



HOOD ECONOMIC ALLIANCE

Clackamas, Hood River, and Wasco Counties

Board Meeting
July 16, 2021
9:00 – 10:00 a.m.

Cascade Locks City Hall, 140 Wa Na Pa St, Cascade Locks, OR 97014, or via
Zoom Link: <https://zoom.us/j/91638660105?pwd=a05MODd6V0p5TmphUk1MV2tmVk1KUT09>

Or call: 253 215 8782
Meeting ID: 862 1252 0100
Passcode: 937248

AGENDA

Topic	Estimated Time	Item
Call to Order, Conflict of Interest Disclosures, Introductions		
Minutes <i>June 18, 2021</i>	5 minutes	Approval
June 2021 Financial Report	5 minutes	Acceptance
Board Applicant Review	5 minutes	Recommendation
New Loan Request <i>OnSite Supply House</i>	20 minutes	Decision
<i>Executive Session per ORS 192.660 (f)</i> (Exempt Documents) <i>Regular Session Reconvened</i>		
Loan Actions	5 minutes	Decision

Other New Business, Good of the Order

Adjourn

The meeting location is accessible to persons with disabilities. If you have a disability that requires any special materials, services or assistance please contact MCEDD at (541) 296-2266 at least 48 hours before the meeting so arrangements for appropriate accommodations can be made.

Executive Session Protocol
Mount Hood Economic Alliance (MHEA) Board

After discussion agenda items are presented in open session by MHEA staff, the MHEA Chair will state the following: "Pursuant to ORS 192.660(f), Exempt Documents, I call the Executive session of the Mount Hood Economic Alliance to order"

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

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

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

At the end of discussion, the MHEA chair will close the Executive Session. The MHEA moves back to open session. At this point, the MHEA Chair can ask for a motion of the decision items in open session. Open session is when the MHEA can make decisions on agenda items.

**MOUNT HOOD ECONOMIC ALLIANCE
BOARD MEETING MINUTES**

Friday, June 18, 2021

Remote Only – Zoom Meeting

ATTENDANCE

MHEA Members: Mike Wells, Renate Mengelberg, Ken Bailey, David Snider, Michael Friend, Bob Degnan, Jerry Smith, Bob Benton

Staff: Jessica Metta (Executive Director), Israel Ayala Guevara (Loan Fund Manager), Dana Woods (Finance and Operations Manager), Ami Beaver (Assistant Project Manager), Jill Brandt (Administrative Assistant)

CALL TO ORDER/ CONFLICT OF INTEREST DISCLOSURES

Chair Mike Wells called the meeting to order at 9:02 a.m. A quorum was present. Mike called for disclosure of any conflict of interest. No responses were noted.

MINUTES APPROVAL: MARCH MEETING

Renate motioned to approve the May 21, 2021 minutes as presented. Michael Friend seconded the motion. All voted in favor, and the motion passed unanimously.

FINANCIAL REPORT

Dana Woods began the discussion with a request for the Board to change the format of the packet's financial reports. Up until now, the financial reports provided to this board have contained confidential client info. The issue is that MCEDD posts these packets publicly on the website for transparency per MCEDD's operating requirements. For reports up to now, we have just removed the financial report section for confidentiality. Dana requested to change the report format for the packet, so that the full packet can be uploaded for public view.

Discussion: Ken Bailey said he would like the Board have loan client information provided for the meetings. He suggested that the info be added as a confidential attachment that is sent only to Board members prior to each meeting, and not put into the regular packet. There is agreement for this option which allows the board full access to information and still retains the clients' confidentiality in the publicly posted packets.

Bob Degnan motioned to approve the May 2021 Financial report as presented. Bob Benton seconded the motion. The motion passed unanimously.

FY22 BUDGET DRAFT/ SECOND READING

Jessica informed the Board that the Budget that was presented last month included the loan clients' details. For the document presented today, she consolidated all of the loans together into one total amount and labelled that line item "All Loans", thereby removing all the client names from the report. Otherwise the budget is the same as the draft presented in May.

Renate Mengelberg motioned to approve the FY 22 Budget as presented. Ken Bailey seconded. The motion passed unanimously.

FY22 CONTRACT

The MHEA's current contract with MCEDD to administer expires June 30, 2021. Jessica presented the request to continue the contract for the annual amount in the budget of \$18,000.

Discussion: Mike Wells asked if there were questions about how MCEDD has been operating with the MHEA since we began to work together. Renate Mengelberg stated that she felt confident in MCEDD's abilities and appreciated the great work that the Board is doing under MCEDD's operating umbrella. Dave Snider seconded Renate's sentiment. Ken Bailey remarked that Jessica Metta and MCEDD staff have cleaned up the MHEA's "looseness" with confidentiality, adding that observing confidentiality is important.

Mike Wells spoke about the joint meeting that he attended with the Chairs of the other Loan Boards that MCEDD operates with. Mike said there was an excellent exchange of views and that his big takeaway understanding was that the MHEA has less oversight than the other boards. He reported that the other loan boards all are required to report on how their moneys are spent. Mike also explained that the MHEA is the only board that originated as a method of disbursing lottery money. Although technically the MHEA reports to the financial directors of the three counties that it operates in, the counties have not been not vigilant in their oversight of the MHEA. Therefore, the MHEA has the ability to make loan decisions in ways that the other boards do not. For instance, in the types of businesses that the MHEA goes into, or the flexibility on interest rates, etc. At the MHEA, the Board members' responsibility for oversight is to each other. Mike counseled that the MHEA needs to keep this in mind and utilize it to our community's best advantage. Mike stated that he was against running the board "by ourselves," and he was in favor of contracting with MCEDD for another year.

Renate asked if MCEDD was satisfied with the contract with MHEA. Jessica Metta responded favorably, stating that MCEDD has appreciated the opportunity to support more businesses and communities and get to know the MHEA Board. Ken Bailey concurred that the addition of the MHEA Loan Board has been a good experience for MCEDD. He noted that the biggest concern for MCEDD is to be transparent so that all of the boards operating within the region know how each other works and are aware of each other and can work together equitably and to everyone's mutual benefit. Ken advised the MHEA Board members to share any concerns if and when they come up. He stated that MCEDD's Board wants everyone to be treated equally and fairly. Mike Wells thanked Ken for his time and energy on both boards. He appreciated Ken's perspective and mindfulness to equality and fairness.

Jerry Smith motioned to contract with MCEDD through June 30, 2022. Bob Degnan seconded the motion. The motion passed unanimously.

BOARD ELECTIONS

Jerry Smith motioned to keep the present officers for another year. David Snider seconded the motion. The motion passed unanimously.

LOAN UPDATES

Israel Ayala Guevara reported on his site visit with the Clackamas Federal Credit Union with two of the MHEA board members. Israel thanked them for their participation and appreciated the outreach support. Israel also stopped in at Wippersnappers to check in. He spoke with the owner and was very impressed. Israel reported that Wippersnappers is ready to resume their agreed-upon payment schedule in July. In addition to Wippersnappers, Israel also delivered loan documents to Orchid Health. The next site visit will include a stop at Independent Diesel. With the long driving time, Israel will be mindful of scheduling multiple stops for future trips to maximize efficiency.

Israel introduced the topic of a prospective loan request from a business in Hood River for \$300,000. He asked the Board if the MHEA has any kind of set limit or maximum amount to lend out for one client.

Discussion: Renate Mengelberg asked for the current balance available to lend. David Snider responded \$400,000. Ken Bailey stated that he was not opposed to lending larger amounts but was leery of using up all the Board's capital. Ken stated that this illustrates the advantage of working with MCEDD so loans may be split between loan boards so that everyone can come away satisfied. He then pointed out that it is important to have funds to available for Clackamas County as the MHEA is the only source of funding for this county. The other two counties in MHEA's territory can also access funds from MCEDD and the OIB. Renate agrees with the idea of having general loan limits to give all three counties in MHEAs' territory opportunity for funding. Bob Degnan added that he felt that \$100,000 is too low to set as a limit for one client's loan and suggested \$250,000. Bob agreed that the MHEA should be mindful to spread their money across all the counties in their territory.

Mike and Ken agreed that there has not been any designated limit in the past and some prior loans have been around \$250,000. Ken agreed that \$100,000 is low for a single loan limit and offered \$200,000 as a good number. He reminded the Board that these large loan requests offer opportunities to partner with other loan boards. Ken also suggested that it might be prudent to hold a larger reserve for Clackamas County projects since the other boards can help with Hood River and Wasco County loan requests. Renate said Clackamas has had another option for loans with Mid-Willamette Valley Council of Governments but she is unsure of the current situation there. Bob Benton suggested a soft limit of \$200,000 that could have exceptions for extenuating circumstances. There was Board consensus on this approach.

STAFF UPDATES

Jessica Metta reported on the Board seats vacancies. For the Clackamas County seat, MCEDD has been working on clarifying the process with the county on getting the Board's terms renewed and filling vacancies. She reported that Clackamas County asked that MHEA develop an application, accept applicants and present a recommendation on a slate to the county. There has

been follow up with Dave's recommendation of Matt from Estacada who is interested in applying. Jessica will work on the application form to move forward with this position.

Mike asked about the Hood River County open seat. Bob Benton referred to the second applicant for the OIB vacant seat who was not appointed, that perhaps that person would be willing to serve on the MHEA. Jessica will continue to work towards getting this position filled.

Mike reported that he and Dave Snider are planning a visit to the Picture Frame Shop client in Hood River. Renate was interested in joining. Mike also suggested that the visit incorporate a stop at the The Grateful Farmer winery. Mike mentioned that visiting the winery is a wonderful outreach opportunity since he views previous successful clients as a prime resource for referrals to new clients.

OTHER NEW BUSINESS/ GOOD OF THE ORDER

None brought forward.

ADJOURNMENT

Mike Wells adjourned the meeting at 9:35 a.m.

Respectfully submitted by Jill Brandt, MCEDD Administrative Assistant

**MHEA Financials
June 2021**

Revenues						
	Budget	To Date	Balance	% of Budget	Projected Year End	
7/1/20 Relending Fund Balance	171,775	171,775	0		171,775	
Loan Principal Payments	78,726	241,392	162,666	307%	223,726	
Loan Relending Revenues	250,501	413,167	162,666	165%	395,501	
Administration Revenues						
Investment Account Interest	2,400	2,461	61	103%	2,400	
Loan Fees	1,500	2,534	1,034	169%	1,500	
Interest Payments	40,538	21,704	-18,834	54%	26,638	
2020-2021 Admin Revenue	44,438	26,699	-17,739	60%	30,538	
Expenditures						
Relending Funds						
New Loans	150,000	14,300	-135,700	10%	150,000	
Total New Loans	150,000	14,300	-135,700	10%	150,000	More funds available
Administration Expenses						
Audit	2,400	2,420	20	101%	2,450	
Bank Fees	100	28	-72	28%	100	
Legal Fees	1,000	0	-1,000	0%	1,000	
Loan Expenses	1,000	0	-1,000	0%	1,000	
State Ethics Commission	375	329	-46	88%	375	
Website	450	144	-306	32%	450	
Administration	18,000	19,121	1,121	106%	19,000	
Total Admin Expenses	23,325	22,043	-1,282	95%	24,375	
Ending Cash Balance	121,614	403,524	281,910	332%	251,664	

Mt Hood Economic Alliance
Clackamas • Hood River • Wasco Counties

BOARD MEMBER APPLICATION

Name: Matt Lorenzen

Physical Address: 2764 Sunset Ave, West Linn OR 97068

Mailing Address: same

Phone: 503.630.8270 x 206 (work) Email: lorenzen@cityofestacada.org

Occupation: Economic Development Manager - City of Estacada

Please attach a brief resume with your application.

1. List any government committees, commissions, or boards on which you have served:

West Linn Economic Development Committee
Historic Willamette Main Street - Board Member

2. List any civic or service organizations on which you have served:

same as above

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3. Briefly describe why you are interested in this appointment:

I am currently employed as the Economic Development Manager in the City of Estacada. My counterpart in the City of Sandy, Dave Snider, alerted me to this loan board vacancy. He is currently on the loan board and he thought I might be interested.

As a resident of Clackamas County and an employee and advocate for the community of Estacada, I have an interest in seeing the growth of the economy in the Mt. Hood region. I believe this can be accomplished in part by supporting and funding high-growth businesses in need of gap lending. MHEA has made a big difference for at least one Estacada company that I am aware of, and I would like to see other local businesses and the region thrive with support from MHEA.

4. Please describe what you will do to support the work of MHEA:

I will attend the regular meetings of the board, make sound lending decisions as a member of the loan board, and promote the lending programs of MHEA in Estacada where I work, in West Linn where I live, and in Clackamas County as I network with other economic development and community development practitioners at quarterly practitioner roundtable meetings.

**Return your resume and this form to the address below
or via email to mcedd@mcedd.org**