

**Loan Program Advisory Committee Meeting Packet**

**February 23, 2023**

**10:00 – 10:30 am**

**In person at:** Cascades West Center 1400 Queen Avenue, SE

1st Floor, ABC Conference Room Albany, OR 97322

**Or Click** [**HERE**](https://gcc02.safelinks.protection.outlook.com/ap/t-59584e83/?url=https%3A%2F%2Fteams.microsoft.com%2Fl%2Fmeetup-join%2F19%253ameeting_MjA0OGI2ZDctYWE5MS00YjU3LTk5ZjEtZjQ2Y2Y5ODgzOTE0%2540thread.v2%2F0%3Fcontext%3D%257b%2522Tid%2522%253a%2522cf8f0bab-b5d5-47ad-9a03-39ec05c04fbc%2522%252c%2522Oid%2522%253a%2522b12a7d09-4842-4d79-ab2b-cde0828bc369%2522%257d&data=05%7C01%7CEChavez%40ocwcog.org%7Cf28035e85875496b73ba08dae2168376%7Ccf8f0babb5d547ad9a0339ec05c04fbc%7C1%7C0%7C638070883568819749%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=Ll%2FiQ46y1K8kKbLMvOkSbHIDL9xTkJtnTfonpmMfRAI%3D&reserved=0) **to Join via Teams**

*Meeting locations are wheelchair accessible. If you need special assistance, please contact Oregon Cascades West Council of Governments at 541-967-8720, forty-eight (48) hours prior to the meeting.*

1400 Queen Ave SE • Suite 201 • Albany, OR 97322

(541) 967-8720 • FAX (541) 967-6123

**LOAN PROGRAM ADVISORY COMMITTEE MEETING AGENDA**

**February 23, 2023**

**10:00 – 10:30 am**

In Person at Cascades West Center:

1400 Queen Avenue, SE, Albany, OR; Downstairs Conference Room, or via Teams by clicking [**HERE**](https://gcc02.safelinks.protection.outlook.com/ap/t-59584e83/?url=https%3A%2F%2Fteams.microsoft.com%2Fl%2Fmeetup-join%2F19%253ameeting_MjA0OGI2ZDctYWE5MS00YjU3LTk5ZjEtZjQ2Y2Y5ODgzOTE0%2540thread.v2%2F0%3Fcontext%3D%257b%2522Tid%2522%253a%2522cf8f0bab-b5d5-47ad-9a03-39ec05c04fbc%2522%252c%2522Oid%2522%253a%2522b12a7d09-4842-4d79-ab2b-cde0828bc369%2522%257d&data=05%7C01%7CEChavez%40ocwcog.org%7Cf28035e85875496b73ba08dae2168376%7Ccf8f0babb5d547ad9a0339ec05c04fbc%7C1%7C0%7C638070883568819749%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C3000%7C%7C%7C&sdata=Ll%2FiQ46y1K8kKbLMvOkSbHIDL9xTkJtnTfonpmMfRAI%3D&reserved=0)

**NOTE:** Please contact Leah Snodgrass at 541.967.8720 or [lsnodgrass@ocwcog.org](mailto:lsnodgrass@ocwcog.org), no later than noon on Wednesday, February 22nd, in order to confirm your attendance.

1. **Welcome/Call to Order** (*Chair, Commissioner Claire Hall*) (10:00 – 10:05 am)

Introductions

1. **Consent Calendar** (*Chair, Commissioner Claire Hall*) (10:05 – 10:10 am)

a) Approval of Loan Program Advisory Committee (LPAC) meeting minutes for April 28, 2022.[(Page 3)](#_bookmark0)

### ACTION: Motion to approve Consent Calendar items.

1. **Membership Discussion & Bylaws Update** *(Director Ryan Vogt)*

(10:10 – 10:20 am)

A discussion regarding the LPAC membership and decision on the updated LPAC and Loan Review Subcommittee bylaws format. [(Page 5)](#_bookmark1)

### ACTION: Motion to recommend the updated LPAC and LRS updated bylaws to the Full Board of Directors for adoption.

1. **Program Update & Activity Report** *(Staff, Didi Aho)*

Staff Didi Aho will provide a program update and 2022 activity report. [(Page 11](#_bookmark2)) (10:20 – 10:30 am)

### ACTION: Information only.

1. **Adjournment**

(10:30 pm)

**MEMBER GOVERNMENTS** — **COUNTIES:** Benton, Lincoln, and Linn **CITIES:** Adair Village, Albany, Brownsville, Corvallis, Depoe Bay, Halsey, Harrisburg, Lebanon, Lincoln City, Millersburg, Monroe, Newport, Philomath, Siletz, Sweet Home, Sodaville, Tangent, Toledo, Waldport, Yachats **OTHER:** Confederated Tribes of Siletz Indians and Port of Newport

**OREGON CASCADES WEST COUNCIL OF GOVERNMENTS**

## LOAN PROGRAM ADVISORY COMMITTEE MEETING

### DRAFT MINUTES

Thursday, April 28, 2022

**Attendees:** Commissioner Pat Malone, Mayor Jim Lepin, and Alysia Rodgers, and Commissioner Sherrie Sprenger

**Staff:** Ryan Vogt, Jenny Glass, Sandra Easdale, Marit Nelson, and Sarah Lindsey

### Call to Order and Agenda Review

Meeting called to order at 11:03 am by Vice Chair, Mayor Jim Lepin. Introductions were conducted.

### Approval of August 26, 2021, Meeting Minutes

***ACTION: Mayor Jim Lepin made a motion to approve the August 26, 2021, LPAC meeting minutes as presented. Commissioner Sherrie Sprenger seconded the motion. Motion passed.***

### Review and approve LPAC Membership & 2022 Meeting Calendar

Staff Sandra Easdale - Packet list 2022 advisory committee loan committee, you may be retiring from Vice Chair and the position will need to be addressed. Most current list shows potential meetings scheduled. Minimum of two a year, put four on the calendar, provided when meetings help and shared. August 25 and October 27 are set up as potential meeting dates. Any question?

Commissioner Pat Malone - Potential dates? Are they planning to have four meetings?

Staff Sandra Easdale - No usually have two, maybe three, but not four, those are just potential dates. Motion should read- to approve meeting calendar and memberships. Need to approve, do not need to deduct. Approve membership as is.

***ACTION: Mayor Jim Lepin made a motion to approve the meeting calendar and LPAC Membership. Alysia Rodgers seconded to approve. Motion passed.***

### Review and appoint new Loan Review Subcommittee (LRS) Members

Staff Sandra Easdale – There is a vacancy in Lincoln County, a banker had moved into the private sector leaving an open spot. Jedd Fly of Oregon Coast Bank has offered up his service for LRS. The LPAC is asked to review the LRS membership and make a motion to approve Jedd Fly as the Lincoln County representative.

***ACTION: Alysia Rodgers made a motion to approve Jedd Fly for Lincoln City - Loan Review Subcommittee (LRS) membership. Commissioner Pat Malone seconded to approve. Motion passed.***

### Lending Activities

Staff Sandra Easdale – Reported for YTD FY 2022. We have two loans funded in Lincoln County. We assisted with a loan for a building and food cart pods business owned by Oregonized LLC. Also, we funded one of the food carts that will be serving food at the new location in Lincoln City called Smoked Out Sandwiches. An SBA 504 loan was funded with the partnership of Oregon State Credit Union on an expansion for a therapy business called Albany Wellness Center in Albany. For the contract work with the City of Lincoln City, they had 3 loan approval. I do credit risk analysis and make recommendation to LCURA for the City of Lincoln City to approve. We then prepare the closing documents, secure collateral, and service the loan for its term. YTD there has been seven OCWCOG payoffs and three LCURA payoffs.

### Lending Update

Staff Sandra Easdale - noted that she has officially accepted a job with Lane Council of Governments (LCOG). Sandra’s last day at OCWCOG will be May 6th. Jenny and Sandra are working together for a smooth transition. Sandra stated that “this is an important program, and the region needs the funds to assist business and create jobs. Rates are going up and to be able to offer gap financing is important. I really think this program will succeed and continue. Thank you for your support.”

Mayor Jim Lepin - We wish you well and hope all goes well.

Commissioner Pat Malone - You mentioned rates going up. How long is the average loan?

Staff Sandra Easdale - depending on the collateral, range is 5-7 years for equipment loans. OCWCOG local loans offer up to 15 years for real property. SBA offers 10, 20 and 25 years on real property. Feds are looking to bump up rates at least three times this year, so it is going to have an impact on what the banks will be able to offer to businesses.

**ACTION: Information only, no action needed.**



# Loan Program Advisory Committee Bylaws

Adopted September 16, 1999

Amended January 15, 2009

Amended May 15, 2014

Amended December 03, 2015

Amended May 19, 2016 Amended X/X/XXXX

## ARTICLE I- Organization

The Loan Program Advisory Committee (LPAC) is hereby established by the Oregon Cascades West Council of Governments (OCWCOG).

## ARTICLE II- Purpose and Objective

The purpose of the LPAC is to advise the Business Lending Staff and the OCWCOG Board of Directors on matters relating to the development and operation of the Business Lending Program.

1. Setting loan program objectives and monitoring the loan program relative to the objectives, including review of program and portfolio reports.
2. Assisting in identifying unmet needs within the OCWCOG region.
3. Adopting or modifying the work plans for the individual loan funds.
4. Setting operational policies, such as those for loan liquidation and foreclosure.
5. Advocating activities to support policies, services, and facilities for small business interests at local, state, and national levels.
6. Reviewing and recommending action on loan applications.

## ARTICLE III- Membership

1. Shall consist of the Board of Directors’ Executive Committee, and a commercial banking lending professional or an individual involved in economic development within the OCWCOG region.
2. The term of membership for the Non-Executive Committee members shall be two (2) years. There shall be a limit of three (3) terms. Former Committee members shall be eligible for reappointment when at least one (1) year has lapsed after completion of the maximum of three (3) terms.

## ARTICLE IV- Officers and Staffing

Officers shall consist of a Chairperson and a Vice-Chairperson and will be the Chair and Vice- Chair of the OCWCOG Board, respectively.

1. **Chairperson** - Shall preside at all LPAC meetings and shall be an ex-officio member of all sub-committees. The chairperson may vote on any item before LPAC.
2. **Vice-Chairperson** – In the absence of the Chairperson, the Vice-Chairperson shall execute all functions of the Chairperson.
3. OCWCOG will provide staff support for the Loan Program Advisory Committee and will provide staff to serve as a recording secretary.

## ARTICLE V- Subcommittees

1. LPAC may establish subcommittees as necessary to handle specific responsibilities.
2. Subcommittees shall operate under workplans, policies, and planning guidelines of LPAC and the OCWCOG Board. Membership of subcommittees may include, but is not restricted to, members of LPAC.

## ARTICLE VI- Organizational Procedures

1. LPAC shall hold meetings as necessary, at least semi-annually, at a time and place as designated by the Chairperson.
2. A majority of the membership of LPAC shall constitute a quorum for the transaction of business.
3. Proceedings of meetings will be recorded in order to ensure accuracy of minutes. Recordings will be retained for reference for one year.
4. Robert’s Rules of Order Revised will serve as the parliamentary authority for the operation of LPAC in all cases not covered by these bylaws. LPAC may formulate additional specific standing rules and rules of order to govern the conduct of its meetings provided they do not conflict with these bylaws.
5. No proxy voting is permitted.
6. Special meetings, for any purpose or purposes, may be called by the Chairperson, or, in the absence of the Chairperson, by the Vice-Chairperson. Notice of time and place of any special meeting shall be given to each member, either electronically, personally, or by mail, at least three (3) days prior to such meetings. Notice shall

state the purpose of the meeting.

1. Each LPAC member shall be given a copy of these bylaws and amendments.

## ARTICLE VII- Amendments

1. Recommendations to the OCWCOG Board to repeal, amend, add to, or replace, these bylaws may be made by a majority vote of the membership. A positive vote to change shall be forwarded to the OCWCOG Board for action.

The OCWCOG Board may initiate a change in the bylaws. Such change shall be presented at one (1) meeting of OCWCOG Board. If it received a positive, majority vote, it shall be referred to LPAC for comment. Subsequently, it shall be presented for adoption by OCWCOG Board with the comment of the Loan Program Advisory Committee. A simple, positive majority vote from OCWCOG Board is required to adopt the proposed change.



# Loan Review Subcommittee Bylaws

Adopted January 15, 2009

Amended May 15, 2014 Amended X/X/XXXX

## ARTICLE I- Organization

The Loan Review Subcommittee (LRS) is hereby established by the Oregon Cascades West Council of Governments Loan Program Advisory Committee (LPAC).

## ARTICLE II- Purpose and Objective

The purpose of the Loan Review Subcommittee (LRS) is to review and make recommendation on business loan applications submitted by the Loan Program Manager. LRS recommendations will be provided to the OCWCOG Executive Director, who will approve or decline the applications.

## ARTICLE III- Membership

1. The Subcommittee shall consist of seven (7) members.
2. Members of the Subcommittee shall be appointed by LPAC and shall include a commercial lender from each of the Linn, Benton, and Lincoln Counties; one (1) the LPAC Chair; and three (3) individuals from Linn, Benton, and Lincoln Counties representing various business and industry sectors.
3. Except for the LPAC Chair, the term of membership shall be two (2) years. There shall be no limit of terms.
4. Members of the LRS shall agree to maintain confidentiality of all applicant information and the outcome of their reviews.
5. The Subcommittee may nominate to the LPAC persons to fill vacant positions for partially completed terms.

## ARTICLE IV- Officers

Officers shall consist of a Chairperson and Vice-Chairperson.

1. **Chairperson** – Shall be the LPAC Chair member and shall convene the Subcommittee meetings. The Chairperson may vote on any item before the subcommittee. The Chairperson is the sole official spokesperson for the Subcommittee unless this responsibility is specifically delegated.
2. **Vice-Chairperson** – Shall be selected by the LPAC and shall execute all the functions of the Chairperson in their absence.
3. The Council of Governments will provide support staff for the LRS and will provide staff to serve as a recording secretary for the Subcommittee.

## ARTICLE V- Committees

The LRS does not consist of any subcommittees.

## ARTICLE VI- Organizational Procedures

1. The LRS shall act in an advisory capacity to the OCWCOG Executive Director. LRS meetings will not be subject to public meeting requirements which will maintain the confidentiality of the loan applicant information.
2. LRS Meetings will be conducted via one of the following methods: in-person meeting, conference call, or internet. Meetings may be called by the CED Director or the LRS Chair. If meeting in person, a notice of time and place of al meeting shall be given to each member, by email, at least five (5) days prior to the meeting. If meeting electronically, the Subcommittee will be given a reasonable time to review and comment and vote on the loan proposal under review.
3. A majority of the membership of the Subcommittee shall constitute a quorum for the transaction of business, as long as one commercial lender is present or participates in voting on any loan recommendations. No proxy voting is permitted. A simple majority of the representatives present, and voting shall be sufficient to decide a question before the Subcommittee.
4. Records of the meetings shall be retained and incorporated into loan application filed, as necessary.
5. Lending staff will review application materials and make a recommendation to the Loan Review Subcommittee.
6. When meeting in person, Robert’s Rules of Order Revised will serve as the parliamentary authority for the operation of the subcommittee in all cases not covered by these bylaws. The Subcommittee may formulate additional specific standing rules and rules of order to govern the conduct of its meetings provided they do not conflict with these bylaws.

## ARTICLE VII- Conflict of Interest

An LRS member that has a personal and/or professional relationship with a loan applicant that constitutes a conflict of interest shall not participate in the discussion or review of that individual’s

loan application. As used here, conflict of interest is defined under ORS 244.020.

## ARTICLE VIII- Amendments

1. Recommendations to the LPAC to repeal, amend, add to, or replace, these bylaws may be made by a majority vote of the LRS membership. A positive vote to change shall be forwarded to the LPAC for action at their next meeting.
2. The LPAC may initiate a change in the bylaws. Such change shall be presented at one meeting of the Committee. Prior to enacting any change of bylaws, LPAC shall refer their recommendation back to LRS for comments. A simple, positive, majority vote of the LPAC is required to adopt the proposed change.
3. Each LRS member shall be given a copy of these bylaws and amendments.

**Lending Activity 04/28/2022 - 12/31/2022**

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Business Name:** | **Business Type:** | **City:** | **County:** | **Loan Program:** | **Funded Date:** | **Paid off Date:** | **Loan Amount:** | **Total Project Amount:** | **Jobs Created or Retained:** | **Partner Lender:** | **Partner Banker:** | **Use of Funds:** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| **OCWCOG New Loans:** |  |  |  |  |  |  |  |  |  |  |  |  |
| Gran Prix Cycle | Motorcycle Sales & Service | Albany | Linn | RLF CARES | 05/06/22 |  | $100,000.00 | $360,000.00 | 3 | Seller Financing |  | Puchase business, inventory and working capital |
| Crabtree Automotive | Car Service & Repair | Albany | Linn | RLF CARES | 08/05/22 |  | $80,000.00 | $410,000.00 | 1 | Oregon State CU | John Doty | Purchase parking lot for customer parking |
| 2 Broke Bartenders LLC | Bar & Restaurant | Newport | Lincoln | LCLF | 11/04/22 |  | $60,000.00 | $120,000.00 | 3 | Seller Financing |  | Puchase business, inventory and working capital |
| **Totals:** |  |  |  |  |  |  | **$240,000.00** | **$890,000.00** | **7** |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| **OCWCOG Paid off Loans:** |  |  |  |  |  |  |  |  |  |  |  |  |
| Little Chief Restaurant | Restaurant | Siletz | Lincoln | RDF4 |  | 05/26/22 | $18,200.00 |  |  |  |  |  |
| Kam Meng Chinese Restaurant | Restaurant | Newport | Lincoln | RDF4 |  | 08/22/22 | $47,000.00 |  |  |  |  |  |
| Kam Meng Chinese Restaurant | Restaurant | Newport | Lincoln | RDF1-3 |  | 08/22/22 | $96,000.00 |  |  |  |  |  |
| Smoked Out Sandwiches | Food Truck | Lincoln City | Lincoln | RMAP | 07/27/21 | 12/06/22 | $34,000.00 |  |  |  |  | Paid off 5 year loan in 1.5 years |
| Buckmaster Pro Plumbing & Heat | Plumbing & Heating | Lebanon | Linn | RLF | 09/29/17 | 12/16/22 | $136,000.00 |  |  |  |  |  |
| **Totals:** |  |  |  |  |  |  | **$331,200.00** |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| **LCURA/L.C. New Loans:** | *The LCURA program ran out of funding and will not be making additional loans. The City of Lincoln City had budgeted funds made available in FY22-23 for private sector. There was budget available but only for the public development sites that*  *are in the pipeline. No new funding possible before June 30, 2023.* | | | | | | | | | | | |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| **LCURA/L.C. Paid off Loans:** |  |  |  |  |  |  |  |  |  |  |  |  |
| **Totals:** |  |  |  |  |  |  | **$0.00** |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |
| **City of Albany New Loans:** | *OCWCOG will be partnering with the City of Albany to service an existing City loan program beginning 2023.* | | | | | | | | | | | |
|  |  |  |  |  |  |  |  |  |  |  |  |  |