

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

*******Thursday, March 26, 2020*******

****** 10:30 A.M. ******

Remote Only

Please call (541) 296-2266 or email ami@mcedd.org for Zoom Meeting details

| <u>Topic</u> | <u>Time</u> | <u>Item</u> |
|--|--------------------|--------------------|
| Call to Order, Conflict of Interest Disclosures Introductions | 5 minutes | Information |
| March 2020 Minutes | 5 minutes | Approval |
| Loan Disaster Relief | 20 minutes | Information |
| <i>Executive Session per ORS 192.660 (f) (Exempt Documents) 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 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**

Tuesday, March 10, 2020
Hood River Library Meeting Room
502 State Street
Hood River, Oregon

ATTENDANCE

OIB Members: Jill Amery, Jorge Barragan, Tammy Miller, Doug Roof
Staff: Jessica Metta (Interim Executive Director), Siri Olson (Finance Manager), Israel Ayala Guevara (Loan Fund Manager), Ami Trosley (Administrative Assistant)

CALL TO ORDER

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

CONFLICT OF INTEREST POLICY AND INTRODUCTIONS

Jill Amery requested any board member disclose any conflict of interest for any of the topics to be reviewed. None were noted.

February 2020 MINUTES

Doug Roof moved to approve the minutes from February 11, 2020, as presented. Tammy Miller seconded the motion. Motion carried unanimously.

FINANCIAL REPORT

Siri Olson reported the Balance Sheet reflects financials through January 31, 2020. She said Accrued Interest is at \$14,771.10 and Loans Receivable is \$1,750,939.40. She noted Accounts Payable totals \$9,687.50 and includes legal fees for some difficult clients. The Pilot Program Fund Balance available is \$80,000. The total Available to Grant/Loan is \$1,127,768.83.

Discussion: Doug Roof asked if the pilot loan fund was originally \$100,000. Siri noted it was initially \$250,000 at its inception in 2017. Doug asked about the status of the kitchen incubator project. Siri said the project was anticipated to proceed but not in the current fiscal year.

Jorge Barragan motioned to approve financials as presented. Doug Roof seconded the motion. Motion carried unanimously.

LOAN UPDATES: PAIRAT HENG DBA MONK'S TABLE

Israel Ayala Guevara noted discussion would focus on the status of Monk's Table.

FUNDED LOANS REPORT AND UPDATES

Israel Ayala noted discussion would focus on funded loan clients of concern.

EXECUTIVE SESSION:

Per ORS 192.660 (f) (Exempt Documents), the Oregon Investment Board moved into Executive Session at 10:07 a.m.

Regular Session reconvened at 10:23 a.m.

LOAN ACTION

Jorge Barragan motioned to approve staff pursue legal options for Root and Cane. Doug Roof seconded the motion. Motion carried unanimously.

BOARD SELF ASSESSMENT

Jessica Metta reviewed the board self-assessment provided to board members for self-review. She said this was an opportunity to talk about the assessment and find out more about how staff can support the board and its mission.

Discussion: Doug Roof said he reviewed the document as a new member and now that he has been an active member he felt mostly that the assessment was aligned. He asked for clarification about how board meeting dates and decisions are shared after meetings. Jessica clarified that the information is shared via public notice, MCEDD website and posted minutes. Doug posed the question would it benefit the board to share the work more broadly. Jill said she felt it is interesting to consider the amount of time spent in executive session vs public session. Jorge asked if it made sense to designate a certain part of the meeting as executive session, which would make it clearer and easier to invite public participation. Tammy said she felt there was some challenge in terms of how to discuss multiple clients and actions in a block rather than case by case. Jorge said he hasn't seen anyone come to the meetings in the amount of time he has been on the board. Jill said she likes when we do field trips and proposed moving the meeting to other locations so the meeting was more accessible for those who may want to come. Jill said she felt in reviewing the assessment that the board and staff did a good job. Jill and Jorge said that they both would appreciate feedback from the other members and that further discussion should be tabled to include full board feedback.

MARKETING FUNDS PRIORITIZATION

Ami Trosley reviewed the marketing fund discussion from the November board meeting. She presented the board with an overview of the initial conversations with possible video production companies. She asked the board for further direction on decision points regarding funding and action on this matter.

Discussion: Doug asked if it possible to accumulate funds from budget year to budget year. Siri said no, that is not a possibility. Doug also asked from a cost standpoint if there is any merit to consider going to a local high school to see if we might be able to connect with students who are interested in videography and might be able to do that work. Jill said they had reached out to universities in the Portland area and tried to see if a student group might be interested in a project. Tammy said that she remembered that we had talked about this in relationship to social media. Tammy also said she loved the idea of looking at using local colleges. Tammy suggested sponsoring a contest to see if we could get some attention and activity that way. Jill said she liked the idea and also the idea of reaching out to clients for ideas and support. Jorge said he feels that people would like to participate but not to pay for it. Jorge said he is more inclined to approve the cost of \$3,000 to \$5,000 to produce one quality video. Jorge said you can use a video for a number of years. Jessica shared a conversation with loan client Lauren Justice that she felt could make a powerful video. Jill said it is probably scary for clients to face the

process when they have been rejected before. Doug asked about reaching out to SBDC – how would they get the message out? He suggested they might have some ideas or offer an interesting perspective. Israel mentioned there is a video production school associated with The Ruins. He said CGCC used the model of testimonials of students from different programs, which represented the range and scope of what is offered. Jorge suggested looking to city or county to help with funding. Jorge said he envisions a drone video of the area/business park which would allow us to partner with others. Doug suggested talking to a Lions Club. Jill said she thought of someone in Wasco County that might be a potential partner. Jorge said he would talk to the City of The Dalles.

OIB BUDGET

Siri Olson said OIB's funds are included as part of MCEDD's overall budget each fiscal year (annually from July 1 through June 30). She said staff is seeking board input to appropriately reflect anticipated revenues and expenditures in the agency and operational funds. She stated that generally, we budget grants based upon a review of the projected revenue from interest/fees that may be available in excess of other expenses, and setting aside some of the revenue to grow the principle base of the fund. This process is intended to ensure a healthy fund to support the region. The budget presented includes \$10,000 for grants awarded in FY20, plus an additional \$25,000 of available funds for FY21. Contractual items include MCEDD staffing, provided under a contract with the State of Oregon utilizing interest and fees from the OIB programs to cover costs. There is an automatic reduction in the staffing contract if revenue is insufficient to cover expenses. The contract is developed on a biennium with the State, based on the recommendation of the OIB. We have projected a level contract with no increase this year and propose a 2% increase for the following year to keep pace with increasing costs. She also noted that additionally, in anticipation of a marketing campaign crossing fiscal years, an amount has been included to carry the marketing efforts through FY21. An allocation of funds to legal costs is included as a placeholder for the board to work with legal counsel, as necessary, on troubled loans or other legal action. It is budgeted at the same budget level as FY20 due to anticipated challenged loans. Actual expenditures for legal are as follows: FY 18 = \$717.50; FY19 = 2005.91; FY20 through 02/28/20 = \$1958.02. New Loans are projected at \$345,411 based on the three-year actual lending average. Siri noted the interest rate percentage that we use in determining new loan projection is 7.75% which is on the conservative end. She noted this may be a point to discuss for the board. Siri noted motions are only necessary for changes to what staff proposed but not to approve the overall budget.

Discussion: Jessica mentioned that she spoke to John Kasberger and that he felt the conservative nature of the budget was appropriate and that he felt comfortable with the budget. Doug mentioned that there is the possibility that this will be a very difficult year for people depending on the movement of the economy. Siri noted that while that is a possibility, our budget is conservative. Siri noted that the interest is what pays for things like the MCEDD contract and in 2017 we had to take a look at those projections because the interest was not covering those expenses. She also noted that if something extraordinary happened, we can adjust the budget for example to increase loan projections. Jill mentioned a recent conversation with state economist and said that based on his projections it does not look like the big change in the economy will take place this fiscal year. Siri mentioned that it is up to the board to decide whether or not to include the pilot loan program and what amount we would like to fund that program at. Jill mentioned that climate related disasters are not likely to go away as we face what is already a dry year. She said she was in support of the pilot loan program. Jorge said he agreed on the pilot loan program. Jorge also said he would like to see the budget line for video production increase to \$5,000. Doug asked for

clarification on the pilot loan program. Siri and Israel recapped that it is gap financing not to exceed \$40,000 within that program. Tammy said she didn't have anything to add but felt this was a really good discussion. Israel asked if we wanted to see the pilot loan program amount change. Siri said it can be adjusted in the next fiscal year if our businesses are losing business and the board felt it would be important to increase access to capital.

Jorge Barragan motioned to fund the pilot loan program at \$80,000. Doug Roof seconded the motion. Motion carried unanimously.

Jorge Barragan motioned to approve a marketing budget increase to \$5,000. Doug Roof seconded the motion. Motioned carried unanimously.

GOOD OF THE ORDER

Doug Roof said he has been taking iLearn online tutorials and quizzes sent by the State of Oregon and received a third quiz that came out in February. Jessica said we had reached out to the state to clarify training requirements. Jill noted there have been some issues with iLearn in the past. Jorge said he checked on the site in March of last year and the site told him he was current.

ADJOURNMENT: The meeting was adjourned at 11:19 a.m.

Respectfully submitted by Ami Trosley, Administrative Assistant