



Mid-Columbia Economic Development District

MCEDD Loan Administration Board Meeting
Tuesday, January 16, 2018
8:00am

MCEDD Office, 515 East Second Street
The Dalles, Oregon

AGENDA

<u>Topic</u>	<u>Estimated Time</u>	<u>Item</u>
Call to Order, Introductions, Conflict of Interest Disclosures		
Loan Administration Board Minutes <i>December 2017 meeting</i>	5 minutes	Approval
Loan Discussion <i>LDB Beverage- Bruce Nissen</i>	10 minutes	Information
Loan Reports	10 minutes	Information
<i>Executive Session per ORS 192.660 (f) (Exempt Documents)</i> <i>Regular Session Reconvened</i>		
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.

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

Tuesday, December 19, 2017

8:00 am

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

ATTENDANCE:

BOARD: Rex Johnston, Rod Runyon, Dillon Borton, Gary Thompson, Scott Clements, Bob Benton, Bob Hamlin, AJ Tarnasky

STAFF: Amanda Hoey, Eric Nerdin

GUESTS: Ken Bailey (MCEDD Board Chair), Mike Kitts (Michael Kitts Homes, Inc and Hood River Homes, Inc), Rick Leibowitz (CGCC Small Business Development Center), Josie Turner and Jim Hanna (Mt Shadow Foods, LLC)

CALL TO ORDER:

Scott Clements called the meeting to order at 8:01 a.m. A quorum was present. A round of introductions took place.

LOAN ADMINISTRATION BOARD MINUTES

Rod Runyon moved to approve the minutes from November 21, 2017. Bob Hamlin seconded the motion. Motion passed unanimously.

LOAN REQUEST: MT SHADOW FOODS, LLC

Eric Nerdin presented a \$97,360 loan request from Mt Shadow Foods, LLC to support business growth and address existing business debt.

EXECUTIVE SESSION

Per ORS 192.660 (f) Exempt Documents, the MCEDD Loan Administration Board moved into Executive Session at 8:04 a.m.

Rex Johnston and Dillon Borton departed the meeting at 8:30 a.m.

Regular session was reconvened at 8:32 a.m.

LOAN DECISION: MT SHADOW FOODS, LLC

AJ Tarnasky moved to deny the loan based on overall leverage. Bob Benton seconded the motion.

Discussion: Scott Clements requested staff provide an overview of options for the applicant if the motion to deny is approved. Eric Nerdin stated that there is an opportunity for the applicant to return to the board for future loan considerations after obtaining additional information on the revised collateral and/or addressing cash flow concerns.

Motion passed unanimously.

LOAN REQUEST: MICHAEL KITTS HOMES, INC AND HOOD RIVER HOMES, INC

Eric Nerdin presented a \$600,000 loan request from Michael Kitts Homes, Inc and Hood River Homes, Inc to construct eighteen (18) single family housing units in Hood River, Oregon.

EXECUTIVE SESSION

Per ORS 192.660 (f) Exempt Documents, the MCEDD Loan Administration Board moved into Executive Session at 8:39 a.m.

Regular session was reconvened at 8:53 a.m.

LOAN DECISION: MICHAEL KITTS HOMES, INC AND HOOD RIVER HOMES, INC

Bob Benton moved to approve the loan for Michael Kitts Homes, Inc and Hood River Homes, Inc as recommended by staff. Gary Thompson seconded the motion.

- Loan amount: \$600,000.00
- Interest Rate: 4.75% Fixed interest rate
- Loan Term: 25 months
- Loan Payment: Quarterly accrued interest only payments for eighteen (18) month construction draw down, then \$6,500.00 per month for six (6) months with the outstanding loan balance due in full on the 15th day of the 25th month.
- Loan Fees: 1%; Attainable Housing Development Loan (\$6,000)
- Conditions: As listed in the staff report.

Discussion: Rod Runyon stated that he and Ken Bailey are also members of the North Central Regional Solutions Advisory Council. He noted that there is no conflict of interest for this application. Ken Bailey noted that Amanda Hoey is also a member of the Council.

Motion passed unanimously.

LOAN MODIFICATION REQUEST: ABIDE CRAFT DISTILLERS, LLC

Eric Nerdin presented a loan modification request for Abide Craft Distillers, LLC dba Camp 1805 for a release of collateral due to an anticipated business merger.

LOAN REPORTS

Eric Nerdin provided an update on current loans and referred the board to the loan delinquency report.

EXECUTIVE SESSION

Per ORS 192.660 (f) Exempt Documents, the MCEDD Loan Administration Board moved into Executive Session at 8:56 a.m.

Bob Hamlin departed at 8:57 a.m.

Regular session was reconvened at 9:01 a.m.

LOAN DECISION: ABIDE CRAFT DISTILLERS, LLC DBA CAMP 1805

AJ Tarnasky moved to approve the request to release as collateral all business assets of Abide Craft Distillers, LLC dba Camp 1805 with the conditions as listed in the staff report. Bob Benton seconded the motion. Motion passed unanimously.

LOAN IMPACT STUDY

Amanda reviewed the scope of work for the University of Oregon research assistance proposal related to MCEDD's business assistance programs. She requested members talk with staff if they have any input on the proposed scope of work or approach.

OTHER NEW BUSINESS

No other new business was presented.

ADJOURNMENT: The meeting was adjourned at 9:06 a.m.

Respectfully submitted by Amanda Hoey, Executive Director.