



Mid-Columbia Economic Development District

**MCEDD Loan Administration Board Meeting**  
**Thursday, June 9, 2017**  
**9:00 am**

MCEDD Office, 515 East Second Street, The Dalles

**AGENDA**

<b><u>Topic</u></b>	<b><u>Estimated Time</u></b>	<b><u>Item</u></b>
Call to Order, Introductions Conflict of Interest Disclosures		
Loan Administration Board Minutes <i>June 6, 2017</i>	5 minutes	Approval
Loan Modification Request: <b>Veronica's Salsa, LLC</b>	5 minutes	Information
<b><i>Executive Session per ORS 192.660 (f) (Exempt Documents)</i></b> <i>Regular Session Reconvened</i>		
Loan Actions	5 minutes	Decision

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**

Tuesday, June 6, 2017  
8:00 AM  
MCEDD OFFICE, 515 East 2<sup>nd</sup> Street, The Dalles

**ATTENDANCE:**

BOARD: Scott Clements (teleconference), AJ Tarnasky (teleconference), Bob Benton (teleconference), Rex Johnston (teleconference), Dillon Borton (teleconference), Gary Thompson (teleconference) and Bob Hamlin (teleconference)

STAFF: Eric Nerdin, Sherry Bohn and Amanda Hoey

GUESTS: Rick Leibowitz (CGCC SBDC), Natasha Skov (Discover Development), James Martin (Discover Development) and Martin Schwarzbach (Bent River, Inc.)

**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 requested that any Board member disclose any conflict of interests for any of the topics to be reviewed today. None were noted.

**LOAN ADMINISTRATION BOARD MINUTES**

Bob Hamlin moved to approve the minutes from May 16, 2017. AJ Tarnasky seconded the motion. Motion passed unanimously.

**LOAN REQUEST: DISCOVER DEVELOPMENT, LLC:**

Eric Nerdin presented a loan request from Discover Development, LLC for a \$320,000 MCEDD loan to pay off a balloon payment due to The Dalles Urban Renewal.

**LOAN ACTION REQUEST: HAPPY ENDINGS, LLC DIRTY FINGERS BICYCLE REPAIR:**

Eric Nerdin presented a loan action request for Happy Endings, LLC dba Dirty Fingers Bicycle Repair.

Gary Thompson joined the meeting at 8:05 am.

**APPROVED LOAN MODIFICATION REQUEST: BENT RIVER, INC.:**

Eric Nerdin presented a request from Bent River, Inc. to modify the terms of their conditionally approved loan to remove the house as collateral and to modify the loan payment schedule for seasonality payments.

**EXECUTIVE SESSION**

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

Dillon Borton joined the meeting at 8:10 a.m.

Regular session was reconvened at 8:54 a.m.

**LOAN REQUEST DECISION: DISCOVER DEVELOPMENT, LLC:**

Bob Benton moved to deny the loan request from Discover Development, LLC. Rex Johnston seconded the motion. Motion passed unanimously.

**LOAN REQUEST DECISION: HAPPY ENDINGS, LLC DIRTY FINGERS BICYCLE REPAIR:**

Rex Johnston moved to approve the MCEDD staff recommendation as presented. Bob Hamlin seconded the motion. Motion passed unanimously.

**APPROVED LOAN REQUEST DECISION: BENT RIVER, INC:**

AJ Tarnasky moved to deny the request from Bent River, Inc. Rex Johnston seconded the motion. Motion passed unanimously.

**OTHER NEW BUSINESS: EDA LETTER**

Amanda Hoey reported that on May 24, 2017 MCEDD received a letter from the US Economic Development Administration related to the default rate for clients in the EDA RLF portfolio. She reported that the letter was prompted by the figures included in the last semi-annual report for the period ending March 31, 2017. At the time, there were three delinquent clients and one in default. Amanda reported that since the report submission, only one client remains past due for that particular fund and this client has committed to a repayment plan. Amanda reported that, per EDA's instructions, staff has prepared a response letter describing the circumstances of delinquent and defaulted clients. She requested the Loan Administration Board review the letter and to authorize signature and submission by the MCEDD Loan Administration Board Chair.

The Board consensus was to authorize signature and submission by the MCEDD Loan Administration Board Chair.

**LOAN ACTIVITY and UPDATES:**

Eric reported that the monthly loan activity report was included in the packet and noted LDB Beverage had made their planned weekly payment.

**ADJOURNMENT:** Having no other new business, the meeting was adjourned at 9:02 a.m.

*Respectfully submitted by Sherry Bohn, MCEDD Office Administrator*