

Oregon Growth Board

November 16, 2017

Portland, OR

Attendance

Members Present: Co-Chair Gerry Langelier, OVP Venture; Jim Coonan; Chad Olney, Pacific Crest Federal Credit Union; Stephen Green, Townsquared; Sayer Jones, Meyer Memorial Trust; Sabrina Parsons, Palo Alto Software

Staff Present: Nate Wildfire, Business Oregon; Steve Marlowe, DOJ

Guests: Ryan Mann, State Treasurer; Jon Finney, CTC; Dino Vendetti, Corey Schmid, Tony Abena, and Tom Gonser from Seven Peaks Ventures; Steve Bender, LFO

Meeting was called to order at 1:03

Welcome, Introductions, Minute Approval

Co-Chair Gerry Langelier opened the meeting and conducted introductions. September meeting minutes were unanimously approved after Jim Coonan motioned for approval, and Sabrina Parsons seconded. There was no public comment.

Seven Peaks Ventures Fund II Investment Opportunity

The team from Seven Peaks Ventures gave a presentation to the Oregon Growth Board about their investment opportunity, a technology oriented venture capital fund. Board members asked questions before Seven Peaks Ventures left the room, and Jon Finney of CTC gave his due diligence report on the investment opportunity, recommending an investment. The board debated the investment and asked questions of CTC. Of importance to the board was Seven Peaks making a stronger push to have a presence in the Willamette Valley with this fund. Sayer Jones and Stephen Green also spoke to the importance of building more community in the places they invest.

Action: Jim Coonan moves to invest up to a total of \$2,000,000 in Seven Peaks Ventures Fund II from the Oregon Growth Account, with an additional commitment of \$1,000,000 if the fund is successful in raising \$24,000,000 inclusive of the first \$2,000,000 investment. Gerry Langelier seconds the motion.

Vote: The motion passes unanimously.

OGA/OGF Updates

Nate Wildfire gave updates on the OGA and OGF portfolio and applicant pipelines. The big update was that the state legislature will now have to vote to enable Strategic Reserve Fund dollars (awarded by the Governor) to be transferred to the Oregon Growth Fund. The committee votes are expected in January, followed by a legislature vote in February. This will enable the Oregon Growth Fund to make investments again.

State Distribution

Nate Wildfire reminded the board of their distribution policy, of sending a portion of returns from the Oregon Growth Account back to the state, in accordance with Oregon Growth Board policy. By the formula used in the policy, the board is set to distribute between \$5.1M and \$5.3M back to the state. Nate and the finance department will finalize the number. Steve Bender, on the phone from the Legislative Fiscal Office, clarifies that distributions no longer go to the Education Stability Fund. In the 2016 legislative session, the legislature clarified that distributions from the OGA were to go to the Higher Education Coordinating Commission and the Oregon Department of Education.

Action: Stephen Green moves to make a distribution back to the state in the amount specified by Board policy, once a final figure is determined by staff, for the 2015-2017 biennium. Due to uncertainty about the final figure, the motion directs staff to use the greater of \$5,000,000 or 50% of the total distributions received by the OGA in the biennium. Jim Coonan seconds the motion.

Vote: The motion is approved unanimously.

Capital Scan Update

Board member Sayer Jones and Nate Wildfire gave an update on the work of the Oregon Capital Scan steering committee, which is largely made up of other institutional investors. They are in the midst of bringing on a group to do the research for the next capital scan this summer, as well as working through some interim projects.

Other Business

- Co-Chair Langelier gave an update on the Maveron commitment. Due to changes within Maveron's team, and Maveron's discomfort with some of the OGA's reporting requirements, both parties decided to not go forward with the investment.
- The board expressed interest in revisions to the OGA financial reporting produced by Business Oregon. Wildfire will work with the finance department to make changes.
- The board discussed bringing on short-term due diligence capacity to test drive potential new consultants and to clear the backlog, and also discussed long-term plans for consultant assistance.

Meeting adjourned at 3:58 PM.

Approved by:

Signature on file

Gerry Langelier, Chair
Oregon Growth Board

1/26/18

Date

Signature on file

Nate Wildfire
Business Oregon

1/26/18

Date