



Mid-Columbia Economic Development District

**MCEDD Loan Administration Board Meeting**  
**Tuesday, October 19, 2021**  
**8:00am**

Remote only

Please call (541) 296-2266 or email [ami@mcedd.org](mailto:ami@mcedd.org) for Zoom Meeting details

**AGENDA**

<b><u>Topic</u></b>	<b><u>Estimated Time</u></b>	<b><u>Item</u></b>
Call to Order, Introductions		
Loan Administration Board Minutes <i>October 5, 2021</i>	5 minutes	Approval
Loan Requests <i>Hood View Services, LLC</i>	20 minutes	Approval
<b><i>Executive Session per ORS 192.660 (f) (Exempt Documents)</i></b> <b><i>Regular Session Reconvened</i></b>		
Loan Actions	5 minutes	Decision
Review of Proposed Microlending Program Terms	10 minutes	Approval
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 into 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 requests 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.

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, October 5, 2021

Virtual Only

## ATTENDANCE

BOARD: Scott Clements, Dillon Borton, AJ Tarnasky, Steve Kramer, Joe Dabulskis

STAFF: Jessica Metta (Executive Director), Ami Beaver (Assistant Program Manager), Jill Brandt (Administrative Assistant)

GUESTS: Danielle and Alexander Stevens from Hood View Services

## CALL TO ORDER INTRODUCTIONS

Scott Clements called the meeting to order at 8:01 a.m. A quorum was present. Jessica introduced Danielle and Alexander with Hood View Services.

## MINUTES

**Steve Kramer motioned to approve** the minutes from September 7, 2021. Joe Dabulskis seconded the motion. All voted in favor, and the motion passed unanimously.

## LOAN REQUEST: HOOD VIEW SERVICES, LLC

Danielle and Alexander gave the board background on their experience and request. They have been in business since June 2019 and done well despite COVID-19. Danielle described her extensive background in the auto industry. Through their current employment they discovered the need for another reliable tow company in the area. They are asking for money to expand, specifically to purchase tow trucks and to open an auto repair shop. They plan to sign up with AAA to become certified. Alexander stated that he has always worked with cars, starting as a kid. Since high school he has worked in dealerships, auto shops, and has focused on glass installation since 2008.

## EXECUTIVE SESSION

Per ORS 192.660 (f) Exempt Documents, the MCEDD Loan Administration Board moved into Executive Session at 8:08 a.m.

*Regular session was reconvened at 8:21 a.m.*

## LOAN ACTION

**Steve Kramer moved** to table this request in order to gather more information on the project. AJ Tarnasky seconded the motion. Dillon recused himself from voting on this loan request because they were prior clients at KeyBank. Everyone else voted in favor, and the motion carried.

## **LOAN REQUEST: ONSITE SUPPLY HOUSE, LLC**

Jessica asked to return to Executive Session to present the request from existing client Onsite Supply House.

## **EXECUTIVE SESSION**

Per ORS 192.660 (f) Exempt Documents, the MCEDD Loan Administration Board moved into Executive Session at 8:23 am to discuss the Onsite Supply House request.

*Regular session was reconvened at 8:30 a.m.*

## **LOAN ACTION**

**Steve Kramer motioned to approve** the client request for Onsite Supply House for MCEDD to subordinate its existing first position UCC filing to First Interstate Bank for establishment of a \$100,000 line of credit. Additional conditions include SBDC counseling services on a bi-monthly basis and financial reporting of business financials on a bi-monthly basis. AJ Tarnasky seconded the motion. Dillon abstained from voting as this was his client. Everyone else voted in favor, and the motion passed.

## **STAFF UPDATES**

Jessica explained the current situation with Forget Me Not Ventures (Gorge Wine Library) that was brought at the last meeting. The client was upset with staff's communication in the process and that their vehicle was put up for collateral. Jessica suggested the Board finalize microlending terms that might work for the client. Jessica will bring draft microlending terms to the next meeting for review to see if the Loan Administration Board is interested in adopting a program which would offer lower amounts, but also not require full collateralization. Jessica pointed out that currently all loans for the LAB require the same amount of staff work, no matter the actual dollar amount of the loan. The microlending program would offer less staff work to process the smaller loan amounts. The Board agreed to address this topic at the next meeting.

Jessica offered to bring Board officers election discussion for next meeting. Dillon Borton and Steve Kramer both stated immediately their preference to keep Scott Clements as the chair. Scott welcomed any other interested parties to speak up as he supported all Board members receiving an opportunity to serve.

Jessica noted the job vacancy for the Loan Fund Manager and asked for any recruitment suggestions. Dillon suggested Gabriel Muro, who supports the Next Door's small business program, for the position or other referrals. Joe Dabulskis asked what the position paid so that he could respond to questions about the position. Jessica offered the salary range \$64- 67K that is posted for the position.

## **ADJOURN**

Scott Clements adjourned the meeting at 8:38 a.m.

*Respectfully submitted by Jill Brandt, Administrative Assistant*

## **Memorandum**

**To: MCEDD Loan Administration Board**

**From: Jessica Metta, Executive Director**

**Date: October 13, 2021**

**Re: Draft LAB Microlending Terms**

---

The Loan Administration Board (LAB) has discussed developing a microlending program to address requests for smaller loans with a modified review process and different terms. The following is presented as a draft for feedback. It is based on a program with the Oregon Investment Board and received some input from Scott Clements and the Small Business Development Center.

- Maximum Loan Amount: \$40,000
- Eligible Applicant Types: Entrepreneurs, new business start-ups, expanding businesses, existing businesses for debt refinancing, and most legal business ventures. Women and minority-owned businesses are encouraged to apply.
- Term: Three-year loan term. Balloon payments possible.
- Interest Rate: Dependent on risk criteria, generally 8-12% with performance incentives to lower the interest rate during the loan term.
- Collateral: Personal guarantee required. A token piece of collateral is required but not full collateralization.
- Flexibility in Loan Requirements: Minimum 5% applicant funds, with up to 95% MCEDD loan.
- Minimal Documentation: Simple application, credit report, references and minimal supporting documentation (tax returns, financial statements, cash flow projections, business plan, business experience and management information). No minimum credit score required.
- Minimal Insurance Requirements: Basic insurance on collateral and business required.
- Business Counseling: Requirement to meet with the Small Business Development Center or SCORE prior to or as part of the application process.
- Decision within two weeks of receiving all completed documentation.

### **Request**

Discuss the terms above and make any desired changes. If comfortable, the LAB could move to approve the microlending terms at the October 19, 2021 meeting.