



Mid-Columbia Economic Development District

MCEDD Loan Administration Board Meeting
Tuesday, April 4, 2017
8:00am

MCEDD Office, 515 East Second Street, The Dalles

AGENDA

<u>Topic</u>	<u>Estimated Time</u>	<u>Item</u>
Call to Order, Introductions Conflict of Interest Disclosures		
Loan Administration Board Minutes <i>March 22, 2017</i>	5 minutes	Approval
Loan Request: The Honald Building, LLC	5 minutes	Information
Loan Modification Request Van Kessel, Inc dba Crown Prints	5 minutes	Information
<i>Executive Session per ORS 192.660 (f) (Exempt Documents)</i> <i>Regular Session Reconvened</i>		
Loan Actions	10 minutes	Decision
Other New Business		
Adjourn		

The meeting location is accessible to persons with disabilities. If you have a disability that requires any special materials, services or assistance, please contact us at (541) 296-2266; TTY 711 at least 48 hours before the meeting. MCEDD is an equal opportunity employer, lender and provider.

Executive Session Protocol MCEDD Loan Administration Board

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

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

At the end of discussion, the LAB chair will close the Executive Session. The LAB moves back to open session. At this point, the LAB Chair asks for a motion on the decision items in open session. Following a proper motion (motion and a second), the LAB chair requests discussion on the motion. Following any discussion, the LAB chair request a vote ("all those in favor, signify by saying aye" "all opposed signify by saying nay" "any abstentions?"). Staff may ask for a roll-call vote, if the responses are unclear

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**MID-COLUMBIA ECONOMIC DEVELOPMENT DISTRICT
LOAN ADMINISTRATION BOARD MEETING MINUTES**

Wednesday, March 22, 2017

8:00 AM

Bette's Place Meeting Room, 416 Oak Street, Hood River

ATTENDANCE:

BOARD: Bob Hamlin, Dillion Borton, Rex Johnston, Bob Benton, Judge Gary Thompson, Scott Clements and Rod Runyon

STAFF: Eric Nerdin, Sherry Bohn and Amanda Hoey

GUESTS: James Freeborn

CALL TO ORDER:

Scott Clements called the meeting to order at 8:00 a.m. A quorum was present. A round of introductions took place. Scott Clements requested that any Board member disclose any conflict of interests for any of the topics to be reviewed today. Bob Benton reported a potential conflict of interest with Northwest Pediatrics and Adolescent Medicine, LLC and noted he would abstain from any vote on that client.

LOAN ADMINISTRATION BOARD MINUTES

Bob Benton moved to approve the minutes from March 22, 2017. Bob Hamlin seconded the motion. Motion passed unanimously

LOAN MODIFICATION REQUEST: NORTHWEST PEDIATRICS and ADOLESCENT MEDICINE, LLC:

Eric Nerdin presented a loan modification request from Northwest Pediatrics and Adolescent Medicine, LLC for release of collateral property owned by Richard J. (Dick) Martin located at 8487 Gleneagle Way, Naples, Florida, due to sale of property, without replacement collateral and/or pay down of MCEDD loan #147-01-01.

EXECUTIVE SESSION

Per ORS 192.660 (f) Exempt Documents, the MCEDD Loan Administration Board moved into Executive Session at 8:06 a.m.

Regular session was reconvened at 8:32 a.m.

LOAN MODIFICATION REQUEST DECISION: NORTHWEST PEDIATRICS and ADOLESCENT MEDICINE, LLC:

Bob Hamlin moved to approve the loan modification request and release real estate property located at 8487 Gleneagle Way, Naples, FL 34120, due to sale of property, without requiring replacement collateral and/or pay down of MCEDD loan # 147-01-01. Gary Thompson seconded the motion. Motion passed with one abstention (Bob Benton).

LOAN APPROVAL MODIFICATION REQUEST: FREEBORN DESIGNS, LLC:

Eric Nerdin presented a loan approval modification request from Freeborn Designs, LLC to change approved collateral.

EXECUTIVE SESSION

Per ORS 192.660 (f) Exempt Documents, the MCEDD Loan Administration Board moved into Executive Session at 8:36 a.m.

Regular session was reconvened at 9:17 a.m.

LOAN APPROVAL MODIFICATION REQUEST DECISION: FREEBORN DESIGNS, LLC:

Bob Hamlin moved to deny the request to change approved collateral required for the conditional loan approval for \$12,000 to Freeborn Designs, LLC. Bob Benton seconded the motion. Motion passed unanimously.

Discussion: With the determination to deny the modification, the applicant will not be able to meet the conditions of approval and is therefore unable to qualify for the loan. Bob Benton stated that this was a difficult decision for the Board. Scott Clements stated that the loan board has a fiduciary responsibility to make the best use of the funds available to loan. He explained that the board is constrained by set standards. Scott noted that the initial conditionally approved loan to James Freeborn required a variation of those standards and that the requested loan approval change would further lower the collateral value, making this loan untenable for MCEDD. James Freeborn asked if he could pay the difference in the collateral value. Bob Benton stated that James could reapply for a loan that more fully met all of the lending standards. James stated that he thought the loan was guaranteed and that he had committed to spending the funds. Bob Benton reminded James that the loan was conditionally approved, not guaranteed. Staff provides a conditional loan approval letter which clearly states the conditions the applicant must meet in order to obtain the loan.

LOAN ACTIVITY and UPDATES

Eric Nerdin presented updates on funded loan client Heidi Hall dba Sweet Lila's Coffee Cup and loan status updates on Fort Dalles Electric, Full Circle, LLC, Morale Orchards, F & B 1, LLC, Woop Wear and Happy Endings.

ADJOURNMENT: Having no other new business, the meeting was adjourned at 9:25 a.m.

Respectfully submitted by Sherry Bohn, MCEDD Office Administrator