

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

*******Tuesday, December 8, 2020*******

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

Remote Only

Call 541-296-2266 or email ami@mcedd.org for remote access

<u>Topic</u>	<u>Time</u>	<u>Item</u>
Call to Order, Conflict of Interest Disclosures, Introductions	5 minutes	Information
Minutes <i>November 24, 2020</i>	5 minutes	Approval
Loan Modification Requests: <i>Romuls West LLC</i>	10 minutes	Decision
<i>Executive Session per ORS 192.660 (f) (Exempt Documents)</i> <i>Regular Session Reconvened</i>		
Loan Actions	5 minutes	Decision
Funded Loans Report and Updates <i>Seufert Enterprises</i>	5 minutes	Information
<i>Executive Session per ORS 192.660 (f) (Exempt Documents)</i> <i>Regular Session Reconvened</i>		
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, November 24, 2020
Remote Only – Zoom Meeting

ATTENDANCE

OIB Members: Craig Bowder, Jorge Barragan, Doug Roof, John Kasberger, Jill Amery, Tammy Miller

Staff: Jessica Metta (Executive Director), Dana Woods (Finance & Operations Manager), Israel Ayala Guevara (Loan Fund Manager)

Guests: Julie O’Shea and Alan Horton (Farmers Conservation Alliance), Tammy Kaufman (Gorge Commission)

CALL TO ORDER

Jill Amery called the meeting to order at 11:02 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. A round of introductions took place.

OCTOBER MINUTES

Jill asked if there were any edits to the minutes. None were noted.

Doug Roof moved to approve the minutes from October 2020. Jorge Barragan seconded the motion. The motion passed unanimously.

SEPTEMBER AND OCTOBER FINANCIAL REPORTS

Dana noted that since the meeting was later in the month, she was able to provide both September and October financials. The cash balance is up slightly in October due to loan payments. Several clients are on interest-only payments so the loans receivables are not decreasing much. In September, the allowance for doubtful loans was decreased as approved by the Board.

John Kaseberg and Tammy Miller joined the meeting.

Craig Bowder motioned to accept the financial reports for September and October as submitted. Tammy Miller seconded the motion. The motion passed unanimously.

LOAN MODIFICATION REQUESTS

Israel noted that he would be presenting 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 11:12 a.m.

Regular session reconvened at 11:40 a.m.

LOAN ACTIONS

Craig Bowder motioned to approve the staff's recommendation with the addition that we subordinate a blanket UCC if the bank asks for it, and noted that this is an exception to policy for our requirements of collateral coverage. Tammy Miller seconded. Motion passed unanimously.

Julie O'Shea and Alan Horton left the meeting.

Israel noted we would be reviewing delinquent loans.

EXECUTIVE SESSION

Per ORS 192.660 (f) (Exempt Documents), the Oregon Investment Board moved into Executive Session at 11:43 a.m.

Regular session reconvened at 11:45 a.m. No actions were taken.

COLLATERAL VALUATION REVIEW

At the last Board meeting, OIB requested that staff provide a breakdown on how collateral is valued. Israel presented his memo. Tammy asked if there is a specific valuation for Accounts Receivable. Israel noted that would fall under the blanket UCC filing at 25%. Tammy was surprised that all UCC filings are valued the same.

John Kaseberg noted that if someone was using an OIB loan to buy real estate, only valuing it at 75% of the value seems unreasonable and is stricter than banks, Farm Service Agency and Small Business Administration. John also noted that a 25% valuation for inventory may need to be adjusted depending on the value of the inventory (dog food versus gold). He stated that our aggressive collateral requirements mean sometimes we end up with 20-year-old vehicles to fill the gap that may not be worth it.

Craig Bowder shared his past experience with MCEDD as a gap financier was that we would loan up to 100% of the value of something. If we keep doing policy exceptions, then it could mean we need to change the policy.

Jill asked if we should do more research and have a larger policy discussion. Craig said he is ok keeping OIB valuations the same as MCEDD but that he assumes Israel will still try to use the room for flexibility in the application of the policy to work with different clients. Israel said he would value different assets differently in the future based on type of assets.

OTHER NEW BUSINESS, GOOD OF THE ORDER

Jessica noted that unless there were any questions on the Videography Project memo from Ami, she would jump to a new item in the interest of time. Given the increased COVID-19 restrictions on businesses in the region, especially food and beverage businesses, staff is requesting the authority to extend interest-only payments for another six months for clients that are in good standing, that have experienced a negative financial impact due to COVID-19, and that have

provided updated financials. If approved by the Board, staff would be able to make these changes for our clients without bringing them individually to the Board for approval.

Jorge noted that food and beverage businesses need all the help they can get. Tammy asked how a negative financial impact is determined. Jessica said that it would be by comparing financials from a year ago. Other Board members voiced support for more relief for our loan clients. John suggested pushing folks in dire straits to get help from the SBDC.

Jorge Barragan made a motion to allow an additional six-months of interest-only payments as recommended by staff. Craig seconded the motion.

Discussion: John asked how this would be implemented. Israel stated that the principal would stay the same and that the loan would not be extended. He said that if a balloon payment would occur within that time, staff will bring it to the Board for restructure.

The motion passed unanimously.

Jessica shared other updates:

- The new Multnomah County representative is still in progress.
- The December 8 Bi-State Advisory Council meeting needs to be moved and December 15 at 10am was suggested. The Board agreed this would work.
- The regular meeting date conflicts with the Gorge Commission meeting on the 2nd Tuesday. Those meetings end around 2:30. Jill suggested Jessica send out a poll about adjusting the regular meeting date/time.

Craig Bowder shared that he had heard each county would at least receive \$500,000 for distribution to businesses. Jessica stated that MCEDD is in discussions with the counties to see if we can assist with distribution.

The meeting was adjourned at 12:21 p.m.