liabilities	160.07	140.90
2100 · Payroll Liabilities - Other	3,409.58	0.00
Total 2100 · Payroll Liabilities	3,569.65	140.90
2800 · Deferred Revenue	6,666.66	6,666.66
Total Other Current Liabilities	60,701.19	55,408.07
Total Current Liabilities	61,306.63	67,389.86
Long Term Liabilities		
2820 · IRP Loan Payable \$1million	514,805.20	551,573.23
2821 · IRP Loan Payable \$600,000	417,520.24	438,485.25
2822 · IRP Loan Payable \$750,000	625,806.66	650,921.44
2823 · IRP Loan Payable - Washington	299,967.25	309,906.38
2824 · IRP Loan Payable - Sherman	193,188.09	200,000.00
Total Long Term Liabilities	2,051,287.44	2,150,886.30
Total Liabilities	2,112,594.07	2,218,276.16
Equity		

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09/22/16

Accrual Basis

Mid-Columbia Economic Development District

Balance Sheet

As of August 31, 2016

	Aug 31, 16	Aug 31, 15
3100 · Fund Balances	7,320,555.07	7,320,555.07
3110 · Carryforward Balance	0.00	27,888.53
3900 · Retained Earnings	251,469.96	0.00
Net Income	41,009.82	140,475.32
Total Equity	7,613,034.85	7,488,918.92
TOTAL LIABILITIES & EQUITY	<u>9,725,628.92</u>	<u>9,707,195.08</u>

Mid-Columbia Economic Development District
Operations Budget vs. Actual
 July through August 2016

	Jul - Aug 16	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000 · Carryover Revenue	0.00	302,193.00	-302,193.00	0.0%
4100 · Federal	16,098.07	13,333.30	2,764.77	120.7%
4200 · State	0.00	0.00	0.00	0.0%
4300 · Local Match	7,000.00	7,000.00	0.00	100.0%
4400 · Local Dues	45,529.00	45,530.00	-1.00	100.0%
4500 · Contract Reimbursement	41,188.41	40,825.80	362.61	100.9%
4600 · Loan Interest	43,310.34	46,336.30	-3,025.96	93.5%
4700 · Loan Processing Fees	1,989.37	5,583.30	-3,593.93	35.6%
4705 · Loan Filing Fees	318.16	2,249.80	-1,931.64	14.1%
4710 · Loan Late Fee	2,687.70	349.90	2,337.80	768.1%
4750 · Investment Interest	298.89	258.10	40.79	115.8%
4800 · Receipts - Other	447.73	3,583.30	-3,135.57	12.5%
4801 · Paypal Registrations	1,490.00	0.00	1,490.00	100.0%
4803 · Sponsor Donations	3,400.00	0.00	3,400.00	100.0%
4934 · In-Kind Revenue	0.00	0.00	0.00	0.0%
4935 · In Kind - MM	0.00	0.00	0.00	0.0%
Total Income	163,757.67	467,242.80	-303,485.13	35.0%
Gross Profit	163,757.67	467,242.80	-303,485.13	35.0%
Expense				
5000 · Wages	77,616.96	78,099.20	-482.24	99.4%
5500 · Fringe Benefits	20,242.98	22,595.20	-2,352.22	89.6%
5700 · Payroll Taxes	6,786.59	6,819.60	-33.01	99.5%
6110 · Travel & Conference	2,173.34	5,008.90	-2,835.56	43.4%
6190 · Event Services	1,003.00	316.80	686.20	316.6%
6200 · Equipment	691.39	750.00	-58.61	92.2%
6300 · Supplies	999.19	4,486.10	-3,486.91	22.3%
6400 · Professional Services	4,505.74	10,262.80	-5,757.06	43.9%
6600 · Communications	1,959.07	3,321.60	-1,362.53	59.0%
6700 · Building Costs	2,869.85	3,156.50	-286.65	90.9%
6800 · Bonds & Insurance	1,331.50	3,350.00	-2,018.50	39.7%
6900 · Other Materials & Supplies	2,157.50	5,490.00	-3,332.50	39.3%
9000 · Indirect Spread	0.00	-3,399.90	3,399.90	0.0%
Total Expense	122,337.11	140,256.80	-17,919.69	87.2%

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09/22/16

Accrual Basis

Mid-Columbia Economic Development District
Operations Budget vs. Actual
July through August 2016

	Jul - Aug 16	Budget	\$ Over Budget	% of Budget
Net Ordinary Income	41,420.56	326,986.00	-285,565.44	12.7%
Other Income/Expense				
Other Expense				
7400 · Loan Payment	20,234.34	20,234.30	0.04	100.0%
7500 · Carryover to Next Year	0.00	336,978.00	-336,978.00	0.0%
7600 · In-Kind Contractual	0.00	0.00	0.00	0.0%
Total Other Expense	20,234.34	357,212.30	-336,977.96	5.7%
Net Other Income	-20,234.34	-357,212.30	336,977.96	5.7%
Net Income	<u>21,186.22</u>	<u>-30,226.30</u>	<u>51,412.52</u>	<u>-70.1%</u>

**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
2017 PIPELINE**

SPECIAL PROJECTS SUMMARY		ANTICIPATED 2017	SUBMITTED	IN PROCESS	TOTAL	CONFIRMED %
	Special Projects - Anticipated Revenue	446,685	18,000	10,000	474,685	94.10%
	Budgeted Expenses FY 2017 (Excludes In-Kind)	456,438				
	Gap/Surplus	(9,753)				
PROJ CODE	SPECIAL PROJECTS DETAILS	2017	NOTES			
	ANTICIPATED REVENUE					
517	Klickitat CDBG	4,250	Multi-year project			
518	Cascade Locks CDBG	10,431	Multi-year project			
519	Dallesport CDBG	12,500	Multi-year project			
521	Specialty Crop Grant	16,824	Multi-year project			
523	Human Services Coordinated Transportation Plan	4,689	Multi-year project			
524	Travel Oregon Wine Country Mkting	1,500	Multi-year project			
525	GTA Robotics (Wind Challenge)	19,200				
526	MCCFL CDBG	13,000	Multi-year project			
527	City of Antelope - CDBG	12,500	Multi-year project			
528	DWD Wastewater CDBG	1,200	Multi-year project			
529	Gorge Night Sky	9,500				
530	The Dalles Airport - Flex Space	10,000				
531	AOC	19,550				
548	ColPac	4,600				
549	CL-HR Enterprise Zone	5,000				
551	Urban Renewal	1,000				
554	Sherman Co ED	40,000				
557	GTA Staffing	37,600				
559	Wasco Co EDC	45,000				
560	Oregon Connections	3,500				
570	OEDD Website	700				
571	Mobility Management	75,146	2nd year of 2-year contract			
575	GTA Robotics	5,850				
582	HR EDG	7,000				
585	Commute Options	8,000				
587	HR Drive Less Connect - ODOT	11,071	2nd year of 2-year contract			
596	RBDG - Wine Marketing	8,841				
599	Agora	17,055	Multi-year project			
	DWD - USDA Grant Administration (Well #3)	9,000				
	New Specialty Crop Grant	32,178				
	TOTAL ANTICIPATED REVENUE	446,685				
	PROPOSALS SUBMITTED					
	Wishram CDBG management (PUD)	18,000				
	TOTAL PROPOSALS SUBMITTED	18,000				
	IN DEVELOPMENT					
	City of Cascades Locks - USDA Grant Admin	10,000				
	TOTAL IN DEVELOPMENT	10,000				
	TOTAL DECLINED	-				

Actual Revenue Trend 2007-2016



Memorandum

Date: September 26, 2016
To: MCEDD Executive Committee
From: Amanda Hoey, Executive Director
Re: Loan Program Revenue/Expense Update

Overview

As you will note in the financials, our loan fund cash continues to climb. MCEDD has experienced an increase in number of early loan payoffs from clients and a corresponding decrease in deals in the pipeline. While we are in familiar territory for the loan programs, the combination of these two factors causes our financial projections to anticipate a revenue shortfall, if other factors do not change. There are a number of factors likely influencing the current situation and a review of these can help the committee understand what adjustment may need to be made, and when.

- Increase in commercial financing and clients reaching a point where they are commercially viable (a good sign of the economy, our client growth and capacity of commercial lenders). *Indicates we may need to review our program terms to increase our programs' competitiveness. For those not obtaining commercial financing, we will also have to anticipate that we will be left with ever riskier loans which tend to require more servicing.*
- Natural market trends. In discussion with other lenders who have programs like MCEDD's, we are not unique in this challenge. Essentially, the deal flow looks very similar for other like-entities in our market at the current time. *Indicates that this is somewhat part of a cycle, which gives reason for patience to see what changes over the course of the year.*
- Focus on getting our house back in order. Staff has been addressing defaults/delinquencies and prior issues with loan processing to ensure our existing loans are in the best position possible. This takes some time away from outreach activities. *Indicates an opportunity for support from the board/loan board in marketing and a potential change on the horizon as staff shifts back to increasing outreach.*

By the numbers:

- Available to loan (MCEDD business loan programs only, does not include OIB or housing): Approximately \$1.15 million
- Projected loss (if nothing changes, but assuming Q3 and Q4 meet projections): Approximately \$39,000.

There are a number of factors that could significantly change our financial picture:

- 1) Contract offset, particularly through loan packaging services. This is the most significant unknown from the revenue side- we have a contract with the State of Oregon to support loan packaging and a potential client that would be serviced under this contract. MCEDD receives a fee for this service. Overall, we have diversified over time to incorporate contract work in order to alleviate some of the revenue gap.
- 2) Attainable Housing program. With modifications to that program, there is increased interest which should translate to new loans.
- 3) Influx of new lending and new deals in the pipeline.

Recommendation:

We are at an early point in the fiscal year, signaling to the Committee potential challenges ahead. We have been through this before and in some senses, it is the nature of the market. Staff's recommendation, given that it is early in the year with some opportunities to still see changes, is to:

- **Hold tight and continue to control expenses** as closely as possible, recognizing that we may need to cover some expenses with carryforward revenue or general fund.
- **Analyze the program at the end of quarters two and three** for potential adjustments to expenses, if revenue does not turn around as a result of outreach efforts or others listed above.
- **Analyze our position in the market and any modifications to the program that may ensure it continues to serve its intended purpose.** Direct staff and request the Loan Administration Board to review interest rates, terms, collateral and other factors that may increase the accessibility for borrowers, in consultation with recent borrowers and our advisors. Implement recommendations that are allowed within the exceptions provided in current policy; bring those outside of policy to the full board for consideration. Discuss options with foundation partners if current funder limitations on our programs could be addressed with more flexible resources.

Memorandum

Date: September 25, 2016
To: MCEDD Executive Committee
From: Amanda Hoey, Executive Director
Re: SDIS Best Practices Program

Overview

MCEDD participates in the Special Districts Insurance Services (SDIS) program. As part of our participation, we are eligible to receive discounts on our general liability premiums through completion of a best practices checklist. The component on Oregon Ethics must be completed by the Board. MCEDD's Executive Committee is delegated some authorities by the board to address routine matters, which staff anticipates this activity falls within. The best practices checklist is attached. Staff reviewed the checklist and anticipates that the response to all categories except #6 is "yes" based on:

- MCEDD has an established ethics policy to which all board members and loan administration board members adhere.
- Every year, we have board members renew signature on receiving the conflict of interest policy and disclosing any potential conflicts.
- Board orientation includes the distribution of the Guide for Public Officials.
- The policy, guide and actions all meet the requirements and understanding noted in the categories listed.

For #6 ("Provide annual ethics training to all board members and staff.") the question should be discussed by the committee. We do not provide in depth training for the board. Staff receives an annual review of conflict of interest issues during one of our staff meeting learning moments. The board annual reviews the conflict of interest policy, but additional training is not required.

Request

The MCEDD Executive Committee is asked to review, discuss and complete the best practices checklist.

Oregon Ethics Law Best Practices Checklist

**** To be completed by the Board of Directors****

District Name: Mid-Columbia Economic Development District

****Our insurance services website is changing!** The site will be launched **October 3, 2016**. At that time, the Best Practices checklist will be available to complete online.**

Below is the Best Practices Checklist for you to complete and return. Your answers will not be scored but are to be used for self-assessment. Submission of your complete and signed checklist verifying review from your board of directors (signature line on page 2) will result in a 2% credit to your 2017 property/casualty insurance contributions.

Steps to receive this credit to your 2017 general liability, auto liability, and property insurance contributions:

- Board of Directors and District Manager (if applicable) complete all questions on checklist.
- Board of Directors review and approve answers.
- Representative of the Board fill out and sign page 2 of the checklist.
- After filling out and signing page 2, return **entire checklist** by mail, email, or fax (OR complete online) to SDIS by **November 15, 2016**.

Completing the checklist online saves time and gives you immediate access to valuable resources. After the new insurance site has been launched, you will be able to complete the checklist online using the following steps:

- Go to **www.sdao.com**
- Click the Sign In button and enter your user credentials.
- After signing in, click on the Insurance Site tab.
- Once on the SDIS Insurance Site homepage, click Insurance on the left.
- Click Best Practices on the left, under Forms.
- Click Take Survey.
- Complete survey and click Save.

Read the statement and check Yes if the statement is true of your board and No if it is not.

Yes No

		Yes	No
1.	Familiar with the permissible statutory provisions regarding Oregon Ethics Law (ORS 244), i.e., conflicts of interest, gifts, and financial gain.		
2.	Aware that Oregon Government Ethics Commission, or OGEC, enforces government ethics laws.		
3.	Recognize that ethics laws apply to all district elected or appointed officials, employees, and agents, irrespective of whether the person is compensated for services.		
4.	Distribute a copy of OGEC's Guide for Public Officials and 2015 Supplement to each board and staff member.		
5.	Adopt an Oregon Ethics Law policy (sample available through SDAO).		
6.	Provide annual ethics trainings to all board members and staff.		
7.	Understand the difference between an actual and potential conflict of interest.		

8.	Aware of the requirements for declaring an actual or potential conflict of interest under Oregon Ethics Law.		
9.	Informed of who is considered a relative for the purpose of the ethics laws.		
10.	Understand the "but for" test and how it relates to financial gain or avoiding financial detriment.		
11.	Recognize that anything acquired through an official compensation package is not financial gain.		
12.	Aware that a "gift" is something of economic value received by a public official, his relatives, or household members.		
13.	Realize that food and beverages at a reception, when they are an incidental part of the reception or consumed at an event when a public official represents the district, are not a gift.		
14.	Familiar with the definition of "legislative or administrative" interest.		
15.	Aware that there is a \$50 gift limit from a source that has an administrative or legislative interest in the district. This includes invitations to events or activities such as concerts, plays, sporting events, and hunting.		
16.	Realize that the maximum penalty for an ethics violation is \$5,000. In addition to this penalty, if a public official financially benefits by violating Oregon Ethics Law, the OGEC can impose a civil penalty in an amount equal to twice the amount the public official realized as a result of the violation.		

Filling out the form below certifies that your Board of Directors has reviewed and approved all answers:

District Name: Mid-Columbia Economic Development District

Your Name: _____ **Your Title:** _____

Signature: _____ **Date:** _____

Return the signed checklist (OR complete online) by **November 15, 2016** to receive a 2% credit to your 2017 general liability, auto liability, and property insurance contributions.

How to Submit Your Best Practices Checklist

Mail
SDIS
PO Box 12613
Salem, OR 97309-0613

Email
memberservices@sdao.com

Fax
(503) 371-4781

Online
www.sdao.com

If you have any questions, please contact SDAO Member Services at 800-285-5461 or by email at memberservices@sdao.com.

Memorandum

Date: September 26, 2016
To: MCEDD Executive Committee
From: Amanda Hoey, Executive Director
Re: CEDS Status Update

Overview

On September 15, 2016 MCEDD hosted more than 50 individuals from around the region at the Port of Cascade Locks' Marine Pavilion to identify the area's **Strengths, Weaknesses, Opportunities** and **Threats**.

The event included a welcome from MCEDD Board President Jan Brending, opening remarks from Rob Lothrop with Columbia River Inter-Tribal Fish Commission and an overview of local Cascade Locks issues from Holly Howell with the Port of Cascade Locks. Participants engaged in a facilitated SWOT analysis, reviewing work completed in 2012 and updating the SWOT to reflect changes in the regional economy. The event concluded with a tour of the Marine Park and Industrial Park.

Next Steps

With one exception (staff has been trying to identify the barriers preventing one member from participating), you have a very active CEDS strategy committee that is doing a great job in planning and preparing the CEDS outreach meetings. Following the September SWOT session, the CEDS Steering Committee met to review the event and discuss potential modifications. The highlights from that discussion are as follows:

- The facility was challenging to support facilitated conversations. The next facility has a better layout that should help.
- Local presentations helped participants gain a better perspective on issues impacting the local community.
- The committee felt that the prior session reviews helped to get everyone on the same page quickly and materials from the 2012 strategy provided a point to work on revisions.
- The facilitation process appeared to work smoothly and a similar format will be used in October's meeting.
- While the session itself was well attended, the tour was not. Modifications will include earlier advertisement, requiring RSVP's and tickets for tour attendees. The tour will be cancelled if there are insufficient RSVP's.

Materials from the meeting are posted to our website, included the summary from the 2012 Assets/Barriers listed in the strategy. We have distributed a survey to attendees to capture additional information and their review of the session. We also have a public survey posted that will remain open through October 21, 2016. All information is intended to be compiled in advance of the October session in order to provide an opportunity for attendees to review. The next session is scheduled for October 27th at the Hegewald Center in Stevenson. A draft agenda is attached.

Request

This item is provided as an update for the Executive Committee. No action is required. We will discuss the preliminary outcomes from the September SWOT session.



Columbia River Gorge Regional Economic Development Strategy

Thursday, October 27, 2016

Hegewald Center, 710 SW Rock Creek Drive
Stevenson, WA

AGENDA: Vision and Goals

<u>Time</u>	<u>Agenda Item</u>	<u>Who</u>
8:30 am	Join us for optional networking, coffee, conversation	All
9:00 am	Welcoming Remarks	Commissioner Bob Hamlin, Casey Roeder
9:10 am	Introductions of participants Overview of Regional Strategy Process	All Amanda Hoey
9:20 am	Local Issues/Priorities in the Regional Strategy: Skamania County	Skamania EDC
9:30 am	Review of Last Sessions: SWOT and Demographics	Amanda Hoey
9:45 am	Regional Vision and Goals <i>2016 Vision Highlights; Proposed Vision Modifications</i> <i>Primary Goal Areas</i>	Strategy Committee
10:10 am	Regional Goal Setting <i>Roundtables</i>	All
- Break -		
11:10 am	Regional Goals Report Out	Participants
11:30 am	Adjourn to Tour	

Thank you to our Session Sponsor:



Thank you to our Strategy Sponsors:



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**Executive Director’s Report
Prepared for October 2016 Executive Committee Meeting**

This report covers activities in September 2016. Items for discussion include:

- Status of our high tech representative to the MCEDD Board.
- CCO grant opportunity.

Business Assistance Division

- USDA conducted their annual site visit to review operations of MCEDD’s loan programs funded with USDA resources. No issues were identified.
- MCEDD has received an increase in the number of loan payoffs. In addition to those listed in the loan report for the board meeting, we received payoffs from Oregon Growers and Shippers and Shindiggs. Payoff is also expected from Pfriem. This increase in early payoffs is advantageous to our clients and a good sign of economic health, but conversely it increases the resources MCEDD needs to revolve back into new loans. See the memo with the financials for further discussion on options.
- Revisions to the policies for the Attainable Housing Fund have spurred renewed interest. While those previously in the pipeline continue to work on exploring their financing options, we have met with a developer in Sherman County and two new potential projects in The Dalles.
- Client successes:
 - Brigham Fish Products is doing well and recently added food service.
 - Congratulations to **Sedition Brewing** on their Grand Opening September 23rd! Sedition is an Oregon Investment Board client and is located in The Dalles.
- Eric Nerdin has been working diligently with delinquent clients and is seeing returns from this increased diligence.
- Cascade Locks-Hood River Enterprise Zone activity this month included a review of potential options for Cardinal Glass with their proposed expansion. Staff is also reaching out to clients noted at the Hood River Economic Development Group meeting to provide information on the program options.
- Eric Nerdin presented a proposal for the Craig Building to The Dalles Urban Renewal for consideration of investment.
- Oregon and Washington Investment Board: Senators Merkley, Murray, Cantwell and Wyden and Representatives Walden, Herrera-Beutler, and Blumenauer have all signed a letter to Secretary Vilsack requesting “As you continue to work on your Fiscal Year 2018 Budget Request, we encourage you to include these economic development grants. In addition, we encourage USDA to use economic development programs and accounts under USDA Rural Development purview to allocate these funds to the Oregon and Washington Investment Board.” The letter discusses the need for the final allocation of funds (approximately \$1.9 million) that were authorized but never appropriated.



*Sedition Brewing Co
Celebrated Grand Opening
September 23rd*

Economic Development Administration, Regional Economic Development

- Comprehensive Economic Development Strategy. The September session had about 50-60 participants from across the five county region. (see attached memo). Kudos to a hardworking committee!
- Foundation relationships:
 - Staff participated in an interview for the Oregon Community Foundation “Oregon Capital Scan.” I highlighted, in particular, the Agora Investment Platform and our business finance programs. A gathering for all participants is anticipated to occur in January 2017.
 - The District Association presented a proposal to the Ford Family Foundation for comprehensive investment into Economic Development Districts and our regional strategies. I anticipate a follow-up meeting in Roseburg with more of the foundation’s staff as we further discuss options.
 - I participated in an economic development roundtable hosted by the Meyer Memorial Trust, discussing the network and interconnectedness of economic development programs, particularly in relation to business investment. Two key takeaways: the deal flow for others in our market looks very similar to MCEDD’s at this point in time and there was a repeated need for capital access managers.
- Agora Investment Platform. As of September 25, 2016: 522 users, 86 capital pools and 196 projects are listed on the system. We have not yet had a match for an Encore Fellow. USDA is moving forward with a likely expansion of the Platform into Kentucky.



CEDS September tour

Project Management

- Cider Adventure is around the corner (October 8th)!
- The Gorge Tech Alliance partnered with TAO to host a legislative roundtable on September 26, 2016. Discussion centered on housing issues and concerns.
- Mobility Management
 - Our Oregon counties are moving through their Human Services Coordinated Transportation Plan updates, as required to receive Special Transportation Funds. MCEDD is contracted to develop the plans and staff anticipates that all three plans will be complete and adopted by November.
 - Upper Valley service expansion continues to move forward, with MCEDD facilitating meeting between Columbia Area Transit and Gorge Yellow Cab. The public-private partnership will extend new service in Hood River.
 - Staff is working on the new biennium grant applications in partnership with our public transportation providers. We are revising the scope of work and will submit by October 14, 2016 to WSDOT. ODOT has a later review process.
- The Coordinated Care Organization, through Providence, has released a solicitation for projects. Staff will review opportunities with the Executive Committee at this meeting.



Oregon Drive Less Connect Challenge is October 1-15!

- The following are excerpts from the most recent Wasco County Economic Development Commission mailing from Carrie Pipinich and EDC Chair Kathy Ursprung:
 - The Commission met in Maupin in September and heard updates from the new City Mayor and from a representative with the Maupin Chamber of Commerce. The Commission also toured Imperial Stock Ranch, learning about the stewardship efforts these Century Farm owners engage in to assure that the land is both healthy and productive, that their animals are well cared for and that the ranch itself can prosper.
 - About to bear fruit are the efforts of Q-Life and the City of Maupin in their fiber-optic project with LS Network. The project will result in fiber installed on every power poll in the city with data speeds from 100 megabytes to 1 gigabyte, some of the fastest in Oregon. They are hoping the lightning-fast data speeds will help attract entrepreneurs to the area. They hope to see network **construction begin** at the end of January. MCEDD, the EDC, and the South Wasco Alliance worked together to collect baseline survey data related to broadband need in South Wasco County that supported this project. And, the EDC worked closely with the project owners to identify and seek funding opportunities and bringing key stakeholders to the table.
 - Maupin’s local fundraising campaign for a new city hall/library is also at an end after the community raised approximately \$125,000. They are hoping to get larger grants to finish the \$1.3 million project. Other projects the city on the Deschutes is talking about are a scenic bikeway and renovation of their Legion Hall for community events.
- Jessica Metta has been working on a number of projects in Sherman County including:
 - Identifying potential workforce housing solutions. These solutions may further involve MCEDD’s loan program and will be discussed with the Committee.
 - Working on options for the Biggs Service District, with clarification received from USDA on mechanisms that need to be in place prior to proceeding with funding application requests
 - Supporting South Sherman Fire District in identifying the necessary process to conduct an income survey for potential CDBG application
- The Oregon Connections Telecommunications Conference takes place this month. MCEDD is the local host for the event.
- MCEDD staff has been involved in a couple of workforce discussions:
 - Fermentation Science program exploration with CGCC.
 - East Cascades Workforce Investment Board RFQ release to support ASO/ISO training in response to company demand (listed in our IMCP plan).
 - Initial discussions with CRITFC regarding their fish marketing and education programs and opportunities for transferring some of those program skills.
- Infrastructure/Grant Administration:
 - Jacque Schei supported the regional airport with an extension letter to their start date which was necessary to preserve funding. She also coordinated a meeting with our EDA representative to the project and will be assisting the project in meeting its requirements.



Wasco EDC tours Imperial Stock Ranch

- Jacque also supports the City of Antelope's CDBG funded water project. Progress was made by the architectural firm on completion of the environmental review.
- We are still pending on an agreement with the Klickitat PUD for the Wishram project as they conduct a bid process.

Operations

- **Local dues:** All assessments have been sent to all applicable entities and the City of Antelope is the only pending payment. All other entities have paid.
- MCEDD's Indirect Rate was submitted to EDA for annual approval.
- **Audit:** MCEDD's on-site audit begins on Monday, October 10, 2016. The auditors have requested to meet with interested board members at 10:00 am at the MCEDD office in The Dalles. Jan Brending and Ken Bailey are confirmed to participate.
- **Website RFP:** The solicitation has been delayed due to activities associated with hiring a new Project Manager. I intend to have it out in October.
- **Training:** Jessica Metta was approved to use professional development funds to take a Leadership series through Columbia Gorge Community College. Jacque Schei attended the NW Economic Development Course, funded through scholarship. Jacque Schei and Sherry Wickert participated in a Davis-Bacon and HUD Determined prevailing wage rate compliance training. The training covered how to appropriately administer Federal labor standards in HUD programs.
- **Board:** The Executive Committee needs to discuss our private sector position representing high tech position which was appointed as Dana Robison-Miller.
- **Loan Administration Board:** Staff conducted an orientation for new LAB member Anthony (AJ) Tarnasky.
- **Letters of Support:** A letter of support was submitted for Klickitat County Senior Services/Mount Adams Transportation Service as they seek funding for expanded transportation services for a fixed route service for the west end of Klickitat County providing transit service between White Salmon/Bingen and Hood River and fixed route service for the east end of the County providing transit service between Goldendale and The Dalles.
- **Personnel:** Project/Mobility Manager status: We interviewed six candidates and will invite three of those back for a second round interview before making final decisions. I was pleased with the number and diversity of applications. We changed the title in outreach materials (job description remains the same) and I think it helped us to get candidates with skills that more closely match or can transfer to the position.
- **Publicity:** Most of the publicity this month has related to our regional strategy. We had good coverage through our press release and also from Phillip Watness with the Skamania County Pioneer.

Next Executive Committee meeting is Wednesday, November 2, 2016 at 4 pm.