

**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
FULL BOARD OF DIRECTORS
THURSDAY, DECEMBER 16, 2021
4:00 P.M.**

REMOTE ONLY

<https://us06web.zoom.us/j/82277863687?pwd=b3J0K3hlQ1lyU3FqT2pnUTdCZlRwZz09>
or call 253-215-8782, Meeting ID: 822 7786 3687, Passcode: 208863

AGENDA

<u>Topic</u>	<u>Estimated Time</u>	<u>Item</u>
Call to Order/Introductions	5 minutes	Information
Loan Client Highlight	5 minutes	Presentation
Minutes Approval <i>September 23, 2021</i>	2 minutes	Approval
FY21 Audit Status	5 minutes	Information
Financial Report	10 minutes	Information
EDA Revolving Loan Fund Plan <i>Resolution 2021-6, Adopting Plan</i>	10 minutes	Approval
Oregon Local Government Investment Pool <i>Resolution 2021-7, LGIP Authorization</i>	5 minutes	Approval
Comprehensive Economic Development Strategy Process Update <i>Symposium Review</i>	10 minutes	Discussion
Executive Director Report	5 minutes	Discussion
Committee Reports Executive Committee Loan Administration Board <i>Executive Session per ORS 192.660 (f) (Exempt Documents)</i> <i>Regular Session Reconvened</i>	10 minutes	Information
Staff Reports	20 minutes	Information
Regional Updates- <i>MCEDD Board members</i>	30 minutes	Discussion
New Business	5 minutes	Discussion
Adjournment		

Accessibility: 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 least 48 hours before the meeting.

Public Comment: Individuals wishing to address the Board on items not already listed on the Agenda may do so in an orderly fashion throughout the meeting. Please wait for the current topic to conclude and raise your hand to be recognized by the Chair for direction. Speakers are asked to give their name and address and to limit comments to three minutes unless extended by the Chair.

Agenda Times: Times on the agenda are approximate. The Chair reserves the opportunity to change the order and time of agenda items if unforeseen circumstances arise.

**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
BOARD OF DIRECTORS MEETING
THURSDAY, SEPTEMBER 23, 2021
ZOOM VIRTUAL MEETING**

BOARD MEMBERS: Bill Schmitt, Gordon Zimmerman, Ken Bailey, Leana Kinley, Mike Foreaker, Eric Proffitt, Scott Clements, Bob Hamlin, Jonathan Lewis, Mark Zanmiller, Steve Kramer, Dave Sauter, David Griffith, Joe Dabulskis, Dr. Marta Cronin, Tonya Brumley, Buck Jones

NEW MEMBERS: Jason Hartmann (High Tech), Pat Albaugh (Port of Skamania County)

STAFF: Jessica Metta (Executive Director), Israel Ayala Guevara (Loan Fund Manager), Carrie Pipinich (Deputy Director of Economic Development), Kate Drennan (Deputy Director of Transportation), Jacque Schei (Project Manager), Lauren Hernandez (Office Administrator), Marla Harvey (Program Manager), Dana Woods (Finance and Operations Manager), Cheryl Eniero (Project Manager), Kathy Fitzpatrick (Mobility Manager), Ami Beaver (Assistant Program Manager), Jill Brandt (Administrative Assistant).

GUESTS: Judge Elizabeth Farrar (Gilliam County)

CALL TO ORDER/INTRODUCTIONS

Bill Schmitt called the meeting to order at 4:00p.m. A quorum was present. A round table of introductions took place.

RECOGNITION FOR OUTGOING BOARD MEMBERS

Jessica Metta thanked Bill Schmitt and Gordon Zimmerman for their service on behalf of staff and the Board. Steve Kramer agreed.

PRIVATE SECTOR APPOINTMENTS

Jessica Metta informed the Board that all existing private sector members were interested in being reappointed to the Board. Mark Zanmiller has shifted into the Hood River Cities seat upon request of the Hood River City Council (replacing Gordon Zimmerman), leaving the high-tech industry representative seat vacant. The Executive Committee reviewed the four applications and is recommending Jason Hartmann of Zepher to fill the open seat. All private sector Loan Administration Board members were interested in reappointment as well, leaving no vacancies on that Board to fill.

Steve Kramer motioned to reappoint all current private sector members and to appoint Jason Hartmann to fill the high-tech industry sector position. Mark Zanmiller seconded the motion. All voted in favor, and the motion carried unanimously.

Mark Zanmiller motioned to reappoint Dillon Borton and Scott Clements to the Loan Administration Board and to reappoint AJ Tarnasky to the alternate private sector position. Ken Bailey seconded. All voted in favor, and the motion carried unanimously.

NOMINATING COMMITTEE REPORT

Jessica Metta reported that the Nominating Committee was comprised of Jan Brending, Eric Proffitt, and David Griffith. The MCEDD Nominating Committee met in August to discuss the slate of officers for the

MCEDD Board. The officers of MCEDD include a Chairperson, Vice Chairperson, and Secretary/Treasurer. All officers serve one-year terms, and all positions are unpaid. Bill Schmitt will be retiring from the Board, leaving the Chair role vacant. Jessica explained that the nominating committee followed the Board's traditional established practice to rotate officers up through the positions, and recommended rotating Bob Hamlin to Chair, Steve Kramer to Vice Chair, and nominating Leana Kinley to the Secretary/ Treasurer position.

Mark Zanmiller motioned to approve the recommendation of Bob Hamlin to Chair, Steve Kramer to Vice Chair, and Leana Kinley as Secretary/ Treasurer. All voted in favor, and the motion carried unanimously.

Jessica noted that the Nominating Committee also suggests Private Sector members to the Executive Committee. The Committee proposed three private sector members, including retaining Ken Bailey and Eric Proffitt and adding Scott Clements to fill the seat opened with Bill Schmitt's retirement.

Bill Schmitt left the meeting and Bob Hamlin assumed Chair duties.

Tonya Brumley motioned to appoint Ken Bailey, Eric Proffitt, and Scott Clements to the private sector seats on the Executive Committee. Steve Kramer seconded. All were in favor, and the motion carried unanimously.

CONSENT AGENDA

The following items were brought before the Board for approval as Consent Agenda: June 2021 MCEDD minutes, 2022 Meeting Schedule and Personnel Policy Updates.

Steve Kramer motioned to approve the Consent Agenda. Ken Bailey seconded the motion. All voted in favor, and the motion was passed unanimously.

FINANCIAL REPORT

Dana Woods presented financials through July 31, 2021. The Total Cash balance as of 7/31/2021 was \$6,462,520.62, an increase of \$231,297.98 from the previous month. The Loans Receivable decreased slightly from the prior month due to a large payoff in the Housing RLF. Dana noted that two new loans were funded in July. July principal payments totaled \$382,352.32. In the Operations Budget vs. Actual Total Revenues for the month of July (also YTD) are at 7.2% of budget. Dana noted that this appears low because the beginning funds balance is not yet complete. She also explained that transportation revenues will not be posted until September or October. Dana also reported that 2020 census data for small communities has not yet been released, and since MCEDD's Local Assessment invoices are based on this data, they have not been sent out yet. Dana reported that the Bonds and Insurance appears over budget due to limitations in QuickBooks. Looking at the yearly report shows that this category is on track.

Other financial updates included:

- MCEDD is still working on the transition to Caselle and is currently in the waiting queue.
- The pre-audit review is done. The auditors reviewed internal control procedures, and several areas were recommended for approval. There will be a finding attributed to MCEDD using the limited functions of QuickBooks accounting software. Dana asked the auditor to add a note to the finding stating that MCEDD is in the process of transitioning to Caselle to address this issue.

- The auditor for the CREA audit review has been provided all the requested documentation to complete that review.

Eric Proffitt motioned to approve the financials as presented. Ken Bailey seconded the motion. All voted in favor, and the motion carried unanimously.

COVID-19 POLICIES

Jessica Metta reported that in September the Executive Committee discussed whether to require employees to receive a COVID-19 vaccine now that the vaccine is fully approved by the US Food and Drug Administration. The current policy was approved in March 2021, when the Board approved a COVID-19 vaccination incentive that granted employees one day of Personal Time Off (PTO) for getting the vaccine within 45 days of the policy and/or becoming eligible for the vaccine. The Executive Committee suggested adjusting the vaccine incentive so that it is available any time an employee gets vaccinated. Jessica requested further clarification on policy to address coverage of mandated quarantine time off. She explained that if a transportation employee had to miss work due to the quarantine requirements for exposure to or sickness from COVID-19, current practice had been to cover their time with CARES funds and they did not have to use PTO. Staff's suggestion was to change that practice and require all staff who cannot work remotely to use their PTO when they must quarantine due to exposure or illness due to COVID-19.

Discussion: Bob Hamlin explained that the Executive Committee thought option 1A, adjusting the vaccine incentive so it is available anytime an employee is vaccinated, was a good option. Leana Kinley asked if Jessica was able to confirm with SDAO if the federal vaccination requirement applies to MCEDD. Jessica stated that there has been much discussion around organizations who do business with the federal government, and the mandate is vague, which makes it difficult to determine exactly what the requirements mean. She noted that because MCEDD receives federal grants, there is a possibility that it will fall under the vaccination requirement, but she has not heard back from SDAO. Ken Bailey suggested MCEDD set its own policy and then adjust it as necessary depending on any federal requirements. Dave Sauter agreed, noting there is uncertainty around vaccination mandates. Dr. Marta Cronin stated the college was told that states have 90 days to come up with their guidelines. She also agreed that MCEDD should decide on a policy now and adjust if necessary.

Mark Zanmiller stated he hoped MCEDD will be aggressive on a vaccine requirement because it is the proven health standard. He stated that MCEDD sets an example in the Gorge, and the example should be that MCEDD follows CDC guidelines. Bob Hamlin stated that the Executive Committee had a wide range of views on the topic, which was why it moved forward with recommending option 1A. Scott Clements stated that if the vaccination issue is a medical issue, he did not see how one could be midstream about it, but if vaccinations were deemed a political issue by the Board, then there was clearly greater discretion in the way one could choose to vote. Eric Proffitt agreed, stating that the vaccine works and that health care has been stretched to capacity. Tonya Brumley asked if anyone has asked employees for their thoughts. Jessica replied that she has not had discussion on this topic with each employee, but that some have chosen not to be vaccinated. She added that it was unclear if they would leave if vaccines were required, and that some employees who did receive the vaccination would like everyone to be vaccinated. Tonya stated that she understands COVID-19 is real, but she supported option 1A because she does not want to take part in forcing an employee to receive a vaccination they do not want or feel they

cannot have. Jonathan Lewis asked about MCEDD's protocols - if staff are compliant with mask wearing and other measures. Jessica replied that yes, staff is compliant and there has been much attention to safety focused on the transit side. Dave Sauter stated he serves on many boards having the same conversation, and that if vaccine mandates were an entirely medical issue, the decision would be easier. Dave agreed that there would be political consequences to the actions that the board takes. Dave stated that he encourages everyone to be vaccinated, and that the desired outcome will not be accomplished by mandating a vaccine. He explained that a mandate will impact staff morale, and therefore he supports option 1A. Mike Foreaker agreed with those who support MCEDD taking a stronger stance towards mandatory vaccination. He stated that this is fundamentally a medical issue, and that employees who have received the vaccination should not have to be exposed to other employees who chose not to receive the vaccine. Mike stated there is much nonsense going around about the vaccine and that boards at MCEDD's level should take a position to encourage those in the region to get vaccinated. Steve Kramer stated he would not support mandating any person to do something against their will. He suggested waiting to see the federal and/or state policies coming up in the next few months. Steve stated that until COVID-19 strikes someone personally, there is nothing that will convince those against the vaccine to become vaccinated.

Steve Kramer motioned to amend the COVID-19 vaccination policy so it is available any time an employee gets vaccinated and to change quarantine pay practices so that all employees must use Paid Time Off to cover their time out of the office due to exposure or illness related to COVID-19. Tonya Brumley seconded.

Chair Hamlin asked if there was further discussion. Mark Zanmiller noted he will vote no not out of disrespect to any member of the Board but because the record should show the decision MCEDD made and that the decision was split. Eric Proffitt noted he would vote yes but that he believes more should be done. Chair Hamlin called for a vote on the motion. Chair Hamlin called for a roll call vote.

Eleven board members voted in favor of the motion (Steve Kramer, Dave Sauter, Jonathan Lewis, Tony Brumley, Eric, David Griffith, Ken Bailey, Jason Hartmann, Pat Albaugh, Dr. Marta Cronin, Leana Kinley, Bob Hamlin) and three board members voted against the motion (Mark Zanmiller, Scott Clements, Mike Foreaker). The motion carried.

GILLIAM COUNTY INTEREST

Jessica Metta explained Gilliam and Wheeler counties originally approached MCEDD about modifying the boundaries of MCEDD to include their two counties in 2015. At that time, the MCEDD Board ultimately approved a process to explore the expansion of MCEDD's membership. This initiative stalled due to staffing changes. The process would require resolutions from Gilliam and Wheeler counties, both Governors, and both MCEDD and Greater Eastern Oregon Economic Development Corporation. Additionally, we would have to make a case to the EDA to justify the transition. Jessica stated that earlier this year, Judge Farrar of Gilliam County approached MCEDD staff about reviving the process and GEODC seems willing to consider it. Staff has not heard if Wheeler County is also interested at this time. The Executive Committee was willing to begin the conversation with consideration for staff's capacity. Jessica asked for the Board's feedback on the interest level of reviving the process to add Gilliam County to the MCEDD district. Jessica stated that if there is interest, she asks if there was a recommendation to meet with all five county governments as was done in 2015, given changes in elected officials.

Discussion: Ken Bailey stated the biggest concern is the balance between Oregon representation and Washington representation. If two more Oregon counties are added to MCEDD's region, there will need to be a focus on making the balance equitable between the two states. Eric Proffitt stated there are already several Oregon partners working with MCEDD, and that Gilliam County seems to fit in with MCEDD's goals closer than Wheeler County does. Dave Sauter stated that partnerships are important and that there will need to be work done to balance things out. He noted the Klickitat County perception is that there is more economic focus happening on the Oregon side. Bob Hamlin stated Skamania County feels it is a smaller player, and in considering voting membership, adding more Oregon counties could swing the balance of power. Steve Kramer stated the addition would add six additional members to the MCEDD Board, and staff would be further stretched. Scott Clements suggested a committee be appointed to work with staff on this issue. Jessica agreed it would be helpful to have a subcommittee to work with before presenting to the Executive Committee and then eventually the MCEDD Board.

Jessica asked Judge Farrar if she had any comments. Judge Farrar thanked the board for its consideration of Gilliam County's request. She stated Gilliam County is a good cultural fit, as it aligns closely with Sherman and Wasco Counties. Its industry is very similar to Sherman County's. Judge Farrar noted Gilliam County's Regional Solutions partners are assigned based on economic districts. The person assigned to work with Gilliam County is based in Baker City. Judge Farrar acknowledged the concern of maintaining the balance between Oregon and Washington counties and stated Gilliam County is willing to work at making all sides comfortable. Jessica asked if there was consensus from the Board to continue looking into the matter. The Board expressed consensus and approval. Ken Bailey, Eric Proffitt, Bob Hamlin and Leana Kinley offered to join a committee. Jessica said others interested could contact her. MCEDD Staff will move forward with this item.

EXECUTIVE DIRECTOR REPORT

Jessica Metta presented the Annual Report for FY21 for Board approval. She noted the report reflects a busy year and thanked the MCEDD staff for their work. Jessica gave a basic overview of the report.

Jessica gave highlights from the past quarter, including:

- Staff is preparing for the last public session for the Comprehensive Economic Development Strategy (CEDS) development on October 7, focused on implementation and measurement. This will remain virtual at the recommendation of the CEDS Steering Committee. Jessica stated she is grateful for all the staff support, Board members on the Steering Committee (Jonathan Lewis, Buck Jones), Board members who gave county presentations (Joe Dabulskis, Dave Sauter, Gordon Zimmerman), and the many Board members who attended sessions. It has been a long process and lost some of the networking benefits because of all sessions being virtual, but the CEDS will be a strong document when finished.
- MCEDD has re-convened Connect Mid-Columbia, a series of meetings to focus on developing a more robust transportation action plan in the CEDS and to elevate regional discussions about transportation priorities. The first event was held on August 18 with about 40 participants. At this virtual session, the transportation action plan in the CEDS was reviewed and challenges and strategies for the CEDS update were brainstormed.
- MCEDD was successful in its application to the USDA Rural Development for the National Scenic Area Revolving Loan Fund. The region received the full \$2 million available: \$1,901,000 for

MCEDD for revolving loan funds and \$99,000 for the Port of Klickitat for a well at Dallesport Industrial Park. Skamania County EDC has agreed to distribute the loan funds in Klickitat County portions of the National Scenic Area, so MCEDD will develop an IGA for them to administer \$950,500. OIB will oversee the portion for the Oregon side. Jessica thanked Senator Merkley for his support and work on this issue.

- MCEDD continues to focus on using its CARES Planning grant funds to support recovery and resiliency projects in the region and anticipate sub-contracting with several entities such as Chambers, Industry Associations, The Next Door, Gorge Grown Food Network, Brewers in the Gorge, and others.
- Jessica thanked Lauren Hernandez, Office Administrator, for her work in seeking quotes from IT service providers to monitor MCEDD's network and phones, as MCEDD's contract with RADCOMP came up for renewal. MCEDD selected DirectLine-IT and began service on Aug. 1st.

EXECUTIVE COMMITTEE REPORT

Chair Hamlin highlighted some of MCEDD's Executive Committee business in June, July, and August, noting that the Committee:

- Discussed ideas for the Annual Economic Symposium.
- Discussed the interest from Gilliam County in joining MCEDD and suggested the discussion be forwarded on to the Board's September meeting.
- Discussed requiring COVID-19 vaccines among employees and suggested amending the COVID-19 vaccination incentive.

Jessica Metta noted that due to the shift in Executive Committee membership, the bank signature form needs to be updated to include Bob Hamlin, Leana Kinley, Carrie Pipinich, and Kate Drennan.

Scott Clements motioned to approve the bank signature form as proposed by staff. David Griffith seconded. Motion carried unanimously.

LOAN FUND MANAGER REPORT

Israel Ayala Guevara highlighted Loan Administration Board activity since the last Board meeting, including:

- Five new loans were approved: Tibbetts Well Drilling- Dufur; Gorge Wine Library- TD; Café Genevieve's, LLC- Goldendale; Harper's Unicorn-Dallesport; and 230 Clearwater, LLC, which will come out of the attainable housing loan fund. Two loans were approved through the Oregon Investment board, and one was approved through the Mt. Hood Economic Alliance.
- Delinquency rates remain at zero for MCEDD.
- There is currently \$4,550,488 available to Loan.

STAFF REPORTS

- **Carrie Pipinich, Deputy Director of Economic Development**, highlighted digital economy building in Wasco County with CORI. Project partners include Port of The Dalles, Columbia Gorge Community College, Business Oregon, and Regional Solutions. Proposed strategies include creating a clear and engaging path for traditional and non-traditional students to pursue tech careers that allow them to remain in Wasco County; connecting the multigenerational workforce to technology careers that support the integration of Wasco County's legacy regional economics in the 21st century technology system; and developing a strong, connected community support

system for tech startups in the region that nurtures ideas from concept, through growth, to maturation, and exit.

- **Kate Drennan and Kathy Fitzpatrick presented the Transportation Report.** Kate highlighted that the Transit Connect program has been successful in providing passes to low-income, community-based organizations. The program has distributed 118 GOrge passes and 260 tickets. The Link will be starting a new Saturday route which will expand service on the weekend. The Link will also be taking over service between The Dalles and Hood River on weekdays, adding service to Mosier. A new bus shelter was installed at Klindt Drive. The Link received four new buses and added capacity with three new drivers who started in August. Kate noted that MCEDD received a grant from MCMC Health Foundation and will use it to fund a bus shelter at the hospital.
- **Kathy Fitzpatrick** highlighted the GOrge pass. The collaborative effort of the four transportation providers who provide fixed-route service in the Gorge launched the GOrge pass on July 1st. This pass allows riders to purchase a low-cost annual pass with access to all the public transportation providers in the Gorge. The GOrge Pass 2022 marketing project has created a Gorge Outdoor Equity Fund which will incentivize people to buy a pass because part of proceeds will go to local non-profit organizations. Kathy explained that for larger employers who purchase employee passes, that for every pass purchased there will be one donated to local organizations that serve low-income or underserved populations.
- **Jacque Schei, Program Manager,** reported on her work with the City of The Dalles' Dog River Pipeline project. The City has been working on moving this project forward for years. The pipeline carries half of the City's water supply. Jacque explained that when the pipeline was built in the early 1900s, it was built with wood-stave pipe, secured with wire, and sealed with tar. Now it is deteriorating, leaking, and at risk for catastrophic failure. The City has set aside funds, received a \$1 million grant from Oregon Water Resources Department, and received a \$4 million loan from the Safe Drinking Water Revolving Loan Fund. This project will make the water system more resilient. It will include fish screens and fish passage structures. The City has received an environmental review and federal approval. The project will go to bid soon with construction to begin early next year.
- **Cheryl Eniero, Program Manager,** highlighted her work with the Gorge Tech Alliance, noting that the GTA is updating its five-year strategic plan. The goals updated include fostering a thriving Gorge tech community, promoting, and supporting member businesses, supporting STEM education, and optimizing the GTA's impact. Committees will work to develop and implement actions with staff support.
- **Marla Harvey, Program Manager,** presented her work with Energy Resilience Planning in the past quarter. She noted the recent successful completion of the Regional Economic Diversification Summit (REDS). Marla appreciated Board member Jonathan Lewis for his work and support with this project. This REDS is sponsored by the EDA as a tool that brings federal and state partners to the community to talk about projects of significance in the region. MCEDD, in coordination with local partners, selected several projects and discussed them at the REDS. Jonathan Lewis noted that many agencies were represented and stated his appreciation for MCEDD's work on this. He

hoped that these relationships will continue, and that Klickitat County will be able to take advantage of opportunities to bring support to the community.

REGIONAL UPDATES FROM THE BOARD MEMBERS

David Griffith reported that the Port of Hood River is investigating how to increase the weight limit of the bridge. At the Port of Cascade Locks, their newly constructed building has two new tenants, Stumptown Networks and Land Mass Winery. In The Dalles Port, the marina had a fire in early July. The area is still in clean-up mode and the cause of the fire is still being investigated. The Port of The Dalles received a Travel Oregon grant to install wayfinding signs for guests. Those signs have been installed. The restrooms are now open at the Riverfront Trail.

Ken Bailey reported that cherry profit was high last year, and that this year was one of the worst income-generating years. Temperatures in the last week of June damaged crops, and the quality went down considerably. Wheat was also affected, as heat and drought impacted the yields. Prices were up for wheat, but this did not make up for the volume loss from weather.

Pat Albaugh reported that the Port of Klickitat received a grant for planning in Dallesport. The Port also received a \$99,000 grant from USDA for their water system. The Port of Skamania's buildings are 100% occupied. The Port is looking to redesign the landing at Skamania, as there is much cruise ship activity. The North Bonneville planning grant is finished, and now work is being done on an ecology grant.

Dave Sauter reported Klickitat County has started its budget process. There will be two more weeks of budget preparation to help the two new commissioners this year. The economic activity industrial scale solar projects in east county are the largest installation in Washington. The first one is expected to go online early next year.

Eric Proffitt reported unemployment for August is down to 4.5%. This is approaching pre-COVID-19 levels. There are more people working now than pre-pandemic. There was a job fair last week in Bingen, and 20 businesses participated. There were 600 job listings with multiple jobs on each posting. Lots of businesses are hiring youth and incentivizing with sign-on bonuses. Lack of childcare and lack of housing are challenging issues. There are people accepting jobs in the region who must quit because they cannot find a place to live. Businesses have had to reduce hours or close due to lack of staff.

Leana Kinley reported that the City of Stevenson is looking into realigning Columbia Avenue by utilizing a combination Brownfields cleanup funding with an economic development grant. There is an equipment RFP out for the wastewater treatment plant. Construction is anticipated next year. Phase One for the collection systems was delayed due to the unavailability of parts. There will be \$15 million of work over the next two years for wastewater treatment.

Dr. Marta Cronin reported that fall term starts next week. The college is opening the new Skill Center and new Residence Hall; however, the ribbon cutting will be delayed due to COVID-19. Over the next week, two vaccination events will be held. One will be on The Dalles campus, and one will be on the Hood River campus. The college is offering free credit classes as an incentive for people to get vaccinated. The college is also looking into a childcare feasibility study.

Jason Hartmann deferred to Mark Zanmiller to give the high-tech report. Mark reported that more than half a dozen drone-related companies went to Atlanta and represented the Gorge. The next unmanned show is in April in Florida.

Gordon Zimmerman reported that Cascade Locks has been busy with summer activities like brewing beer, selling ice cream cones, and windsurfing.

Mark Zanmiller stated that the new city manager for the City of Hood River will be selected in the upcoming weeks. The City has been focusing on attainable housing. The cottage code was approved. An RFP is out for developers to build on a seven-acre parcel on Rand Road. The City is planning to continue with many public works infrastructure projects happening over the next couple of years.

Jonathan Lewis reported the Goldendale chamber has been focused on the Regional Economic Development Symposium. The chambers are actively engaged in most towns, with many of them applying for funding assistance. The housing market in Goldendale is seeing much activity, and there is a focus on figuring out developments in Goldendale. Hospitals in Washington have vaccine mandates and are experiencing a staffing crisis.

Tonya Brumley reported that the Hood River Chamber of Commerce is hiring back staff. The chamber is now based out of the History Museum. Both the Hops Festival and the Harvest Festival are coming up. The chamber is working with the health department to follow COVID-19 protocol. Anyone over the age of 5 is required to wear a mask. Those entering must provide proof of vaccination or a negative COVID-19 test no more than 48 hours old. Onsite COVID-19 testing will be available. The Dalles Chamber of Commerce is planning on having the Starlight parade and will follow state COVID-19 guidelines for outdoor events. The Distinguished Citizen Banquet and the Cherry Festival have been on hold for the past two years, and it is unclear if they will be held next year. These events are large funding sources for the chamber, so these cancellations have a large impact. The chamber is working to promote tourism. Both chambers have decreased staff and events without decreasing workload while working to support local businesses.

Buck Jones reported it is currently commercial fishing season. There have been early conversations with the Department of Agriculture regarding compliance issues for fishers. CRITFC has to coordinate with the Washington Department of Agriculture as well, as CRITFC has a processing plant in Bingen. CRITFC is working on COVID-19 outreach with One Community Health and is distributing food boxes to treaty fishing sites. Tribal fishers will receive placards that will waive parking fees along the river for tribal fishers.

Steve Kramer reported Wasco County is continuing to support North Central Public Health District in its work on COVID-19. A grant was submitted by the Local Public Safety Coordinating Council to create the Columbia Gorge Resolution Center. The Center would address behavioral and mental health issues in the region. In South County, the Bakeoven solar project is moving forward. Google is in negotiations with the County, and SIP agreements are close to completion.

Mike Foreaker reported for the City of Maupin that phase one of the Deschutes River Athletic Complex project is nearing completion. Kaiser Park improvements are proceeding. The Deschutes Rim Health Clinic expansion will hold its groundbreaking in October.

Scott Clements reported there is a roundtable discussion on October 6 to address workforce and affordable housing. The Rand Road project in Hood River will include mixed housing, but much of it will be affordable housing. Cascade Columbia Housing Corporation is in the process of acquiring Rhine Village in Klickitat County. The Yakima Housing Authority is in the process of building 46 units in Wishram Heights.

Bob Hamlin reported Skamania County is going through its budget process and is expected to finish in December. The Skamania Lodge held an EDC luncheon in person and is hoping future events can remain in person. The luncheon was held in an open-air venue. Many businesses gave reports, including Gorge Greens and Tenzen Resorts. Logtoberfest will be held on October 2nd.

NEW BUSINESS

No new business.

ADJOURNMENT

Bob Hamlin adjourned the meeting at 6:05 pm.

*Respectfully submitted by: Lauren Hernandez, Office Administrator
Jill Brandt, Administrative Assistant*

Memorandum

To: MCEDD Board of Directors
From: Jessica Metta, Executive Director
Date: December 8, 2021
Re: FY21 Audit Status

Overview

Early in 2021, our auditor Connected Professional Accountants informed us they would need to terminate our contract early due to their staffing levels. After a search for a new auditor, the MCEDD Board approved contracting with a new firm, Pauly, Rogers and Co., P.C. at the June 2021 Board meeting. Staff have been working with the firm on the FY21 audit over the last several months with the goal of presenting the audit at our December Board meeting in keeping with the usual schedule.

On November 30, our auditor lead Tara Kamp recommended asking for an extension and contracting with a CPA firm. She noted that after spending a lot of time combing through the QuickBooks data and going through the documentation provided for the audit, they feel there is still a significant amount of work to be done to properly close the books as of June 30, 2021. As with our prior auditors, they note that using QuickBooks for fund accounting is especially difficult. There also are entries and transactions from prior years not properly clearing in the balance sheet accounts, which can make them off at year end. They also recommend updating the balancing entry for the FY21 year-end that CPAs Friend and Reagan were contracted to complete for MCEDD in 2019.

Their recommendation is to contract with a CPA as the work is more than staff can accomplish and would benefit from CPA knowledge. It is staff's desire to have our books as clean as possible when we move them over to Caselle, which would benefit from this outside assistance. We also see this as an opportunity to have a cleaner audit this year and to set up an ongoing relationship with a CPA firm to provide mentorship for our Finance Manager.

This would mean not being able to submit the audit by the end of the year and hence the need to request an extension. Taking the time for a clean audit is better than rushing an audit to get done with the potential for a modified opinion or reportable findings. Requesting an extension for these reasons will not result in a negative impact on the organization. Our goal will be to have the audit ready for presentation at the March Full Board meeting. We have reached out to a few CPAs that have worked with MCEDD in the past and will have more information in time for the Board meeting about a firm, timing, and costs.

Request

This is presented as information to the Board. Staff welcomes questions and comments. No Board action is necessary at this time.



FINANCIAL SUMMARY

As of October 31, 2021

Balance Sheet

Total Cash balance as of 10/31/2021 is \$6,659,893.40, an increase from the previous month. Accounts Receivable (1202) balance is \$355,671.26. There were three new loans funded in October. One was funded from IRP and the other two were funded from EDA CARES RLF. The current Loans Receivable (1300) balance is \$4,240,468.27, only a slight increase from the previous month due to a fairly substantial loan payoff in the IRP fund. Current Net Position is \$12,815,354.51.

Operations Budget vs. Actual

Total Revenues for the month of October are at 72.9% of budget. YTD revenue is at 50%. The actual revenue compared to what was budgeted may seem low, but keep in mind that the Budgeted Revenue includes the remaining EDA CARES RLF funds as well as the \$1.9 million in USDA National Scenic Area loan funds. The revenue from these two funds are received on a reimbursement basis as loans are approved and distributed. Total expenses for the month of October are 40.2%. Personnel expenses for the month of October are 78.4% of budget.

Other Updates

- I did reach out to Caselle for a conversion timeline update – I am still waiting for a response.
- The MCEDD final audit is continuing.
- We are starting to gear up for end of year reporting (W-2's and 1099's).

Respectfully Submitted,

Dana Woods
Finance Manager

10:11 AM

Mid-Columbia Economic Development District

Balance Sheet

11/23/21

As of October 31, 2021

Accrual Basis

	Oct 31, 21	Oct 31, 20
ASSETS		
Current Assets		
Checking/Savings		
1000 · Bank Demand Deposits		
1010 · MCEDD Checking	77,768.46	488,431.14
1015 · MCEDD MM	496,834.04	297,897.72
1020 · IRP		
1021 · IRP - Sherman	138,328.42	86,749.21
1022 · IRP - WA	56,298.35	52,018.85
1020 · IRP - Other	54,044.33	110,633.41
Total 1020 · IRP	248,671.10	249,401.47
1030 · Loan Funds		
1036 · EDA RLFs	530,775.22	276,883.80
1045 · Reg Strat	149,827.74	146,539.16
1050 · RBEG-OR	177,739.98	157,099.39
1055 · RBEG-WA	95,848.98	98,756.16
1057 · RBEG-KL	128,329.69	130,628.98
1067 · CDBG Microenterprises	108,516.65	109,397.45
Total 1030 · Loan Funds	1,191,038.26	919,304.94
1031 · Housing RLF	1,837,798.35	1,492,481.77
1070 · National Scenic Fund	1,676,394.91	1,467,070.08
Total 1000 · Bank Demand Deposits	5,528,505.12	4,914,587.12
1100 · CDS		
1121 · IRP Reserve	96,047.64	96,072.01
Total 1100 · CDS	96,047.64	96,072.01
1122 · IRP - DDM Product	1,035,195.64	596,138.42
1125 · LINK Petty Cash	145.00	150.00
Total Checking/Savings	6,659,893.40	5,606,947.55
Accounts Receivable		
1202 · Accounts Receivable	355,671.26	182,261.71
1205 · Interfund Loan Receivable	58,487.15	74,438.27
Total Accounts Receivable	414,158.41	256,699.98
Other Current Assets		
1200 · Receivables & Accruals		
1210 · Accrued Revenue	-21,250.00	10,000.00
1240 · Prepaid Expenses	527.97	301.25
1260 · Accrued Loan Interest	14,830.02	31,620.46
Total 1200 · Receivables & Accruals	-5,892.01	41,921.71
1300 · Loans Receivable		
1330 · MCEDD Loans Receivable		
1337 · EDA Cares RLF	483,649.23	0.00
1320 · IRP	1,623,905.17	1,840,278.31
1321 · IRP - Sherman	97,940.77	155,485.87
1322 · IRP - WA	92,076.20	274,016.44
1336 · EDA RLFs	283,499.36	553,012.41
1345 · Reg Strat	30,504.71	32,194.37
1350 · RBEG-OR	139,975.63	155,115.67

Mid-Columbia Economic Development District
Balance Sheet
As of October 31, 2021

	Oct 31, 21	Oct 31, 20
1371 · Housing RLF	238,143.67	565,602.69
1372 · MCEDD Micro Loan	19,622.02	16,034.88
Total 1330 · MCEDD Loans Receivable	3,009,316.76	3,591,740.64
1370 · OIB Loans Receivable	1,231,151.51	1,467,872.14
Total 1300 · Loans Receivable	4,240,468.27	5,059,612.78
1400 · Loan Payments Holding		
1420 · IRP	295.44	-3,000.00
1421 · IRP - SH	0.00	-3,000.00
1422 · IRP - WA	684.27	-998.92
1436 · EDA RLFs	2,720.10	-3,835.31
1467 · CDBG Microenterprises	-12.40	-12.40
1475 · OIB	0.00	-8,904.58
Total 1400 · Loan Payments Holding	3,687.41	-19,751.21
1500 · Allowance for Doubtful Loans		
1520 · IRP Allowance	-102,408.88	-112,150.28
1521 · IRP - SH Co	-8,564.36	-9,329.15
1522 · IRP - WA	-5,667.16	-17,452.77
1536 · EDA RLFs Allowance	-17,689.16	-33,468.48
1545 · Reg Strat Allowance	-1,848.17	-1,947.64
1555 · RBEG Allowance	-8,566.72	-22,705.49
1571 · Housing RLF Allowance	-14,301.61	-33,936.18
1575 · OIB Allowance	-133,593.00	-148,149.53
Total 1500 · Allowance for Doubtful Loans	-292,639.06	-379,139.52
Total Other Current Assets	3,945,624.61	4,702,643.76
Total Current Assets	11,019,676.42	10,566,291.29
Fixed Assets		
1600 · Fixed Assets		
1610 · Building/Land	1,615,463.00	1,216,060.00
1605 · Vehicles	377,037.00	164,627.00
1650 · Accumulated Depreciation	-196,822.00	-75,418.00
Total 1600 · Fixed Assets	1,795,678.00	1,305,269.00
Total Fixed Assets	1,795,678.00	1,305,269.00
Other Assets		
87 · Due To/From Internal Accounts		
88 · Due From Accounts	1,524,097.55	1,352,560.25
94 · Due To Accounts	-1,524,097.46	-1,352,560.21
Total 87 · Due To/From Internal Accounts	0.09	0.04
Total Other Assets	0.09	0.04
TOTAL ASSETS	<u>12,815,354.51</u>	<u>11,871,560.33</u>
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
2010 · A/P General	23,979.84	16,537.58
2005 · Interfund Loan Payable	58,487.24	74,438.31
Total Accounts Payable	82,467.08	90,975.89
Other Current Liabilities		
2030 · Accrued Loan Payment	29,714.67	39,840.70
2035 · Accrued Interest Payable	3,383.64	3,503.27
2050 · PTO - Accrued	69,518.56	57,299.21
2070 · Health Insurance Payable	-20,003.65	-18,959.56
2080 · Life & Disability Payable	-224.09	-208.29
2090 · WC SAIF Ins	5,755.47	3,213.68
2100 · Payroll Liabilities		
2110 · Federal Payroll Liability	-187.49	-187.49

10:11 AM

Mid-Columbia Economic Development District

Balance Sheet

As of October 31, 2021

11/23/21

Accrual Basis

	Oct 31, 21	Oct 31, 20
2120 · State Payroll Liabilities		
2115 · OR- SUTA Payroll Liabilities		
2105 · WBF Payroll Assessment	230.12	153.67
2115 · OR- SUTA Payroll Liabilities - Other	327.68	82.24
Total 2115 · OR- SUTA Payroll Liabilities	557.80	235.91
2120 · State Payroll Liabilities - Other	101.09	84.63
Total 2120 · State Payroll Liabilities	658.89	320.54
2100 · Payroll Liabilities - Other	374.52	500.00
Total 2100 · Payroll Liabilities	845.92	633.05
2800 · Deferred Revenue	138.27	17,583.31
Total Other Current Liabilities	89,128.79	102,905.37
Total Current Liabilities	171,595.87	193,881.26
Long Term Liabilities		
2820 · IRP Loan Payable \$1million	324,527.78	363,344.34
2821 · IRP Loan Payable \$600,000	308,895.37	331,054.82
2822 · IRP Loan Payable \$750,000	495,323.28	521,941.86
2823 · IRP Loan Payable - WA \$310,000	248,170.67	258,740.95
2824 · IRP Loan Payable - SH \$200,000	152,886.93	159,779.14
Total Long Term Liabilities	1,529,804.03	1,634,861.11
Total Liabilities	1,701,399.90	1,828,742.37
Equity		
3100 · Fund Balances	4,836,051.85	4,224,238.85
3110 · Carryforward Balance	684,886.00	-117,089.67
3900 · Retained Earnings	6,093,328.63	5,659,363.57
Net Income	-500,311.87	276,305.21
Total Equity	11,113,954.61	10,042,817.96
TOTAL LIABILITIES & EQUITY	12,815,354.51	11,871,560.33

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Mid-Columbia Economic Development District
Operations Budget vs. Actual
 July through October 2021

11/23/21

Accrual Basis

	Jul - Oct 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4000 · Carryover Revenue	0.00	689,199.00	-689,199.00	0.0%
4012 · Trans From/To Fund (SUPPORT)	6,235.83	11,482.72	-5,246.89	54.3%
4100 · Federal	732,117.23	1,393,216.00	-661,098.77	52.5%
4200 · State	153,546.00	194,325.92	-40,779.92	79.0%
4300 · Local Match	50,000.00	22,499.92	27,500.08	222.2%
4400 · Local Assessment	76,213.00	26,311.64	49,901.36	289.7%
4500 · Contract Reimbursement	210,160.74	180,928.36	29,232.38	116.2%
4600 · Loan Interest	76,561.65	103,982.72	-27,421.07	73.6%
4700 · Loan Processing Fees	10,168.00	8,713.28	1,454.72	116.7%
4705 · Loan Filing Fees	2,800.98	1,783.44	1,017.54	157.1%
4710 · Loan Late Fee	0.00	1,150.00	-1,150.00	0.0%
4750 · Investment Interest	458.60	376.36	82.24	121.9%
4800 · Other Revenue	13,636.81	30,915.08	-17,278.27	44.1%
4805 · Farebox Revenue	6,413.15	12,586.64	-6,173.49	51.0%
Total Income	<u>1,338,311.99</u>	<u>2,677,471.08</u>	<u>-1,339,159.09</u>	<u>50.0%</u>
Gross Profit	1,338,311.99	2,677,471.08	-1,339,159.09	50.0%
Expense				
5000 · Personnel Expense	518,876.29	713,813.00	-194,936.71	72.7%
6110 · Travel & Conference	2,743.17	11,053.36	-8,310.19	24.8%
6190 · Event Services	0.00	3,938.28	-3,938.28	0.0%
6200 · Equipment	3,874.75	4,361.36	-486.61	88.8%
6300 · Supplies	9,545.59	12,221.64	-2,676.05	78.1%
6400 · Professional Services	54,585.54	146,843.04	-92,257.50	37.2%
6500 · Vehicle Costs	39,203.05	35,857.00	3,346.05	109.3%
6600 · Communications	5,231.99	12,608.00	-7,376.01	41.5%
6700 · Building Costs	14,203.42	12,691.16	1,512.26	111.9%
6800 · Bonds & Insurance	12,698.00	4,817.36	7,880.64	263.6%
6900 · Other Materials & Supplies	7,949.16	676,012.48	-668,063.32	1.2%
9000 · Indirect Spread	-1,245.60	-1,147.86	-97.74	108.5%
9100 · Capital Purchase	438,055.00	149,485.00	288,570.00	293.0%
9600 · Transfer to/from Source	0.00	666.64	-666.64	0.0%
Total Expense	<u>1,105,720.36</u>	<u>1,783,220.46</u>	<u>-677,500.10</u>	<u>62.0%</u>
Net Ordinary Income	232,591.63	894,250.62	-661,658.99	26.0%
Other Income/Expense				
Other Expense				
7400 · Loan Payment	40,460.00	40,460.00	0.00	100.0%
7500 · Carryover to Next Year	683,337.00	683,340.00	-3.00	100.0%
7600 · In-Kind Contractual	0.00	0.00	0.00	0.0%
Total Other Expense	<u>723,797.00</u>	<u>723,800.00</u>	<u>-3.00</u>	<u>100.0%</u>
Net Other Income	<u>-723,797.00</u>	<u>-723,800.00</u>	<u>3.00</u>	<u>100.0%</u>
Net Income	<u>-491,205.37</u>	<u>170,450.62</u>	<u>-661,655.99</u>	<u>-288.2%</u>

2:12 PM

Mid-Columbia Economic Development District
Transportation YTD P&L
 July through October 2021

12/06/21

Accrual Basis

	Jul - Oct 21
Ordinary Income/Expense	
Income	
4010 · Trans Frm/To Fund (MATCH)	0.00
4012 · Trans From/To Fund (SUPPORT)	6,235.83
4100 · Federal	471,826.00
4200 · State	142,029.00
4300 · Local Match	20,000.00
4500 · Contract Reimbursement	
4501 · Federal Contract Reimbursement	56,773.82
4500 · Contract Reimbursement - Other	16,585.00
Total 4500 · Contract Reimbursement	73,358.82
4800 · Other Revenue	
4825 · Greyhound Commission	137.00
4820 · Greyhound Sales	2,462.25
4800 · Other Revenue - Other	6,347.06
Total 4800 · Other Revenue	8,946.31
4805 · Farebox Revenue	6,413.15
Total Income	728,809.11
Gross Profit	728,809.11
Expense	
5000 · Personnel Expense	
5100 · Wages	188,152.13
5500 · Fringe Benefits	55,848.55
5700 · Payroll Taxes	19,129.52
5800 · Payroll Expense - Prior Period	-29,355.32
5000 · Personnel Expense - Other	1,610.07
Total 5000 · Personnel Expense	235,384.95
6200 · Equipment	
6210 · Equipment Purchased	2,559.97
6220 · Equip Leased/Rented	881.92
6230 · Equip Repair/Maint	143.00
Total 6200 · Equipment	3,584.89
6300 · Supplies	2,875.74
6400 · Professional Services	
6410 · Legal Services	180.00
6450 · Contractual	26,517.75
6460 · Testing/Training/Screening	1,267.74
6470 · Filing Fees	150.00
Total 6400 · Professional Services	28,115.49
6500 · Vehicle Costs	
6510 · Repairs & Maintenance	10,418.21
6520 · Fuel	25,653.21
6500 · Vehicle Costs - Other	3,131.63
Total 6500 · Vehicle Costs	39,203.05
6600 · Communications	
6610 · Advertising	867.61
6620 · Postage & Freight	43.25
6630 · Printing	1,355.64
6650 · Telephone & Networking	1,854.39
Total 6600 · Communications	4,120.89

2:12 PM

Mid-Columbia Economic Development District
Transportation YTD P&L
 July through October 2021

12/06/21

Accrual Basis

	Jul - Oct 21
6700 · Building Costs	
6720 · Utilities and Janitorial	4,961.04
6730 · Repairs and Maintenance	3,148.00
	8,109.04
6800 · Bonds & Insurance	
6810 · Insurance - Vehicle	5,351.00
6820 · Insurance - Building	1,294.00
	6,645.00
6900 · Other Materials & Supplies	
6910 · Dues and Fees	1,429.67
6935 · Online Processing Fees	36.55
	1,466.22
9000 · Indirect Spread	19,230.44
9100 · Capital Purchase	
9100 · Capital Purchase - Other	438,055.00
	438,055.00
Total Expense	786,790.71
Net Ordinary Income	-57,981.60
Other Income/Expense	
Other Expense	
7500 · Carryover to Next Year	363,977.00
	363,977.00
Total Other Expense	363,977.00
Net Other Income	-363,977.00
Net Income	-421,958.60

Mid-Columbia Economic Development District
Planning YTD P&L
 July through October 2021

YELLOW

	101 Planning (100 Federal Grants)	102 EDA Cares Planning Grant (100 Federal Grants)
Ordinary Income/Expense		
Income		
4100 - Federal	26,666.68	33,074.00
4300 - Local Match	25,811.68	0.00
4800 - Other Revenue	1,000.00	0.00
4803 - Sponsor Donations	500.00	0.00
Total Income	53,978.36	33,074.00
Gross Profit	53,978.36	33,074.00
Expense		
5000 - Personnel Expense	31,404.96	41,286.56
6110 - Travel & Conference	643.91	131.70
6300 - Supplies	733.95	931.92
6400 - Professional Services	0.00	5,875.00
6600 - Communications	0.00	167.36
6700 - Building Costs	708.78	993.92
6900 - Other Materials & Supplies	1,532.74	0.00
9000 - Indirect Spread	3,411.22	4,484.59
Total Expense	38,435.56	53,871.05
Net Ordinary Income	15,542.80	-20,797.05
Other Income/Expense		
Other Expense		
7500 - Carryover to Next Year	0.00	19,426.00
Total Other Expense	0.00	19,426.00
Net Other Income	0.00	-19,426.00
Net Income	15,542.80	-40,223.05

Mid-Columbia Economic Development District Loans YTD P&L

YELLOW

July through October 2021

	<u>320 IRP</u>	<u>321 IRP Sherman</u>	<u>322 IRP WA</u>
	<u>(300 Loan Funds)</u>	<u>(300 Loan Funds)</u>	<u>(300 Loan Funds)</u>
Ordinary Income/Expense			
Income			
4100 · Federal	0.00	0.00	0.00
4600 · Loan Interest	43,230.57	3,438.04	3,150.85
4700 · Loan Processing Fees	2,573.00	0.00	0.00
4705 · Loan Filing Fees	1,167.68	215.00	0.00
4710 · Loan Late Fee	0.00	0.00	0.00
4750 · Investment Interest	86.53	2.38	1.29
4800 · Other Revenue	0.00	0.00	0.00
Total Income	<u>47,057.78</u>	<u>3,655.42</u>	<u>3,152.14</u>
Gross Profit	47,057.78	3,655.42	3,152.14
Expense			
5000 · Personnel Expense	5,043.36	1,573.07	1,487.35
6110 · Travel & Conference	26.04	0.00	0.00
6300 · Supplies	0.00	0.00	0.00
6400 · Professional Services	2,173.50	218.04	184.29
6700 · Building Costs	113.33	33.90	33.41
6800 · Bonds & Insurance	0.00	0.00	0.00
6900 · Other Materials & Supplies	116.03	11.53	9.45
9000 · Indirect Spread	5,824.01	1,816.58	1,717.56
Total Expense	<u>13,296.27</u>	<u>3,653.12</u>	<u>3,432.06</u>
Net Ordinary Income	33,761.51	2.30	-279.92
Other Income/Expense			
Other Expense			
7400 · Loan Payment	33,252.68	2,830.00	4,377.32
7500 · Carryover to Next Year	74,934.00	-1,855.00	16,140.00
Total Other Expense	<u>108,186.68</u>	<u>975.00</u>	<u>20,517.32</u>
Net Other Income	-108,186.68	-975.00	-20,517.32
Net Income	<u><u>-74,425.17</u></u>	<u><u>-972.70</u></u>	<u><u>-20,797.24</u></u>

Mid-Columbia Economic Development District Loans YTD P&L

YELLOW

July through October 2021

	336 EDA RLFs	337 EDA Cares Act RLF	345 Reg Strat
	(300 Loan Funds)	(300 Loan Funds)	(300 Loan Funds)
Ordinary Income/Expense			
Income			
4100 · Federal	0.00	170,751.00	0.00
4600 · Loan Interest	7,724.94	9,112.61	907.91
4700 · Loan Processing Fees	0.00	2,445.00	0.00
4705 · Loan Filing Fees	0.00	1,081.82	0.00
4710 · Loan Late Fee	0.00	0.00	0.00
4750 · Investment Interest	47.18	0.00	15.54
4800 · Other Revenue	0.00	0.00	0.00
Total Income	7,772.12	183,390.43	923.45
Gross Profit	7,772.12	183,390.43	923.45
Expense			
5000 · Personnel Expense	2,976.99	7,757.55	693.94
6110 · Travel & Conference	24.64	451.68	0.00
6300 · Supplies	0.00	0.00	0.00
6400 · Professional Services	343.77	1,299.00	165.13
6700 · Building Costs	70.79	185.21	16.27
6800 · Bonds & Insurance	217.00	0.00	0.00
6900 · Other Materials & Supplies	19.68	1,731.96	6.56
9000 · Indirect Spread	3,437.81	8,958.36	801.35
Total Expense	7,090.68	20,383.76	1,683.25
Net Ordinary Income	681.44	163,006.67	-759.80
Other Income/Expense			
Other Expense			
7400 · Loan Payment	0.00	0.00	0.00
7500 · Carryover to Next Year	14,224.00	14,636.00	5,611.00
Total Other Expense	14,224.00	14,636.00	5,611.00
Net Other Income	-14,224.00	-14,636.00	-5,611.00
Net Income	-13,542.56	148,370.67	-6,370.80

Mid-Columbia Economic Development District Loans YTD P&L

YELLOW

July through October 2021

	<u>350 RBEG-OR</u>	<u>355 RBEG-WA</u>	<u>357 RBEG-KL</u>
	<u>(300 Loan Funds)</u>	<u>(300 Loan Funds)</u>	<u>(300 Loan Funds)</u>
Ordinary Income/Expense			
Income			
4100 · Federal	0.00	0.00	0.00
4600 · Loan Interest	3,486.36	0.00	0.00
4700 · Loan Processing Fees	0.00	0.00	0.00
4705 · Loan Filing Fees	0.00	0.00	0.00
4710 · Loan Late Fee	0.00	0.00	0.00
4750 · Investment Interest	18.15	9.98	13.32
4800 · Other Revenue	0.00	0.00	0.00
Total Income	<u>3,504.51</u>	<u>9.98</u>	<u>13.32</u>
Gross Profit	3,504.51	9.98	13.32
Expense			
5000 · Personnel Expense	780.85	798.83	374.36
6110 · Travel & Conference	0.00	0.00	0.00
6300 · Supplies	0.00	0.00	0.00
6400 · Professional Services	28.31	66.33	10.44
6700 · Building Costs	17.68	19.02	9.75
6800 · Bonds & Insurance	0.00	0.00	0.00
6900 · Other Materials & Supplies	6.56	0.00	0.00
9000 · Indirect Spread	901.71	922.50	432.29
Total Expense	<u>1,735.11</u>	<u>1,806.68</u>	<u>826.84</u>
Net Ordinary Income	1,769.40	-1,796.70	-813.52
Other Income/Expense			
Other Expense			
7400 · Loan Payment	0.00	0.00	0.00
7500 · Carryover to Next Year	0.00	0.00	0.00
Total Other Expense	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Net Other Income	0.00	0.00	0.00
Net Income	<u><u>1,769.40</u></u>	<u><u>-1,796.70</u></u>	<u><u>-813.52</u></u>

Mid-Columbia Economic Development District
Loans YTD P&L

YELLOW

July through October 2021

	<u>370 CDBG Micro</u> <u>(300 Loan Funds)</u>	<u>371 Housing RLF</u> <u>(300 Loan Funds)</u>	<u>372 MCEDD Micro Loan</u> <u>(300 Loan Funds)</u>
Ordinary Income/Expense			
Income			
4100 · Federal	0.00	0.00	0.00
4600 · Loan Interest	0.00	4,973.09	701.39
4700 · Loan Processing Fees	0.00	5,000.00	150.00
4705 · Loan Filing Fees	0.00	0.00	41.04
4710 · Loan Late Fee	0.00	0.00	0.00
4750 · Investment Interest	11.29	180.23	0.00
4800 · Other Revenue	0.00	2,840.75	0.00
Total Income	<u>11.29</u>	<u>12,994.07</u>	<u>892.43</u>
Gross Profit	11.29	12,994.07	892.43
Expense			
5000 · Personnel Expense	446.88	1,907.08	823.70
6110 · Travel & Conference	0.00	3.36	0.00
6300 · Supplies	0.00	0.00	0.00
6400 · Professional Services	13.52	2,846.80	24.39
6700 · Building Costs	9.28	54.33	19.14
6800 · Bonds & Insurance	0.00	0.00	0.00
6900 · Other Materials & Supplies	0.00	30.70	30.84
9000 · Indirect Spread	516.06	2,202.28	951.21
Total Expense	<u>985.74</u>	<u>7,044.55</u>	<u>1,849.28</u>
Net Ordinary Income	-974.45	5,949.52	-956.85
Other Income/Expense			
Other Expense			
7400 · Loan Payment	0.00	0.00	0.00
7500 · Carryover to Next Year	0.00	36,498.00	0.00
Total Other Expense	<u>0.00</u>	<u>36,498.00</u>	<u>0.00</u>
Net Other Income	0.00	-36,498.00	0.00
Net Income	<u><u>-974.45</u></u>	<u><u>-30,548.48</u></u>	<u><u>-956.85</u></u>

Mid-Columbia Economic Development District
Loans YTD P&L

YELLOW

July through October 2021

	390 Loan Fund Costs (300 Loan Funds)	Total 300 Loan Funds	TOTAL
Ordinary Income/Expense			
Income			
4100 · Federal	0.00	170,751.00	170,751.00
4600 · Loan Interest	0.00	76,725.76	76,725.76
4700 · Loan Processing Fees	0.00	10,168.00	10,168.00
4705 · Loan Filing Fees	0.00	2,505.54	2,505.54
4710 · Loan Late Fee	0.00	0.00	0.00
4750 · Investment Interest	0.00	385.89	385.89
4800 · Other Revenue	0.00	2,840.75	2,840.75
Total Income	0.00	263,376.94	263,376.94
Gross Profit	0.00	263,376.94	263,376.94
Expense			
5000 · Personnel Expense	21,945.71	46,609.67	46,609.67
6110 · Travel & Conference	80.00	585.72	585.72
6300 · Supplies	342.47	342.47	342.47
6400 · Professional Services	40.00	7,413.52	7,413.52
6700 · Building Costs	528.70	1,110.81	1,110.81
6800 · Bonds & Insurance	0.00	217.00	217.00
6900 · Other Materials & Supplies	482.12	2,445.43	2,445.43
9000 · Indirect Spread	-23,419.00	5,062.72	5,062.72
Total Expense	0.00	63,787.34	63,787.34
Net Ordinary Income	0.00	199,589.60	199,589.60
Other Income/Expense			
Other Expense			
7400 · Loan Payment	0.00	40,460.00	40,460.00
7500 · Carryover to Next Year	0.00	160,188.00	160,188.00
Total Other Expense	0.00	200,648.00	200,648.00
Net Other Income	0.00	-200,648.00	-200,648.00
Net Income	0.00	-1,058.40	-1,058.40

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12/06/21

Accrual Basis

Mid-Columbia Economic Development District
Special Projects & Grants YTD P&L
 July through October 2021

	Jul - Oct 21
Ordinary Income/Expense	
Income	
4100 · Federal	29,798.15
4200 · State	27,542.00
4300 · Local Match	30,500.00
4500 · Contract Reimbursement	
4550 · Accrued Contract Reimbursement	40,000.00
4500 · Contract Reimbursement - Other	97,434.77
Total 4500 · Contract Reimbursement	137,434.77
4800 · Other Revenue	250.00
Total Income	225,524.92
Gross Profit	225,524.92
Expense	
5000 · Personnel Expense	
5100 · Wages	
5050 · Wages - Paid Leave	14,176.31
5100 · Wages - Other	108,385.12
Total 5100 · Wages	122,561.43
5500 · Fringe Benefits	
5550 · Fringe Benefits - Paid Leave	3,009.93
5500 · Fringe Benefits - Other	26,270.72
Total 5500 · Fringe Benefits	29,280.65
5700 · Payroll Taxes	
5750 · Payroll Expenses - Paid Leave	1,250.34
5700 · Payroll Taxes - Other	9,389.31
Total 5700 · Payroll Taxes	10,639.65
5800 · Payroll Expense - Prior Period	
5080 · Wages Prior Period	-15,254.55
5580 · Fringe Benefits Prior Period	-3,562.09
5780 · Payroll Taxes Prior Period	-1,302.26
Total 5800 · Payroll Expense - Prior Period	-20,118.90
Total 5000 · Personnel Expense	142,362.83
6110 · Travel & Conference	852.36
6300 · Supplies	1,340.64
6400 · Professional Services	
6410 · Legal Services	40.00
6450 · Contractual	69,070.22
6460 · Testing/Training/Screening	47.00
6470 · Filing Fees	27.06
Total 6400 · Professional Services	69,184.28
6600 · Communications	
6610 · Advertising	196.00
6650 · Telephone & Networking	119.49
Total 6600 · Communications	315.49
6700 · Building Costs	
6710 · Building Rent	3,422.32
Total 6700 · Building Costs	3,422.32
6800 · Bonds & Insurance	1,311.00
6900 · Other Materials & Supplies	
6910 · Dues and Fees	325.00
Total 6900 · Other Materials & Supplies	325.00

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12/06/21

Accrual Basis

Mid-Columbia Economic Development District
Special Projects & Grants YTD P&L
July through October 2021

	<u>Jul - Oct 21</u>
9000 · Indirect Spread	
9040 · Transportation Facility Spread	1,696.03
9000 · Indirect Spread - Other	13,761.68
	<hr/>
Total 9000 · Indirect Spread	15,457.71
	<hr/>
Total Expense	234,571.63
	<hr/>
Net Ordinary Income	-9,046.71
Other Income/Expense	
Other Expense	
7500 · Carryover to Next Year	
7050 · Unrestricted Carryover	131,873.00
	<hr/>
Total 7500 · Carryover to Next Year	131,873.00
	<hr/>
Total Other Expense	131,873.00
	<hr/>
Net Other Income	-131,873.00
	<hr/>
Net Income	-140,919.71
	<hr/> <hr/>

**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
FY 22 COMBINED PIPELINE**

SPECIAL PROJECTS SUMMARY		Anticipated FY 22	SUBMITTED	IN PROCESS	TOTAL	CONFIRMED %
	Special Projects - Anticipated Revenue	1,047,958	500,000	25,000	1,572,958	66.62%
	Budgeted Expenses (Excludes In-Kind)	944,851				
	Gap/Surplus	103,107				
PROJ CODE	SPECIAL PROJECTS DETAILS	FY22	NOTES			
206	Rural Opportunity Initiative	15,000	Remaining \$58,000 in FY23			
525	GTA Wind Challenge	-				
534	Crystal Springs	32,500	Some funds could extend into FY22			
5011	CREA - Financial Services	6,000				
549	CL-HR Enterprise Zone	6,081				
550	Broadband Support - SBDC	-				
554	Sherman Co EDC	45,000				
5571	GTA Staffing	60,000				
559	Wasco Co EDC	75,000				
570	OEDD Website	1,200				
5711	Mobility Management	313,714	Biennium			
575	GTA Robotics	9,418				
582	Hood River EDG	7,000				
585	Commute Options	10,000				
587	HR Drive Less Connect - ODOT	29,746				
574	Hood River Energy Plan	85,000				
574	Energy - Meyer Memorial Trust	60,000				
5741	Energy Trust of Oregon - Comm Solar	-				
5742	CGBREZ	4,702				
5743	Energy - HRC Energy Trust of Oregon	-				
500	AmeriCorps RARE TFFF match	10,000				
701	Commuter Pass	23,597	Multi-year project			
5112	Biggs Water Development	20,000	Multi-year project			
5113	CL Wastewater System Upgrade	7,500	\$22.5k additional in FY23			
5114	HR Stormwater	11,000				
5115	City of TD - Dog River	8,000	\$30k total, rest in FY23			
590	Gorge Pass Marketing	200,000				
	OCF Thriving Entrepreneurs Grant Prgrm	7,500	\$15,000 Total split between FY22 and FY23			
TOTAL ANTICIPATED REVENUE		1,047,958				
PROPOSALS SUBMITTED						
	EDA Build Back Better Regional Challenge	500,000				
TOTAL PROPOSALS SUBMITTED		500,000				
IN DEVELOPMENT						
	HRV Adult Center	15,000				
	Sherman County Bus Barn	10,000				
TOTAL IN DEVELOPMENT		25,000				
DECLINED						
	Cascade Locks Electrical	7,000	\$25k total, FY22 and FY23			
	SBA Community Navigator	250,000	Federal FY22 and FY23			
TOTAL DECLINED		250,000				

MCEDD Dashboard

Loan Program	Target	Q2 FY2021 (Oct 1 - Dec 31)	Q3 FY2021 (Jan 1 - Mar 31)	Q4 FY2021 (Apr 1 - June 30)	Q1 FY2022 (July 1 - Sept 30)
Lending Activity	\$215,000 loaned/quarter	\$ 20,750.00	\$ -	\$ 380,000.00	\$ 135,000.00
Loan Utilization Rate- All RLFs	75% or more	60.20%	55.20%	50.59%	50.00%
Loan Utilization rate- EDA RLFs	75% or more	67% (EDA is not tracking this due to COVID)	*	42.4% (EDA is not tracking this still)	*
Loan Delinquency Rate (>30 days)	5% or less	7.40%	0.00%	0.00%	0.00%
Job creation and retention/\$ loaned	1 job/\$35,000 loaned	1 Job / \$20,750 Loaned	0	1 Job / \$22,353 Loaned	1 job/\$22,500 Loaned
Inquiries/outreach	20 inquiries per quarter 5 outreach visits per quarter	18 Inquiries, 3 outreach visits	16 Inquiries, 6 outreach visits	20 Inquiries, 8 outreach visits	26 Inquiries, 5 outreach visits
Reporting Completed on Time	All	ALL	ALL	ALL	ALL

Key: Yellow Highlight= Watch. Red Highlight= Action Needed.

Finance	Target	Q2 FY2021 (Oct 1 - Dec 31)	Q3 FY2021 (Jan 1 - Mar 31)	Q4 FY2021 (Apr 1 - June 30)	Q1 FY2022 (July 1 - Sept 30)
Special Projects Revenue Gap	At or exceeding budget	165,890	172,643	80,607	103,107
Local Jurisdiction Participation	100%	100%	100%	100%	100%
Average days of accounts receivable	33	27.56	27.71	27.96	28.12
Operational YTD Actual vs. Budget by Revenue & Expenses	Revenue: 100% or more Expenses: 100% or less	Revenue: 109.1% Expenses: 75%	Revenue: 153.8% Expenses: 214.1% - 76% if Grants Disbursed are removed	Revenue: 80.6% Expenses: 94% - after supplemental budget adjustments	Revenue: 44.8% Expenses: 69.4%

Human Resources	Target	Q2 FY2021 (Oct 1 - Dec 31)	Q3 FY2021 (Jan 1 - Mar 31)	Q4 FY2021 (Apr 1 - June 30)	Q1 FY2022 (July 1 - Sept 30)
Performance Evaluation Completed on Time	100%	92%	92%	95%	95%
Average Employment Length (Years)	3 years	2.60	2.75	3.01	2.66

Board of Directors	Target	Q2 FY2021 (Oct 1 - Dec 31)	Q3 FY2021 (Jan 1 - Mar 31)	Q4 FY2021 (Apr 1 - June 30)	Q1 FY2022 (July 1 - Sept 30)
Board Meeting Attendance	75%	76%	81%	81%	86%
Meetings Lacking Quorum	0	0	0	0	0
Board Vacancies	0	0	0	0	0

Project Mgmt/ Regional Coordination	Target	Q2 FY2021 (Oct 1 - Dec 31)	Q3 FY2021 (Jan 1 - Mar 31)	Q4 FY2021 (Apr 1 - June 30)	Q1 FY2022 (July 1 - Sept 30)
Number of objectives addressed from CEDS Reporting Completed on Time	2/quarter	7	8	7	9
	All	All	All	All	All

Key: Yellow Highlight= Watch. Red Highlight= Action Needed.

Memorandum

To: MCEDD Board of Directors
From: Jessica Metta, Executive Director
Date: December 8, 2021
Re: EDA Revolving Loan Fund Plan Update

Overview

At the direction of the MCEDD Loan Administration Boards (LAB) and interest from staff, a new microlending program has been developed to encourage women- and minority-owned businesses to apply and make the lending process simpler for smaller requests. The LAB reviewed draft terms over several meetings and approved the program. This approval necessitated an update of the Revolving Loan Fund (RLF) Plan we use to administer our Economic Development Administration (EDA) funds.

Staff had intended a full review of the EDA RLF Plan in 2021 and this opportunity was used for that full review. The existing plan was updated with changes from the latest Comprehensive Economic Development Strategy process, changes that have been suggested over the last 18 months of LAB meetings, a review against current EDA requirements, and the microlending section. Track changes has been used to show edits, as well as inserted comments. The LAB reviewed the draft on December 7 and recommended adoption by the MCEDD Board of Directors.

Request

Approve Resolution 2021-6, Economic Development Administration Revolving Loan Fund Plan Adoption, and direct staff to submit the approved plan to the EDA.

**MID-COLUMBIA
ECONOMIC DEVELOPMENT
DISTRICT**

REVOLVING LOAN FUND PLAN

For Mid-Columbia Development District (MCEDD) revolving loan funds funded with EDA Consolidated Grant #450210R and defederalized in 2021, and for EDA CARES revolving loan funds.

ADOPTED BY RESOLUTION 2021-6 ON DECEMBER 16, 2021

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MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT RLF PLAN 2

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INTRODUCTION

This Revolving Loan Fund Plan has been developed by Mid-Columbia Economic Development District to replace and update the existing RLF plan for EDA consolidated grant 450210R [which was defederalized in 2021, EDA CARES revolving loans](#), and any other MCEDD revolving loan funds including, but not limited to Regional Strategies RLF. These previously approved grant and loan policies, standards, targets, criteria and procedures are hereby revised and amended to be consistent with the new RLF Plan. This revision does not change the basic scope of the existing grants or loans, but brings the plan under which they operate up to date and current with EDA requirements and the area's Comprehensive Economic Development Strategy (CEDs).

Part I of this Plan outlines the RLF Strategy. This section explains the economic adjustment program and its strategies and policies. It also states portfolio standards, targets and criteria of the RLF.

Part II of the Plan covers the RLF operational procedures. This section sets forth the organization and the procedures for making and servicing loans. This section also covers how MCEDD will comply with EDA and USDA requirements for reporting and monitoring of grant and loan terms and conditions.

PART I. THE REVOLVING LOAN FUND STRATEGY

A. ECONOMIC ADJUSTMENT PROGRAM OVERVIEW

ECONOMIC ADJUSTMENT PROBLEM

The annual MCEDD Comprehensive Economic Development Strategy document details the economic situation and distress in each of the counties. A brief discussion follows or see the full Strategy for more analysis.

The Mid-Columbia region is composed of five counties bordering the Columbia River: Hood River, Wasco and Sherman Counties in Oregon and Skamania and Klickitat Counties in Washington. The region constitutes an area of 7,289 square miles and encompasses parts of the Columbia River Gorge National Scenic Area. The region is rural with a dispersed population, with an estimated population of 87,288 persons in 2020.

Unemployment is an indication of the level of economic health in our region. During COVID-19, it peaked at more than 15% in some of our counties in March 2020. The region has mostly recovered, with unemployment at 4.4% in October 2021. While most industries are still slightly below pre-pandemic employment levels, Accommodation and Food Services experienced the greatest impact and requires more time to fully recover. Overall job gains are also a strong sign for the region, with growth of the number of firms and employment in the region, albeit at slower rates than Oregon and Washington. Despite gains in employment, the region still has some areas of high poverty and suffers low per capita income at about 90% of the national average.

Our industry in descending order of total employment is as follows: Total all government; Agriculture, forestry, fishing & hunting; Trade, transportation and utilities; Education and health services; Manufacturing; Leisure and hospitality; and Professional and business services. When ranked by payroll, several of those industries slip to lower ranks given the lower wages in areas such as agriculture, trade, leisure and hospitality.

While the region has been traditionally based on natural resources, reductions in these industries resulted in economic distress for the region. Following past downturns, the region concentrated on working together to identify and support industry diversification. Renewable energy opportunities, rapid growth in beverage manufacturing and value-added agriculture industries, growth in healthcare, development of opportunities for artists and expansion of local high-tech leaders provides a stronger, more diverse economic base.

DEVELOPMENT OF ECONOMIC ADJUSTMENT STRATEGY

In response to the economic distress of the District, Mid-Columbia Economic Development District worked to develop adjustment strategies. The CEDS process annually analyzes the problems and develops a number of goals and strategies. As part of the process, Mid-Columbia Economic Development District looks to the RLF programs that the District has successfully utilized as an important part of its strategy. MCEDD has operated revolving loan funds since

Commented [JM1]: This section is updated based on the most recent CEDS

1980. The Board annually certifies that the RLFs are consistent with the Strategy of the District. Existing Business RLF's include:

Source	Date Est.	Federal Funds	Matching Funding
EDA RLF Skamania	1980	\$300,000 EDA grant	-
EDA RLF Hood River	1986	\$300,000 EDA grant	\$100,000
North Central OR Regional Strategies	1996	\$311,252 NCOR grant	-
USDA IRP	1999	\$1,000,000 USDA loan	\$100,000
EDA RLF Klickitat	2002	\$320,000 EDA grant	\$80,000
USDA IRP Recap	2004	\$600,000 USDA loan	\$150,000
USDA RBEG- OR	2004	\$259,000 USDA grant	-
USDA RBEG- WA	2004	\$95,000 USDA grant	\$5,000
USDA IRP Recap	2007	\$750,000 USDA loan	\$112,500
USDA RBEG- Klickitat/ Skamania	2010	\$99,000 USDA grant	\$50,000
Washington CDBG	2010	\$95,481 CDBG grant	\$20,000
USDA IRP- Sherman	2011	\$200,000 USDA loan	\$50,000
<u>Northwest Business Development Assoc.</u>	<u>2018</u>	<u>\$30,000 NWBA grant</u>	<u>-</u>
<u>EDA CARES RLF</u>	<u>2020</u>	<u>\$770,000 EDA grant*</u>	<u>-</u>

** As of date of adoption, the full grant has not yet been received.*

While not a business RLF, MCEDD also received a \$2,000,000 grant from the State of Oregon in 2016 to establish an RLF for the development of attainable housing in its Oregon counties.

Mid-Columbia Economic Development District includes its RLF program in its annual preparation of the Comprehensive Economic Development Strategy documents for the District. The Comprehensive Economic Development Strategy for the Mid-Columbia region indicates a goal of promoting the creation of family-wage employment, promoting diversification of the economic base, and promoting growth, development and retention of business and industry within the District.

AREA RESOURCES

In addition to funding partners such as USDA and EDA, there are a number of resources that MCEDD utilizes when assisting businesses through this RLF. There is an expanded list of resources and partners in MCEDD's Comprehensive Economic Development Strategy.

Within the District, there are five port districts active in trying to attract new job creating industries or expand existing ones: Port of The Dalles, Port of Klickitat, Port of Hood River, Port of Skamania, and Port of Cascade Locks. They all have industrial property and infrastructure in place to provide for development. They are strong allies in economic development in the District, managing significant areas of industrial and business properties.

Each county has an economic development entity that works to support business retention and expansion within the county. Skamania County is served by the Skamania County Economic Development Council, which also acts as staff for the Washington Investment Board. Klickitat County formed a Public Economic Development Authority (PEDA). The Klickitat PEDA works to improve the economic conditions in the County. PEDA staff work to create or retain jobs, improve infrastructure, and coordinate federal and state funding. Wasco County has an active committee of government leaders and private citizens who make economic development related recommendations to the County Commission. Wasco County contracts with MCEDD for economic development services to support their committee. Sherman County is similarly served through a contract for economic development services from MCEDD. Hood River County established an economic development working group which includes MCEDD, the Chamber, County, Cities and Ports.

The Small Business Development Center networks of Oregon and Washington serve the District's counties, with varying levels of service available in the five counties, and provide technical assistance to local businesses. They also provide many loan leads for the program. The Small Business Development Center network helps small businesses in the region by offering counseling and training. Many of the small businesses that request loans for one of the MCEDD loan programs have received services from the SBDC. The Service Corps of Retired Executives similarly provides resources and technical assistance for entrepreneurs in the region.

Additional funding resources for businesses are available through Washington and Oregon State programs, Mount Hood Economic Alliance, urban renewal programs, and commercial banks. In addition, as part of the legislation creating the National Scenic Area, each state was entrusted with funding for economic development within the Scenic Area boundaries. Each state created and appointed Investment Boards to make decisions on use of those funds for grants and loans

STRATEGIC ADJUSTMENT GOALS

Through the creation of the RLF program, MCEDD established specific goals and objectives for the Revolving Loan Funds:

- Provide access to affordable capital necessary for business expansion, retention and start-up projects to move forward.
- The type of jobs targeted by the RLF will be higher skill, family wage jobs. These jobs are more likely to be found in manufacturing and technology-based businesses.
- Help to attract new businesses to the District by making capital available.
- The projects that the Revolving Loan Fund helps to finance must leverage private capital and create jobs.

- The projects assisted by the RLF will assist the unemployed, underemployed, dislocated workers and/or low- income workers by providing new jobs or saving current jobs in the District.
- Loans to commercial businesses will be considered particularly when they provide opportunities for mitigation of unemployment of dislocated workers or stimulate economic growth to commercial districts that have become blighted or stagnant and the investment will lead to additional investment in the area.
- The RLF will make every effort to attract applications from and to assist businesses owned by minorities and women.

IMPLEMENTATION PROGRAMS AND ACTIVITIES

MCEDD's Revolving Loan Funds have been primarily funded through the United States Department of Agriculture Rural Development and the United States Economic Development Administration, with matching funding from regional investment boards, state grants, Oregon Investment Board, counties, MCEDD and others. A detailed list is provided in the Economic Adjustment Strategy portion of this plan. All Revolving Loan Funds were designed to assist small businesses with job creating projects in particular parts of the region. The first round of loans from each program was made to businesses targeted to specific distressed counties. Once the initial grant/loan and match funds were lent, the revolved funds from repayments and earnings typically then became available to assist other businesses located within the Mid-Columbia Economic Development District. An attempt is continually made to target revolved funds to businesses in the counties initially targeted for assistance under the program.

In addition to the RLFs, MCEDD assists all of the counties and Ports in the District in their efforts to accomplish their economic development strategies. Through the CEDS process MCEDD establishes regional goals and visions. For ~~2014~~2021, these goals included:

- ~~Strong Businesses: Enhance business innovation, retention and expansion, and entrepreneurship through equitable access to support services and capital, diversifying our industry mix, and enhanced coordination to address barriers to growth and sustainability.~~ **Business Retention and Expansion: Enhance the retention and expansion of businesses in the Mid-Columbia/Columbia River Gorge.**
- ~~Business Attraction: Achieve an increase in new business to the region that will continue to diversify the economy and create sustainable opportunities, including family wage jobs, over the next ten years.~~
- ~~Infrastructure: Facilitate the timely maintenance and improvement of public infrastructure and support scalable infrastructure development, which will contribute to increased economic opportunities.~~
- ~~Economic Resources/Entrepreneurial Environment: Increase the Mid-Columbia region's receipt of resources for economic development initiatives, including funding, technical assistance and training.~~
- ~~Entrepreneurial Environment: Facilitate integrative partnerships and communication across business clusters, industries, entrepreneurs, government and economic development organizations to further develop an effective economic support structure.~~

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- ~~Workforce: Regularly assess needed workforce requirements, ensuring a regional workforce that is work-ready and well-educated.~~
- ~~Bi-State Engagement: Engage elected representatives in Oregon and Washington to advocate more effectively for the common needs of the Columbia River Gorge in support of all the other six goals.~~
- Robust Workforce: Cultivate a talented, multicultural workforce through diverse, family-wage career training aligned with industry needs while providing essential infrastructure supports for workforce participation in each community.
- Resilient Infrastructure: Ensure communities and businesses of the Gorge have reliable, resilient access to infrastructure, including attainable housing, high-capacity broadband, sustainable sources of energy, and emergency services, among others, to support future population demands and economic opportunities.
- Powerful Regional Collaboration: Effectively collaborate and advocate as a bi-state region to leverage the economic assets of the Columbia River Gorge to facilitate strong businesses, robust workforce and resilient infrastructure.

ORGANIZATIONAL STRUCTURE – ADJUSTMENT STRATEGY

Mid-Columbia Economic Development District (MCEDD) is responsible for the management of the Revolving Loan Funds. The Board of Directors of MCEDD, through its Loan Administration Board and staff, maintain and implement the strategy and the RLF program. The Board evaluates the results of the program and amends this RLF Administrative Plan as necessary in order that the plan is consistent with the CEDS as the CEDS may be updated from time to time. MCEDD will certify semi-annually to EDA and other agencies as required that the Plan is consistent with the District strategy.

B. BUSINESS DEVELOPMENT STRATEGY

OBJECTIVES

The business development strategic objectives as part of the overall development strategy addressed by this plan are:

- Increase the capacity of existing local firms, especially those that sell outside of the area, thereby bringing dollars into the local economy.
- Prevent the loss of jobs by the closure or move of local businesses.
- Assist commercial business expansion that will provide opportunities to dislocated workers or provide opportunities for growth and enhancement of commercial business districts.
- Encourage the development of firms that add value to local resources, such as agricultural products and wood products.
- Attract businesses that will provide additional capital and jobs to the area.
- Encourage the development of higher skill, higher wage jobs.
- Assist small businesses to incorporate new technologies.

- Assist small businesses to develop new markets.
- Diversify the types of industries to minimize the effect of downturns in certain sectors.

TARGET BUSINESS CHARACTERISTICS

Targeted businesses include all legal and legitimate businesses within the District facing financial challenges that do not allow them access to traditional bank financing. These businesses should be poised to create jobs through growth and/or expansion. Primary emphasis is on existing or new industries that pay above-average salaries on a year-round basis.

The District includes Hood River, Wasco and Sherman Counties in Oregon and Skamania and Klickitat Counties in Washington.

TYPES OF ASSISTANCE

MCEDD has continually engaged in ongoing efforts to identify assistance needed by businesses and identify means to meet those needs. The types of assistance MCEDD has identified as being needed by businesses and potential entrepreneurs include:

- **Financing and access to capital, especially working capital.**
- **Financing the acquisition of additional space.**
- **Gap financing that provides funds needed to span gaps between equity and other sources of funding.**
- Hands-on technical assistance.
- Management assistance.
- Workforce development and training.

The types of assistance provided by MCEDD through the loan fund are in bold. MCEDD works strategically with its partners, such as the Small Business Development Center, to ensure the other needs are addressed. MCEDD will continue to address new needs and revise this RLF plan as changes occur.

PROGRAMS AND ACTIVITIES

Mid-Columbia Economic Development District's primary role with the RLF is to provide financing and access to capital to businesses unable to access financing through traditional loans from federally insured financial institutions. This is done in concert with other programs that are available to businesses in the area and in coordination with MCEDD's other activities. MCEDD has significant knowledge and experience in packaging multiple sources of public and private financing needed to make a job-creating project a reality. The RLF is a critical part of this effort. MCEDD continually strengthens and makes even more effective the network through which key financial institutions will refer otherwise credit-worthy small businesses which are unable to

receive adequate financing through private lending programs. MCEDD works directly with other public programs such as Small Business Administration, Washington and Oregon business finance programs and with local banks.

In addition to direct assistance, businesses are referred to other sources of assistance such as Port Districts, Columbia Gorge Community College Small Business Development Center, business mentors and mentorship programs, and the Oregon and Washington State Employment Departments for management and technical assistance and customized training.

C. FINANCING STRATEGY

FINANCING NEEDS AND OPPORTUNITIES

Financially challenged businesses can exist at any stage of development. The most common are start-up businesses and businesses less than three years old. Other established businesses may need help making a transition due to growth or expansion. Other formerly bankable businesses may be in an industry that is experiencing a downturn. Any business that is unable to obtain 100% of its needed financing through a traditional bank, financial institution or private investor provides an opportunity for MCEDD to utilize its RLFs. Gap financing is another growing opportunity fueled by the bank industry's conservative collateral policies and shrinking allowable Loan-to-Value percentages. Most small businesses are unable to provide the necessary resources to finance this growing gap. Without help, many small business retention and/or growth projects would go unrealized and the economies of the Mid-Columbia would be negatively impacted.

CURRENT AVAILABILITY OF FINANCING

Commercial banks and other federally insured financial institutions are providing part of the required financing for businesses, but all too often for the businesses that are growing or starting up, the terms are restrictive and not all of the needed financing is available through banks. Other private financing is available through finance companies, angel investment groups and private lenders.

Some assistance is available through state and federal programs, but these programs also have limitations which preclude funding to otherwise eligible borrowers.

Local financing resources include the Oregon and Washington Investment Boards and Mount Hood Economic Alliance. MCEDD operates the Oregon Investment Board [and administers Mount Hood Economic Alliance](#) and frequently works with borrowers to provide adequate financing through a mix of these sources. All three of these fund sources are limited.

MCEDD has multiple funds available to all five counties. Business financing needs can be met using a single fund or a combination of funds. The combining of different funds for single

projects depends on the nature of the project and the counties where business is done by the project's applicant.

FINANCING NICHE

The MCEDD RLF has the ability to provide a flexible and accessible source of financing which is not otherwise available from traditional lending sources. It is most accessible and useful to growing businesses that are creating or retaining jobs. MCEDD RLF loans do not compete with banks. MCEDD's financing niche has two important components:

- a) Providing gap financing for businesses which are able to obtain only partial financing through banks, private investors or other sources
- b) Providing financing for businesses which are unable to obtain traditional financing.

MCEDD does not typically provide 100% financing of projects. MCEDD utilizes lending criteria that allows for more business risk by allowing lending to start-up businesses, businesses that have been in business for less than three years and loaning to businesses that do not meet standard accepted underwriting percentages and ratios.

MCEDD has the opportunity to provide longer terms, loans with more liberal collateral policies including subordinate lien positions, and interest rates from some loan funds that are below market rates. Financing may be provided for machinery and equipment, leasehold improvements, land and buildings and working capital.

MCEDD focuses RLF funds on clients for whom credit is not otherwise available on terms and conditions that permit the completion or successful operation of the activity to be financed. MCEDD uses its RLF to fill the financing gap left by commercial banks and other traditional financing sources in order to help businesses grow, expand and create jobs in the Mid-Columbia.

RLF IMPACT

MCEDD's RLF's have had significant impact since 1980, when MCEDD received its first grant to capitalize its loan funds. Since that time, MCEDD continued to expand the programs and successfully acquire a total of more than \$4.3-8 million in Federal and State grants and loans for the Mid-Columbia region. This amount, combined with more than \$1.9 million in local matching dollars, equals a total capitalization of more than \$6.5-7 million. As reported in our 2015-2020 annual report, since 1980 MCEDD has made more than 200-314 loans to businesses totaling \$13.419 million. Those businesses have created or retained more than 2,000-380 jobs. The program has leveraged more than \$12.8 million in public financing and more than \$28.636.3 million in private financing.

The MCEDD RLF will strive to have the following impacts as funds continue to revolve:

- 1) MCEDD anticipates that these revolving loan fund programs will use repayments from the loans to continually relend, creating the potential for additional job growth.
- 2) The RLF will target and seek to maximize attraction of private sector investment.

- 3) Investments will strengthen the economy of MCEDD's region, which in turn will stimulate more investment and business activity.
- 4) RLF investments into businesses will allow further utilization of the region's infrastructure improvements and will provide increased use of industrial properties that will allow for further expansion.
- 5) The RLF will focus on jobs that can support a family and mitigate the high unemployment that has plagued the region and made worse by ~~recent~~ closures of major employers.
- 6) Our program staff will encourage companies to seek training and utilize and retrain local workers where applicable. When possible, RLF investments will contribute to an environment where higher-skill and higher-wage jobs are created.
- 7) Targeted industries supported through the RLF will be designed to capitalize on the region's unique assets to build comparative advantages for the economic growth.
- 8) The program will seek to have full regional impact and strive to support business investments across all counties in the District.

D. FINANCING POLICIES

MICROLENDING POLICY

In an interest to improve accessibility for businesses making smaller loan requests, and to encourage loans to minority- and women-owned businesses, the Loan Administration Board developed the following guidance. Unless specified below, all other policies in this RLF Plan apply to loans approved under the MCEDD Microlending Program. This program is funded with EDA defederalized funds.

Fund Summary

- Maximum Loan Amount: \$40,000
- Eligible Applicant Types: Entrepreneurs, new business start-ups, expanding businesses, existing businesses for debt refinancing, agricultural uses, and most legal business ventures. Women and minority-owned businesses are encouraged to apply.
- Term: For loans of \$5,000-\$20,000, one-to-three-year term maximum. For loans of \$20,001-\$40,000, one-to-five-year term maximum. Fully amortized.
- 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 dependent on credit score. No minimum credit score required.
- Minimal Insurance Requirements: Basic insurance on collateral and business required.

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- 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. Staff has the authorization to approve these loans if a client meets all criteria. If desired by staff, staff can bring approvals to the Board for final confirmation.

Documentation and Interest Rate Tiers

The following documentation requirements and applicable interest rate will be based on a review of the credit score of all parties with 20% or more ownership. In the case of more than one party, the highest score will be used.

- **Tier 1 -780 and above:** Simple application, credit report, references, bank denial, business experience and management information. Interest rates 1-2% above WSJ Prime.
- **Tier 2 - 779-740:** Simple application, credit report, references, bank denial, business experience and management information. Interest rates 2.25-3.25% above WSJ Prime.
- **Tier 3 - 739-700:** Simple application, credit report, references, bank denial, business plan, business experience and management information. Interest rates 3.5-4.5% above WSJ Prime.
- **Tier 4 – 699-670:** Simple application, credit report, references, bank denial, tax returns, financial statements, cash flow projections, business plan, business experience and management information. Interest rates 4.75-5.75% above WSJ Prime.
- **Tier 5 – 669-650:** Simple application, credit report, references, bank denial, tax returns, financial statements, cash flow projections, business plan, business experience and management information. Interest rates 6-7.5% above WSJ Prime.
- **Tier 6 – 649 and below:** Not eligible for the microlending program. Will require LAB approval and must follow all other RLF rules, including full collateralization.

LOAN RELATED FEE POLICY

The following fees will be charged to the loan clients. Any of these fees may be waived at the discretion of the Loan Administration Board. None of these fees will exceed the allowable fee of the organization providing the specific funds for each individual loan for each specific fee type.

- A loan application (loan packaging) fee of up to \$150 may be collected with all loan applications that are accepted by MCEDD. This includes incomplete applications, applications without required documentation, applications that are ultimately denied, applications withdrawn by applicant, applications for ineligible loan projects or uses, and successful applications.
- A loan fee not to exceed ~~2.015%~~ of the loan amount may be charged. ~~Loan fees for EDA funded RLF's will not exceed 1.5%.~~
- -All third-party fees associated with each individual loan, such as title insurance, appraisals, credit reports and filings fees, etc.
- All fees associated with collection of past due loans or loans in default.
- All fees associated with other financing obtained through sources outside of MCEDD.
- A prepayment penalty fee may be charged. The minimum prepayment fee is \$250, if charged, and will generally be ½% of the outstanding loan balance.

INTEREST RATE POLICY

Interest rates will be set by the Loan Administration Board based on recommendations from staff that are based on cash flow analysis and risk. Loans from an RLF will always adhere to interest rate requirements, policies and restrictions of the funding source agency providing funds for the RLF. Interest rates will generally be fixed for the term of the loan. MCEDD does not provide a variable or floating interest rate. Rates may vary between individual loans, or be stepped to allow for specific circumstances.

Minimum Interest Rate: The interest rate will always equal or exceed the minimum interest rate required by the funding source agency. For EDA funded loans, the minimum interest rate will be no less than the lower of four percentage points or 75 percent of the lesser of the current money center prime interest rate quoted in the Wall Street Journal (WSJ) or the maximum interest rate allowed under state law. However, should the interest rate listed in the WSJ exceed fourteen percent, the minimum interest rate will not be required to raise above ten percent if it would compromise the ability of the RLF recipient to implement its financing strategy.

Maximum Interest Rate: The interest rate will always be less than the maximum interest rate allowed by State law or the maximum interest rate allowed by the funding source agency.

Default Interest Rate: Upon default, including failure to pay upon final maturity, the interest rate may increase by up to five (5) percentage points per annum based upon a year of 365 days. However, in no event will the interest rate exceed the maximum interest rate limitations under applicable State and federal laws and applicable regulations of the funding source agencies of MCEDD's revolving loan funds, including, but not limited to Economic Development Administration (EDA).

Performance Interest Rate: Performance Interest Rate: As a performance incentive, the Loan Administration Board may authorize a reduction in the interest rate over the course of the loan, provided all loan payments are made on time, as agreed and all other loan requirements are met. This rate reduction option will generally be used with loans that are scheduled at a higher interest rate due to their risk rating since regular loan payments, communication with MCEDD staff and the lending relationship with MCEDD may mitigate factors initially contributing to a higher risk rating and higher initial interest rate.

EQUITY POLICY

The Loan Administration Board has flexibility in requirements for new equity or cash infusions in a particular project. The Loan Administration Board will consider the financial strength of the borrower, other collateral, strength of guarantors, and other important and pertaining factors when varying from standard guidelines. This new equity

can be in capital (or lien free assets) added to the project from the borrower or investor sources.

The standard guidelines for new equity or cash infusions are as follows:

- For fixed asset loans to existing companies, a minimum of 10% (percent) of the project must generally come from the borrower. This can be in capital (or lien free assets) added to the project from the borrower or investor sources.
- For loans to start-up companies, a higher percentage of 25% (percent) will usually be required.
- For working capital loans 25% or more is usually required.
- For real estate loans 25% or more is required if the Loan to Value percentage is 75% or more (or combined LTV is multiple lenders are securing real estate). 10% or more is required if the Loan to Value percentage is less than 75%.
- Equity will not include any investments made beyond the current twelve (12) month period in a borrower's assets.

STANDARD REPAYMENT TERMS POLICY

The term of the loans will not exceed the useful life of the assets being financed. The ability of the borrower to repay will also be taken into consideration. When possible, shortest terms possible without detracting from the initial and ongoing success of the borrower rather than longer terms will be set to recycle funds faster to make more loans and to reduce the risk to the RLF. Loan repayment terms that include balloon payments are allowed. The Loan Administration Board may grant deferral of principal payments for up to one year when necessary for the success of the project. During principal deferral period, the borrower must continue to make payments of the interest due on a monthly basis on the scheduled payment due date of their loan, unless otherwise decided by the Loan Administration Board. Loan terms will be equal or be less than the number of years allowed by the funding source agency or 30 years.

The following are loan terms guidelines:

Equipment Loans:	up to 10 years or the useful life of collateral equipment, whichever is the fewer number of years.
Real Estate Loans:	up to 25 years.
Working Capital Loans:	up to 5 years.
Leasehold Improvements:	up to 10 years, or the usual life of the collateral improvement or term of the lease period, whichever is the fewer number of years.

COLLATERAL POLICY

All RLF loans will be 100% collateralized. An "abundance of caution" approach will be used. The RLF will secure each loan to the maximum extent possible in the judgment of the

Loan Administration Board. Security interests will be taken in available assets, both business and personal. In addition, MCEDD will obtain personal guaranties of owners with 20% or larger interest, corporate guarantees of related entities, and assignments of leases and insurance policies including hazard, flood, key man or other life policies naming MCEDD as loss payee as appropriate. Such collateral and other security may be subordinate to existing liens of record and/or liens securing other loans involved in the project. Personal guaranties may be collateralized with assets of the guarantor. The amount and type of collateral will be negotiated between MCEDD and the borrower. Generally, if a borrower has multiple loans with MCEDD from separate funds sources, the loans will be cross collateralized.

Combined Loan to Value Ratio (CLTV) requirements will be determined on an individual loan basis depending on the strength of the financial position of the borrower and the project. The gap financing this program provides often requires that MCEDD lend a higher dollar amount or at a higher loan to value percentage than ideal on physical assets to allow borrowers to have adequate cash to meet MCEDD working capital requirements. RLF loans will most often be in a subordinate lien position, therefore sufficient cash flow for debt service is considered to be of greater importance than set “loan to value” ratios.

Optimum goals for maximum Combined Loan to Value percentages are as follows:

Real Estate	90%
Equipment, furniture, and fixtures	80%
Leasehold improvements	60%

Methods of valuation of assets used for collateral will be objective. Real estate will be valued by an approved licensed appraiser or by county assessor office. If a lead lender obtains an appraisal, MCEDD may accept valuation from such appraisal rather than requiring another. Other asset types will be valued by methods that adequately show market value by use of objectively obtained market comparisons, appraisals by qualified and approved persons, or by MCEDD staff valuation. The valuation will take into consideration book value discounted according to useful life and condition. In all cases, valuation will need to show due diligence and objective evidence in addition to values provided by the borrower. Documentation of collateral values will be required in the loan file.

Working capital (current) assets will not be considered as collateral for long-term debt.

LOAN SIZE POLICY

The Loan Administration Board may determine the loan size minimum and maximums on individual loans, in accordance with any specific policies of the funding source agency for each separate RLF.

General Guidelines:

Minimum: \$5,000.00

Maximum: \$250,000.00

These guidelines are to help staff determine ideal loan size and do not limit staff from recommending a loan that is outside these guidelines.

CREDIT AVAILABILITY POLICY

Staff must explicitly determine and demonstrate in the loan documentation for each RLF loan that credit is not otherwise available on terms and conditions that permit the completion or successful operation of the activity to be financed. This could be demonstrated through a bank denial letter, a memo to the file or in the staff report documenting why it would be impractical for the prospective RLF borrower to seek funding from a traditional bank, or a request from a bank to help fund a gap in the project.

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CONSTRUCTION LOAN GUIDELINES

For loans made with EDA defederalized or EDA CARES funds, all laborers and mechanics employed by contractors or subcontractors on the project for projects exceeding the \$2,000 threshold for construction must be paid the higher of the prevailing wage rate or Davis Bacon wage rate. Where the land facilitating construction is purchased in part or in whole with these EDA funds, this requirement extends to construction work, including that which is not directly paid for with RLF Award funds. Additionally, any borrower, contractor, or subcontractor must comply with the Contract Work Hours and Safety Standards Act (40 U.S.C. § 3701, et seq.), which provides work hour standards for every laborer and mechanic employed by a contractor or subcontractor in the performance of certain work financed at least in part with Federal funds.

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The following guidelines apply to any loans funding construction and remodel projects under this RLF Plan, but typically will be implemented on loans that exceed \$15,000.

- Borrower will provide staff with a “Contractor Final Waiver and Release of Lien and/or Claim” or “Affidavit for Partial Payment” signed, notarized and executed by each contractor, sub-contractor, supplier, vendor or business providing more than \$5,000 of products or services to the construction project financed by the loan. Staff may obtain a title report or conduct other types of lien searches, at the expense of the borrower, to determine who needs to provide a Waiver/Release or Affidavit.
- Each loan will have a construction disbursement period not to exceed twelve (12) months. The Loan Administration Board may approve extensions of this period as needed. The final loan principal amount will equal the sum of all authorized loan fund disbursements and will have terms and conditions as approved by the Loan Administration Board.
- Monthly interest-only loan payments will be made during the disbursement period with principal and interest payments beginning according to the loan terms approved by the Loan Administration Board.
- Each loan disbursement must be approved by staff and the borrower with a signed disbursement authorization form and supporting invoices of the work done or to be done on the project.

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- The Loan Administration Board will have the discretion to approve a contingency amount for each construction loan; typically this amount will be 10% – 25% of the construction project amount. Contingency funds may be used for, but are not limited, to the following areas of higher than anticipated project costs: labor, permits, supplies, environmental issues, contractor error, contractor dismissal, weather, building site issues and changes in building code and laws. Contingency funds will be disbursed when funds from a project budget category are fully dispersed and additional funds are requested by borrower and the request is approved by staff. If there are remaining undisbursed contingency funds after the completion of project, these unused/undisbursed contingency funds will not be disbursed to the borrower unless approved by staff; if applicable the loan amount will be reduced by the amount of undisbursed funds.
- The Loan Administration Board will approve a holdback amount to be disbursed after completion of the project is verified by staff and permanent occupancy documentation is provided, as applicable. The holdback amount typically will be 10% – 25% of the construction project amount (not including contingency funds). Undisbursed approved funds will not be included in the final loan amount.
- Staff will inspect a construction project to ensure that the construction work is proceeding according to the construction project budget. Appropriate documentation will be maintained in the loan file. MCEDD has the discretion to require independent third-party inspections with the costs to be paid by the borrower. On more complex construction projects for which MCEDD staff does not have demonstrated expertise, use of third-party inspectors would be encouraged. Examples of inspectors could include but are not limited to architects, engineers, appraisers, licensed contractors, etc.

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E. PORTFOLIO STANDARDS AND TARGETS

The RLF has standards and targets for the funds within its portfolio. Achieving these targets and maintaining these standards helps ensure optimum leverage of its finite funds and enhances the economies throughout the Mid-Columbia area by requiring realistic, yet aggressive job creation ratios. The Loan Administration Board may approve loans that do not reach or maintain these standards and targets. MCEDD policy does not limit or restrict loans being approved that are outside the standards and targets in the areas listed below. MCEDD will, however, ultimately try to obtain each of these percentages and staff will present information and percentages regarding each area in each individual loan proposal.

MCEDD will not approve a loan that does not meet the policies of the funding source agency that provided funds for the RLF for each specific loan.

The RLF has the following standards and targets for its portfolio as referenced below:

BUSINESS TYPES

Different types of businesses have varying economic multipliers and impact on jobs. The following are goals set by MCEDD for the percentage of loans for some of the different types of businesses. The types of businesses with higher economic multipliers and impact on jobs were allocated a higher percentage to obtain maximum economic leverage from the RLF loan fund monies.

Percentage of investment by type of business:

- a. Industrial: 60%
- Commercial: 20%
- Service: 20%

- a. New Business: 25%
- Expansion: 65%
- Retention: 10%

LOAN PURPOSE

MCEDD prefers to fund loans for the acquisition of fixed assets by small businesses. The RLF will have a goal of providing 65% or more of its loans for fixed assets. The ideal percentage of investment by purpose of the loan:

- Fixed Assets: 65%
- Working Capital: 35%

LEVERAGING

For the EDA CARES funds, If leveraging of private investment from private lenders such as banks and private investment from borrower or others will be at least two dollars private for every one dollar of RLF for the portfolio as a whole. Flexibility can be used on individual loans as circumstances warrant, but the effect on each separate RLF will be taken into account and the leveraging requirements will be met for each separate RLF. ~~Leveraging dollars must be contributed within the twelve (12) month period following approval to qualify. To be classified as leveraged, additional investment must be made within twelve months of approval of an RLF loan closing, as part of the same business development project, and may include:~~

- A. Capital invested by the borrower or others:
 - (ii) Financing from private entities;
 - (iii) The non-guaranteed portions and ninety (90) percent of the guaranteed portions of any Federal loan; or
 - (iv) Loans from other State and local lending programs.

Accrued equity in a borrower’s assets may not be included in the calculation of leveraged additional investment.

Other RLF funds guided by this policy shall strive to meet the above but it is not required.

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COST PER JOB

The RLF will target higher skill, higher wage jobs. The creation of these types of jobs often requires larger capital investment. We will continue to attempt to create as many jobs as possible but will favor projects with fewer higher paying jobs over projects with more but lower paying jobs. We anticipate exceeding the following goal.

The overall RLF portfolio goal for cost per job is at least 1 job for \$35,000 loaned, or less. A lower cost per job is preferable, but consideration will also be given to quality of jobs created or saved.

F. LOAN SELECTION CRITERIA

In order to meet RLF goals, in most cases, the primary loan selection criteria will focus on the following: (listed in priority)

1. Number of jobs created
2. Cost per job (a lower cost per job is better)
3. Private leveraging (more involvement of private monies is better)
4. Economic impact (industrial generally has more impact than retail)
5. Job quality (higher skill, higher paying)
6. Value added (not primary, but preferred)
7. Technology related (not primary, but preferred)
8. Utilize existing workforce or retrain existing workforce to employ local individuals (not primary, but preferred)

Eligibility of applicants, activities, purposes and projects is detailed below.

ELIGIBLE APPLICANTS

To be eligible an applicant must be:

- a. A private for-profit firm, a small business not otherwise precluded in the list of ineligible loan activities. In most cases, the business will be located in an eligible area, but the activity financed, and its benefits must be within the eligible area.
- b. A general or special purpose unit of local government, or a public or private non-profit organization, with preference if the project will meet needs of a specific and committed for-profit business where job creation and leveraging goals are met. (For example, the purchase of fixed assets by such an organization to be leased to a specific small business.)
- c. Nonprofits, cooperatives and educational institutions with economic activity which demonstrate a capacity for repayment of a loan.

Applicants will be required to demonstrate that the funds are not otherwise available or are not taking the place of private financing on terms, which in the opinion of MCEDD will permit the accomplishment of the project. Applicants will provide a turn-down letter or email from a primary lender or bank or other written correspondence indicating that the bank will be unable to provide financing. Alternatively, applicants may provide a letter or email indicating that the bank is unable to provide the full financing requested and gap financing is required.

Applicants must show a reasonable assurance of repayment of loans. Among other things, this will be judged by standards of character, capacity, collateral, conditions and capital.

Applicants may not have delinquent federal, state or local government debts or liens or judgments filed against them or their property. These types of debts and liens may be allowed if an approved workout/repayment plan is in place.

Applicants must be U.S. citizens or have legal permanent residency.

ELIGIBLE PROJECTS

Eligible projects may be for expansion, start-up or retention of a business that will meet the goals of the RLF program. Loans may be for fixed assets or working capital. Loans must be for community development projects, the establishment of new businesses, expansion of existing businesses, creation of employment opportunities, or saving existing jobs. Loans may include, but are not limited to:

B. a. Eligible fixed asset loans may include:

- Land purchase costs, including engineering, legal, grading, testing, site mapping and related costs associated with acquisition and preparation of land.
- Building construction or acquisition, including related costs including engineering, closing costs, etc. ~~provided that all laborers and mechanics employed by contractors or subcontractors on the project for projects exceeding the \$2,000 threshold for construction be paid the higher of the prevailing wage rate or Davis Bacon wage rate.~~
- Machinery and equipment costs including delivery, installation, engineering, and associated related costs.
- Other costs contributing to the value of the project fixed assets, such as taxes and interest on interim or construction financing.
- Infrastructure costs.
- Debt consolidation and/or refinancing of loans, if the new loan will produce a favorable business environment and retain or create jobs. (Personal debts can be included if it can be documented that the personal debt funds were used for business purposes.)
- Business acquisitions (must meet funding source agency requirements).
- Pollution control and abatement.
- Agricultural production.

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~~C. b.~~ Eligible working capital loans may include:

- Inventory purchases.
- Accounts receivable financing.
- Operating expenses.
- Other non-capitalized assets.
- Debt consolidation and/or refinancing of loans, if the new loan will produce a favorable business environment and retain or create jobs. (Personal debts can be included if it can be documented that the personal debt funds were used for business purposes.)
- Feasibility studies.
- Interest (must meet funding source agency requirements).
- Reasonable fees as specified by funding source agency.
- Agricultural production.

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INELIGIBLE LOAN ACTIVITIES AND PURPOSES

Ineligible loan activities and purposes include the following:

- Loans outside the designated eligible area of Klickitat or Skamania Counties in Washington or Wasco, Sherman or Hood River Counties in Oregon.
- Assistance in excess of what is needed to accomplish the purpose of the borrower's project
- ~~Agriculture Production, unless production is 49% or less of business sales.~~
- Lending and investment institutions and insurance companies; Insurance agents or agencies are eligible if standard criteria are met.
- Golf courses, racetracks or Gambling activity, performances or products of a prurient sexual nature, or any illegal activity, including the cultivation, distribution, or sale of marijuana that is illegal under Federal law.
- Any project that is in violation of either a Federal, State, or local environmental protection law or regulation or an enforceable land use restriction unless the assistance given will result in curing or removing the violation.
- Charitable institutions that would not have revenue from sales or fees to support the operation and repay the loan, churches, organizations affiliated with or sponsored by churches, and fraternal organizations.
- A loan to a borrower, which has an application pending with or a loan outstanding from another funding source whose regulations and policies exclude the borrower from obtaining loan funds available from MCEDD.
- The transfer of business ownership, unless the loan will keep the business from closing, or prevent the loss of employment opportunities in the area or provide expanded job opportunities.
- Loans which have the effect of relocating jobs from one labor area to another.

- Loans for the purpose of investing in accounts, securities or any other investment not related to job creation/retention.
- Speculative activities such as land banking and construction of speculative buildings that do not have specific job creating tenants committed.
- Loans for the purpose of acquiring an equity position in a private business.
- Loans to subsidize interest payments on an existing RLF loan.
- Projects that would adversely (without mitigation) impact flood plains, wetlands, significant historic or archeological properties, drinking water resources, or nonrenewable natural resources.
- Personal debt payment, consolidation or refinancing, if not associated with business.
- Refinancing existing debt, unless there is a sound economic justification for the refinancing or the funds will finance the purchase of the rights of a prior lien holder during a foreclosure action which is necessary to preclude a significant loss on an RLF loan and there is a high probability of receiving compensation from the sale of assets sufficient to cover an RLF's costs plus a reasonable portion of the outstanding RLF loan within eighteen months following the date of refinancing.
- Loans which would provide for borrowers' required equity contributions under other Federal Agencies' loan programs.
- Loans that would serve as collateral to obtain credit or any other type of financing without EDA's prior written approval (e.g., loan guarantees).
- Loans for any activity that would violate EDA Property regulations found at 13 CFR part 314.
- Any illegal activity.
- Loans to principals, employees or board members of MCEDD or to organizations for which said persons are directors or officers or in which they have ownership of 20 percent or more.
- Loans that would create a conflict of interest as defined in this RLF plan. Note: If a funding source agency has a Conflict-of-Interest policy that is more restrictive than the above policy, MCEDD would adhere to the Conflict-of-Interest policy of the funding agency.

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G. PERFORMANCE ASSESSMENT

MCEDD will assess performance by comparison with the portfolio standards and targets as stated in Section E. of this RLF Plan. Other loan portfolio and individual fund data will be measured and compared to benchmarks and requirements. These include:

- Number and dollar amount of loans
- Percent of portfolio outstanding on a semi-annual basis
- Number of loans and outstanding loan balances performing as agreed compared to:
 - Number of and dollar amount of outstanding balances of delinquent loans 30 or more days past due,
 - Number of and dollar amount of outstanding balances of loans in default
 - Number of and dollar amount of outstanding balances of loans written off

- Degree of leveraging of private dollars to loan dollars
- Number of jobs created and/or retained
- Cost per job
- Capital Utilization Standard per funding source agencies

Performance of the RLF portfolio will be assessed continuously. Reports will be provided monthly to the Loan Administration Board and quarterly to the Board of Directors. MCEDD will review the performance of the RLF on a semi-annual basis and certify to EDA, and other agencies as required that the RLF plan is consistent with the area's development strategy as defined in the CEDS that the RLF is being operated in compliance with the policies and procedures contained in the RLF plan – any exceptions will be noted. The RLF Plan will be amended, as appropriate, to conform to changes in economic conditions and the Comprehensive Economic Development Strategy. Procedures and policies for Plan modifications of funding source agencies will be followed as relevant and required. Reporting guidelines, procedures and policies of other funding sources agencies will be followed as relevant and required.

PART II. REVOLVING LOAN FUND OPERATIONAL PROCEDURES

A, ORGANIZATIONAL STRUCTURE

ADMINISTRATION

MCEDD will maintain an office open for business during regular business hours for the purpose of administering the revolving loan fund. Currently the office is located at ~~515 East 2nd Street~~ 802 Chenoweth Loop Road, The Dalles, Oregon 97058 and the telephone number is: (541) 296-2266. Records of all loans shall be kept at the office as well as the administrative rules, procedures and other records. Professional staff services are provided at the office providing business assistance, advisory services and referral for prospective borrowers and borrowers from the RLF. All loan processing, documentation, monitoring, analysis, compliance and all other required professional and record keeping functions of the RLF are handled in this office.

The staff positions of MCEDD that work with the RLF consists of the Executive Director, Assistant Project Manager, Loan Fund Manager, Finance and Operations Manager, Administrative Assistant and Office Administrator. A third-party auditor will have access to and work with the RLF and its files.

RLF LOAN ADMINISTRATION BOARD

D. A. AUTHORITY

The Board of Directors of MCEDD (Board) is the governing body of the regional revolving loan fund program. The Board solely has the power to administer the program and is duly empowered to receive and disburse funds, provide and contract for services, and otherwise administer a loan program. Rules, duties and authority are thereby established and delegated by the Board. The Loan Administration Board (LAB) has been delegated authority by the Board to make loan policy and make all major loan decisions. Changes and other delegations may be made as deemed necessary.

MCEDD Board:

The principal activities of the MCEDD Board, with respect to the Revolving Loan Fund, are as follows:

1. Accepts and applies for Revolving Loan Fund grants.
2. Reviews, amends and adopts Revolving Loan Fund Management Plan.
3. Provides overall policy guidance to Loan Administration Board and staff.
4. Appoints and/or replaces members of Loan Administration Board.
5. Approves RLF working arrangements with third parties, specifically commercial banks, business assistance consultants, attorneys and auditors.

MCEDD Loan Administration Board:

The Loan Administration Board has been delegated authority by the Board to make loan policy and make all major loan decisions including loan approvals and

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subsequent loan modifications and foreclosures. The primary activities of the Loan Administration Board are as follows:

1. Makes decisions on final applications for loans.
2. Decides whether to call delinquent loans.
3. Decides whether to liquidate assets held as collateral.
4. Reports to MCEDD Board, summarizing fund activities based on reports from staff.

MCEDD Executive Director:

The MCEDD Executive Director has been delegated authority by the Board and Loan Administration Board to make minor loan decisions as follows:

1. Approval for release of collateral if the current loan balance remains fully collateralized and/ or if the collateral is sold and proceeds are applied to the loan principal.
2. Approval of loans as stated in the microlending section above provided they have been recommended by MCEDD staff and meet all criteria as outlined.

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E. B-LOAN ADMINISTRATION BOARD STRUCTURE

The Loan Administration Board shall consist of a maximum of nine (9) and a minimum of five (5) members. Five of the members shall be county commissioners or a designated representative thereof currently serving on the MCEDD Board (one each from each of the member counties). If the MCEDD board chairman is not a county commissioner, then the MCEDD board chairman may be appointed. Up to two at-large members may be appointed as regular members and up to two-at large members may be appointed as alternate members. Alternate members have full voting privileges in the instance that a regular at large member or members is unable to attend. It is desirable that these at-large members have business, legal, or financing experience. At least one member of the Loan Administration Board must have financing/lending experience. At-large members need not be MCEDD board members. At least one member with financing/lending experience must be present when the Loan Administration Board makes a final loan decision.

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Loan Administration Board members serve at the discretion of the MCEDD board and are appointed at the annual meeting. Any positions vacated during the year may be filled by appointment by the MCEDD board chairman or MCEDD Board. There shall be no limit on the number of consecutive terms a Loan Administration Board member can serve.

At the first meeting of the Loan Administration Board after the Annual meeting at which they are appointed, they shall elect from amongst themselves, a chair and a vice-chair. A quorum of the Loan Administration Board shall consist of a majority of the appointed members.

CONFLICT OF INTEREST POLICY

The Mid-Columbia Economic Development District is a unit of local government whose Board members, Loan Administration Board members and professional staff are chosen to provide public benefit. These persons have a duty to conduct the affairs of the District in a manner consistent with the mission of the District and not to advance their personal interests. This conflict-of-interest policy is intended to permit the District and its Board members, Loan Administration Board members, and professional staff to identify, evaluate and address any real, potential or apparent conflict of interest that might, in fact or in appearance, call into question their duty to put the interests of the District ahead of their personal interests.

A. COVERED PERSONS

This policy applies to the District's Board members, Loan Administration Board members, and professional staff. Each Covered Person shall be required to acknowledge that they have read and are in compliance with this policy.

B. COVERED TRANSACTIONS

This policy applies to transactions between the District and a Covered Person, or between the District and another party with which the Covered Person has a significant relationship. A Covered Person is considered to have a significant relationship with another party if:

- a) The other party is a family member, including a spouse (or domestic partner or significant other), parent, sibling, child, stepchild, grandparent, and grandchild. This does not include distant relatives, such as cousins, unless the distant relative lives in the same household as the person.
- b) The other party is an entity in which the Covered Person has a material financial interest; or
- c) The Covered Person is an officer, director, trustee, partner, consultant or employee of the other party.

A Covered Transaction also includes any other transaction in which there may be an actual or perceived conflict of interest, including any transaction in which the interests of the Covered Person may be seen as competing or at odds with the interests of the District.

C. DISCLOSURE, REFRAIN FROM INFLUENCE AND RECUSAL

When a Covered Person becomes aware of a Covered Transaction, the individual has a duty to take the following actions:

- a) Immediately disclose the existence and circumstances of such Covered Transaction to the District's Chair or Executive Director.
- b) Refrain from using their personal influence to encourage the District to enter into the Covered Transaction; and
- c) Physically excuse themselves from any discussions regarding the Covered Transaction except to answer questions, including Board discussions and decisions on the subject.

D. STANDARD FOR APPROVAL OF COVERED TRANSACTIONS

The District may enter into a Covered Transaction where:

- a) such Transaction does not constitute an act of self-dealing and

- b) the Board determines, acting without the participation or influence of the Covered Person and based on comparable market data, that such transaction is fair and reasonable to the District. The Board shall document the basis for this determination in the minutes of the meeting at which the Covered Transaction is considered and shall consult with the District's legal advisor as necessary to ensure that the Transaction does not constitute an act of self-dealing.

E. LENDING ACTIVITIES

The following conflict of interest policy shall apply specifically to MCEDD's direct loan programs: No personal or private loans may be made by the District to its Board members or their immediate families as provided in 13 CFR 302.3 and in ORS 65.364. No member of the Board or their immediate families may be an officer, director, or owner of a small business concern receiving financial assistance from the District. Former Board members, Loan Administration Board members and staff are ineligible to apply for or receive loan funds for a period of two years from the date of termination of their services.

B. LOAN APPLICATION PROCESSING PROCEDURES

MCEDD is an equal opportunity lender and treats all applicants equally and fairly. Each applicant will be subject to the following procedures and requirements.

STANDARD LOAN APPLICATION REQUIREMENTS

All applicants for loans from the RLF shall be required to fill out a standard RLF application form and supply the additional items as indicated in the application. The following list of exhibits is attached to the application and should be submitted as appropriate:

- Business history and forecast (include management team, industry statistics, marketing niche, etc. Note: A formal business plan is preferred)
- Resumes of owners, partners or key officers, and key personnel
- Balance sheets and income statements for the last three years
- Complete IRS returns — both business and personal for the last 3 years
- Current interim balance sheet and income statement (not over 90 days old)
- Personal financial statements for each proprietor, partner or shareholder
- Cash flow projections and income statement projections for 3 years (1st year monthly)
- Schedule of long-term debt
- List of collateral offered
- Environmental questionnaire
- Aging of accounts payable and/or accounts receivable
- Copy of equipment/working capital list and bids
- Site plan

- Earnest money agreements, financial agreements, contract agreements, lease/rental agreements
- Copy of bids or cost estimates by contractor
- Schedule for construction start and completion
- Appraisal
- Bank commitment or ~~denial letter~~ documentation that credit is not otherwise available
- Legal description of property
- Evidence of acceptable zoning/land use compliance
- Articles of incorporation, by-laws and certificate of good standing if a corporation/partnership agreement/LLC organization documents
- List of any affiliates and current financial statement for each

CREDIT REPORTS

Credit reports may be obtained on applicants and guarantors. Other evidence of credit worthiness documented (i.e., indication from participating bank that they have a good credit report in file or that they have good credit record with the bank or documentation of making loan payments as agreed) may be considered if an applicant has no credit references or limited credit references or negative reporting on their credit report.

APPRAISALS

Appraisals may be required on real estate pledged for collateral. If the financing is less than \$100,000, a real estate valuation from a qualified source may be substituted, such as a county property tax statement valuation. Appraisals done for a participating bank or another third party may be accepted if they are done by a licensed appraiser, who is also MCEDD approved. Appraisals are valid for ~~6-12~~ months after date of appraisal, subject to no irregular market activity. Appraisals older than ~~6-12~~ months from the date of the appraisal may be updated by original appraiser and used as a current appraisal or accepted if approved by MCEDD staff.

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ENVIRONMENTAL REVIEWS

The RLF Administrator with the assistance of appropriate staff shall assess the significance of all environmental impacts of activities to be financed in compliance with the National Environmental Policy Act of 1969 and other Federal environmental mandates, as per the Assurances (SF 424D as revised) executed with the Economic Development Administration. No activity shall be financed which would result in a significant adverse environmental impact unless the impact is to be mitigated to the point of insignificance. When necessary to ensure compliance, any required mitigation shall be made part of the loan conditions.

No project shall be approved which would result in the alteration of or have an adverse impact on any wetland without prior consultation with the U.S. Department of the Interior,

Fish and Wildlife Service, and, if applicable, obtaining a section 404 permit from the Army Corps of Engineers.

Consistent with E.O. 11988, no project shall be approved which would result in new above ground development in a 100-year flood plain. This determination will be made by reviewing the proposed development against FEMA Flood Insurance Rate Maps.

The State Historic Preservation Officer, (SHPO) shall be notified of each loan proposal that involves significant new construction or expansion and asked to submit comments on the effect of the proposed activity on historic and archaeological resources. The RLF Administrator shall work with the SHPO and EDA in cases where the SHPO has recommended actions or has been determined an adverse impact.

All loan applicants shall be requested to provide information indicating whether or not there was hazardous materials such as EPA listed (see 40 CFR 300), hazard substances, leaking underground storage tanks, asbestos, polychlorinated biphenyls (PCB), or other hazardous materials on site that have been improperly handled and have the potential of endangering public health. If deemed necessary, loan applicants may be required to perform or provide evidence of a Phase I site assessment to identify possible sources of contamination, a Phase II site assessment to test soil and/or groundwater samples, and a Phase III site remediation involving mitigation of applicable contaminants. In cases where there are unresolved site contamination issues, the RLF Administrator shall work with the loan applicant and the appropriate state environmental agency office to resolve these outstanding issues.

HISTORICAL BUILDING REVIEW

MCEDD will meet all requirements relating to historical buildings from its funding source agencies, state and federal regulations. MCEDD staff will list appropriate issues, requirements and resolutions of any issues relating to historical building requirements in its Loan Proposal to the Loan Administration. Meeting all historical building requirements will be a condition to obtaining loan funding.

COLLATERAL AND EQUITY REQUIREMENTS

Loan proposals will be evaluated as they adhere to the collateral and equity requirements listed in this revolving loan fund plan under Part I, Section D “Financing Policies.”

LOAN PROPOSALS

Loan proposals will be produced by MCEDD staff for each loan and provided to the Loan Administration Board prior to the loan decision. The loan proposal may include, but is not limited to the following:

- **Overview** – the company’s history, product, capacity and management; a discussion and analysis demonstrating the need for RLF funds and how the RLF is not replacing private lending sources; and job creation. To support the need for an RLF loan, bank support letters will serve as secondary support for the analysis.

- **Principals** – Background and experience of owners, and discussion regarding succession of principal stakeholders.
- **Market** – A discussion of the business’s market and competitive environment.
- **Financing** – Uses and sources of project financing and collateral, indicating the source and verification of borrower contributions.
- **Credit Summary or Financial Analysis** – An analysis of the business and personal financial condition, credit reports, and repayment ability, with a detailed cash flow analysis including a proforma statement.
- **Environmental Issues** – information about any environmental impact and/or required mitigation.
- **Summary** – usually points out strengths and weaknesses of the proposed loan.
- **Recommendation** – staff recommendation to the Loan Administration Board including proposed terms and conditions. Each staff recommendation will utilize prudent lending practices.
- Other topics that may be discussed in a loan proposal are collateral, jobs, MCEDD and funding source agency criteria, strengths and weakness of application.

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PROCEDURES FOR LOAN DECISION

A loan decision can only be made when a quorum of the Loan Administration Board is present. After reviewing the loan proposal, the Loan Administration Board will make a decision by majority vote. The minutes of the meeting will be kept in the permanent file. The decision of the Loan Administration Board will be communicated to the applicant as soon as is practical by MCEDD staff.

- **Approvals**
Approvals of loan applications are granted when so voted by the Loan Administration Board. Applicants will be notified in the form of a loan commitment letter specifying the terms, structure and conditions of the loan and time period of the commitment. Other forms of notification, such as electronic may be used on individual loans and will be recorded in the client’s loan file by staff. Each loan approved will utilize prudent lending practices.
- **Denials**
Denials of loan applications are made when so voted by the Loan Administration Board. Applicants will be notified in the form of a denial letter, which specifies the reasons for denial and may include available recourses. Other forms of notification, such as electronic may be used on individual loans, and will be recorded in the applicant’s loan file by MCEDD staff.

Loan applications that are withdrawn by the applicant are considered a denied loan and a denial letter will be provided to the applicant stating the reason for denial is “Withdrawn by applicant.”

- A “No decision” will be ruled when there is a tie vote. If there is a “No decision” and following discussion cannot result in breaking the tie vote, then applicant and staff will be instructed to re-visit loan application and to re-present application at a future Loan Administration Board meeting. A denial letter will be provided to the applicant, if the applicant does not re-present the application within 30 days of the “No decision” vote, unless applicant is continuing to work with MCEDD staff towards re-presenting their loan application.
- Procedure To Appeal Loan Decision
An applicant may appeal the Loan Decision by stating their intent to appeal the loan decision in writing within 45 days of the date on the loan decision letter. This written statement must list new additional relevant information. The appeal will be presented to the Loan Administration Board at the next regularly scheduled Loan Administration Board meeting. MCEDD staff may assist applicant in preparing a written statement of intent to appeal. MCEDD staff will prepare and submit a staff report and recommendation based on new additional relevant information. A loan decision on this appeal will be made by vote of the Loan Administration Board. The applicant will be informed of this decision in a written letter. The loan decision by the Loan Administration Board is final without any other appeal options available through MCEDD.

C. LOAN CLOSING AND DISBURSEMENT PROCEDURES

GENERAL CLOSING REQUIREMENTS

Evidence of the borrower equity injection shall be documented in the file prior to closing. A commitment letter from the private lender will be required as well, if applicable.

LOAN CLOSING DOCUMENTS

Required on all loans will be the Loan Agreement, Security Agreement and Promissory Note (or Note). For loans secured with real estate, a Trust Deed will be required. For loans using other collateral, a UCC filing will be required along with lien searches both before and after filing showing MCEDD as lien holder in the desired position approved by the Loan Administration Board. For licensed vehicles, a title showing MCEDD as a security interest holder or lien holder will be required. Insurance policies covering collateral will be obtained by borrower with MCEDD listed appropriately as additional insured, loss payee or other designations or assignments with documentation of insurance provided to MCEDD prior to or at loan closing, as required by Loan Administration Board loan approval or as listed in the loan commitment letter.

LOAN DISBURSEMENTS

Prior to disbursement of RLF loan proceeds, the borrower must provide evidence that the purpose for which the loan was made is what the proceeds are being used for. In the case of purchase of physical assets; invoices, orders or delivery documentation will be acceptable types of evidence. For construction loans, invoices or work orders or statements of work

completed will be provided and completion of work verified prior to disbursement. Disbursement prior to work being completed must be approved by Executive Director. With a loan for construction when a MCEDD loan is for permanent replacement financing; a construction lender will provide evidence that the project is complete, and all terms and conditions of the construction loan are satisfied prior to any MCEDD loan fund disbursements. MCEDD will obtain title insurance ensuring that there are no construction liens on the property. The size of, and disbursement schedule for, working capital loans will be determined by MCEDD based on schedules provided by the borrower prior to loan closing.

D. LOAN SERVICING PROCEDURES

LOAN PAYMENT AND COLLECTION PROCEDURES

Borrowers will make loan payments directly to MCEDD at MCEDD's principal office or via Automated Clearing House (ACH)/ direct deposits. All loan payments are logged in and marked with the date of receipt by the employee handling the mail. Each loan payment by cash or check is given to the Office Administrator or other appropriate MCEDD staff to deposit into the bank account for the RLF. A copy of the check and deposit record is given to the loan department staff for posting to the borrower's Payment Record Ledger.

Each loan will be individually and separately maintained in the MCEDD loan portfolio software and loan payments will be recorded for each loan. This record will be referred to as the "Payment Record Ledger." The payment will be posted to the borrower's Payment Record Ledger showing the date and amount of the payment along with the breakdown of allocation to principal, interest, fees and the new balance. Each loan client will be invoiced for each payment due, and a record of the previous payment will be provided to each loan client showing the application of loan payments to fees, interest and principal.

Each month MCEDD accounting records are reconciled with MCEDD Loan portfolio records to verify that the ledger posting account and amount and the deposit account and amount are correct. This reconciliation is done by loan department staff and accounting staff.

LOAN MONITORING PROCEDURES

A tickler system is used to remind loan staff of insurance expiration dates, financial statements due or other requirements that have regular or expiring terms. Annual site visits, UCC renewals and compliance requirements are examples of tickler items. Financial statements will be required on an annual basis for all existing loan clients, usually more frequently for start-up business loan clients. Additional reporting to MCEDD by the borrower may be requested on a loan-by-loan basis.

LATE PAYMENT FOLLOW-UP PROCEDURES

Borrower's Payment Record Ledgers for each loan are checked on a regular monthly basis to find any late payments. A loan that has a monthly loan payment more than 30 days past due is in technical default, although a loan that has a monthly loan payment less than 90 days past

is referred to as “delinquent” or “past due.” If a payment is late, the borrower is notified by staff that the payment is late. A late fee is assessed as per the terms listed in the borrower’s loan agreement and security agreement. If a payment is two months late, the borrower receives a second notification from MCEDD staff. If a payment is three months late, a letter is sent or other notification made indicating that the loan is in default and possible actions may be taken. In addition, a personal telephone call or visit will be initiated by MCEDD staff within 30 days of initial delinquency and subsequently as appropriate. Every effort will be made to work with the borrower to resolve the delinquency. Modification of the terms of the loan will be used only when it can be demonstrated that the modification will improve the ability of the borrower to repay.

PROCEDURES FOR HANDLING LOANS OVER 90 DAYS IN ARREARS (PAST DUE)

If a loan becomes 90 days delinquent, this loan referred to as in default. Staff will make a recommendation to the Loan Administration Board on actions to be taken, such as repossession of collateral, foreclosure, etc. The Loan Administration Board makes decisions on such actions. Staff will ensure that all documentation is in order and will contact an attorney if necessary. Notification will be sent to all guarantors indicating their liability. Other lenders will be notified.

When monies are received by MCEDD on defaulted RLF loans, these proceeds shall be applied in the following order of priority for EDA funded loans:

1. First, towards any cost of collections.
2. Second, towards any outstanding penalties and fees.
3. Third, towards any accrued interest to the extent due and payable.
4. Fourth, towards any outstanding principal balance.

For loans funded through other funding sources, when monies are received by MCEDD on defaulted RLF loans, these proceeds shall be applied in the order dictated by the funding source agency’s policies and procedures.

RESTRUCTURES

MCEDD staff may recommend terms to the MCEDD Loan Administration Board for restructuring a loan that is delinquent, in default or has the potential for delinquency in order to increase the likelihood of repayment of the loan. The MCEDD Loan Administration Board shall have the authority to authorize all restructures.

WRITE-OFF PROCEDURES

If a loan or portion of a loan remaining after liquidation of collateral is determined to be uncollectable, it will be written off. The direct write off method of accounting is used. However, collection efforts will continue after the loan is written off until it is determined by the Loan Administration Board that such efforts are no longer cost effective.

E. ADMINISTRATIVE PROCEDURES

PROCEDURES FOR AUDITS AND ACCOUNTING

Financial audits shall be conducted annually consistent with EDA and other funding source agencies audit requirements of all program transactions and a written report shall be provided to the MCEDD Board of Directors. An independent, established professional auditor shall be retained to conduct the audit of agency records. MCEDD shall employ recommended generally accepted accounting principles (GAAP) and accounting procedures to record and report all financial transactions. The accounting system will follow grantor guidelines and use a double entry system. Monthly financial reports shall be provided to the Board of Directors. Each RLF fund is accounted for separately. Income and expense line items are accounted for separately from principal repayments and loans made.

PROCEDURES FOR LOAN FILES AND LOAN CLOSING DOCUMENTATION

Each loan file must contain all of the documentation on that loan or provide reference as to where the required documentation is stored. Included in each file are all documents relevant to the loan including all of the following as they apply to the loan:

- Application and any other documents submitted with application, including a business plan
- Private and/or traditional lender loan commitment
- Written form of denial (letter, email or other correspondence) from a bank or other traditional lender ~~or memo clearly demonstrating that indicating that~~ credit is not otherwise available on terms and conditions that permit the completion of the project.
- Loan proposal
- Minutes from the loan board meeting approving the loan and minutes from meetings taking significant action related to the loan
- Loan Agreement
- Security Agreement
- Promissory Note(s)
- Trust Deed(s)
- UCC filings and searches
- Insurance certificates
- Financial statements, job reports, correspondence, servicing/site visit notes and any other documentation regarding the loan.

The loan files are kept in a fireproof filing cabinet when not being used by MCEDD staff. Closed loan files and related documents and computer records and all other related records must be maintained over the term of the approved loan and for a three-year period from the final date of the loan or according to the requirements of funding source agencies, whichever is the longest period of time.

Denied or withdrawn loan applications and supporting documentation and MCEDD created documents and forms associated with a denied or withdrawn loan will retained for a period of one (1) year after the date of denial or withdrawal loan or according to the requirements of funding source agencies, whichever is the longest period of time.

HOLD HARMLESS POLICY

Each MCEDD applicant is required to sign the Mid-Columbia Economic Development Revolving Loan Fund Assistance Agreement with submission of a loan application. This form contains a Hold Harmless Statement. At loan closing all borrowers will sign loan documents that contain a Hold Harmless Statement.

REPORTING

PROCEDURES FOR COMPLYING WITH EDA REPORTING REQUIREMENTS

The MCEDD Loan Fund Manager is responsible for preparing required EDA Semi-Annual reports, in consultation with the MCEDD Executive Director. The MCEDD Finance Manager is responsible for preparing the required financial reports to EDA as well as ensuring that an independent audit is sent to EDA annually, in consultation with the MCEDD Executive Director. These reports will be submitted in compliance with the deadlines and regulations established by EDA.

PROCEDURES FOR COMPLYING WITH OTHER FUNDING AGENCY REQUIREMENTS

The MCEDD Loan Fund Manager is responsible for preparing required Quarterly, Semi-Annual and Annual reports required by the applicable funding agency, in consultation with the MCEDD Executive Director. The MCEDD Finance Manager is responsible for preparing the required financial reports, in consultation with the MCEDD Executive Director, as well as ensuring that an independent audit is sent to the funding agency annually, if requested. These reports will be submitted in compliance with deadlines and regulations established by the funding agency covered under this RLF plan.

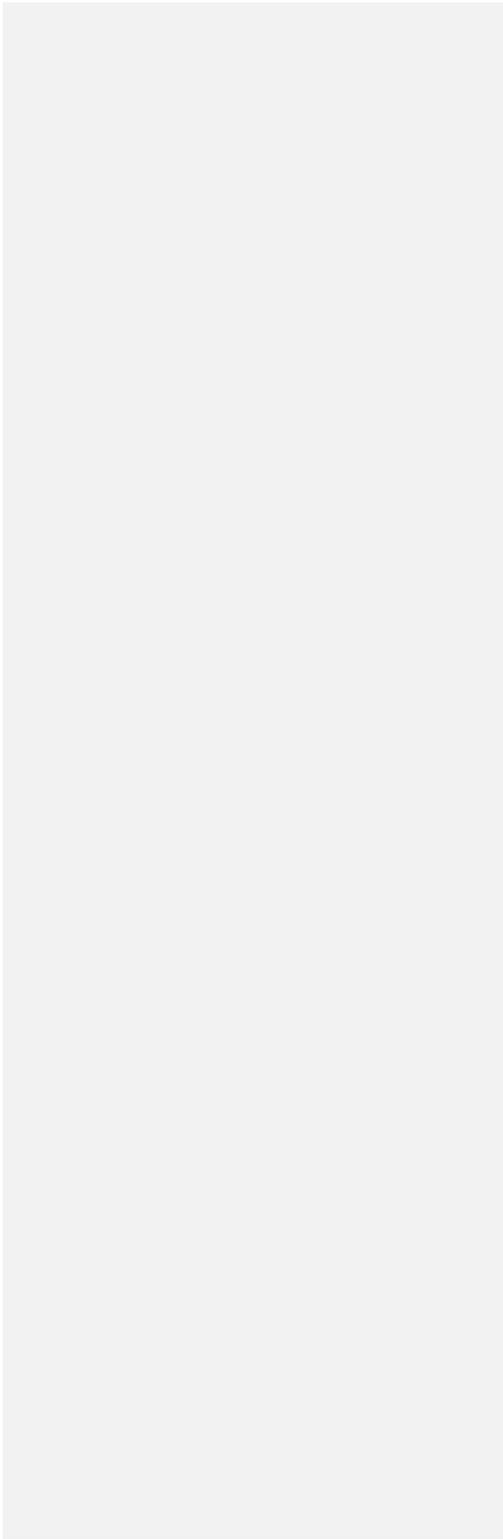
GRANTEE CONTROL PROCEDURES FOR ENSURING COMPLIANCE WITH ALL GRANT REQUIREMENTS AND FOR MONITORING THE RLF PORTFOLIO

MCEDD staff maintains a grantee file with copies of all required reports, audits and EDA compliance manuals, guidelines and Standard Terms and Conditions. The forms used for documentation of RLF loans have been reviewed by an attorney.

RLF funds will be made available on a nondiscriminatory basis and no applicant will be denied a loan on the basis of race, color, national origin, religion, age, handicap, or sex. A provision is included in the RLF loan documents that prohibit borrowers from discriminating against employees or applicants for employment or providers of goods and services. MCEDD will monitor borrower compliance with civil rights laws periodically, by reviewing the job reports that will be submitted to MCEDD for subsequent reporting to EDA and other funding source agencies.

Confidentiality regarding financial information will be guarded at all times. Confidential information provided to MCEDD will not be disclosed without the written permission from the client; this includes third party information obtained in confidentiality by client that is not public information. Clients may sign an authorization to release information for marketing purposes which could include, but not be limited to MCEDD newsletters, press releases or Chamber of Commerce articles. No MCEDD Board, Loan Administration Board or staff member will use his or her official position or office to obtain confidential information or in

any other way obtain financial gain for himself other than salary and/or reimbursement of expenses, or for any member of his household, or for any business with which he, or a member of his household, is associated.





**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
RESOLUTION 2021-6
ECONOMIC DEVELOPMENT ADMINISTRATION REVOLVING LOAN FUND PLAN
ADOPTION**

WHEREAS, Mid-Columbia Economic Development District (MCEDD) operates revolving loan funds (RLF) from the U.S. Economic Development Administration (EDA), including EDA Consolidated Grant #450210R which was defederalized in 2021 and EDA CARES revolving loan funds; and

WHEREAS, the EDA requires federalized revolving loan funds be administered in accordance with an EDA-approved RLF Plan and requires the plan be updated every five years; and

WHEREAS, MCEDD wishes the EDA RLF Plan to cover defederalized funds as well as EDA CARES funds; and

WHEREAS, staff has updated the 2016 approved plan to reflect changes in economic conditions; and

WHEREAS, the MCEDD Loan Administration Board and Board of Directors have reviewed the plan and determined it is consistent with and supportive of the area's current economic adjustment strategy, and that the RLF is being operated in accordance with the policies and procedures contained in the RLF Plan, and the loan portfolio meets the standards contained therein;

NOW, THEREFORE, BE IT RESOLVED by the MCEDD Board of Directors that the following Revolving Loan Fund Plan be adopted and submitted to the Economic Development Administration for approval.

ADOPTED this 16th DAY OF DECEMBER 2021 by the MCEDD Board of Directors.

ATTEST:

**MID-COLUMBIA ECONOMIC
DEVELOPMENT DISTRICT**

Lauren Hernandez, Office Administrator

Robert Hamlin, Chair

Memorandum

To: MCEDD Board of Directors

From: Jessica Metta, Executive Director, and Dana Woods, Finance Manager

Date: December 8, 2021

Re: Oregon Local Government Investment Pool Participation

Overview

MCEDD staff has been considering ways to increase the financial benefit to MCEDD for the funds in our bank account. Mount Hood Economic Alliance keep a portion of their funds in the Oregon Local Government Investment Pool (LGIP) which in October had a 0.45% Annual Yield. This has brought in revenue for Mount Hood Economic Alliance higher than what MCEDD is currently receiving in our various bank accounts and CDs. We are also able to transfer money to and from the Oregon LGIP fund easily if needed.

About the Fund

From the fund's [website](#): "The Oregon State Treasury helps governments across the state, including schools and cities and counties, to stretch taxpayer dollars and keep public funds safe. Between the time that revenue is received and when the money is needed to pay expenses, governments can deposit money and earn a rate of return by accessing the Treasury-managed Oregon Short Term Fund (OSTF) through the Local Government Investment Pool (LGIP or pool). The OSTF is made up of money from state agencies, certain public universities, and local governments. Any municipality, political subdivision or public corporation of this state that by law is made the custodian of, or has control of, any public funds, may participate in the pool. Sovereign Tribes are also eligible to participate. Treasury has hired PFM Asset Management LLC to provide administrative and operational support for the pool."

Because the fund is investment based, the interest earned could fluctuate. However, we believe LGIP rate will stay higher than any bank rates.

Executive Committee Discussion

The Executive Committee discussed this proposal in October and recommended opening an account. Several Executive Committee members in governmental positions said their entities are part of the fund or a similar fund and felt it was a safe investment with a better rate of return.

Request

Approve Resolution 2021-7 Oregon Local Government Investment Pool Authorization.



**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
RESOLUTION 2021-7
OREGON LOCAL GOVERNMENT INVESTMENT POOL AUTHORIZATION**

WHEREAS, Mid-Columbia Economic Development District (MCEDD) seeks to be a good steward of the funds we manage; and

WHEREAS, the Oregon Local Government Investment Pool generates a higher rate of return than our bank accounts and is a respected location for investment;

NOW, THEREFORE, BE IT RESOLVED by the MCEDD Board of Directors that we authorize MCEDD's participation in the Oregon Local Government Investment Pool.

APPROVED this 16th DAY OF DECEMBER 2021 by the MCEDD Board of Directors.

ATTEST:

**MID-COLUMBIA ECONOMIC
DEVELOPMENT DISTRICT**

Lauren Hernandez, Office Administrator

Robert Hamlin, Chair

Memorandum

To: MCEDD Board of Directors

From: Jessica Metta, Executive Director

Date: December 8, 2021

Re: Comprehensive Economic Development Strategy Process Update

Overview

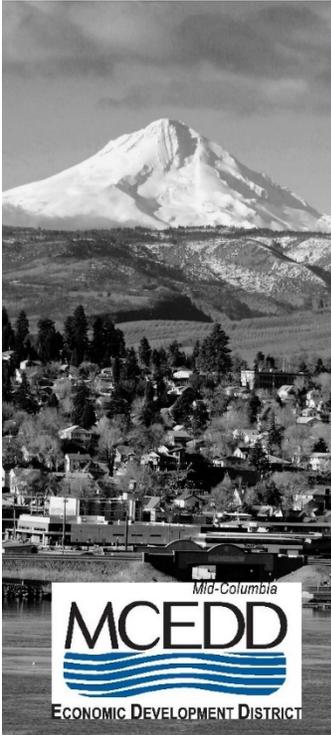
This memo is to share an update on the process to create the 2022-2027 Comprehensive Economic Development Strategy. This is an important element of MCEDD's role for the region and can be used to set the workplan for MCEDD and the region for the next five years.

In December 2020, the MCEDD Board approved creation of a CEDS Steering Committee and reviewed the process for the in-depth five-year update of the Columbia Gorge Comprehensive Economic Development Strategy (CEDS). That set us running in 2021 with a busy year of eight CEDS Steering Committee meetings and seven public sessions. We held the last public session on October 7, focused on implementation and measurement, and then presented the draft at the 2021 Annual Economic Symposium on November 5. This has been a long process and lost some of the prior benefits as a result of all sessions being virtual. Throughout the process, we sought to incorporate themes of equitable outcomes and resiliency.

New to this five-year update and focused on equitable outcomes, we contracted with The Next Door Inc. to hold two focus groups each with the Latinx and Native American communities in the Gorge to gather their input for the strategy. Information in the written reports received from The Next Door has been incorporated into our draft action plans.

We also held three meetings as part of Connect Mid-Columbia, a series to focus on developing a more robust transportation action plan in the CEDS and to elevate regional discussions about transportation priorities. This side process was part of the last CEDS update as well. The final event prioritized transportation project lists for inclusion as a separate appendix in the final full CEDS document.

The draft document was completed in early December and has been noticed for public comment through January 7. Besides a press release, newsletter and social media outlets, we will be directly contacting each of the partners named in the various Action Plans for their input. We have also launched a photo contest (see right) to generate images of the region for use in the final document with a December 20 deadline. There are five categories and a winner in each will receive a



MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
PRESENTS:



**LIFE IN THE GORGE
PHOTO CONTEST**

SHOW US WHAT YOU LOVE MOST
ABOUT THE GORGE BY SUBMITTING
UP TO FIVE HIGH-RESOLUTION
PHOTOS!

Photo Entry Categories

- Life in the Gorge
- Nature/Landscape
- Downtowns in the Gorge
- People/Community
- Gorge Business/ Industry

*One winner in each category will receive a
\$50 gift card to a locally-owned business of
their choice!*

Entries must be received by December 20th, 2021 at midnight
Visit www.mcedd.org/photocontest

MCEDD
ECONOMIC DEVELOPMENT DISTRICT

\$50 gift card to a local business of their choice. The draft strategy is found at mcedd.org/strategy and the photo contest details are at mcedd.org/photocontest.

Also new to this five-year update, we will be working with a graphic designer to improve the look of our CEDS hard copy document and online presence. After an RFP process, we selected Blue Marble Creative for the work and have had an initial meeting. We were able to incur the additional expenses for The Next Door and Blue Marble Creative through our EDA Planning grant.

The final element to compile is the appendix of priority projects. Each of our five counties have started their annual process to develop county project lists. A regional project list and the final plan will be presented for adoption by the Full Board at the March 17, 2022 meeting.

Request

There is no action needed from the Board at this time. Staff welcomes feedback or questions about the process, or additional steps the Board would be interested in before the document comes for adoption in March.

Memorandum

To: MCEDD Board of Directors

**From: Natasha Blaircobb, RARE AmeriCorps Member, Economic Resilience Project
Coordinator**

Date: December 6, 2021

Re: 2021 Economic Symposium Summary

Overview

On November 5th, 2021, MCEDD held the 7th annual 2021 Columbia Gorge Economic Symposium. Over 175 people registered and 112 people attended. The annual event featured a variety of presentations with information about Innovative Models for Economic Development, the state of the regional economy, and a draft of MCEDD's 2022 Comprehensive Economic Development Strategy update. In contrast to previous Symposium events, a keynote speaker was replaced with presentations from business, attainable housing, and workforce partners on Innovative Models for Economic Development. This was followed by economists Dallas Fridley and Scott Bailey presenting updated information about how the five-county region is progressing economically and what long-term trends are emerging post-pandemic. For the final presentation Jessica Metta and several CEDS steering committee members described a draft of the 2022-2027 Columbia Gorge Comprehensive Economic Development Strategy. A post-event survey was sent out to participants and received 17 responses.



Due to a presenter being unable to attend the Symposium, an additional event was scheduled for November 30th. At this event Jason Dietz, Housing Director for Summit County Government in Colorado shared about the programs and policies they have put in place to protect and encourage more attainable housing. Approximately 20 people attended this presentation. All the Symposium materials and recordings are posted on MCEDD's website at <https://www.mcedd.org/symposium/>



Thank you to our event sponsors: *U.S. Economic Development Administration, NW Natural, and The Dalles Area Chamber of Commerce!*

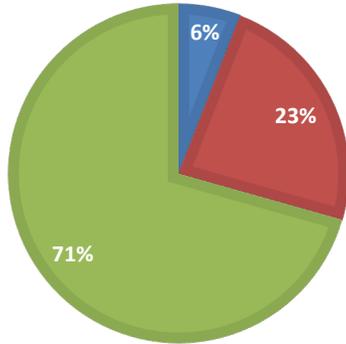
Survey Responses

Following the Symposium, MCEDD staff sent out a survey to attendees to collect feedback on the facilitation and content of the event. We received 17 responses to the survey. Overall, attendees said that they enjoyed the speakers but would have liked more opportunities to network.

Event Overview and Organization

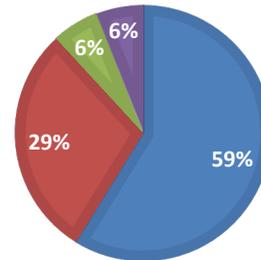
OVERALL, HOW SATISFIED WERE YOU WITH THE EVENT?

■ 3 Stars ■ 4 Stars ■ 5 Stars



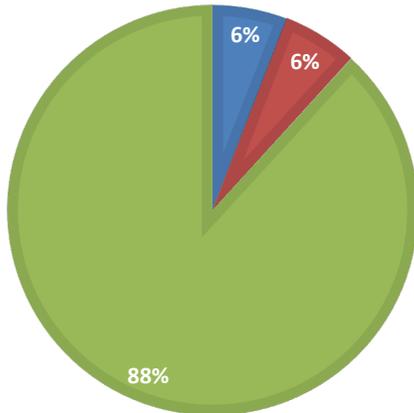
WHAT PART OF THE EVENT DID YOU ENJOY MOST?

■ Innovative Models for Economic Development
■ Presentations by Regional Economists
■ CEDS Update Presentation
■ missed the Keynote speaker



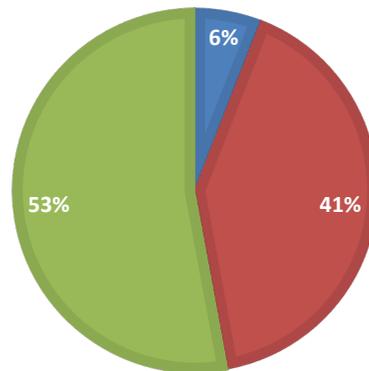
WAS THE SYMPOSIUM WELL MODERATED?

■ 3 Neutral ■ 4 Agree ■ 5 Strongly Agree

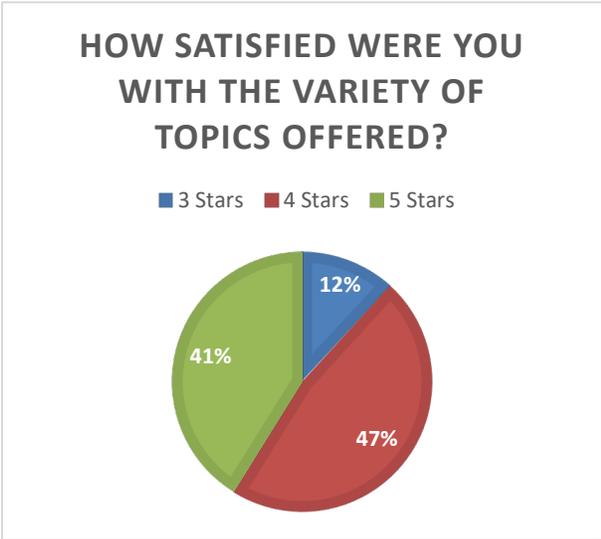
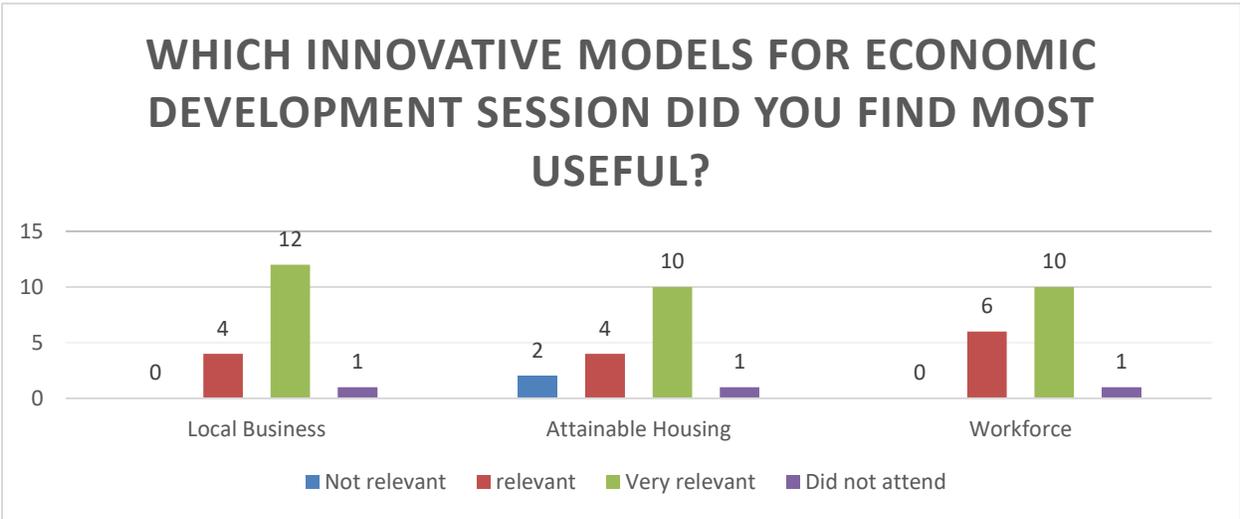
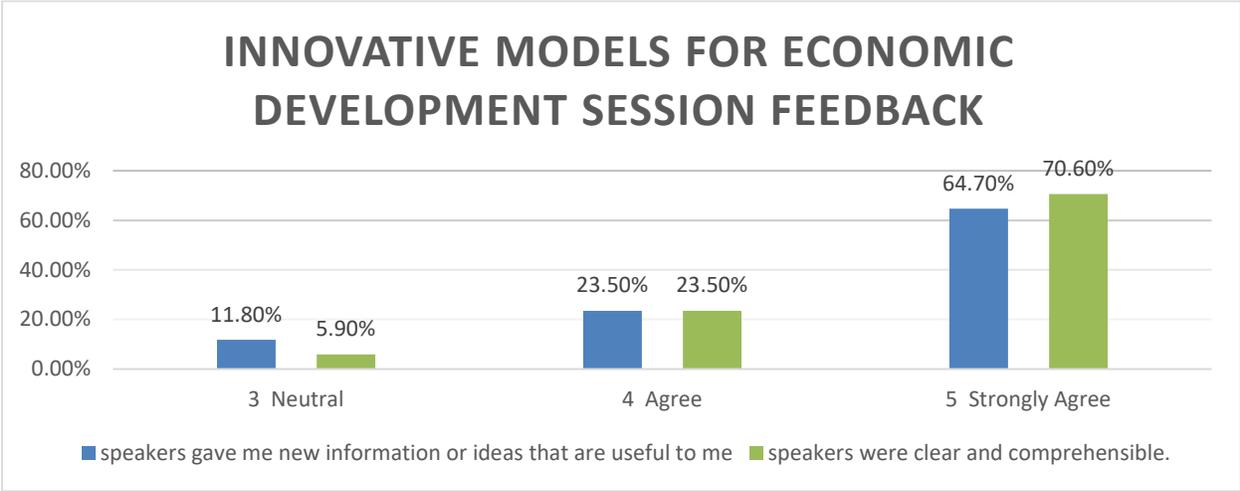


HOW WAS YOUR OVERALL EXPERIENCE WITH THE VIRTUAL PLATFORM?

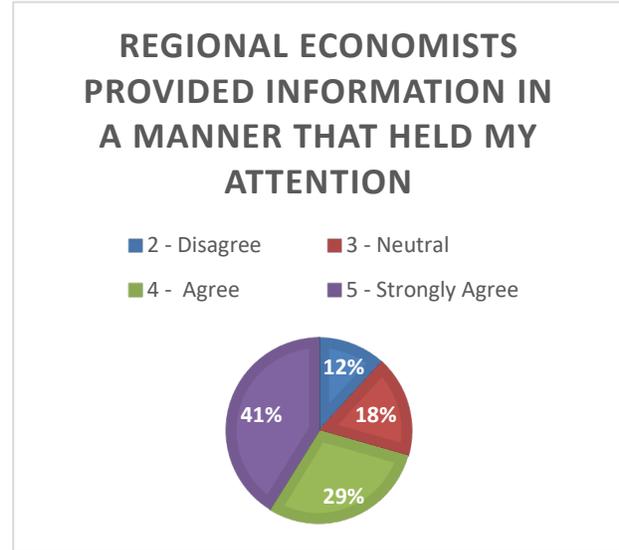
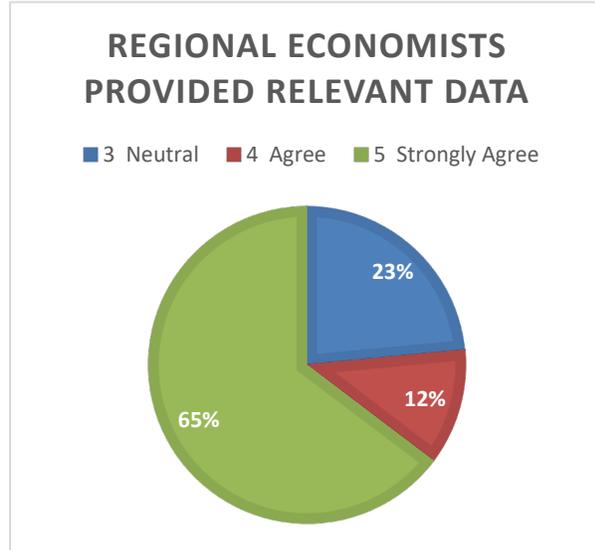
■ 3 Stars ■ 4 Stars ■ 5 Stars



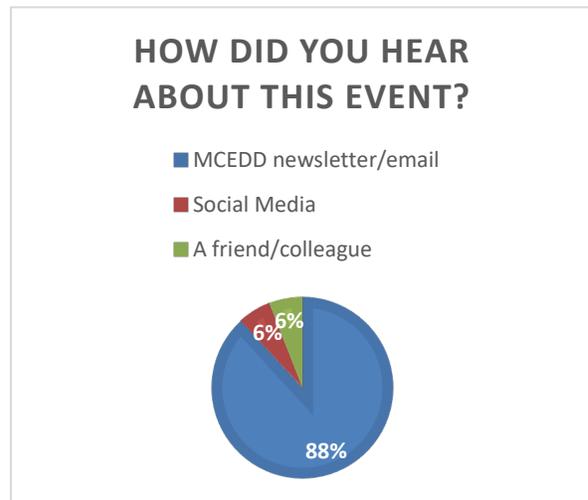
Innovative Models for Economic Development Session



Presentations by Regional Economists



Virtual Platform



Written Comments

Below are some examples of anonymous written responses to the post-event survey.

What Attendees Enjoyed

- *“I appreciate it happening. Diversity of topics, under a larger umbrella, is nice.”*
- *“CEDS was Well put together”*
- *“Well Organized”*

Recommended Improvements

- *“If it remains virtual is there a way to have a breakout networking session incorporated between the presentations?”*
- *“More on regional initiatives; one regional economist”*
- *“The housing piece could be more relevant to the affordability issue”*

- *“Economists could have provided less “in the weeds” numbers and more of what this means in terms of necessary action for leaders to take”*

Key Takeaways

Successes

- Based on attendee feedback, the Innovative Models for Economic Development Sessions were the highlight for many attendees.
- Over 20 people have viewed the event recording on MCEDD’s YouTube since the event, increasing the reach of this year’s Symposium.
- Continue to allot time for the audience to interact with the speakers, facilitators, and each other.

Things to Improve

- Create more opportunities to network – if held virtually next year, this could be done by utilizing break-out rooms, chat features, or Jamboards.
- Consider seeking out presenters that represent a broader portion of the community and specifically underrepresented communities in our region. This could include but is not limited to women, BIPOC business owners/operators, and Bi-lingual presenters.



Mid-Columbia Economic Development District

Executive Director's Report

Prepared for the December 2021 Board of Directors Meeting

Regional and Outreach

- We continue to focus on using our CARES Planning grant funds to support recovery and resiliency projects in the region. We finally signed a sub-contract with The Next Door Inc. to support their Latinx business support staff. This is a good opportunity to increase engagement between our two entities as we strive to better support our Latinx community. We are also supporting studies related to economic recovery and resiliency, include a sewer feasibility study update for Carson, WA and a study to improve the commercial cruise ship docks in Stevenson, WA. ***If MCEDD Board Members know of community projects we could support that would support recovery from the pandemic and/or resiliency, please let me know as we have additional funds we need to spend.***
- I attended an attainable housing webinar held by Northeast Oregon Economic Development District to learn about innovative models for this issue. Two of the speakers in particular had excellent models that could work in the Gorge and I invited them to present at the Economic Symposium. I also attended the second affordable housing roundtable held by Gorge partners such as Mid-Columbia Housing Authority.
- I presented to the Gorge Commission at their October monthly meeting. This was a good opportunity to share a MCEDD overview since there are so many new Commissioners. I also focused on the Oregon Investment Board and the 2021 Economic Vitality Plan developed by the Bi-State Advisory Council.
- We held meetings of the Hood River Economic Development Group in late September and November to share updates from the Gorge tech sector, discuss the 2022 CEDS process, and discuss opportunities in the Infrastructure Investment and Jobs Act. We also presented a list of employment numbers for Hood River County's largest employers, with thanks to Lauren Hernandez for the research on this item.
- After approval at the September Board meeting, we mailed copies of MCEDD's annual report to all of our partners that contribute to our local assessments.
- We engaged in regional outreach with a ribbon cutting for the Port of Klickitat's new facility in Dallesport, a special event with Senator Merkley to celebrate the USDA revolving loan fund grant, and a meeting with Port of Cascade Locks' staff to discuss two development opportunities.
- The Oregon Economic Development Districts (OEDD) continue to meet monthly to coordinate our work. I am serving as Vice-President but soon will likely move to President. OEDD submitted a capacity-building grant to The Ford Family Foundation which will allow the association to hire a staff person to move projects forward more quickly. The grant would step down in support and the intention is to increase dues that we pay to the organization as a result of the increased benefits we would see from dedicated staff.
- We have signed contracts between MCEDD, Four Rivers Community Corporation and the Columbia Gorge Tourism Alliance regarding the Equity Fund that is part of the GORge Pass. Donations to the Equity Fund will flow through the Four Rivers nonprofit and MCEDD will manage the books, paid by the Tourism Alliance.

- As approved at the September Board Meeting, we will be convening a task force to explore bringing Gilliam County into the MCEDD district. Now that CEDS work has slowed down, I have called a first meeting for December 17 with the Board members who have volunteered.
- I have had conversations with Laura Ives, our Washington representative for the Economic Development Administration, about visiting the area in perhaps February. I will be preparing a tour and will likely reach out to many of you on our Washington side.
- I met with The Ford Family Foundation to discuss several options for organizational capacity support grants, including training for our new Loan Fund Manager and consultants to work with us on a Diversity, Equity, and Inclusion Plan and/or a Strategic Plan. Their staff was open to the requests and requested more information about the priority of those requests and the possible budget. I am doing more research on the consultant ideas and will bring information to the Executive Committee.

Business Assistance

- I developed a draft Revolving Loan Fund plan for the new USDA National Scenic Area RLF. I shared it with the Oregon and Washington Investment Boards. I have also drafted a subcontract with Skamania EDC for administering the loans on the Washington side of the National Scenic Area. I have had multiple conversations with USDA staff and helped pull together a joint meeting with them and local partners from the Gorge Commission, Forest Service, Skamania EDC to discuss whether the NSA Act rules apply to the funds. Thanks to Commissioner Sauter for joining this discussion as well. The summary is that the Act rules do not apply and if loans are denied because of Act rules, the decision could be appealed to USDA. We have offered to still seek Gorge Commission certification of new loans, including those in Klickitat County. The next step is getting USDA approval of the revolving loan fund plans.
- I worked with the OIB to approve clear terms for distinct loan products related to disaster relief, and microloans focused on women- and minority-owned businesses.
- I contracted with Coos Curry Douglas (CCD) Business Development for support of our loan program during the transition between loan fund managers and then for ongoing support as our new staff gets trained up. They are a sister EDD located in southern Oregon and have a strong business loan program.
- I continue to work to fill two vacancies: one in Hood River County for Mount Hood Economic Alliance and one in Multnomah County for Oregon Investment Board. We received an application for the OIB seat from a Troutdale City Councilor and it is being considered by Multnomah County.
- I supported the Cascade Locks-Hood River Enterprise Zone in adopting ordinances to allow for refunding fees collected from businesses that did not meet their employment levels due to COVID-19.

Facilities, Trainings and Operations

- With thanks to our Safety Committee (Marla Harvey, Lauren Hernandez, Jesus Mendoza), we submitted a grant request to SDIS' Safety and Security Grant program for a facilities project. Unfortunately, we were not awarded the grant due to SDIS not having enough funds although they acknowledged it was a good request. We will likely reapply for this request next year.
- I attended the National Association of Development Organizations' annual training conference, which was held in Portland this year in mid-October. Over the three days, I attended sessions on communications, broadband, affordable housing, diverse community engagement, and others.

The keynote was the new head of EDA, Alejandra Y. Castillo, Assistant Secretary of Commerce for Economic Development. She discussed the need to focus on reauthorization of the EDA and understood the importance of EDDs and that the EDA's work needs to be broadened to allow us to support housing issues that impact economic development. I was asked to participate in a panel at the conference to share information about the GOrge Pass, and attended the awards ceremony to recognize our two NADO awards (GOrge Pass and OIB Video Marketing project).

- With thanks to Jill Brandt, we created an optional staff demographic form and updated the board form to align with required demographic reporting for several grants.
- I held a six-month review for Kate Drennan during this period and promoted Ami Beaver to our Loan Fund Manager position after a recruitment and interview process. Thanks to Scott Clements for serving on the interview panel! I connected Ami with resources to advance her training and decided not to immediately fill the Assistant Project Manager position that Ami's promotion left open. The loan program needs more revenue before I feel comfortable filling the vacancy. I appreciate other staff with capacity helping the loan program in the meantime.
- We continue to adjust where various staff are in the office to better meet needs. Board members used to coming in to see Lauren will find her further back in the office. We also held our annual staff winter potluck.



December 2021

The MCEDD Executive Committee met in October and November to address business of the District. The activities of the committee included the following:

- Approved submittal of a \$73,000 Business Oregon Rural Opportunities Initiative grant for entrepreneurship support and a \$500,000 EDA Build Back Better Regional Challenge grant that would focus on ag tech development across a large region of Oregon and Washington.
- Discussed options of moving some of our funds to the Oregon Local Government Investment Pool to receive a better rate of return and recommended opening an account to the MCEDD Board of Directors.
- Discussed a letter received from Gorge Commission Executive Director Krystyna Wolniakowski related to the applicability of the National Scenic Area Act to the new \$1.9 million USDA Revolving Loan Funds and staff's discussions with USDA on the issue. Directed staff to continue discussions with USDA and declined to take action until USDA provided clarity.
- Heard a detailed informational update from Kate Drennan, Deputy Director of Transportation, about the 2022 GOrge Pass and the Wasco County Transit Development Plan.
- Discussed staff's request to develop a Diversity, Equity, and Inclusion (DEI) statement for MCEDD and asked staff to draft a statement for the Executive Committee to review.
- Voiced consensus to add MCEDD's logo in support to letter from Oregon workforce partnerships and investment boards throughout state asking legislators to release money that is sitting in Salem to be spread across state for workforce development.



Mid-Columbia Economic Development District

Prepared for the December 2021 MCEDDD Full Board Meeting

Approved Loans; Loan Actions

Since the last MCEDDD Board Meeting the following loans were approved:

Business	Amount	Purpose
Hood View Services, LLC	\$100,000	Expansion of mobile windshield business to include towing and mechanic services in Hood River County. Loan closed.

During this period, staff also closed the loan for Tibbets Well Drilling, LLC that was approved in September, and fully disbursed the approved loan for Invictus Global Services, Inc.

Updates on Clients

Delinquency rates are at zero for MCEDDD. Staff has been able to keep this low level of delinquency through communication with our loan clients.

Business	Update
Grillwarmers/ M. Chapman	Paid in full.
Montira's Thai Cuisine, LLC	Paid in full.
Baseline Brewing	Paid in full.
Grass Valley Market	Paid in full.
Twin Market, Inc.	Paid off one loan.
Full Circle, LLC	Paid off one loan.
OnSite Supply House	Subordination approved.

*Available to loan
(12/01/21):
approximately
\$ 4,560,272*

Active Inquiries

Active inquiries with potential/anticipated applications include:

- Fly fishing shop
- Used appliance sales
- Expansion of fitness studio
- Salon
- Fine dining - seafood
- Food cart
- Adventure vehicles – van builds
- Bike tours
- Grocery store

Other Activities

- Cascade Locks-Hood River Enterprise Zone: MCEDDD provides management for the zone, under contract to Hood River County. During this quarter, Hood River County and the Port of Hood River approved the extended abatement request from Cardinal IG for an expansion of their facility. Staff submitted the information to Oregon as required.
- Staff closed a loan for GRIT MMA, LLC in Clackamas County for Mt Hood Economic Alliance.
- The OIB approved a new loan for a brewery in Hood River, but the client withdrew their application.

- Staff supported the Loan Administration Board in developing a microlending program with new terms and in the update of the EDA Revolving Loan Fund Plan.
- Staff participated in a SBDC Advisory Board Meeting at CGCC.
- Staff rolled out Portfol Borrower Portal, which allows clients to access basic loan information, recent transactions and upcoming due dates and amounts.
- Staff introduced The Borrower Bulletin, a loan client specific newsletter as a tool to share just in time information with our clients. Two issues have been sent out.
- Training: We are applying for a Ford Family Foundation Technical Assistance Grant to support Ami's training in her new role.
- Ami attended SBDC staff meeting to meet the team and discuss ways to improve and further develop partnership.
- Ami met with our business finance partners at Business Oregon.



To: MCEDD Board of Directors
 From: Kate Drennan, Deputy Director of Transportation; Kathy Fitzpatrick, Mobility Manager
 Date: December 16, 2021
 Re: **Transportation Activities Report**

The Link Transportation

Operations

- GOrge Pass: Beginning November 1, the GOrge Pass for 2022 became available. Passes are now \$40 for adults and \$20 for youth. As of December, 12 Adult passes have been sold. We continue to promote the pass by attending local tabling events, making presentations to organizations, boards, and employers – and highlighting the pass on social media and beyond.
- Transit Connect program continues to be successful. Partners have expressed how grateful they have been with the resources available, which has allowed their clients to use transportation services to medical appointments and for other personal use. We have added new partners and we continue to meet prospective partners through outreach and tabling events.
- Promoting Services: Link has updated flyers to promote South County Shuttle. In addition, we have reached to the Maupin city office to promote our services in their monthly newsletter. Events attended: Trunk-or-Treat, Youth Vaccine Event at One Community Health, and Youth Drop-In at Columbia Gorge Community College. Jesus continues to attend Latinx group meetings to provide updates on all Link services. Kate attended November's meeting and had a presentation on 2022 GOrge Pass.
- New Bus Route! The Link took over the weekday route between The Dalles and Hood River from CAT. We are offering four round-trip runs a day, stopping in Mosier in both the east- and west- bound directions. Previously, stops in Mosier were upon request once a day, so this greatly improves access for that community.

Grants

- Wasco County Transit Development Plan (TDP): Building on the identified transit needs, the project team has proposed a number of draft ideas for modified transit routes and new routes, along with suggested service improvements. Kate has been presenting the draft ideas to different groups throughout Wasco County and will be presenting to the Wasco County Commissioners for their feedback in January. While the team accepts feedback at any point, there will be another open house for the draft plan in the spring.

Physical Assets

- In October we installed a new bus shelter on Kelley Avenue adjacent to The Next Door, Inc. We continue to partner with The Next Door to promote transit services to their clients.
- Assets: Bus 17 and 18 were auctioned off in November through Oregon Surplus. Bus 18 sold for \$5,500 and Bus 17 for \$3757. Both customers have paid and taken the assets.

Mobility Management Items

- The project team for the Gorge Transit Strategy Phase 2 has agreed to tentatively award the project to a consultant team, pending negotiations. If negotiations are successful, we anticipate the Project to kick off in January, including the formation of a technical and stakeholder advisory committees. Please let us know if you're interested in serving on either.

- The 2021 Get There Challenge was a great success, with good participation in the Columbia Gorge region. This annual event challenges people who live and/or work in Oregon to explore other modes of transportation like biking, walking, and transit. Gorge residents won prizes donated by local businesses and Kathy worked with Columbia Community Connections (local media) to highlight some of the participants.

[Check out their stories and photos.](#)



COLUMBIACOMMUNITYCONNECTION.COM ✓

Commuter Spotlight: TD Locals Share How Get There Challenge Improved Their Commute — Columbia...

- During the 2021 legislative session, the Oregon Legislature codified a new grant program called the Rural

Veterans Healthcare Transportation (RVHT) Program.

Kathy assisted both Hood River County Transportation District and Sherman County Community Transit in applying for funding for new Veterans' Transportation projects that

will help all Veterans living in our region to access the new Medical Services Van (Gorge to Portland), the DAV Van that serves the Mid-Columbia bistate region, and all regional fixed route services. Both applications were submitted on November 29th.

- Almost half of the Federal Infrastructure Investment and Jobs Act will reauthorize existing transportation programs and fund new transportation programs and projects. This special one-time infrastructure package will be distributed over a five-year term (2022-2026). Kathy participates in the regional ODOT Area Commissions on Transportation (Hood River, Wasco, Sherman counties) and the SW WA Regional Transportation Commission's County Policy Committees (Skamania and Klickitat counties), which are providing input for state funding strategies.





Mid-Columbia Economic Development District

To: MCEDD Board of Directors

Date: December 6, 2021

From: Carrie Pipinich, Deputy Director of Economic Development

Re: Deputy Director of Economic Development Report

Broadband and Economic Resilience

- MCEDD received \$15,000 from Oregon Community Foundation's Thriving Entrepreneurs grant program to support increasing access to capital in the region through creating templates for using to apply for MCEDD's lending programs and hosting pub talks to share stories of diverse entrepreneurs in the region who have successfully navigated capital access. This project will be implemented in partnership with loan program staff.
- Staff supported Q-Life in addressing clarifications on their portion of the State of Oregon's NTIA Broadband Infrastructure Program grant application to support the South Wasco County Fiber Expansion project.
- Staff worked with Rural Community Assistance Corporation to plan for an Infrastructure Financing and Planning Workshop on November 9, 2021 in Maupin, Oregon. Approximately 20 people attended the event and three agencies presented their resources.
- Staff met with partners with the Healthy Gorge Initiative to explore hosting a grant writing training focused on accessing foundation resources in the spring. More details to come!
- Staff attended the Snowden Community Council to discuss strategies to improve broadband access in that area of Klickitat County.
- Staff has been participating on the Advisory Committee for CGCC's Childcare Center Feasibility Study and supporting outreach to economic development stakeholders. The feasibility study has been completed and a regional roundtable to discuss results will be held December 8th.
- Staffing for next steps from the REDS Summit for Central Klickitat County has shifted to me. An initial meeting of the leadership group will be held in early December to further develop next steps.

Wasco County Economic Development Commission

- In partnership with CGCC and the Port of The Dalles, the Wasco County EDC completed initial planning with the Center on Rural Innovation (CORI) to develop a strategy around opportunities to increase engagement with the digital economy in the County. As a next step, MCEDD also received a Rural Opportunity Initiative Grant from Business Oregon to support further developing an entrepreneurship ecosystem focusing first in Wasco County and exploring regional opportunities to leverage this work.
- Staff has been working with the Brownfield Coalition Assessment Grant core team, including the City of The Dalles, the Port of The Dalles, and partners from the State to implement outreach to potential program users. The program has five active sites and several additional applications for consideration at their next meeting. Sites have included several downtown properties that would

support additional vertical housing development, a commercial facility, and a public building. Outreach to communities around the County is beginning after this initial push in The Dalles.

- Staff continued the process to update the EDC's five year Strategic Action Plan in conjunction with the CEDS update. The December EDC meeting focused on the EDC's strategies, actions and committee structure.
- Staff worked with EDC members and community representatives to complete the annual Community Enhancement Project process. This included outreach to community partners throughout the County, hosting five outreach meetings with different communities around the County, and drafting project descriptions and rankings for consideration by the Economic Development Commission. This list will be presented to the County and then incorporated into MCEDD's CEDS list.

Sherman County Economic Development

- Staff supported the City of Rufus in developing a pre-application and then a full application to the State Brownfields Program for a hazardous building materials survey and remediation plan for the Community Center and seeking proposals for this work.
- Staff met with the City of Wasco to discuss grant management requirements for their American Rescue Plan funds and meet with new City staff. They are working toward investing in water and wastewater projects.
- Staff has continued to work with Wasco Event Center to move towards finalizing a business plan for their organization to support sustainable next steps.

Additional Items

- Staff worked with Business Oregon regional staff to support a larger regional application by MCEDD to EDA's Build Back Better program focused on developing the Ag Tech industry. The region included encompasses Hood River, Wasco, Sherman, Gilliam, Morrow, and Umatilla Counties in Oregon and Skamania, Klickitat, Benton and Franklin Counties in Washington. Partners included three community colleges and associated SBDCs, two universities, three economic development districts, several non-profits, a City, a County, and the Confederated Tribes of the Umatilla Indian Reservation. Staff presented the concept to the Ag Tech Education Alliance convened by CGCC after submission. Staff anticipates hearing back about this highly competitive pool of funds sometime in December.
- Business Oregon is moving forward with an industry cluster analysis project focused on the unmanned systems sector along the I-84 corridor and asked MCEDD and GTA staff to participate in the advisory group for the effort.
- Staff conducted an annual review for Marla Harvey and a three-month review for Cheryl Eniero.
- Staff supported on-boarding for RARE participant Natasha Blaircobb. Tasha is focusing on support for the annual Symposium, the CEDS update, and economic resilience and recovery actions. Welcome, Tasha!



To: MCEDD Board of Directors
From: Jacque Schei, Project Manager
Date: December 1, 2021

Re: Project Manager's Report

Grant Administration/Labor Standards Projects

For the following projects, Jacque serves as a main contact to coordinate grant activities, ensures grant recipients meet the conditions of the grant contract, monitors progress of the project, and ensures that contractors fulfill contractual obligations.

Crystal Springs Water District (CSWD) Mid-Valley Reservoir: CSWD has been awarded funds from the Safe Drinking Water Revolving Loan Fund (SDWRLF; \$6,144,200 loan and \$530,000 forgivable loan) for the mid-valley reservoir and replacement of 13,000 feet of pipe. Construction on Phase 2 started in November 2020 and is now 95% complete. There are a few remaining items, like sealing the concrete on the new reservoir, that may not be able to be finished under current weather conditions. If that is the case, the District will request a time extension on their contract with Business Oregon to allow completion in Spring 2022.

CSWD South Valley Reservoir: CSWD has received funding from the SDWRLF (\$2,717,000 loan and \$280,000 forgivable loan) to construct a reservoir for the south half of the District. Construction on the project started in April 2021 and is now 80% complete. There are some items that will not be able to be completed during the winter and will be put on hold until next spring.

CSWD Odell Water Company Consolidation: no updates.

City of Cascade Locks Wastewater System Improvements: The City has received interim funding (\$4,456,600) from Oregon Department of Environmental Quality under the Clean Water State Revolving Fund program to perform wastewater system upgrades. Long term financing will be provided by USDA Rural Development. The City has also received CDBG funding (\$2.5 million) to support the project. An invitation for construction bids was published on November 3 and bids will be opened December 8.

Biggs Service District Water System Improvements: Biggs Service District was awarded a loan/grant (\$1,560,000 loan; \$535,500 grant) from USDA Rural Development for improvements to its water system. A preconstruction conference was held on November 3 with the selected contractor, Crestline Construction Company. Crestline reported delays in receiving materials and requested the start of construction be delayed again until February 2022. This will push out the anticipated completion date by several months, from spring of next year to fall. Staff is also working with the District to adopt a full schedule of water system fees before the new system comes online.

City of Hood River Stormwater Line Replacement: The City has completed Phase 1 of a project to repair a sinkhole in the waterfront area caused by a damaged stormwater line. The remaining phases of the project will replace the deteriorating line and add additional treatment. The City has secured a loan from the Clean Water State Revolving Fund (\$1.277 million, with \$500,000 forgivable) and been awarded \$2.695 mil of ARPA funding from the state. In November, the City was awarded a \$1,151,145 loan plus \$200,000 grant from Business Oregon's Water/Wastewater Fund. The City is estimating that all remaining work should be covered with these funds, but this will be dependent on actual bids. Currently, the City is finishing the design

for the next phase and has recently submitted a Joint Permit Application for the work. Tentative timeline is for an invitation for bids to be advertised in early 2022, with construction starting in spring/early summer.

City of The Dalles Dog River Pipeline Replacement: The City of The Dalles has been awarded a \$1 million grant from the Oregon Water Resources Department and a SDWRLF loan (\$3.5 million loan, \$530,000 forgivable loan). City funds are intended to support remaining costs. Initially, the City estimated construction costs at \$10 million; however, as the design work has progressed, cost estimates are coming in considerably higher than expected and it is likely that the City will submit a request to the IFA Board for additional funding. Staff supported the City in conducting a pre-bid meeting and site visit in November. The City is still planning on contracting for tree removal prior to advertising for construction bids (early spring 2022) and staff worked with the City to develop the bid documents for the tree removal. In addition, the City plans to purchase a bulk of the piping needed for the project before advertising for construction bids in order to address potential delays in securing those materials. Staff worked with the City to develop procurement documentation for that purchase.

Economic Development Support

Jacque has provided support for a variety of tasks to support economic development in the region, including:

- Application development support for the Port of Skamania: The Port plans to apply to the EDA Economic Adjustment Assistance program for funding to develop infrastructure and build a flex building at the Cascades Business Park. The Cascades Business Park is a 42-acre property in the City of North Bonneville, near Bonneville Dam. The Port acquired the property in 2000 with the goal of creating a business park. Over the years, they have worked on negotiating with the U.S. Army Corps of Engineers to secure an easement for the access road, bringing utilities to the site, and initial site grading and preparation. Most recently, they conducted a feasibility study and are now ready to start further development on the site.
- Application development support for Hood River County: Jacque is coordinating with staff from Hood River County and the Hood River Valley Adult Center on an application to the Community Development Block Grant program, specifically the COVID-19 Impact Assistance Program. The Adult Center has been working on designs for a kitchen renovation to support their Meals on Wheels program and this funding request, if awarded, would support the construction. The County is expected to submit a pre-application to Business Oregon in December and expect an invitation from Business Oregon to submit a full application.
- Application development support for Little Wheats Day Care: Staff worked with the Board to develop an application for the Sherman Development League grant to support deck and window replacement at their facility, which have been discussed as issues in recent routine inspections. Staff also supported the Board in submitting an application to the state's Child Care Stabilization Grant, which will provide ARPA funds to childcare providers who faced financial hardship related to the pandemic.
- Housing program support: Coordination of the Sherman County Housing Grant Programs shifted from Marla to Jacque at the end of September. Staff drafted an overview of the programs to include in the Sherman County Court's newsletter in October, which generated quite a bit of interest. In addition, staff worked with the County to implement a change to the newest program that would expand eligibility for the program. Six new applications have been received since early October.



To: MCEDD Board of Directors
From: Cheryl Eniero, Project Manager
Date: December 3, 2021
Re: Project Manager's Report

Gorge Technology Alliance (GTA):

- **Events:** GTA events continue to be held virtually or in spaces able to accommodate social distancing protocols.
 - **Gorge Women in STEM (GWIS):** Staff facilitated the drive-in film screening of the film *He Named Me Malala* held on December 1st at the Sunshine Mill Winery in The Dalles. Tickets for twelve vehicles were sold for the event with most vehicles holding multiple individuals for the event.
 - **Winter Party:** Staff is preparing for the in-person GTA Winter Party on December 14th being held at The Ruins in Hood River. The venue allows for both indoor and outdoor spaces so that social distancing protocols can be observed. The event will be preceded by a Sponsor Appreciation gathering.
- **Tech Awards:** The call for STEM Educator of the Year and Tech Leader of the Year nominations went out in October and closed on November 19th. The GTA Board has voted, and winners will be named at the Winter Party on December 14th.
- **AUVSI Xponential 2022:** Staff is coordinating the branding strategy for a Gorge Pavilion area at the April event in Orlando, Florida. Staff is researching venue locations for a GTA hosted mixer event, seeking event sponsors from attending member organizations, and developing a budget for the event.
- **Strategic Planning:** Staff finalized 2022-2026 GTA Strategic Plan and Work Plan for 2022. The new work plan will guide how staff will focus their time in the new year and how the GTA will achieve the goals and outcomes identified in the strategic plan.
- **Fall Membership Drive:** The Fall Membership Drive began in October. Membership and sponsorship renewals have been steadily coming in with approximately 50% of anticipated renewals already received. Staff has been conducting follow-up emails and calls for renewals not yet received.

Economic Resilience and Recovery

- **Small Business Website Design:** MCEDD has contracted with two web developers to help get small businesses in the region online or improve their online presence through developing a basic website with shopping cart capabilities with support from our CARES funds. Staff has matched six small businesses who need assistance creating a website with two web designers we have on contract to develop basic websites. There are currently six additional businesses on the waiting list for services. They will be assigned to a web developer as developer workload allows. Funding allows for approximately 25 small businesses to have

the opportunity to have a website developed under this program. If you work with small businesses who may be interested, please direct them [here](#) to fill out the application form.

- **Communications Partnerships:** Staff has worked with the Chambers and industry organizations in the region to develop a contract for communications support around business resilience strategies. As part of this effort, the Chambers will work with MCEDD to identify businesses from their areas that have adapted well over the last couple of years. MCEDD staff will develop profiles of identified businesses that will be shared through various MCEDD platforms and by the partners. Staff has developed a calendar of resilience topics and support resources to highlight with businesses in the area through partner communications platforms as well.



Mid-Columbia Economic Development District

To: MCEDD Board of Directors

Date: December 6, 2021

From: Marla Harvey, Energy Coordinator

Re: Program Manager Report

Regional Renewable Energy Coordination:

- **Columbia Gorge Bi-State Renewable Energy Zone (CGBREZ):** Staff supported a CGBREZ meeting focused on the Goldendale Energy Storage project. Project developer, Rye Development, shared that the permitting process is on schedule and a final license decision is expected early 2023 from the Federal Energy Regulatory Commission (FERC). The meeting also covered updates on regional projects and Washington State-led studies intended to identify areas to site low-carbon energy projects within the state and address transmission system issues.
- **Central Klickitat Regional Economic Diversification Summit (REDS):** Following the REDS, staff prepared materials to share with participants. Staff also supported a follow-up meeting to the REDS with Central Klickitat community partners who participated in the REDS planning and Center for Sustainable Infrastructure (CSI). Staff helped develop a strategy to support on-going collaborative implementation of REDS projects. Moving forward, Carrie will lead implementation of REDS next steps.

Hood River County Energy Council Coordination

- **Solar + Storage at Critical Facilities:** Staff is supporting Hood River County governing bodies in potentially pursuing Federal Emergency Management Funding Agency (FEMA funding) for solar + storage projects. Specifically, staff prepared letters of interest to the Building Resilient Infrastructure in Communities (BRIC) program for Hood River County that would allow it to pursue funding for one to four solar + storage systems at critical facilities. Staff also prepared a letter for the City of Cascade Locks to pursue a solar + storage system at City Hall. The projects were encouraged to apply in another grant round. Staff is working to address governing body questions related to FEMA funding and is exploring preparation of a Pacific Power grant application to serve as match for one of the projects.
- **Solarize and Weatherize:** Staff finalized a contract with the Next Door Inc to co-develop and implement a weatherization needs and interests assessment for low-income and Latinx community members. Staff coordinated with the Energy Trust of Oregon who will be contributing an additional \$5,000 to support this effort. The Next Door will also consult on outreach recommendations for a Solarize campaign. Staff is scheduling kick off meetings.
- **Energy Plan Baseline Update:** Staff is coordinating with Energy Council members to prepare an update to the Hood River County Energy Plan baseline. The update will include energy use, greenhouse gas emissions, and economic trends related to energy use.
- **Energy Council Work Plan:** Staff is managing the update process for the creation of a new Energy Council Work Plan. Specifically, staff is preparing agendas, creating public input surveys, and other preparatory materials.

- **Meyer Memorial Reporting:** Staff prepared a mid-point report for the two-year Meyer Memorial Foundation grant, which supports the Energy Council’s weatherization, resilience, grant writing, communication, and diversity, equity, and inclusion work.
- **Presentations:** Staff presented at a Sustainable Northwest Conference “Making Energy Work in Rural Oregon” on energy planning. Staff presented to the City of Hood River on Energy Plan updates and considerations for City Council engagement in 2022.
- **Utility Engagement: Pacific Power Distribution System Planning:** Staff coordinated with Energy Council members to submit comments on Pacific Power’s [distribution system planning](#) process. The Energy Council is seeking that Pacific Power provide greater detail into their distribution system and coordinate more closely with Pacific Power to improve the community’s ability to advance local renewable energy projects, in alignment with the Hood River County Energy Plan.
- **Green Tariff:** The City of Hood River and Hood River County submitted a joint letter to Pacific Power to request answers to a series of questions regarding the company’s plan to implement a green tariff program. HB 2021 (passed in Oregon’s 2021 legislative session) included a provision related to green tariffs that enables local governments, tribes, and irrigation districts to coordinate with the Investor-Owned Utilities (IOUs) on the sources of electricity provided to their communities.
- **Site Evaluations:** Staff coordinated a conversation between Energy Trust of Oregon and County of Hood River staff to share pathways for moving forward with energy efficiency upgrades at Hood River County Public Works, Business Administration, and Courthouse. The county is contemplating moving forward some efficiency assessments next fiscal year.