

Oregon Growth Board

June 22, 2017

Business Oregon Portland Office

Attendance

Members Present or on Call: Co-Chair Gerry Langelier, OVP Venture; Co-Chair Patricia Moss, Bank of the Cascades; Adam Zimmerman, Craft 3; Jim Coonan; Chris Harder, Business Oregon; Chad Olney, Pacific Crest Federal Credit Union; Stephen Green, Townsquared

Members Absent: Sen. Chuck Thomsen; Rep. Dan Rayfield; Monica Enand, Zapproved; Treasurer Tobias Read, Oregon State Treasury; Sayer Jones, Meyer Memorial Trust

Staff Present or Conference Call: Nathan Wildfire, Business Oregon; Stephen Marlowe, DOJ

Guests Present or Conference Call: Jon Finney, CTC MyCFO

Co-Chair Moss called the meeting to order at 1:08pm.

Welcome, Introductions, Minute Approval

Co-Chair Moss opened the meeting and conducted introductions. Minutes from the May 2017 meeting were unanimously approved after a motion from Jim Coonan and a second from Adam Zimmerman.

Public Comment

No public comment

Upcoming Pipeline Update

Jon Finney and Nate Wildfire discussed the upcoming pipeline of investment opportunities. The board gave direction that a priority was to invest as close to \$20M as possible this year, if opportunities warrant, meaning that some institutional opportunities, particularly in diverse sectors, should be prioritized. Enlightened Hospitality Inc., Maveron, and Seven Peaks are next in the due diligence queue.

Audit Compliance

The board reviewed a memo, crafted by Nate Wildfire based on board direction from the May 23 OGB meeting, to officially document the board's compliance with the recommendations of the 2016 Secretary of State audit of the Oregon Growth Account.

The board recommended that in addition to the memo, staff should continually track 1) committed capital, 2) contributed capital (called), and 3) market value of each investment, and give these three to the Secretary of State's office. These three are already continually tracked through CTC reporting.

End of (fiscal) Year Finance Check-in

Nate Wildfire gave an update to the board regarding the Strategic Reserve Fund application to the Governor to recapitalize the Oregon Growth Fund for the next biennium.

OGF Opportunity Review/Discussion

Nate Wildfire reviewed the due diligence on two OGF investment opportunities that together would spend down almost all of the remaining OGF funds for the current biennium—BVC Social Impact Fund LLC and Cascade Angels 2017. Both investment opportunities were returning funds. Wildfire recommended that the board invest OGF dollars in BVC Social Impact Fund, equal to the prior year's investment. Wildfire recommended that the board invest \$150,000 of the current biennium's OGF dollars in Cascade Angels 2017, and commit a further \$150,000 contingent upon a successful SRF award that would recapitalize the OGF for the next biennium.

Action: Gerry Langelier moves to invest up to a total of \$26,500 in BVC Social Impact Fund LLC 2017 from the Oregon Growth Fund, contingent upon their successful raise of \$50,000 of additional match capital. Jim Coonan seconds the motion.

Vote: The motion passes 5-0. Adam Zimmerman abstains since his employer Craft 3 invested in this opportunity in the prior year, and is considering an investment in this current year.

Action: Patti Moss moves to invest a total of \$150,000 in Cascade Angels 2017 from the Oregon Growth Fund, and moves to invest a second \$150,000 from the Oregon Growth Fund (for a total of \$300,000) contingent upon the Oregon Growth Fund being recapitalized for the 2017-2019 biennium in an amount equal to or greater than \$500,000 per year. Jim Coonan seconds the motion.

Vote: The motion passes 6-0.

Other Business

- The board recommended that staff add fund manager names to the Oregon Growth Fund Potential Opportunities Report.
- The board recommended that an Educational Stability Fund distribution be discussed in the fall.
- The board asked whether the OGB should consider paying for additional due diligence capacity if market demand for investments outstrips our current capacity.
- The July board meeting will be call-in only.

Adjourned at 3:15 PM.

Next Meeting

July 25, 2017, Portland, OR

Approved by:

Signature on file

Patti Moss/Gerry Langelier, Co-Chair
Oregon Growth Board

Date

Nate Wildfire
Business Oregon

Date