



MCEDD Loan Administration Board Meeting
Tuesday, November 6, 2018
8:00am

MCEDD Office, 515 East Second Street, The Dalles

AGENDA

<u>Topic</u>	<u>Estimated Time</u>	<u>Item</u>
Call to Order, Introductions, Conflict of Interest Disclosures		
Loan Administration Board Minutes <i>October 16, 2018</i>	5 minutes	Approval
Loan Requests <i>The Grateful Farmer, Inc.</i> <i>Hage Electric and Construction Services</i>	5 minutes	Information
Loan Modification Request: <i>The Riv, LLC</i>	5 minutes	Information
<i>Executive Session per ORS 192.660 (f) (Exempt Documents)</i> <i>Regular Session Reconvened</i>		
Loan Actions	10 minutes	Decision
Loan Updates <i>Seufert Enterprises, LLC</i> <i>LDB Beverage, LLC</i>	5 minutes	Information
<i>Executive Session per ORS 192.660 (f) (Exempt Documents)</i> <i>Regular Session Reconvened</i>		
Loan Actions	10 minutes	Decision
Loan Reports	10 minutes	Information
Other New Business		

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 us at (541) 296-2266; TTY 711 at least 48 hours before the meeting. MCEDD is an equal opportunity employer, lender and provider.

Executive Session Protocol MCEDD Loan Administration Board

After discussion agenda items are presented in open session by MCEDD staff, the LAB Chair will state the following: "Pursuant to ORS 192.660(f), Exempt Documents, I call the Executive session of the MCEDD Loan Administration Board to order".

LAB Chair asks all non-staff and non LAB members to leave the meeting. Staff will explain to visitors where they can wait and that they will be invited into Executive Session when their agenda item will be discussed.

For each discussion item on the agenda for Executive Session, the LAB Chair will follow the following procedural steps:

1. Invite the loan applicant (or their representative) into the Executive Session for the presentation of their loan request. LAB Chair requests a brief presentation from MCEDD staff on a summary of the loan proposal or other discussion item.
2. After presentation of information by staff, the LAB Chair asks if there are any questions for the loan applicant or MCEDD staff.
3. Following questions and discussion by the LAB, the loan applicant (and/or their representative) is asked to leave Executive Session with instruction that they will be invited into the Open session when Executive Session is adjourned.
4. LAB Chair asks LAB members if there is any discussion related to loan request that needs to take place before inviting the next loan applicant or other persons in to Executive Session for the next discussion item.
5. Additional discussion between the LAB members takes place then Steps 1-5 are repeated for each following discussion item for Executive Session.

At the end of discussion, the LAB chair will close the Executive Session. The LAB moves back to open session. At this point, the LAB Chair asks for a motion on the decision items in open session. Following a proper motion (motion and a second), the LAB chair requests discussion on the motion. Following any discussion, the LAB chair request a vote ("all those in favor, signify by saying aye" "all opposed signify by saying nay" "any abstentions?"). Staff may ask for a roll-call vote, if the responses are unclear

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**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
LOAN ADMINISTRATION BOARD MEETING MINUTES**

Tuesday, October 16, 2018

8:00 am

MCEDD OFFICE, 515 East 2nd Street, The Dalles, OR

ATTENDANCE:

BOARD: Scott Clements (teleconference), Bob Hamlin (teleconference), Dillon Borton (teleconference), Gary Thompson (teleconference), Rex Johnston (teleconference), Bob Benton (teleconference), Rod Runyon

STAFF: Amanda Hoey (Executive Director; teleconference), Eric Nerdin (Loan Fund Manager)

GUESTS: Randy Seufert (Seufert Enterprises, LLC), Bruce Nissen (LDB Beverage Company), David Ryan (LDB Beverage Company), Jason Taylor (Lost Lake Resort, Inc.; teleconference), Vic Vankoten (MCEDD attorney)

CALL TO ORDER:

Scott Clements called the meeting to order at 8:00 am. A quorum was present. A round of introductions took place. Scott requested declaration of any conflicts of interest. Bob Benton declared a potential conflict of interest on the Lost Lake Resort, Inc. loan application and stated he would not participate in discussion and would abstain from voting on that application.

Scott noted a modification to the order of topics on the agenda.

LOAN ADMINISTRATION BOARD MINUTES

Rod Runyon moved to approve the minutes from October 2, 2018. Bob Hamlin seconded the motion. Motion passed unanimously.

Discussion: Rod noted his preference for the minutes to indicate if a person attended a meeting by phone or in person.

LOAN REQUEST: LOST LAKE RESORT, INC.

Eric Nerdin presented an overview of the loan request from Lost Lake Resort, Inc.

EXECUTIVE SESSION

Per ORS 192.660 (f) Exempt Documents, the MCEDD Loan Administration Board moved into Executive Session at 8:05 a.m.

Gary Thompson departed the meeting at 8:08 a.m.

Gary Thompson re-joined the meeting at 8:13 a.m.

Regular session was reconvened at 8:18 a.m.

LOAN ACTION: LOST LAKE RESORT, INC.

Bob Hamlin moved to approve a loan to Lost Lake Resort, Inc. as recommended by staff. Dillon Borton seconded the motion. Motion passed with six in favor and one abstention (Benton).

- Loan Amount: \$300,000
- Term: 7.75% fixed interest rate, 60 month term
- Loan Payment, Fees, Collateral and Conditions: As listed in the loan proposal.

Discussion: Rod Runyon stated his support of this loan application but also noted that this was a unique loan for MCEDD to consider due to the applicant operating under a permit with the US Forest Service. Scott Clements asked staff about the statement in the staff report highlighting that the “US Forest Service permit is not for the duration of the proposed loan repayment schedule.” Eric clarified that this was included in error and stated that the recommended repayment term does not exceed the permit duration. Bob Hamlin asked how much the permit fee was and if this fee amount would be negotiated during permit renewal. Eric stated that the current permit fee was \$10,000 per year and his understanding is that the permit fee amount is set by the US Forest Service and was not negotiable.

LOAN REQUEST: SEUFERT ENTERPRISES, LLC

Eric Nerdin presented a loan modification request for Seufert Enterprises, LLC.

EXECUTIVE SESSION

Per ORS 192.660 (f) Exempt Documents, the MCEDD Loan Administration Board moved into Executive Session at 8:22 a.m.

*Vic VanKoten joined the meeting at 8:24 a.m.
Rex Johnston departed the meeting at 8:29 a.m.*

Regular session was reconvened at 8:50 a.m.

LOAN ACTION: SEUFERT ENTERPRISES, LLC

Dillon Borton moved to approve the loan action for Seufert Enterprises, LLC as recommended by staff, with the conditions listed. Bob Hamlin seconded the motion. Motion passed unanimously.

Discussion: Rod Runyon asked about including a time requirement on the sale of real estate. Amanda stated that a time requirement could limit MCEDD collection options and that MCEDD can have the complaint can be filed against the loan client at any time given the default status.

Vic VanKoten departed the meeting at 8:53 a.m.

LOAN UPDATE: LDB BEVERAGE, LLC

Eric Nerdin presented a loan update for LDB Beverage, LLC.

EXECUTIVE SESSION

Per ORS 192.660 (f) Exempt Documents, the MCEDD Loan Administration Board moved into Executive Session at 8:54 a.m.

*Dillon Borton departed the meeting at 8:59 a.m.
Gary Thompson departed the meeting at 9:00 am*

Regular session was reconvened at 9:25 a.m.

LOAN ACTION: LDB BEVERAGE COMPANY

Rod Runyon moved to authorize staff to continue working with LDB Beverage on consideration of a loan modification with direction that items are reviewed by MCEDD legal counsel and the loan client provides the requested information. Bob Benton seconded the motion. Motion passed unanimously.

Bob Hamlin departed the meeting at 9:28 am

OTHER NEW BUSINESS

Amanda Hoey stated that Rod Runyon would conclude his term on MCEDD's governing bodies December 31, 2018. Wasco County has informed MCEDD that Steve Kramer would likely be Rod's replacement. She asked for the board to approve Steve Kramer's attendance at MCEDD Loan Board meetings, including executive sessions, and receiving confidential information.

Rod Runyon moved to approve that Steve Kramer is allowed to participate as requested and receive confidential information. Bob Benton seconded the motion. Motion passed unanimously.

ADJOURNMENT: The meeting was adjourned at 9:32 am

Respectfully submitted by Eric Nerdin, Loan Fund Manager.