

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

*******Wednesday, May 16, 2018*******

****** 10:00 A.M. ******

Hood River Library Meeting Room
501 State Street
Hood River, Oregon

<u>Topic</u>	<u>Time</u>	<u>Item</u>
Call to Order, Conflict of Interest Disclosures Introductions	5 minutes	Information
April 2018 Minutes	5 minutes	Approval
Financial Report	5 minutes	Acceptance
Grant Extension Request <i>Columbia Gorge Community College</i>	10 minutes	Decision
Loan Requests <i>Terra Cotta</i>	5 minutes	Information
<i>Executive Session per ORS 192.660 (f) (Exempt Documents)</i> <i>Regular Session Reconvened</i>		
Loan Actions	10 minutes	Decision
Funded Loans Report and Updates	5 minutes	Information
<i>Executive Session per ORS 192.660 (f) (Exempt Documents)</i> <i>Regular Session Reconvened</i>		
Loan Actions	10 minutes	Decision
Open Board Positions	5 minutes	Discussion
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 MCEDD 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, April 18, 2018
Hood River Library Meeting Room
501 State Street, Hood River, Oregon

ATTENDANCE

OIB Members: Jack Miller, John Kasberger, John Southgate, Tammy Miller

Staff: Amanda Hoey, Siri Olson, Lauren Hernandez, Eric Nerdin

Absent: Jill Amery, Kristine Mier, Rick Leibowitz

Guests: Molly Lewis, Sean Kelly, Julie Davies O'Shea, Stacy Lowry, Carolyn Meece

CALL TO ORDER

Jack Miller called the meeting to order at 10:02 a.m. A quorum was present.

CONFLICT OF INTEREST POLICY AND INTRODUCTIONS

Jack Miller requested any board member disclose any conflict of interest for any of the topics to be reviewed. None were noted. A roundtable of introductions took place.

MINUTES

John Kasberger motioned to approve the minutes from March 2018, as presented. Tammy Miller seconded the motion. Motion passed unanimously.

FINANCIAL REPORT

Siri Olson presented the financial report for March 2018. Reconciled cash balance was \$1,373,734.66 as of March 31, 2018. The \$742.68 balance in Accounts Receivable was a result of an NSF check from a loan client. A loan client made a payment for three loans on one check, and when the check came back as NSF, the entire check amount was charged back to the OIB account instead of being split and charged back between the three different loan accounts. OIB was reimbursed the \$742.68 in April. There has not been much change in the Accrued Loan Interest. Siri noted most financial activity this month was from processing monthly payments. Total Principal Repayments received in March was \$13,351.69 with Interest of \$8,551.97.

John Kasberger motioned to approve the March 2018 financials. John Southgate seconded the motion. Motion passed unanimously.

LOAN REQUESTS

Eric Nerdin reported there are two loan application requests. One request is from Farmers Conservation Alliance, and one request is from Gorge Dog.

EXECUTIVE SESSION:

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

Regular Session reconvened at 11:09 a.m.

LOAN ACTION: FARMERS CONSERVATION ALLIANCE

John Kasberger motioned to approve a \$250,000 OIB loan to Farmers Conservation Alliance as recommended by staff. John Southgate seconded the motion. Motion passed unanimously.

- Loan amount: \$250,000

- Interest Rate: 6.75%
- Loan Term: 10 years (120 months)
- Loan Payments, collateral and conditions as listed in the staff report.

LOAN ACTION: GORGE DOG

John Kasberger motioned to approve a \$45,000 OIB loan to Gorge Dog and to require the applicant to obtain the remaining \$40,000 from a source acceptable to OIB staff. Additionally, the OIB loan will be in first position with seller signing subordination. John Southgate seconded the motion. Motion passed unanimously.

- Loan amount: \$45,000
- Interest Rate: 8.75%
- Loan Term: 91 months (Fully amortized)
- Loan Payments, collateral and conditions as listed in the staff report with the addition of seller signing subordination and loan fee reduction to \$675 based on the loan amount.

Discussion: Jack Miller suggested Molly Lewis and Sean Kelly get a third-party evaluation of the Gorge Dog business. The consensus of the board was that the cash flow of the business, as stated, shows the business may be overpriced.

John Kasberger left the meeting. There was no longer a quorum.

FUNDED LOAN REPORT AND UPDATES:

Eric Nerdin provided an update on OIB loans and directed the board to the loan delinquency report.

EXECUTIVE SESSION:

Per ORS 192.660 (f) (Exempt Documents), the Oregon Investment Board moved into Executive Session at 11:14 a.m.

Regular Session reconvened at 11:19 a.m.

OTHER NEW BUSINESS

There was no new business.

ADJOURNMENT: The meeting was adjourned at 11:20 a.m.

Respectfully submitted by Lauren Hernandez, Office Administrator

Staff Report

Date: April 23, 2018

To: Oregon Investment Board

From: Amanda Hoey, MCEDD Executive Director

Re: Columbia Gorge Community College Food & Beverage Feasibility Study

Project Description

The Columbia Gorge Community College (CGCC) was approved for a \$5,000 grant for the Food and Beverage Collaboration project. OIB funds were conditional on obtaining matching resources, which have since been secured by CGCC through their own funds as well as through a grant from the US Economic Development Administration. Given the extended timeline it took for CGCC to secure EDA funds, the project requires a contract extension to allow time for adequately completing the scope of work. The project will explore areas of needed skills that will support expanding industries in the regional economy. It will allow CGCC to contract with a consultant to conduct a feasibility study that will inform CGCC's academic and facility planning with a focus on the food and beverage industry and its supply chain sectors. The RFP for services is anticipated to be released in April or May 2018.

Request

Approval of a one year grant timeline extension (through July 31, 2019).

Funding Goals/ Score Sheet:

Please refer to the Goals section of the applicant’s OIB Grant Proposal Form for the Goals and supporting information from the applicant. Goals being met or not as viewed by OIB staff is listed below. Only one of the first nine goals must be clearly met in order to meet funding criteria.

Goal	Yes/No
1) Creates jobs, emphasizing family wage jobs Project increases local employment. Project could increase median income/wages.	No
2) Focuses on workforce training and development Project provides or enhances education and training programs for existing businesses as well as new industries targeted for recruitment. <i>Hiring projections and needed skills sets are used to inform workforce development programs.</i>	Yes
3) Expands the economy Project helps to expand the region’s traditional economic base.	No
4) Diversifies the economy Project helps to diversify the region’s traditional economic base such as tourism, light industrial industries, and projects that are environmentally compatible and consistent with the goals of the NSA.	No
5) Increases the regions tax base Project aids in the construction or purchase of assets that will be added to the property tax base.	No
6) Sells area’s products outside the region Project assists with marketing and promotion of the region’s products and services outside the local market area.	No
7) Adds value to region’s products Project increases the potential for adding value to the region’s traditional resource-based industries (agriculture and forest products).	No
8) Helps develop new products Project helps develop and promote new value-added enterprises and products that increase local employment and incomes.	No
9) Provides support for adequate public infrastructure Project provides the gap financing necessary to complete required planning projects or construct public infrastructure.	No
10) Leverages use of available resources (a) Leverages use of available funds Project provides the needed matching funds to leverage other grants	Yes

and loans as the final financing piece.
Matching funds from CGCC (\$15,000) and EDA technical assistance program (\$22,500; requested)

- (b) Provides internal resources Yes
Project offers in-kind time and the use of internal resources to ensure project success.
In-kind time (\$7,500) to be provided by CGCC

**Oregon Economic Development Program
Terms and Conditions**

EXHIBIT A

(A) DESCRIPTION OF PROJECT:

Columbia Gorge Community College will utilize a \$5,000 grant from the Oregon Investment Board to support feasibility study for additional academic programming and facility planning.

(B) BUDGET:

Expenses	
Contracted Services: Feasibility Plan Development	\$ 40,000
Travel and Meeting Expenses	\$2,500
Total Expenses	\$42,500
Income	
OIB Grant	\$5,000
EDA Technical Assistance funds (requested)	\$22,500
Columbia Gorge Community College	\$15,000
Total Income	\$42,500

(C) Performance Measures

1. CGCC will complete the “Columbia Gorge Community College Food and Beverage Collaborative Grant” project by July 31, 2018.

(D) Other Terms & Conditions:

1. CGCC will report semi-annually to the OIB and a report (Exhibit B) is due January 31 and July 31 of each year until project completion.
2. CGCC will provide the OIB with a final report (Exhibit B) within thirty (30) days after completion of the project.
3. Confirmation of all matching funds committed must be received in advance of disbursement of OIB funds.
4. OIB funds cannot be used for administration or staffing.
5. Prior to use of these funds, the grant must be certified by the Columbia River Gorge Commission.
6. Reimbursements of OIB grant funds are to be done on a percentage basis.
7. CGCC will recognize the Columbia River Gorge National Scenic Area funds in literature, press releases, signage and news coverage when appropriate.