

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

*******Wednesday, August 21, 2019*****
**** 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
June 2019 Minutes	5 minutes	Approval
Financial Report	5 minutes	Acceptance
Loan Modification Request <i>15 Mile Ventures, LLC</i>	5 minutes	Information
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
Appointments Status	5 minutes	Information
Officer Elections	5 minutes	Decision
Annual Report Summary	10 minutes	Information
September Bi-State Council Meeting Preparation	10 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**

Thursday, June 19, 2019
Hood River Library Meeting Room
501 State Street
Hood River, Oregon

ATTENDANCE

OIB Members: Jack Miller, Craig Bowder, Jill Amery, John Kasberger

Staff: Siri Olson, Lauren Hernandez, Israel Ayala

Guests: Stacy Lowrey (Farmers Conservation Alliance), Julie O'Shea (Farmers Conservation Alliance),
Addie Tyler-McAllister (Columbia Gorge Crepes), Todd Mieslahn (SBDC)

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.

STAFF INTRO

Israel Ayala introduced himself as MCEDD's new Loan Fund Manager. He gave a brief personal history and noted he is a previous MCEDD loan client and worked with the Small Business Development Center for six years before transitioning to MCEDD.

MAY 2019 MINUTES

Craig Bowder moved to approve the minutes from May 23, 2019, as presented. Jill Amery seconded the motion. Motion carried unanimously.

FINANCIAL REPORT

Siri Olson reported the Balance Sheet as of May 31, 2019, reflects total Loans Receivable of \$1,893,756.04. Accrued Loan Interest is \$12,417.92, and Siri noted this does not include any interest accrued on loans in litigation. The amount does include interest accrued on delinquent loans. Accounts Payable is \$16,545.58, which includes both April and May. This amount includes two months of MCEDD contract fees, legal fees, and loan filing fees. Siri reported that on the Financial Summary, Approved Loans not yet Disbursed total \$172,000, which brings the Available to Grant/Loan to \$856,277.08.

Jill Amery motion to approve the financials as presented. Craig Bowder seconded the motion. Motion carried unanimously.

LOAN MODIFICATION REQUEST: FARMERS CONSERVATION ALLIANCE

Jack Miller noted discussion would focus on a loan modification request from Farmers Conservation Alliance.

EXECUTIVE SESSION:

Per ORS 192.660 (f) (Exempt Documents), the Oregon Investment Board moved into Executive Session at 10:08 a.m.

Regular Session reconvened at 10:18 a.m.

LOAN ACTION: FARMERS CONSERVATION ALLIANCE

Craig Bowder motioned to approve a loan modification to Farmers Conservation Alliance as recommended by staff. Jill Amery seconded the motion. Motion carried unanimously.

Discussion: Julie O’Shea invited OIB members and staff to a celebration at the Farmers Conservation Alliance building on August 9th. The event is a chance to celebrate with partners who made it possible for FCA to get to the point where it is now. Julie stated FCA would not exist without the help of OIB, as small companies typically cannot go after such large-scale contracts, but with OIB’s investment, FCA was able to take advantage of many opportunities. Jack Miller stated the FCA is a great example of where OIB money has gone and how that money flows back into the community.

LOAN REQUEST: ADDIE TYLER-MCALLISTER dba COLUMBIA GORGE CREPES

Jack Miller noted discussion would focus on a loan request from Addie Tyler-McAllister dba Columbia Gorge Crepes.

EXECUTIVE SESSION:

Per ORS 192.660 (f) (Exempt Documents), the Oregon Investment Board moved into Executive Session at 10:22 a.m.

Regular Session reconvened at 10:48 a.m.

LOAN ACTION: ADDIE TYLER-MCALLISTER dba COLUMBIA GORGE CREPES

Craig Bowder motioned to deny the loan to Addie Tyler-McAllister dba Columbia Gorge Crepes as recommended by staff. John Kasberger seconded the motion. Motion carried unanimously.

Discussion: Jack Miller noted the OIB’s intention is not to discourage Addie, and he encouraged her to reapply in the future with the inclusion of angel capital or a cosigner. Jack suggested Addie have permitting or an avenue to get the permitting necessary for placement of her food cart if she chooses to reapply for an OIB loan. He noted the waterfront is zoned for industrial use, and though there may be some exceptions, the board is unsure if placing a food cart in the planned location is a viable option. Craig Bowder noted that for the board to use the projections provided, it would help to have solid understanding of where the cart will be and if the projections are being based on a viable location. Jill Amery stated having additional cash flow is important in a future application.

FUNDED LOANS REPORT AND UPDATES

Israel Ayala explained discussion would focus on delinquent loans.

EXECUTIVE SESSION:

Per ORS 192.660 (f) (Exempt Documents), the Oregon Investment Board moved into Executive Session at 10:53 a.m.

Regular Session reconvened at 11:06 a.m.

LOAN ACTIONS

No action was necessary.

OTHER NEW BUSINESS

There was no new business.

ADJOURNMENT: The meeting was adjourned at 11:07 a.m.

Respectfully submitted by Lauren Hernandez, Office Administrator

OIB FINANCIAL SUMMARY

REPORT PERIOD: JULY 2019

	TOTAL YEAR TO DATE	PREVIOUS REPORT	CURRENT ACTIVITY
CASH BALANCE AS OF 06/30/19	897,450.85		-
Less Payables	(9,938.00)		-
Plus Accounts Receivable			-
Plus Interest Receivable (Less Unrecorded Accr'd Int)	11,120.11		-
ADJUSTED CASH BALANCE 06/30/18	898,632.96	-	-
INCOME			
Interest	13,592.42		13,592.42
Loan Processing & Fees	-		-
Loan Late Fees	289.70		289.70
Invested Interest	38.70		38.70
TOTAL INCOME	13,920.82	-	13,920.82
PRINCIPAL REPAYMENTS	17,485.90		17,485.90
REVENUE BEFORE DISBURSEMENTS	31,406.72	-	31,406.72
EXPENSES AND PAYMENTS			
Grants Disbursed FY18			-
Loans Disbursed			-
Converted to Principal	-		-
Miscellaneous Expenses (Bad Debt Expense)			-
Professional Services	7,837.41		7,837.41
TOTAL EXPENSES AND PAYMENTS	7,837.41	-	7,837.41
ADJUSTED CASH BALANCE	922,202.27	-	23,569.31
LESS:			
Approved Grants not Disbursed	(10,000.00)		
Encumbered Pilot Program Funds	(80,000.00)		
Approved Loans not yet Disbursed			
Interest Receivable at Period End	(7,981.78)		
AVAILABLE TO GRANT/LOAN	824,220.49		
LOANS RECEIVABLE BALANCE	2,034,775.27		
PROOF:			
Cash Balance After Reconciliations, 07/31/2019	931,995.00		
Deposit on Hold			
Less Payables	(17,775.41)		
Plus Interest Receivable (Includes Structured Accr'd Int)	7,981.78		
ADJUSTED CASH BALANCE	922,201.37		

REPORT GENERATED BY: Siri Olson

**Mid-Columbia Economic Development District
Balance Sheet
As of July 31, 2019**

	July 31, 2019
ASSETS	
Current Assets	
Checking/Savings	
1000 · Bank Demand Deposits	
1070 · National Scenic Fund	931,995.90
Total 1000 · Bank Demand Deposits	931,995.90
Total Checking/Savings	931,995.90
Other Current Assets	
1200 · Receivables & Accruals	
1202 · Accounts Receivable	0.00
1222 · Year or Grnt End Receivables	
1227 · Accrued Loan Interest	7,981.78
Total 1200 · Receivables & Accruals	7,981.78
1300 · Loans Receivable	
1370 · OIB Loans Receivable	2,034,775.27
Total 1300 · Loans Receivable	2,034,775.27
1475 · OIB Holding	
1500 · Allowance for Doubtful Loans	
1575 · OIB Allowance	-47,404.77
Total 1500 · Allowance for Doubtful Loans	-47,404.77
Total Other Current Assets	1,995,352.28
Total Current Assets	2,927,348.18
TOTAL ASSETS	2,927,348.18
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2010 · A/P General	17,775.41
Total Accounts Payable	17,775.41
Total Current Liabilities	17,775.41
Total Liabilities	17,775.41
Equity	
3100 · Fund Balances	2,823,489.36
Pilot Program Fund Balance	80,000.00
Net Income	6,083.41
Total Equity	2,909,572.77
TOTAL LIABILITIES & EQUITY	2,927,348.18

Mid-Columbia Economic Development District
Profit & Loss
July 2019

	<u>TOTAL</u>
Ordinary Income/Expense	
Income	
4600 · Loan Interest	13,592.42
4700 · Loan Processing Fees	0.00
4710 · Loan Late Fee	289.70
4750 · Investment Interest	38.70
Total Income	<u>13,920.82</u>
Gross Profit	<u>13,920.82</u>
Expense	
6400 · Professional Services	
6450 · Contractual	7,837.41
Total 6400 · Professional Services	<u>7,837.41</u>
Total Expense	<u>7,837.41</u>
Net Ordinary Income	<u>6,083.41</u>
Net Income	<u><u>6,083.41</u></u>

OREGON INVESTMENT BOARD
DISTRIBUTIONS OF GRANTS & LOANS APPROVED

Report Period: July 2019

Grants	Date Approved	Expiration Date	Grant	Previous Distribution	Current Distribution	Expired/Not Utilized	Amount Remaining
CGCC - Kitchen Incubator	5/19/2019	5/19/2020	10,000.00				10,000.00
							-
Total			10,000.00	-	-	-	10,000.00

Loans Approved/Funded	Date Approved	Expiration Date	Original Loan	Previous Distribution	Current Distribution	Expired/Not Utilized	Amount Remaining
							-
Total			-	-	-	-	-

Memorandum

Date: August 15, 2019
To: Columbia River Gorge Oregon Investment Board
From: Amanda Hoey, Executive Director
Re: Officer Elections

Action: Officer Elections

Option 1: Nominate and elect a slate of officers.

Option 2: Defer action to the September or October board meetings to allow for board appointments/reappointments.

Overview

Annually the Oregon Investment Board elects officers for the following positions:

- Chair
- Vice-Chair
- Secretary/Treasurer

Current officers include Jack Miller, Chair; John Kasberger, Vice Chair and Jill Amery, Secretary/Treasurer.

Consideration for officers usually includes:

- Rotation of officers up through positions
- Reflect a balanced composition to reflect county interests, to the extent possible
- Have terms continuing/anticipated to continue on the board through the next year
- Strong record of participation and engagement in Board activities.

Board status

Name	Term	Status
Jack Miller, Hood River County	August 1, 2019 (remains on the board until new appointee confirmed)	Served two terms; ineligible for reappointment. Anticipate Doug Roof will fill this position.
John Kasberger, Hood River County	June 21, 2021	Reappointed to a second term.
Jill Amery, Wasco County	November 15, 2019	Reappointment anticipated. Recommended by the County
Tammy Miller, Multnomah County	August 22, 2019	Reappointment anticipated.
Craig Bowder, At-Large	September 6, 2022	Reappointed. Beginning his first full term.
Jorge Barragan, Wasco County	December 31, 2021	Appointed to serve in his first full term.
John Southgate, Multnomah County	August 22, 2019	Not anticipated to continue on the board.

Chair: The Chair (1) shall be the principal presiding officer of the Board and shall preside at all meetings of the members and at all meetings of the Board at which he or she is present; (2) may sign any instruments authorized by the Board to be executed, except in cases in which the signing and execution thereof shall be expressly delegated by the Board or by these Bylaws to some other officer or agent of the Board, or shall be required by law to be otherwise signed or executed; and (3) shall, in general, perform all duties incident to the office of the Chairperson and such other duties as may be prescribed by the Board from time to time.

Section 4. Vice-Chair: In the absence of the Chair, or in the event of his or her inability or refusal to act, the Vice-Chair shall perform the duties of the Chair, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chair. The Vice-Chair shall also perform such other duties as from time to time may be prescribed by the Board.

Section 5. Secretary/Treasurer: During the absence, disability or disqualification of the Chair and Vice- Chair, the Secretary/Treasurer shall exercise or perform all the duties and be subject to all the responsibilities of the Chair and Vice-Chair. In the absence of the Chair, Vice-Chair and Secretary/Treasurer, the remaining members present shall elect an acting chair.

Columbia River Gorge Scenic Area Oregon Investment Board

Fiscal Year 2019 Summary

Project funding awarded through the Columbia River Gorge National Scenic Area Oregon Investment Board helps to strengthen and diversify the economy of the region. Staffing is provided by the Mid-Columbia Economic Development District. Key activities in FY 2019 included:



Sustained Impact:

From a \$4 million allocation, the Board has approved grants and loans (utilizing revolved funds) totaling more than \$9.5 million.

Leveraging:

The Board has leveraged over \$15.2 million in private funds and more than \$13.3 million in public funds.

Employment:

Funds are provided through grants and loans to support infrastructure, business assistance, and workforce development to support job creation and retention. The Board has provided funding to projects to directly create or retain nearly 700 jobs.

✚ **Expanding the pilot loan program** which allowed the board to be responsive in providing flexible financing to:

- Mt Hood Podiatry for working capital to grow their business.
- Dr. Lauren Justice for startup of a mental health practice.
- Dog River Pet Supplies for startup of a holistic pet supply store in Hood River.

✚ **Funded completion of a feasibility study:** Columbia Gorge Community College completed a food and beverage industry study that focuses on opportunities for workforce training.

✚ **Approving loans to support new and growing businesses** including:

- Farmers Conservation Alliance for building expansion.
- Thirsty Café LLC for startup of a coffee and pastry business in Cascade Locks.

Loan Client Profile: Farmers Conservation Alliance



Farmers Conservation Alliance (FCA) is a nonprofit organization focused on water management solutions that benefit both agriculture and the environment. FCA obtained a loan for leasehold improvements on the Sheppard Building in downtown Hood River to accommodate their growing team with a larger office space but also to allow the rich agricultural history of the building to continue under their tenancy. Sheppard's, one of the oldest family owned businesses in Hood River, moved to their new headquarters in 2017.

Board of Directors: Jack Miller, Chair * John Kasberger, Vice Chair * Jill Amery, Secretary/Treasurer * John Southgate * Tammy Miller * Craig Ortega * Jorge Barragan

More information: www.mcedd.org/oib.htm

Contact

Mid-Columbia Economic Development District----- Phone: 541-296-2266
515 East Second Street, The Dalles, OR 97058

Memorandum

Date: August 15, 2019
To: Columbia River Gorge Oregon Investment Board
From: Amanda Hoey, MCEDD Executive Director
Re: Bi-State Advisory Council Meeting/ September Board meeting

Request

- 1) Commitment to participate in the Bi-State Council meeting: September 18, 2019 in Cascade Locks, Oregon.
- 2) Discuss the agenda for the annual Bi-state Advisory Council meeting and OIB September board meeting.

Overview

Annually, the Bi-State Advisory Council meets as part of its role in supporting economic development in the National Scenic Area. The Council is comprised of the full Oregon Investment Board and Washington Investment Board along with a representative from each of the following: USFS, Columbia River Gorge Commission, State of Oregon, State of Washington, Skamania EDC and Mid-Columbia Economic Development District. The overall purpose of the Council is to look at how economic development can be fostered on a regional level across state lines. The meetings foster relationships between the two boards, allow us to discuss proposed projects and are the forum from which we undertake joint activities and update joint policies.

Annual hosting responsibilities alter between WIB and OIB, with 2019 as an OIB hosting year. (*Note: there was no bi-state meeting in 2018*). Generally, we propose hosting it in coordination with an existing OIB meeting in September.

Discussion

Board input is requested on the September OIB meeting and Bi-State Advisory Council topics.

Date: Wednesday, September 18, 2019
Location: Cascade Locks, Oregon

Proposed Schedule:

10:00 am: OIB Business Meeting (City Council Chambers).
11:00 am: Tour of the Renewal Workshop
Noon: Bi-State Council meeting (Bridgeside Restaurant; lunch served)

Staff is proposing to include the following on the bi-state council agenda (input requested):

1. General Bi-State Council business: A review of activities of the boards in the past year.
2. Topic area focus: Business and economic resilience. The Investment Boards created responsive pilot programs/emergency funding resources used to support businesses struggling with the 2017 winter storms and effects from fires. MCEDD has been involved in an assessment of economic resilience strategies and development of business preparedness materials. If focusing on this topic, we would invite a broader range of stakeholders to the meeting.
3. Resource development: Status of funding requests and ongoing strategy. Invitation to USDA State Director John Huffman to participate (he will already be in the area). It ties in nicely to the business/economic resilience recommendations related to increasing access to capital.