



HOOD ECONOMIC ALLIANCE

Clackamas, Hood River, and Wasco Counties

**Board Meeting
January 20, 2023
9:00 – 10:00 a.m.**

Via Zoom Link:

<https://us06web.zoom.us/j/82246549147>

Or call: 253 215 8782, Meeting ID: 822 4654 9147

AGENDA

Topic	Estimated Time	Item
Call to Order		
Minutes Approval	5 minutes	Approval
Financial Report Approval	5 minutes	Acceptance
Loan Modification Request	20 minutes	Information
<i>Oregon Brineworks LLC</i>		
<i>Executive Session per ORS 192.660 (f)</i> (Exempt Documents)		
<i>Regular Session Reconvened</i>		
Loan Action	5 minutes	Decision
IGA Update	15 minutes	Discussion
Staff Updates	5 minutes	Information
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, except that representatives of the news media are allowed to attend but cannot disclose any information. 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, December 16, 2022 at 9:00am
Virtual Only

ATTENDANCE

MHEA Members: Mike Wells, Ken Bailey, David Snider, Michael Friend, Renate Mengelberg, Bob Benton, Michael Held (voting alternate), Steve Kramer, Nate deVol, Matt Lorenzen

Staff: Jessica Metta (Executive Director), Ami Beaver (Loan Fund Manager), Jill Brandt (Administrative Assistant)

Guest: Veronica Hernandez (Frutas Locas)

CALL TO ORDER / INTRODUCTIONS

Chair Mike Wells called the meeting to order at 9:00am. There was quorum present.

MINUTES APPROVAL

Bob Benton motioned to approve the November 18, 2022, minutes as presented. David Snider seconded the motion. All voted in favor, and the motion passed unanimously.

FINANCIAL REPORT

Jessica gave the summary for financials through November 30, 2022. Things are looking as expected, and the audit expenses will come later in the year as was discussed at the last meeting. The MHEA Funds in the LGIP pool are doing very well as interest rates continue to rise. Loan client payments are all good with one exception.

Renate motioned to approve the financial report as given. Michael Friend seconded the motion. All voted in favor, and the motion passed.

LOAN PROPOSAL: FRUTAS LOCAS Y MAS, LLC

Ami introduced Veronica who is here to discuss her business and answer any questions for the Board. Veronica explained that her business has been open since 2018. She started in a food truck making authentic Mexican food and saw steady growth, so much that she moved into her current restaurant's location on 2nd Street. She operates the business with her husband and her family, and has good local support, including some regular catering contracts with the City. Her food is unique and sets her business apart from all the other Mexican restaurants in town.

Ken commented that he has heard a lot of good things about her business when it was in the food truck, but not heard much since she moved into the restaurant location. Other Board members who have sampled her food all agreed that it was very good.

EXECUTIVE SESSION

Per ORS 192.660 (f) Exempt Documents, the Mt. Hood Economic Alliance moved into Executive Session at 9:16 am.

Regular Session was reconvened at 9:42 am.

LOAN ACTION: FRUTAS LOCAS Y MAS, LLC

Bob Benton motioned to approve the staff recommendation but with the interest rate set at 10%, with a performance option to lower the interest rate 2% after 12 months of regular, on-time loan payments. Additionally, the client will have the option to only draw what is needed for six months after the date of the first disbursement to avoid large interest. Ken Bailey seconded the motion. All voted in favor, and the motion passed.

Terms:

- Loan amount: \$40,000
- Interest Rate: 10.0%
- Loan Term: 60 months
- Loan Payment: 6 monthly interest-only payments followed by 53 monthly payments of principal and interest with the remaining balance due the 60th month.
- Loan Fee: \$600

FUNDED LOAN UPDATES: PICTURE THIS

Ami requested to enter Executive Session to give the Board an update on client Picture This.

EXECUTIVE SESSION

Per ORS 192.660 (f) Exempt Documents, the Mt. Hood Economic Alliance moved into Executive Session at 9:46 a.m.

Regular Session was reconvened at 9:53 am.

No action was taken.

MARKETING AND LOGO DISCUSSION

Jessica referenced the draft marketing flyer in the packet. She prepared the flyer and it included a new logo created by Matt Lorenzen, with a goal to improve how the Board presents marketing out into the community.

Discussion: Board members were all appreciative of the logo. Renate suggested to darken the green at the top or change the color of the lettering in the top line of the flyer to make it pop.

Matt brought up the point written on the website and in the previous flyer that states the minimum loan criteria. He noted that the Board has made many exceptions to the minimum criteria and recommended changing the language to acknowledge the loan board's flexibility. Renate felt that the current wording does show flexibility. Jessica suggested adding a bullet at the bottom of the list of basic loan requirements that states that flexibility is possible.

Matt also supported the job creation requirement but felt that adding a statement there noting that if you don't meet all the criteria listed, contact staff for alternative terms. This will encourage people to enter the conversation. Renate suggested changing the word requirements to parameters and adding that flexibility is possible depending on strength of proposal.

OTHER NEW BUSINESS/ GOOD OF THE ORDER

Jessica noted that this is Commissioner Benton's last meeting. Bob explained that he will be stepping off the Board of Commissioners to pursue time with his family and other business interests. He thanked the Board for their work and appreciated his time on the Board, adding that his service on this Board has been personally fulfilling and highly enjoyable. The Board thanked Bob and wished him well. Ken encouraged Bob to think about continuing with the Board even though he is off the Commission, as his service is still needed and it is hard to find members to serve.

Jessica added that she is still working on the IGA update and looking for reference material to use to model the IGA after that would fit. She has not found anything yet because this Board is so unique.

ADJOURNMENT

Mike Wells adjourned the meeting at 10:01 a.m.

Respectfully submitted by Jill Brandt, Administrative Assistant

**MHEA Financials
December 2022**

Revenues						
	Budget	To Date	Balance	% of Budget	Projected Year End	
7/1/22 Relending Fund Balance	567,115	587,415	0		587,415	
Loan Principal Payments	103,070	66,700	-36,370	65%	103,070	
Loan Relending Revenues	670,185	654,114	-16,071	98%	690,485	
Administration Revenues						
Investment Account Interest	2,500	3,349	849	134%	2,500	
Loan Fees	1,500	5,150	3,650	343%	1,500	
Loan Interest Payments	29,834	8,891	-20,943	30%	29,834	
2022-2023 Admin Revenue	33,834	17,389	-16,445	51%	33,834	
Expenditures						
Relending Funds						
New Loans	150,000	300,000	150,000	200%	150,000	
Total New Loans	150,000	300,000	150,000	200%	150,000	
Administration Expenses						
Audit	2,820	0	-2,820	0%	2,820	
Bank Fees	50	48	-2	95%	50	
Legal Fees	750	188	-562	25%	750	
Loan Expenses	500	580	80	116%	500	
State Ethics Commission	50	44	-6	88%	50	
Website	20	21	1	106%	20	
Administration	18,000	8,940	-9,060	50%	18,000	
Total Admin Expenses	22,190	9,820	-12,370	44%	22,190	
Ending Cash Balance						
	531,829	361,683	-170,146	68%	552,129	

Memorandum

To: Mount Hood Economic Alliance Board

From: Jessica Metta, Executive Director

Date: January 13, 2023

Re: IGA Update Draft 2

At the November 2022 meeting, the Board reviewed a first draft of an updated Intergovernmental Agreement (IGA). Clackamas, Hood River, and Wasco Counties last updated the IGA creating Mount Hood Economic Alliance (MHEA) in 2005. Clackamas County requested changing how representatives for that County are appointed to the MHEA Board, necessitating an update of the IGA by all three counties to approve that change. This provides an opportunity for MHEA to update the IGA to reflect the current actions of the entity versus those outlined in the 2005 document.

In November, the Board pushed back on Board approval of Clackamas County representatives, suggested that staff start from scratch with an IGA or find examples of IGAs from similar organizations. Staff has not been able to find similar organizations and believes that the existing IGA could be simplified a little rather than starting from scratch. Staff is also suggesting that the language be changed so that the Clackamas County members on the MHEA Board are responsible for approving new Clackamas County members, to address the concern about Hood River or Wasco County members having a say for Clackamas County. A rough draft was bounced off a few Board members and a cleaned up second draft of the IGA is included in your packet for discussion.

Request

The Board is asked to provide direction to MCEDD staff on any changes, and on the question noted about reserving a Wasco County seat for the Confederated Tribes of Warm Springs. The Board would then recommend the draft be sent to the three counties for consideration.

INTERGOVERNMENTAL AGREEMENT
Between Clackamas, Hood River and Wasco Counties to continue the
MT HOOD ECONOMIC ALLIANCE
as an ORS 190 entity

THIS AGREEMENT is made and entered into by and between Clackamas, Hood River and Wasco Counties, hereinafter referred to as the “Counties.”

WITNESSETH:

1. Pursuant to ORS 285B.230 through 285B.269, the Oregon Economic and Community Development Department designated Clackamas, Hood River and Wasco Counties as a region with the purpose of developing and implementing a *Regional Strategy* including a *Rural Action Plan*.

2. The Counties created the Mt Hood Economic Alliance (the “Alliance”) by means of an Intergovernmental Agreement effective January 1, 2004.

3. The Counties created another intergovernmental agreement pursuant to 190.010(5) to replace the informal structure previously created. The intergovernmental entity created in 2005 through an Intergovernmental Agreement continued to be known as the Mt Hood Economic Alliance.

4. The Counties desire to update the 2005 Intergovernmental Agreement to reflect current practices and procedures of the Mt Hood Economic Alliance through a new Intergovernmental Agreement.

NOW, THEREFORE, IT IS HEREBY AGREED by Clackamas, Hood River and Wasco Counties as follows:

I. Purpose

The purpose of the Mt Hood Economic Alliance (Alliance) is to provide gap financing loans for local businesses that create and retain jobs and leverage additional investment for the three Counties. The Alliance shall act as the administrative and fiscal entity for the management of its revolving loan fund within the region.

II. Governance

A. The Alliance shall be governed through a Board of Directors as follows:

1. The Alliance's Board shall be composed of twelve members. Hood River and Wasco Counties shall each appoint three (3) people. Clackamas County shall authorize the Clackamas County representatives on the Alliance Board to appoint six (6) people on Clackamas County’s behalf. Each County, or the Alliance Board for Clackamas County, shall undertake their best efforts to select appointees that represent the private business sector, rural interests, and local government. Each member's term shall last two (2) years. In the event of a vacancy on the Alliance Board, the appointing County shall fill the vacancy within sixty (60) days. ~~Any Alliance Board representation by the Confederated Tribes of Warm Springs required by law shall be from Wasco County.~~
2. The Regional Development Officer for Business Oregon shall serve as an Alternate on the Alliance Board.

3. The Alliance Board may adopt bylaws for its operations. The bylaws shall only be amended by a vote of at least five members of the Alliance Board. At least one vote from each County is required for an amendment to be effective.
4. The Alliance Board shall be subject to the requirements of Oregon laws, including, without limitation, the Public Meetings Law, Public Records Law, Local Budget Law, public contracting laws, the Oregon Government Ethics laws, and workers' compensation laws of the State of Oregon.
5. The Alliance shall meet regularly as determined by the Alliance Board. Special and emergency meetings and executive sessions may be called, upon notice as provided in the Public Meetings laws, by the chair or by any three members.

B. The Alliance Board shall perform the following services for the Alliance:

1. Determine the policies for awarding revolving loan funds.
2. Approve funding for loan clients, Alliance activities and approve any amendments to contracts.
3. Serve as the administrative and fiscal entity for the Alliance's Revolving Loan Fund program.
4. Market the revolving loan funds in the region.
5. Ensure these following actions are completed by the Alliance Board or a contractor as is appropriate:
 - A. Draft application forms and review applications from potential recipients of revolving loan funds.
 - B. Draft appropriate documents to evidence awards from revolving loan funds. Provide for legal review of documents.
 - C. Monitor recipients of revolving loan funds for compliance with contract terms.
 - D. File and record documents as required.
 - E. Disburse loan funds to recipients in accordance with the contracts.
 - F. Prepare reports for the Alliance as requested.
 - G. Serve as the public relations contact for the Alliance and market the revolving loan funds in the region.
6. Determine what action to take if a recipient of revolving loan funds defaults in its obligations. Pursue such actions.

C. The Alliance Board shall have the following powers and responsibilities in the performance of its duties as administrative and fiscal entity for the Alliance:

1. Enter into contracts for fiscal, professional and other services necessary to carry out this Agreement.
2. Adopt budgets for utilizing revolving loan funds.
3. Apply for, receive, distribute and expend monies in accordance with Oregon law.
4. Create an Executive Committee and other sub-committees to assist it in carrying out its duties under this Agreement. However, sub-committees cannot reverse decisions made by the full

Alliance Board or bind the full Alliance Board without prior approval regarding a specific action, and must report all of their actions to the next meeting of the Alliance Board.

5. Comply with applicable Oregon law.

D. Debts, liabilities and obligations of the Alliance shall be, jointly and severally, the debts, liabilities and obligations of the Counties and shall be divided upon termination in accordance with Part IV below of this Agreement.

III. Dispute Resolution

A. Any dispute between the parties arising from the terms or implementation of this Agreement, or any claim by any party for breach or enforcement of this Agreement, shall be submitted first to mediation and then, if unresolved, to binding arbitration.

B. In the event of a demand for arbitration, the parties shall agree upon an arbitrator or, if no agreement is reached within ten (10) days of the demand, each party shall select an arbitrator. Each party shall be responsible for the costs of its arbitrator. Arbitrators, by majority vote, shall have full authority to establish procedures, rule on evidence and objections and render an enforceable decision.

IV. Termination

A. The Agreement shall continue until all parties mutually agree in writing to terminate it, or Wasco County, Hood River County, or Clackamas County provides sixty-days written notice to the other two Counties requesting withdrawal from the Agreement.

B. If any county terminates their participation in this agreement, the other two Counties agree to make a good faith effort to accomplish the goals and purposes of providing gap financing loans for local businesses that create and retain jobs and leverage additional investment for the remaining Counties.

C. Upon termination, the Alliance shall return all funds and all assets purchased with revolving loan funds to the Counties. Each County shall be entitled to a share of the Funds based on the pro-rated share of its contribution to the revolving loan funds. Any assets purchased with revolving loan funds shall be valued at their fair market value upon termination and divided-per pro-rated share among the Counties. In the event of a dispute between the Counties as to the division of the assets of the Alliance, they shall be sold, and the net proceeds, after subtracting the cost of sale, shall be divided per pro-rated share among the Counties. Any sale or disposition of the Alliance's assets shall be in accordance with Oregon laws.

D. Upon termination, the outstanding indebtedness, liabilities or continuing contractual obligations shall be divided per pro-rated share among the Counties.

V. Miscellaneous

A. No Third-Party Beneficiaries. The Counties are the only parties to this agreement and are the only parties entitled to enforce its terms. Nothing in this Agreement gives, is intended to give, or shall be construed to give or provide any benefit or right, whether directly, indirectly or otherwise, to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of the terms of this agreement.

B. Records Maintenance and Access. The Alliance Board shall maintain all records relating to this Agreement as to clearly document its performance hereunder. The Counties and their duly authorized

representatives shall have access to such records for the purpose of performing examinations and audits, and making excerpts and transcripts. All such records shall be retained by the Alliance Board and kept accessible for a minimum of 3 years, except as required longer by law, following termination of this agreement, or until the conclusion of any audit, controversy or litigation arising out of or related to this agreement, whichever date is later.

C. Notices. All notices to the respective parties shall either be personally delivered or sent certified mail to the following addresses:

Clackamas County:
2051 Kaen Rd
Oregon City, OR 97045

Hood River County:
601 State Street
Hood River, OR 97031

Wasco County:
511 Washington St Rm 302
The Dalles, OR 97058-2237

D. All parties shall comply with all applicable federal, state and local laws; and rules and regulations on non-discrimination in employment because of race, color, ancestry, national origin, religion, sex, marital status, age, medical condition or handicap.

E. To the extent applicable, the provisions of ORS 279.312, 279.313, 279.314, 279.316, 279.320 and 279.334 are incorporated by this reference as though fully set forth.

F. Subject to the limitations of liability for public bodies set forth in the Oregon Tort Claims Act, ORS 30.260 to 30.300, and the Oregon Constitution, each party agrees to hold harmless, defend, and indemnify each other, including its officers, agents, and employees, against all claims, demands, actions and suits (including all attorney fees and costs) arising from the indemnitor's performance of this Agreement where the loss or claim is attributable to the negligent acts or omissions of that party.

G. Each party agrees to maintain insurance levels, or self-insurance in accordance with ORS 30.282, for the duration of this Agreement at levels necessary to protect against public body liability as specified in ORS 30.270.

H. This Agreement shall be subject to the constitutional debt limitation of Oregon Counties set forth in Article XI, Section 10 of the Oregon Constitution, and is contingent on funds being appropriated therefore.

I. This Agreement may be amended from time to time by agreement in writing, signed by all parties.

J. ENTIRE AGREEMENT. THIS AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES. NO WAIVER, CONSENT, MODIFICATION OR CHANGE OF TERMS OF THIS AGREEMENT SHALL BIND ANY PARTY UNLESS IN WRITING AND SIGNED BY ALL THREE PARTIES. SUCH WAIVER, CONSENT MODIFICATION OR CHANGE, IF MADE, SHALL BE EFFECTIVE ONLY IN THE SPECIFIC INSTANCE AND FOR THE SPECIFIC PURPOSE GIVEN. THERE ARE NO UNDERSTANDINGS, AGREEMENT, OR REPRESENTATIONS, ORAL OR WRITTEN, NOT SPECIFIED HEREIN REGARDING THIS AGREEMENT. EACH PARTY, BY THE SIGNATURE OF ITS AUTHORIZED REPRESENTATIVE(S) BELOW, HEREBY ACKNOWLEDGES READING THIS AGREEMENT, UNDERSTANDING IT, AND AGREEING TO BE BOUND BY ITS TERMS AND CONDITIONS.

Hood River County
Board of Commissioners

Wasco County
Board of Commissioners

Clackamas County
Board of Commissioners

Jennifer Euwer, Chair

Scott Hege, Chair

Tootie Smith, Chair

Ed Weathers, Commissioner

Steven Kramer, Commissioner

Ben West, Commissioner

Les Perkins, Commissioner

Phil Brady, Commissioner

Paul Savas, Commissioner

Leti V. Moretti, Commissioner

Martha Schrader, Commissioner

Arthur Babtiz, Commissioner

Mark Shull, Commissioner

APPROVED AS TO FORM:

APPROVED AS TO FORM:

APPROVED AS TO FORM

Hood River County Counsel

Wasco County Counsel

Clackamas County Counsel

Date:

Date:

Date: