

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

*******Friday, December 2, 2016*******

****** 2:00 P.M. ******

MCEDD Office
515 East 2nd Street
The Dalles, OR

<u>Topic</u>	<u>Time</u>	<u>Item</u>
Call to Order, Conflict of Interest Disclosures		
Introductions	10 minutes	Information
November 16, 2016 Minutes	5 minutes	Approval
Hood River Learning Center	10 minutes	
<i>Executive Session per ORS 192.660 (h) (Litigation)</i> <i>Regular Session Reconvened</i>		
Loan Actions	10 minutes	Decision
Other New Business, Good of the Order		
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.

Executive Session Protocol Oregon Investment Board

After discussion agenda items are presented in open session by OIB staff, the OIB Chair will state the following: "Pursuant to ORS 192.660(f), Exempt Documents, I call the Executive session of the Oregon Investment Board to order"

OIB Chair asks all non-staff and non OIB 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 OIB 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. OIB Chair requests a brief presentation from OIB staff on a summary of the loan proposal or other discussion item.
2. After presentation of information by staff, the OIB Chair asks if there are any questions for the loan applicant or OIB staff.
3. Following questions and discussion by the OIB, 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. OIB Chair asks OIB 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 OIB members takes place then Steps 1-5 are repeated for each following discussion item for Executive Session.

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

COLUMBIA RIVER GORGE NATIONAL SCENIC AREA
OREGON INVESTMENT BOARD
Wednesday, November 16, 2016
City of Cascade Locks Council Chambers, 140 SW WaNaPa, Cascade Locks, OR
10:00 a.m.

ATTENDANCE:

OIB Members: Ken Bailey, Jack Miller, Rick Leibowitz, Tammy Miller, John Southgate and John Kasberger.

Staff: Amanda Hoey, Sherry Wickert, Sherry Bohn and Eric Nerdin.

CALL TO ORDER:

Rick Leibowitz called the meeting to order at 10:00 a.m. A quorum was present.

CONFLICT OF INTEREST POLICY AND INTRODUCTIONS:

Rick Leibowitz requested that any Board member disclose any conflict of interests for any of the topics to be reviewed today. Rick Leibowitz noted that Chuck Burrows is a client of SBDC. Rick recused himself from any decision regarding the loan request from Big Jim's Drive-In/Chuck Burrows. Round table introductions took place.

OCTOBER 19, 2016 MINUTES:

Jack Miller moved to approve the minutes from October 19, 2016. John Southgate seconded the motion. Motion passed unanimously.

FINANCIAL REPORT:

Sherry Wickert reported that the audit had no findings. Sherry reported that she was anticipating final approval this week and that the full report will be presented at the December MCEDD board meeting.

Sherry presented the financial report for the period ending October 2016. Sherry reported Principal Repayments of \$13,769.47. She reported that Professional Services expenses were \$8,137.80. Sherry reported that the Loans Receivable Balance was \$1,629,983.03 and Available to Grant/Loan Balance was \$1,236,703.96.

John Kasberger moved to accept the financials as presented. Ken Bailey seconded the motion. Motion passed unanimously.

Discussion: Rick Leibowitz thanked staff for the excellent work. The OIB asked if legal costs were included in Professional Services. Sherry responded that they were included.

LOAN REQUEST: BIG JIM'S DRIVE IN/CHUCK BURROWS

Eric Nerdin presented an \$80,000 loan request for Charles (Chuck Burrows) to purchase Big Jim's Drive-In.

LOAN MODIFICATION REQUEST: DEFIANCE BREWING COMPANY

Eric Nerdin presented a loan modification request from Defiance Brewing Company for three months of interest only payment. beginning November 15, 2016.

LOAN MODIFICATION REQUEST: VAN KESSEL, INC. dba CROWN PRINTS

Eric Nerdin presented a loan modification request from Van Kessel, Inc. dba Crown Prints to modify OIB loan #87-03-01 to lower the monthly payments and restructure repayment terms to allow the loan client to bring the loan current.

EXECUTIVE SESSION:

Per ORS 192.660 (f) Exempt Documents, the Oregon Investment Board moved into Executive Session at 10:09 a.m.

Tammy Miller joined the meeting at 10:13 am.

Regular session was reconvened at 10:37 a.m.

LOAN REQUEST DECISION: BIG JIM'S DRIVE IN/CHUCK BURROWS

Jack Miller moved to approve the loan request as per the staff recommendation. John Southgate seconded the motion. Motion passed with one abstention (Rick Leibowitz).

Terms:

- Loan amount: \$80,000.00
- Interest Rate: 8.25% Fixed interest rate.
- Loan Term: 64 months
- Loan Payment: First four (4) months of interest only payments, then sixty (60) monthly principal and interest payments of \$1,631.70
- Loan Fee: \$1,200.00
- Collateral and Conditions as presented in the staff report

LOAN MODIFICATION REQUEST DECISION: DEFIANCE BREWING COMPANY

Ken Bailey moved to approve the loan modification request from Defiance Brewing Company for three additional months of accrued interest only payments as per the staff recommendation. John Kasberger seconded the motion. Motion passed unanimously.

LOAN MODIFICATION REQUEST DECISION: VAN KESSEL, INC. dba CROWN PRINTS

Ken Bailey moved to approve the loan modification request from Van Kessel, Inc. dba Crown Prints to lower the monthly payments and restructure repayment terms as per the staff recommendation. Jack Miller seconded the motion. Motion passed unanimously.

HOOD RIVER LEARNING CENTER

Amanda Hoey and Eric Nerdin presented an update on Hood River Learning Center's loans and related litigation and default actions.

EXECUTIVE SESSION:

Per ORS 192.660 (h) Litigations, the Oregon Investment Board moved into Executive Session at 10:39 a.m.

Regular session was reconvened at 11:20 a.m.

DELINQUENCY REPORT UPDATE

Amanda reported that staff had received notification that Hood River Sheltered Workshop will be paying off their loan

OTHER NEW BUSINESS, GOOD OF THE ORDER:

Amanda noted that she anticipated Jill Amery's nomination to the board to be completed next week.

ADJOURNMENT: The meeting was adjourned at 11:40 a.m.