

**COLUMBIA RIVER GORGE NATIONAL SCENIC AREA
OREGON INVESTMENT BOARD**

AGENDA

**Wednesday, March 16, 2016
10:00 AM**

MCEDD Office, 515 East Second Street, The Dalles

<u>Topic</u>	<u>Time</u>	<u>Item</u>
Call to Order, Introductions, Conflict of Interest Disclosures		
February 17, 2016 Minutes	5 minutes	Approval
Financial Report	5 minutes	Acceptance
Loan Modification Request: Beachwood Eatery, LLC dba 9th Street Sugar Bowl	10 minutes	Information
<i>Executive Session per ORS 192.660 (f) (Exempt Documents)</i> <i>Regular Session Reconvened</i>		
Loan Modification Decision	10 minutes	Decision
Appropriation Status Update	10 minutes	Information
Other New Business		
Adjournment		

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

**COLUMBIA RIVER GORGE NATIONAL SCENIC AREA
OREGON INVESTMENT BOARD**

Wednesday, February 17, 2016
Hood River County Library
502 State Street, Hood River, OR
10:00 a.m.

ATTENDANCE:

OIB Members: Ken Bailey, Jack Miller, Bob McFadden and John Kasberger.

Staff: Amanda Hoey, Sherry Wickert and Sherry Bohn.

CALL TO ORDER:

Chair Ken Bailey called the meeting to order at 10:00 a.m. A quorum was present.

CONFLICT OF INTEREST POLICY AND INTRODUCTIONS:

Ken Bailey requested that Board members disclose any conflict of interests for any of the topics to be reviewed today. None were disclosed.

JANUARY 20, 2016 MINUTES:

John Kasberger moved to approve the minutes from January 20, 2016. Bob McFadden seconded the motion. Motion passed unanimously.

FINANCIAL REPORT:

Sherry Wickert presented the financial report for the period ending January 2015. She reported Interest Income of \$9,926.93 and Principal Repayment of \$9,981. She reported that Professional Services was \$7,533.08 and Miscellaneous Expenses of \$7.50 which included POPP Communications fees. Sherry reported that the Available To Grant/Loan balance was \$1,276,070.17 and the Loans Receivable Balance was \$1,574,143.23.

Jack Miller moved to accept the financials as presented. Bob McFadden seconded the motion. Motion passed unanimously.

Discussion: John Kasberger asked how new loans requests are allocated between OIB and MCEDD. Amanda explained the process and distribution.

LOAN REQUEST PROPOSAL: BEACHWOOD EATERY, LLC dba 9th STREET SUGAR BOWL:

Amanda Hoey presented a \$258,0000 loan request proposal from Beachwood Eatery, LLC dba 9th Street Sugar Bowl to purchase the 9th Street Sugar Bowl restaurant business and building in The Dalles.

EXECUTIVE SESSION:

Per ORS 192.660 (f) Exempt Documents, the Oregon Investment Board moved into Executive Session at 10:10 a.m.

Regular session was reconvened at 10:34a.m.

LOAN REQUEST PROPOSAL DECISION: BEACHWOOD EATERY, LLC dba 9th STREET SUGAR BOWL:

Bob McFadden moved to approve the loan request proposal as per the staff recommendation with the addition of alternative option number 2 to require additional personal assets with at least a \$2,500 value as additional collateral. John Kasberger seconded the motion. Motion passed unanimously.

Terms:

- Loan amount: \$258,000.00
- Interest Rate: 7.75% Fixed interest rate
- Loan Term: 123 months
- Loan Payment: Interest only payments for three (3) months, then one hundred twenty (120) monthly principal and interest payments of \$2,120, then a balloon payment of approximately \$176,500.
- Loan Fee: \$3,870.00
- Collateral and Conditions as presented in the staff report.

Note: The board approved a modification to the life insurance requirement listed to require an assignment of life insurance on Ken Catlin of \$200,000 and best effort assignment on Nancy Catlin of \$60,000, or the amount of the outstanding loan balance on each principal owner, whichever is lower.

LOAN STATUS UPDATE:

Amanda Hoey provided an update on the status of the Hood River Learning Center and TGE, LLC loans.

EXECUTIVE SESSION:

Per ORS 192.660 (f) Exempt Documents, the Oregon Investment Board moved into Executive Session at 10:45 a.m.

Regular session was reconvened at 11:15a.m.

LOAN STATUS UPDATE DECISION:

John Kasberger moved to direct staff to work with the OIB attorney to prepare a demand letter to Hood River Learning Center. Jack seconded the motion. Motion passed unanimously.

OTHER BUSINESS:

John Kasberger asked what marketing was being done regarding the OIB funds available to loan. He was particularly in extending additional efforts to smaller communities and indicated he would be willing to support outreach.

Amanda Hoey reported on federal funding status.

ADJOURNMENT: The meeting was adjourned at 11:25 a.m.

OIB FINANCIAL SUMMARY

REPORT PERIOD: FEB 16

	TOTAL YEAR TO DATE	PREVIOUS REPORT	CURRENT ACTIVITY
CASH BALANCE AS OF 06/30/15	1,292,303.36	1,292,303.36	-
Less Payables	(8,160.71)	(8,160.71)	-
Plus Accounts Receivable	1,100.00	1,100.00	-
Plus Interest Receivable (Less Unrecorded Accr'd Int)	10,594.69	10,594.69	-
ADJUSTED CASH BALANCE 06/30/15	1,295,837.34	1,295,837.34	-
INCOME			
Interest	75,957.44	67,238.35	8,719.09
Loan Processing & Fees	5,771.14	5,771.14	-
Loan Late Fees	1,717.99	1,289.42	428.57
Misc Income	136.94	136.94	-
Invested Interest	416.26	365.35	50.91
TOTAL INCOME	83,999.77	74,801.20	9,198.57
PRINCIPAL REPAYMENTS	103,481.27	93,976.13	9,505.14
REVENUE BEFORE DISBURSEMENTS	187,481.04	168,777.33	18,703.71
EXPENSES AND PAYMENTS			
Grants Disbursed 15-16	1,000.00	1,000.00	-
Loans Disbursed	125,000.00	125,000.00	-
Miscellaneous Expenses	2,618.54	1,831.80	786.74
Professional Services	60,264.64	52,731.56	7,533.08
TOTAL EXPENSES AND PAYMENTS	188,883.18	180,563.36	8,319.82
ADJUSTED CASH BALANCE	1,294,435.20	1,284,051.31	10,383.89
LESS:			
Approved Grants not Disbursed	(20,000.00)		
Approved Loans not yet Disbursed	(258,000.00)		
Interest Receivable at Period End	(9,102.37)		
AVAILABLE TO GRANT/LOAN	1,007,332.83		
STRUCTURED ACCRUED LOAN INTEREST			
Current Period	316.07		
Prior Year Balance	5,165.93		
TOTAL STRUCTURED ACCRUED LOAN INTEREST	5,482.00		
LOANS RECEIVABLE BALANCE	1,564,638.09		
PROOF:			
Cash Balance After Reconciliations	1,293,652.65		
Less Payables	(8,319.82)		
Plus Interest Receivable (Includes Structured Accr'd Int)	9,102.37		
ADJUSTED CASH BALANCE	1,294,435.20		

REPORT GENERATED BY: Sherry Wickert

OREGON INVESTMENT BOARD
DISTRIBUTIONS OF GRANTS & LOANS APPROVED

Report Period: FEBRUARY 2016

Grants	Date Approved	Expiration Date	Grant	Previous Distribution	Current Distribution	Expired/Not Utilized	Amount Remaining
Port of The Dalles - Regional Wetlands	09/18/13	12/31/15	10,000.00				10,000.00
Fresh Start Culinary Arts Program	11/18/15	12/31/16	10,000.00				10,000.00
Total			20,000.00	-	-	-	20,000.00

Loans Approved/Funded	Date Approved	Expiration	Original Loan	Previous Distribution	Current Distribution	Expired/Not Utilized	Amount Remaining
Beachwood Eatery, LLC	2/17/2016		258,000.00				258,000.00
							-
Total			258,000.00	-	-	-	258,000.00