

Gilliam County Court
Regular Meeting
3/6/2019

Judge Farrar opened a special work session of the Gilliam County Court at 9 a.m. at the Gilliam County Courthouse in Condon, Oregon. Present were Judge Elizabeth Farrar, Commissioner Leslie Wetherell, Commissioner Sherrie Wilkins, Court Administrator Sandy McKay, Treasurer Nathan Hammer, and Deputy Treasurer Kelly Smith.

IN THE MATTER OF RESTRUCTURE OF ANNUAL COUNTY GRANT PROGRAM

SPECIAL PROJECTS

In summary, Sandy McKay noted that decisions based on discussions at the Feb. 20 workshop included the following:

- Applications must show a minimum 25% match from other funding sources.
- Capital purchases are capped at \$20,000 (no limit on events).
- Applications must be for specific projects or events, not for regular operating expenses.
- No map
- Special Project Grants will be moved from the Community Development Department to the Treasurer's Office.
- The review team will consist of the community development coordinator, court administrator, and another elected official.
- Funds not awarded, or those that are unclaimed or returned will be carried forward to the following year.
- Merit review: Benefit to the county, 60%; matching funds leveraged, 25%, timeliness/necessity of funding, 15%.

In response to a question by Judge Farrar, Nathan Hammer said that the amount of available funds will be known before applications are received.

Applications

II. Program Narrative: The summary should include explanations of your organization's purpose and role in the county, project timeframe, how county funding will be utilized, how your project fits within the County's strategic priority areas of economic development, infrastructure, and livability/quality of life.

III. Program Information 1. Has your organization received project funding from the County in the past? If so, please briefly describe past County funded projects, including amounts of grant funding received. 2. Is your project proposed to be implemented in phases over time? If so, describe the future implementation of your project and outline any future funding requests that the County may be asked to consider. 3. What other funding sources has your organization sought out before making a request to the County Court? Describe how you were successful in obtaining other project funding support or why you were not? 4. Describe your long-term plan for operating and maintaining your project after construction? If you have a developed operation or business plan, please attach to the application (does not count towards page limits).

- The court agreed that No. 4 should be reworded as follows: “Describe your long-term plan for operating and maintaining your project.”

IV. Budget

V. Match Funding Form

VI. Additional Information:

Most recent financial statement
Business/Operational plan

The Court agreed that a budget is sufficient for special project requests.

In response to a question posed by Commissioner Wetherell, Sandy McKay noted that some previous requests weren't projects or events, but for fundraising, which may be counter to the court's earlier decision that funds should be used the year in which they are requested. He also pointed out that No. 4, (Program Information), requests that an operational or business plan should be attached to the application.

Timeline: Unchanged

- The court agreed that the Special Projects Grant program updates are ready for approval at the regular meeting this afternoon.

REPORTING REQUIREMENTS: OPERATIONAL SUPPORT

Progress Reporting/Final Reporting

Question: Do you want progress reporting for Operational Support grants and if so, how should reports be structured? When will they be due?

- The court agreed that a final report will be requested from entities receiving operational support this year. Those that apply a second year will be required to provide a sustainability plan before the next application cycle. Grants will be awarded pending a signed Grant Agreement.

Fiscal Reporting

Question: Reporting throughout the year? Should a full accounting be required? If so, how detailed should they be? Receipts?

- The court agreed that a final report consisting of a summary is sufficient.

REPORTING REQUIREMENTS: CAPITAL INVESTMENT PROJECTS

Progress Reporting

- The court agreed that the final report will serve as a baseline. Further progress reporting will be considered on a case by case basis depending on project size, length, etc., with recommendations provided by staff after review.

Final Reporting

- The court agreed that final reports consisting of a summary will be due 60 days after completion of the project. Interim reports may be requested.

Fiscal Reporting

- The court agreed it is appropriate to request more detail for capital investment projects. Receipts will be required only for reimbursable requests.

Reporting Requirements: Capital Investment Projects

Progress Reporting/Final Reporting/Fiscal Reporting

- The court agreed that a summary is sufficient.

Commissioner Wetherell told the court she has received questions about the internship program, which received county funding from a different source (SIP Gain Share). She

asked if there will be special situations or entities outside the normal funding process, and how those situations will be addressed. Judge Farrar noted that other situations include intergovernmental agreements with the City of Condon for support of the swimming pool, predator control program, fire services, and others. She said that if there is a legal instrument such as an IGA in place, the arrangement falls outside of the grant process. Any requests outside the IGA would be considered through the grant process.

Commissioner Wetherell commented that the internship agreement involves an individual rather than an entity. Judge Farrar said either the program should be funded as a county program, or it would be necessary for an appropriate entity (such as the school district, to serve as the sponsor for submission of a grant request.

- The court agreed that when a project isn't a county program or no IGA is in place, requests for funding would be considered via the grant process.

In response to a question posed by Commissioner Wetherell, Judge Farrar said she doesn't think management of an internship program is within the county's scope. If the county wants to hire an intern, the position would be managed in-house.

- The court agreed.

Sandy McKay asked what might happen in the event that an IGA isn't renewed (such as the agreement with City of Condon for the operation of the swimming pool). Judge Farrar said in cases where the court previously decided funding was appropriate; an exception would probably be made.

McKay also asked about organizations that want to make multiple requests in a year. Judge Farrar said that all applications are based on merit, and if staff makes a recommendation, there is no reason funding should be limited, although projects could be prioritized.

- The court agreed.

RESTRUCTURE OF THE BUSINESS DEVELOPMENT LOAN PROGRAM

Background: The Business Development Loan Program was established as part of the Economic Enhancement Fund Ordinance (circa 1991). The EEF is funded by Host Fees assessed on Waste Management and fluctuates from year to year based on tonnage at the site. The Business Development Loan Fund is currently funded at 4% of host fees per year. The BDLF is capped at a maximum of \$750,000 per year. (Up from \$500,000). With PCDC claiming the full \$750,000 for the Attainable Housing Program the fund will be at zero.

From the Ordinance: “There is a need to have a fund available within the County for business; existing businesses and startups. Frequently, conventional lenders will not lend the full amount required, and there may be a gap. This fund is primarily to fill the gap. Loan applications will be considered for Gilliam County businesses, with interest and terms established by the Gilliam County Court. The fund will be on deposit at an FDIC insured local bank. This fund will be capped annually at \$750,000. Policies and procedures for this fund were adopted in 2010 and revised in 2012.”

Question/Discussion:

Where does the court want to go with the Business Development Loan Program?

Commissioner Wilkins commented that it isn't productive for the county when businesses close for lack of funding. Judge Farrar asked the court what changes should be made in the way the loans are facilitated. She suggested there might be an entity that could administer loans in partnership with the county. Kelly Smith commented that previously, GEODC acted in that role by providing recommendations that were approved or denied by the court. Judge Farrar suggested that the court could cede authority if the entity was carefully selected. Nathan Hammer pointed out that a business person wouldn't have made most of the current loans, and Sandy McKay commented that a bank's loan manager would look at applications based on the risk of default, while the court considers the benefit to the county.

- The court agreed that no money will be loaned until a system is in place.

Judge Farrar asked if the review process should be an in-house process, or if the county should partner with an organization that might already have a process in place that could be easily modified to fit the county's needs.

- The court agreed to contact GEODC and MCEDD (Mid-Columbia Economic Development), and AOC for more information, as well as Morrow County and other counties with loan programs.

Another work session regarding the county's Business Loan program will be scheduled after the budget has passed and a system is in place.

Judge Farrar announced that a regular meeting of the Gilliam County Court will begin today at 1 p.m.

IN THE MATTER OF ADJOURNMENT

Judge Farrar adjourned the work session at 10:45 a.m.

GILLIAM COUNTY COURT

By _____
Elizabeth Farrar, Judge

By _____
Leslie Wetherell, Commissioner

By _____
Sherrie Wilkins, Commissioner

Mary H. Dyer/Recorder _____