



Loan Program Advisory Committee Meeting Packet

**October 22, 2026
9:00 – 9:30 am**

**IN PERSON:
Albany COG Office
1400 Queen Ave SE,
Albany, OR 97322
or Virtual Via Microsoft
Teams Technologies by
Clicking [HERE](#)**

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

LOAN PROGRAM ADVISORY COMMITTEE MEETING AGENDA

October 22, 2026

9:00 – 9:30 am

In Person at OCWCOG Albany Office:
1400 Queen Ave SE, Albany, Oregon 97322
or via Teams by clicking [HERE](#)

NOTE: Please contact Travis Overvig at tovervig@ocwcog.org, no later than noon on Wednesday, October 21st, in order to confirm your attendance.

1. **Welcome/Call to Order** (Chair, Commissioner Pat Malone)
(9:00 am – 9:08 am)
2. **Consent Calendar** (Chair, Commissioner Pat Malone)
(9:08 am – 9:10 am)
 - a) Approval of Loan Program Advisory Committee (LPAC) meeting minutes for June 25, 2026. ([Attachment A, page 04](#))

ACTION: Motion to approve Consent Calendar items.

3. **United States Department of Agriculture (USDA) Updated Workplan** (Staff, Didi Aho)
(9:10 am – 9:20am)

Lending staff have completed updates to the first program workplan. The updates were shared with the USDA and they have given their nod of approval. There were not any changes made to how the loan program works today. We had reached out the USDA who provided us with a checklist of items they look for in a plan. We rearranged the workplan to mirror the flow of the checklist as well as modernized information about demographic and economic profiles in our region, technical assistance, administrative capacity and personnel as the last update was in July 2023. ([Attachment B, page 07](#))

ACTION: Motion to Recommend Updated USDA Workplan to the COG Board

4. **Program Update & Activity Report** (Staff, Didi Aho)
A new loan was made to Duran Farm and Equipment LLC in Scio Oregon. The loan was for \$100,000 to purchase equipment so they could establish an equipment rental income stream. Lending staff are working with five prospects for in-house programs and one SBA 504 loan.
(9:20 am – 9:25 am)

ACTION: Information only.

5. **A New Loan Program Pilot** (Staff, Didi Aho)

The purpose of this pilot is to test the functionality and utility of a new revolving loan program for small businesses who are physically located in Rural Economic Alliance (REAL) member jurisdictions: Adair Village, Brownsville, Halsey, Harrisburg, Lebanon, Monroe, Philomath, Sweet Home, and Tangent. The program will have less restrictions, be nimble and flexible, and afford the borrower an interest rate (prime) and four years term. Lending staff is developing an outline of how this program could work and will provide to LPAC members prior to our December 3, 2026 meeting.

(9:20 am – 9:25 am)

ACTION: Information only.

6. Modernizing By-Laws and Loan Review Subcommittee (LRS) Changes (Staff, Didi Aho)

Our LPAC By-Laws need updates as well as the LRS that LPAC created to approve loan requests can no longer operate as it has historically and we need to find a way forward without needing to comply with public meeting law. Lending staff will be reviewing options and working with the Oregon Ethics Committee to determine some potential remedies. We will be bringing suggestions back to the LPAC prior to our December 2, 2026 meeting so we are prepared to discuss.

(9:25 am – 9:30 am)

ACTION: Information only.

7. Adjournment

(9:30 pm)

The next regularly scheduled LPAC meeting will be on Thursday, December 03, 2026.

**OREGON CASCADES WEST COUNCIL OF GOVERNMENTS
LOAN PROGRAM ADVISORY COMMITTEE MEETING**

*Thursday, June 25, 2026
IN PERSON: Albany Downstairs Room
or virtually via Microsoft Teams*

Attendees: Benton County Commissioner Pat Malone, City of Albany Mayor Alex Johnson III, Linn County Commissioner Sherrie Sprenger, City of Philomath Mayor Christopher McMorran, and EDALC Project Manager Sarah Buddingh

Staff: OCWCOG/CSC Executive Director Ryan Vogt, Loan Officer Didi Aho, Confidential Executive Assistant Angelykah Light, Confidential Executive Assistant Celina Franklin, OCWCOG Agency Director Paul Egbert, CED Director Matt Lehman, Interim EDA Supervisor Susan Patterson, Interim Reporting Coordinator Ashlyn Muzechenko

Absent: Waldport City Councilor Rick Booth; EDALC Project Manager Sarah Buddingh

1. Call to Order and Agenda Review

The meeting was called to order at 9:01am by The Chair, Commissioner Pat Malone. The group conducted introductions, which were led by staff Ashlyn Muzechenko.

2. Consent Calendar: Approval of February 27, 2025, Meeting Minutes.

ACTION: Mayor Johnson II made a motion to approve February 27, 2025, LPAC meeting minutes, Commissioner Sprenger seconded the motion. Motion passed unanimously.

3. LPAC 101: Member Orientation

Staff Didi Aho shared the LPAC New Member Binder attachments and gave an overview of the OCWCOG Lending Program which supports LPAC.

4. Program Update & Activity Report

Staff Aho provided a program update with the activity report from the last time we were all together.

Staff Aho shared that she has two SBA loans that are in process right now, two more potential SBA loans, and five-to-six in-house potential loans that she is working on.

Staff Aho further explained that we have approximately \$2 million in funds across 5 active loan programs, with approximately \$1.2 million in loans receivable. Which is money being paid back for the loans that are outstanding.

Our loan debt is approximately \$185,000, which is the debt we owe to the USDA after we borrowed 30-year notes some 34 years ago. We have paid off note one and note two

and we closed note 4, so we have two remaining payments to pay off the \$185,000 and the Loan Program will be debt-free for the first time in roughly 30 years.

The current rates for in-house loans and SBA loans are listed in the new member packet. We ultimately did not receive the EDA grant that was in discussion in the past.

OCWCOG is also losing our Small Business Development Center (SBDC) that used to operate out of Linn Benton Community College (LBCC) after the college decided to no longer host it anymore as of June 30th and will hire a contractor to meet the needs of small business advising within our region. The other SBDC in our region at Oregon Coast Community College (OCCC), on the other hand is doing very well.

Questions from LPAC

Mayor McMorran asked Staff Aho if there will be a new SBDC at some point. Staff Aho explained at this time we do not believe so and that instead the contractor that will be hired will likely operate at a smaller capacity than previously was offered by the SBDC at LBCC, which included them referring loans to the COG, free business advising, free and paid classes, webinars, and other ways they supported small businesses. Moving forward, the future contractor may only offer one-on-one advising, perhaps only offered online rather than in person.

Mayor McMorran asked if we would have additional funds once the \$185,000 is paid off. Staff Aho explained that no - as these funds were created with a set amount of money, which has been lent out to small businesses and paid back over many cycles.

5. Work Plan Updates

Staff Susan Patterson shared the Small Business Lending program provides small business with capital and funding for equipment. There are also defederalized programs, which are the loans that have been paid off. The work plans are strategic plans to guide the work and how the program is run. They are older programs that now need to be updated, staff have been researching and collecting information on what other loan programs are doing, and what business Oregon is doing. There are some restrictions for these programs such as being turned down by a conventional lender to be eligible for funding. The only requirement for defederalized funding is they need to be geared towards economic development.

Aho shared the defederalized funding was COVID EDA funding that has since been defederalized. This funding no longer needs to be reported on as well. Most folks continue to use the funds for revolving loan funds.

Staff are proposing to convene a workgroup to start reviewing and updating the workgroups and determining the intent and use of the defederalized funding.

Ryan Vogt shared these workgroups have been around for a long time. As some of the funding is becoming defederalized, we have our own bucket of funding to lend as we need to. We don't have to operate within the confines of what was needed when it was federal funding. Vogt wanted to encourage the group for a deliberate and methodical process that will be needed to work through these points and restructure our lending products.

Sara Buddingh asked if the Loan Review Subcommittee will be participating as well. Aho explained that having that input would be valuable.

6. Adjournment

The LPAC meeting was adjourned at 9:45am. The next scheduled LPAC Meeting will be in 2026. The new meeting schedule will be sent out to members before December 2026.

WORK PLAN

for administration of

Oregon Cascades West
Council of Governments
Cascades West Business Lending

United States Department of Agriculture (USDA)
Intermediary Relending Program (IRP)
IRP Loan RBCS1-1 and RBCS1-2
(Federalized and Active Loan Program)

Amended

June 15, 2026

Amended July 18, 2013
Amended December 6, 2012
Amended: November 25, 2003
Amended: August 26, 2002
March 18, 1999

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Chapter 1: Overview

The USDA IRP/RDF loan program is one of five active revolving loan programs for small businesses that are unable to secure conventional financing in Linn, Benton, and Lincoln counties, Oregon. It is managed by the Cascades West Business Lending, a revolving loan portfolio and administered by the Community and Economic Development Department and the Oregon Cascades West Council of Governments (OCWCOG), Albany, Oregon. The portfolio fulfills a significant capital need for small businesses that are unable to secure conventional financing.

The OCWCOG received several loans from the USDA IRP/RDF program over the years. Loan number one (1) was funded in 1994 and subsequently paid off in 2024. The second loan was funded in 1996 and will pay off in June 2026, and a third loan was funded in 1998 and will pay off in 2028. Funds are specifically targeted for rural and small businesses located in Linn, Benton and Lincoln counties with an aim to increase or retain jobs in the region. This workplan is for the last USDA IRP/RDF loan.

Chapter 2: Goals, Strategies, Anticipated Outcomes (Include Job Creation):

The primary goal of the IRP/RDF lending program is to mitigate poverty, catalyze commerce, support economic resiliency, and increase employment opportunities in rural (populations of 50,000 or less or adjacent to jurisdictions with 50,000 or more) with communities of Linn, Benton, and Lincoln counties of Oregon's Willamette Valley. Outcomes for this program are:

- Provide gap funding at affordable interest rate and terms to Ultimate Recipients who are unable to secure conventional financing.
- Diversify rural economies with a broad array of employers and increase employment opportunities and number of jobs,
- Support community and economic resiliency during a disaster, weather event, or economic downturn,
- Assist long-term economic development that contributes to rural jurisdictions tax base,
- Assume a fiduciary role, and diligently manage IRP/RDF loan funds including a thorough vetting and review of each application to ensure loans are 1) consistent with USDA goals and objectives, 2) the Ultimate Receipt has the capacity to repay the loan, and 3) to mitigate any real or unintended financial risk for the OCWCOG and/or the Ultimate Recipient.

Chapter 3: Need for Funds

The objective of Rural Development's Intermediary Relending Program (IRP) is to alleviate poverty and increase economic activity and employment in rural communities. The IRP Revolving Loan program provides capital to small businesses that are unable to secure conventional financing due to an insufficient business history, insufficient cash flow to cover debt, down payment or injection shortfall, poor credit history, collections, foreclosure or bankruptcy or collateral shortfall. These companies are often start-ups, new, or on the verge of expansion. These IRP loans fulfill a significant gap capital void.

The USDA IRP/RDF program aligns well with the CWEDD 2025-2030 Comprehensive Economic Development Strategy. The Cascades West Economic Development District (CWEDD) is one of

11 Oregon economic development districts and of many across the Country. The CWEDD is designated by the U.S. Department of Commerce Economic Development Administration (EDA) to work on economic development projects and initiatives in Benton, Lane, Lincoln, and Linn Counties. Guiding this work is the 2025-2030 Comprehensive Economic Development Strategy. Through extensive stakeholder engagement and feedback, business development emerged as a priority area: Grow Economic Vitality Through Business Development. The plan seeks to support entrepreneurship, business retention and expansion; and provide start-ups and existing businesses with resources (e.g., capital) and technical assistance.

Chapter 4: Demographic and Economic Profile

The USDA IRP/RDF program serves small businesses located in rural Linn, Benton, and Lincoln Counties. The area's combined rural population is 157,795 (2020 US Decennial Census). According to the Oregon Office of Rural Health in 2025, approximately 83,199 people live outside a jurisdiction of 40,000 or more (Albany and Corvallis). Hispanics represented approximately 10% of this combined population (2020 Decennial Census, US Census).

The 2023 median household income for Linn County was \$73,396, Benton County \$76,011, and Lincoln County \$61,314. All were below the Oregon median household income of \$80,426 and the United States median household income of \$83,730 (2023 American Community Survey 1- Year Estimates). For the three counties, the average unemployment rate was around 4.33%.

In 2024, all three counties have a higher poverty rate than Oregon's average poverty rate of 11.8% (2024 American Community Survey 5-year Estimates). Table 1 is a demographic snapshot of the tri-county service area.

Table 1: 2023 Rural Economic Profile for Linn, Benton, and Lincoln Counties, Oregon

	Linn	Benton	Lincoln	Combined Total or Average
Population	72,138	35,262	50,395	157,795
Hispanic Population	4,622	2,463	4,851	11,936
Median Household Income, Avg	\$73,396	\$76,011	\$61,314	\$70,240
Employer Establishments as an Economic Unit (e.g., factory, store, office)	3,605	2,898	2,053	8,556
Unemployment Rate (Seasonally Adjusted)	5.9%	3.0%	4.1%	4.33%
Percentage of Population in Poverty (2024)	13.6%	15.4%	15.9%	14.96%

The USDA IRP/RDF program serves three Oregon counties: Lincoln, Benton, and Linn. Lincoln County is a rural coastal economy that stretches along the Pacific Ocean. In order of population size, there are seven incorporated cities: Newport (10,583), Lincoln City (9,968), Waldport (2,177), Depoe Bay (1,782), Siletz (1,119), Yachats (979), and Toledo (3,546), American Community Survey 2024-2025 Five-Year Estimates. The County is also the home for the Ports of Newport and Depoe Bay, and the Confederated Tribes of the Siletz Indians. In the last two decades the County has undergone significant transitions. Traditional resource based- (e.g., commercial fishing and wood products) economies have declined while trade and service jobs associated with businesses serving tourism and retirees have grown. Research data reveals that the coast economy is more diversified and healthier than 15 years ago (Lincoln County, Oregon Economy Status in Middle 2020's, Economic Development Alliance of Lincoln County, January 2025). The county has an emerging "Blue Economy" composed of marine and ocean by products and research supported by Oregon State University and Federal and State agencies. This cluster includes 1) living resources, 2) Marine Construction, 3) Marine Transportation, 4) Offshore Mineral Extraction, 5) Ship/Boat Building, and Tourism/Recreation. Eighty-five percent of all blue economy jobs are in Lincoln County and 27% of Lincoln County's employment is related to the Blue Economy. The full report is located via this link: [2026 Lincoln County Economic Report](#)

To the west of Lincoln County and inland is Benton County. The City of Corvallis is the largest jurisdiction with over 60,000 residents. It is the County seat and home of Oregon State University, a land and sea grant public higher education institution. The rural Benton County incorporated cities include Monroe, Philomath, and Adair Village. From 2007 to 2023 the County experienced strong job growth (15.4%) and gained 5,970 positions, just slightly outpacing Oregon's employment growth of 14.5% over that time. Benton County's private sector grew by 7.8% adding 2,090 jobs from 2007 to 2023, while the public sector grew by 32.4%, adding 3,880 jobs. The local government education sector (Oregon State University, K-12 public schools) grew by 38.1% and added 3,720 jobs. Private sector industries with strong job growth include private education (+1,880 jobs or +36.3%), professional and business services (+1,220 jobs or +35.2%), and other services (+210 jobs or +17.5%). Sectors with declining employment include manufacturing (-38.2%) and information sector (-26.7%). Oregon Employment Department, QualityInfo.org

Linn County, located further to the east and in the Willamette Valley, is the home of a mix of urban and small incorporated cities: Albany (56,470 people), Lebanon (19,344 people), Sweet Home (10,078 people), Harrisburg (3,681 people), Mill City (1,920 people), Brownsville (1,912 people), Tangent (1,290 people), Lyons (1,139 people), and Scio (930 people). From 2007 to 2023, Linn County gained 4,980 jobs, growing 11.7% slower than Oregon's employment growth of 14.5% over that period. Linn County's private sector grew by 16.1%, adding 5,650 jobs from 2007 to 2023, while the public sector declined 8.9%, shedding 670 jobs. Private sector industries showing strong job growth included: private education and health services (+3,110 jobs with a 71.3% gain); trade, transportation, and utilities (+1,850 or a 20.2% gain); and leisure and hospitality (+970 jobs with a 29.3% gain) the sectors that showed the largest job loss included: financial services (-200 jobs or a 12% loss), information (-140 jobs or a 29.2% loss); and professional and business services (-100 jobs or a 3.1% loss).

Linn and Benton counties will add more than 5,700 jobs between 2024 and 2034, according to new projections from the Oregon Employment Department. This represents a 6% increase in employment over the 10-years prior. The anticipated growth stems from the private sector gains of 4,980 jobs or a 7% increase, and an increase of 510 government jobs (2% growth). The 2024 and 2023 employment projections illustrate several steady trends over the past few years. The fast-growing health care sector has been taking place for a number of years due in part to an aging population. Health care and the public sectors are expected to slow.

Small business employment and lending trends are mixed. Between 2023 and 2024, Oregon small businesses gained 140,794 jobs, but also lost 141,342 for a net loss of 548 jobs. Professional, scientific, and technical services, and real estate/leasing are the largest small business sectors by count. Looking ahead, construction and health care/social assistance are expected to grow reflecting Oregon's aging infrastructure and population. In 2023, large banks issued \$762.9 million in loans to Oregon businesses with revenues of \$1 million or less (US Small Business Administration, Office of Advocacy, 2025 Small Business Profile). The full report is here: [Oregon Small Business Profile](#)

Chapter 5: Revolving Loan Plan

Ultimate Recipient Eligibility Requirements

The Ultimate Recipient must meet the following requirements:

- A) An Ultimate recipient's business must be physically located in a rural Benton, Lincoln, and Linn counties with a 50,000 population or less, or not adjacent to an urban growth boundary of a jurisdiction population of 50,000 or more.
- B) Entity Type: The Ultimate Recipient must be a legal entity that can incur debt, including but not limited to, an individual or other legal entity registered to do business in the State of Oregon.
- C) Legal Authority and Conflict of Interest: The Ultimate Recipient must have the legal authority to incur debt and carry out the purpose of the loan. The CWBL Loan Program Advisory Committee, its Loan Review Subcommittee, and OCWCOG employees or immediate families must hold no legal, financial interest, or influence in or with the Ultimate Recipient as this is considered a conflict of interest. This does not prevent the CWBL from lending loans to its member jurisdictions per § 4274.321 (B)(4).
- D) U.S. Citizenship: The Ultimate Recipient must be a citizen of the United States. At least 51% of its members or owners must be United States citizens.
- E) Legal or Financial Influence: The OCWCOG, its employees or their families, must not have legal or financial interest.
- F) Delinquent Debt: The ultimate Recipient is ineligible to receive a IRP loan if they or any of its principals have any federal delinquent debt or is barred from engaging in business with the federal government. IRP loans cannot be used to satisfy any federal delinquent debt or used to make otherwise ineligible recipient eligible for the IRP loan funds.
- G) Unable to Secure Conventional Financing: Recipient must be unable to secure conventional financing for the whole project from its own resources, through commercial credit, or from other Federal State, or local resources at reasonable rates and terms.
- H) and provide this documentation to OCWCOG. This information is kept on file.
- I) Fund Usage: Ultimate Recipients must demonstrate to CWBL satisfaction that all loan

funds will remain and be used in Linn, Benton, and Lincoln counties, and be primarily used to create new or save existing jobs.

- J) Normal and prudent lending standards are used in evaluating the strength and ability-to-repay of both companies and individuals. Generally, the Ultimate Recipient must be able to demonstrate the ability to generate sufficient cash flow to service the debt and provide a secondary source of repayment. However, the loans will be made in some cases where, in OCWCOG's judgement, the employment and other benefit potential to the economy or the community outweigh risks that more conservative lenders would likely avoid. This would apply, for example, to viable business start-ups, which are routinely excluded from consideration by most members of the private financial community. In the credit review process the following areas will be assessed with equal weight given to the following:
1. Sufficient cash flow to service the debt.
 2. Secondary source of repayment.
 3. Management acumen, longevity and capacity.
 4. Credit history.
 5. Adequacy of collateral.

Service Area

All territory of Linn, Benton and Lincoln Counties not within the outer boundary of any city having a population of 50,000 or more according to the latest decennial census.

Loan Purposes

Loans to Ultimate Recipients must be for Community Development projects or Business Development projects. Business Development projects fund the establishment of new businesses, expansion or retention of existing businesses, either creating or retaining employment opportunities. Such loans shall be made in accordance to RD Instruction 4274-D, which may include, but are not limited to the following description.

Eligible Loan Purposes:

- a) Business and industrial acquisitions when the loan will keep the business from closing, prevent the loss of employment opportunities, or provide expanded job opportunities.
- b) Business construction, conversion, enlargement, repair modernization or development.
- c) Purchase and development of land, buildings, facilities, leases or materials.
- d) Purchase of equipment, leasehold improvements, machinery or supplies.
- e) Start-up costs and working capital.
- f) Feasibility studies.
- g) Interest (including interest on interim financing) during the period (within three years) before the facility becomes income producing and reasonable fees, including but not limited to, loan packaging fees, environmental fees, management consultant fees, engineering and architectural fees, and other professional services fees.
- h) Debt refinancing only when the loan will restructure debts in a manner that allows the Ultimate Recipient to operate successfully and pay off the loan. Refinancing is subject to the following criteria:
 - i) Ultimate Recipients must provide full disclosure of all debts. Apparent discrepancies between the schedule of debts and the Ultimate Recipient's balance sheet shall disqualify the application.

- ii) Debts of the principal officers (including immediate family), guarantors or owner's personal debts are not eligible, regardless if the funds were originally injected into the Ultimate Recipient.
- iii) Projects must be viable and refinancing is necessary to save existing jobs or create new jobs or to continue a service needed within the affected community.
- iv) Any refinanced secured loan shall require OCWCOG receive, at minimum, the previously held collateral as security for the loan and must not pay off a creditor in excess of the value of the collateral.
- v) Additional collateral will be required when the refinancing of unsecured loans is unavoidable to accomplish the necessary strengthening of the Ultimate Recipient's position.
- i) Hotels, motels, tourist homes, bed and breakfast establishments, convention centers, and other tourist and recreational facilities.
- j) Educational institutions.

Ineligible Loan Purposes

- a) Any illegal activity.
- b) Funds in excess of the Ultimate Recipient's project cost.
- c) Distributions, payments or other forms of compensation to the owners, guarantors, partners, shareholders, or beneficiaries of the Ultimate Recipient or members of their families when such persons will retain any portion of their equity in the Ultimate Recipient.
- d) Charitable institutions with insufficient revenue stream, churches, organizations affiliated or sponsored by churches, and fraternal organizations.
- e) Assistance to government employees, military personnel, principals or employees of the intermediary or organizations for which such persons are directors or officers or in which they have ownership of 20% or more.
- f) Agricultural production.
- g) Transfer of ownership, unless the loan will keep the business from closing, or prevent the loss of employment opportunities in the area or provide expanded job opportunities.
- h) Projects that are in violation of any environmental protection law or regulations or land use restriction unless the assistance given will result in curing or removing the violation.
- i) Lending and investment institutions and insurance companies.
- j) Golf courses, racetracks, or gambling facilities.
- k) to an ultimate recipient that has an application pending with a loan outstanding from another intermediary involving an IRP revolving fund;
- l) community antenna television services or facilities;

Loan Deposit, Fees, and Miscellaneous Charges

The Ultimate Recipient is responsible for the following deposit and fees:

Loan Deposit

A \$500 loan application deposit will be required upon a complete application. The deposit will be credited to the Ultimate Recipient and be used to pay for related loan fees or closing costs. Any unused balance will be refunded back to the Ultimate Recipient when a complete application is received. The deposit will be credited to the Ultimate Recipient as part of the Loan Fee when the loan is closed. If the applicant withdraws the application prior to approval, OCWCOG will apply the deposit to the actual time and out of pocket expenses (e.g., credit bureau report, UCC search and filing, title insurance, and legal) of processing the application and refund the remaining amount to the applicant. The deposit is non-refundable upon loan approval.

Closing Costs

The Ultimate Recipient shall pay for all closing costs of the loan including: 1) credit reports, 2) UCC Search and Filings, and 3) title insurance, recording and attorney fees. In the event the Ultimate Recipient cancels their ACH payment authorization or is canceled by OCWCOG or the bank of account due to rejected item activity the per payment servicing fee will increase to a total of \$55.00. Payoffs are excluded from this assessment, may be processed with a check and are subject only to the \$12.00 servicing fee. In the event a payment is returned due to non-sufficient funds a \$25.00 rejected item fee will be assessed per occurrence. Unpaid service and NSF fees shall be added to the principal balance.

Loan Fees

- A 1.5% origination loan fee will be charged to the Ultimate Recipient. The loan fee is due at closing and may be financed with the IRP/RDF loan.
- ACH Servicing Fee is \$12.00 per ACH payment and transaction. In the event the Ultimate Recipient cancels their ACH payment authorization or is canceled by OCWCOG or the bank of account due to rejected item activity the per payment servicing fee will increase to a total of \$55.00.

Other Miscellaneous Fees and Charges: (when applicable)

- Any out-of-pocket expenses OCWCOG incurs while processing Ultimate Recipient requests such as lien subordination, assumptions, and collateral releases will be paid by the Ultimate Recipient.
- **Late Payment Fee:** Loan payments are due on the first of each month. If payments are not received by the 15th day of the month when they are due, a 5% late fee (5% of the monthly payment) will be charged to the Ultimate Recipient. Any unpaid late fee shall accrue and be added to the payoff. Late fees will be assessed prior to application of any funds to principal.
- Non-Sufficient Funds Fee: \$35.00 service charge on all checks returned as non-sufficient funds.
- **Attorney Fees:** As permissible by law the borrower will pay for all attorney and collection fees incurred in the event of a default, lawsuit, litigation or other necessary action taken by OCWCOG to protect the assets of the IRP/RDF fund. Any such fees shall be collected at the time of occurrence, or liquidation of the Ultimate Recipient loan. Interest shall accrue on such fees at the same rate of interest OCWCOG earns on the Ultimate Recipient's note.
- Real property and asset appraisal fees are paid by the Ultimate Recipient.

Interest Rate

The minimum interest rate is based on the current Wall Street Journal Prime published interest rate with a minimum at 5% APR. The Ultimate Recipient may ask for an interest rate concession and negotiate a lower interest rate up to percent (1%) below the prime rate at closing. The CWBL would consider this rate reduction when there is an impact on project completion, a potential loan default, or if there is a significant employment and community impact need.

The interest rate is fixed. The loan is reviewed after the first 2 years of repayment to ascertain the Ultimate Recipient's USDA job creation requirement. If the job creation requirement has not been met and the Ultimate Recipient has not acted in good faith to create employment and jobs, the CWBL has the discretion to raise the loan rate to 2.5% over the prime rate.

Terms

The typical term for a working capital loan is three to five years. For real property, equipment, land, and buildings, the length of the loan will generally not exceed the full useful life of the asset/s or collateral financed, typically seven to ten years, and be limited to a maximum of fifteen (15) years. Amortization schedules may be longer but limited to a

maximum of twenty-five (25) years on a case-by-case basis. Loans are repaid in equal monthly installments over the life of the loans. Ultimate Recipients may pay the loan off early and without penalty.

Loan Limit and Injection Requirement

Loans are limited to the lesser of \$250,000 or 50% of the total cost of the project. The 50% non IRP/RDF program dollars must be provided by private financing, borrower equity, and/or other non-Federal funds.

For projects requiring more than \$250,000, a bundled loan package will be secured with a conventional lender. The conventional lender assumes the first lien position in the loan package with a portion of the loan; CWBL provides the other loan portion and is in a second lien position. This partnership reduces the risk for the conventional lender and provides the Ultimate Recipient with a full loan package.

Collateral Requirements

Security is required on all loans. For fixed asset loans liens are generally placed on assets being purchased. For working capital loans, liens are normally placed on all business assets (accounts receivable, inventory, and equipment). Assignment of lease will also be taken when appropriate on loans involving real property. Liens on other Ultimate Recipient non-project assets and personal property may also be necessary to secure sufficient collateral for the loan. A personal note and guarantee by each principal Ultimate Recipient is generally required. Ultimate Recipient affiliate partners/owners may be required to pledge additional collateral if their business supports the Ultimate Recipient financially (either directly or indirectly).

A licensed and qualified appraisal will be required for real property used as collateral, and must have been completed within two years of loan approval. All other types of collateral, including secondary collateral will be assessed using a recognized, standard technique for the type of property involved. Appraisals may not be required depending on the nature of the collateral and available documentation.

Life Insurance

Life insurance is generally required when the business is a sole proprietor or a single member LLC. It can also be required if the business is dependent on a single key employee to operate the business. Ultimate Recipients will not be required to provide life insurance if they are unable to obtain it.

Loans will generally be subordinated to the participating lender to act as an incentive to participate in the project.

Chapter 6: Application and Servicing Procedures

Priorities

A target of a minimum of one full-time equivalent (FTE) job must be created or saved for each \$50,000 borrowed in the IRP/RDF. These jobs shall be created within 24 months from the closing date of the loan. A target of least 10% of the new jobs created or retained to be held by people of families with incomes below the poverty line. The Ultimate Recipient will certify this in writing before the loan is disbursed. A waiver of this requirement is acceptable if the project is also defined as a Community Development project.

Community Development projects are defined as fulfilling an unmet need within a specific community. In order for a project to be eligible for the job creation/retention waiver the Ultimate Recipient must submit two letters documenting the community need and relative benefit to the community of the project by public officials or known civic/community leaders.

Application Process

All participants will sign a certification indicating they will seek to employ individuals at or below the poverty level. The target will be 10% of all jobs created or retained.

Prospective Ultimate Recipients learn of the availability of loans through a variety of means. OCWCOG Loan Program staff will market and provide public outreach on the loan programs. Area bankers will be kept informed of the availability of the IRP/RDF funds.

Procedures

- 1) Preliminary discussion with staff representatives for eligibility and rough fit with IRP/RDF loan criteria.
- 2) Decision by staff to request written information or decline loan request. If negative, applicant is informed reasons for decline. If positive, review preliminary information needs with applicant and provide counseling regarding the business plan and completeness check of application, if appropriate.
- 3) Preparation and submission by Applicant of application packet. Documentation in the form of an email or decline letter from a traditional lender is required to document the unavailability of other credit. Complete business plans and two years of projections with assumptions are required for all start-up applications.
- 4) Staff meets with applicant to review the application packet and collects the deposit.
- 5) Staff obtains credit reports and reviews application packet, completing a preliminary credit analysis.
- 6) Decision by Loan Program staff to complete the analysis or decline the request. If negative, the Ultimate Recipient applicant is informed of reasons for decline. If positive, staff completes analysis, and prepares submission for the Loan Review Subcommittee.
- 7) Applicant completes appropriate certifications and reviews all application documents with staff. Detailed review and final recommendation to Loan Review Subcommittee by staff based on loan criteria, strength of business, financial strength the principals, management acumen, available collateral and all other credit factors. No loan will be recommended for approval without the determination that there is a reasonable assurance of repayment. Staff shall adequately document such reasonable assurance of repayment.

- 8) Staff completes an initial site visit and Environmental Assessment and prepares the file for USDA concurrence, if required.
- 9) The Loan Review Subcommittee decides whether staff has adequately addressed the strengths and weaknesses of the project. If declined, reasons are outlined in writing. If concurrence is granted the loan will be closed in accordance with the terms in the loan submission.

Method of Disposition of Funds to the Ultimate Recipient

OCWCOG staff will generally complete closing the Ultimate Recipient loans. Escrow closings will be established for real property projects in which ownership is changing or there is another prevailing reason to establish closing at a title company. The following process will be followed to close all IRP/RDF Ultimate Recipient loans:

Upon Loan Review Subcommittee concurrence, a commitment letter and pre-close checklist will be provided to the Ultimate Recipient outlining all of the terms and conditions required prior to loan funding. Concurrence from USDA-RBS will be a condition if required.

OCWCOG staff will request or prepare the appropriate lien searches. Generally, standard title insurance will be required to secure real property liens. Lot book or limited coverage policies are acceptable if the property being pledged is secondary collateral or OCWCOG already has a perfected lien on the subject property. UCC lien searches will be completed on-line. If the online search provides evidence of prior liens, staff will request copies of UCC filings from the Oregon Secretary of State.

OCWCOG staff will ensure prior to closing all collateral, insurance, and funding conditions are met by the Ultimate Recipient.

OCWCOG will prepare loan closing documents using preapproved templates. Changes to documents can only be made with the prior approval of the CED Director.

Staff closes the loan and files a UCC-1 and financing statement/s, transferring the appropriate vehicle titles and/or recording the appropriate real property documents.

Staff will disburse proceeds according to directions provided by Ultimate Recipient and/or conditions of the loan approval.

Staff will follow up on receipt of recorded documents and any pending items from the loan closing.

Reporting Requirements

Policies and procedures will be established for managing and servicing the portfolio of the IRP/RDF. This will include closely monitoring payment performance, periodic review of financial data and employment generation; personal inspections and site visits; and management counseling and/or referral, as appropriate. The comment section of each file will be updated accordingly.

Monitoring Requirements

Loan monitoring, such as financial statement review and employment reporting, insurance premium payments, etc., will be established in the loan servicing system to assure the activity and regularity. The following items will be monitored during the life of the loan:

Loan Repayments: Checks will be accepted and processed on the date they are received at the OCWCOG office. In order to ensure convenient and timely repayment, it will be the OCWCOG's IRP/RDF policy to use the Automatic Clearing House (ACH) system wherever possible, to automatically deduct funds from a borrower's account. The Automatic Clearing House System is a way of having CWCOC's bank of account collect payments from borrowers electronically. This eliminates some payment problems associated with the mailing of checks.

Because detecting problems early is valuable, follow-up communication and monitoring will be made after loan closing until full repayment.

Should payment monitoring indicate a delinquency, a written notice or reminder will be generated and forwarded 15 days after the grace period. Thereafter, personal contact will be made by phone or inspection at the site. The follow-up and direction will be driven by an assessment of problems after considering all existing conditions. Counseling will be offered whenever appropriate.

If allowing additional time to bring any payments current becomes appropriate, modification or revision of the loan agreement will be considered if workable and beneficial to the health of the business. Modifications will not be approved unless they enhance the borrower's repayment ability without detriment to the IRP/RDF. The borrower must make a good faith effort under these conditions and not have an incurable situation. While considering the legitimate special needs of the borrower, the IRP/RDF will operate in a manner that also protects its assets. Should default occur, which does not show reasonable prospects for remedy, the IRP/RDF will move in conjunction with its attorney against the loan collateral and assets of the borrower and guarantors, as appropriate.

OCWCOG staff will declare a formal default in any case delinquency is more than 90 days. The Ultimate Recipients shall receive their formal 10-Day Notice of Default requiring the delinquency be cured within 10 working days. If the delinquency is not cured and a workout plan is not feasible, litigation will proceed with the IRP/RDF attorney and staff taking all reasonable action.

- 1) Field Visits: Field visits will be conducted on an annual basis. Security inspections will be completed at this time. Loan Officers, or equally qualified lending staff, will be responsible for making all field visits. A field visit form will be completed with any changes noted to the file.
- 2) Financial Statement Reporting: Financial statements will generally be required on an annual basis, unless deemed by staff necessary to be more frequent. Financial statements will be requested through the loan servicing system's tickler records, with loan officer follow up for timely receipt. Generally, statements will be required within 120 days of the period being requested. These spreadsheets will be kept electronically with hard copies to the loan files. The financial statements shall be dated and initialed by the loan staff indicating the analysis has been completed.
- 3) Employment Impact Verification: At the end of the two (2) year period a letter requesting employment information will be sent to each Ultimate Recipient. Information requested will include:
 - a) The number of full-time (40 hour per week) employees.
 - b) The number part-time staff employees and the total average hours worked during the previous year.

- c) The total number of FTE.
 - d) The number of female and minority employees.
 - e) The number of low-income employees employed.
- 5) Insurance Requirements: All insurance policies will be tracked on primary project collateral through the loan servicing system for renewal information. Cancellation and changes to policy notices will be handled expeditiously ensuring insurance does not lapse on the property pledged as collateral. Borrowers will receive a demand notice to cure the insurance cancellation, providing us adequate documentation within 15 days. A field visit will be done within two weeks after an insurance cancellation or issue has arisen.
 - 6) Property Tax Payments: Payment of property taxes will be tracked on an annual basis through a third-party vendor. Reports of delinquent property taxes will be dealt with through a demand letter/notice to the borrower, a field inspection if the taxes are not paid and a workout plan for resolution of the delinquent taxes.
 - 7) UCC Continuations: UCC renewals will be tracked every 4 years and six months, with continuation statements prepared and filed during the six-month window prior to the five-year expiration.

Chapter 7: Technical Assistance

The CWBL partners with the Oregon Small Business Development Center to provide Ultimate Recipient assistance with business planning, budgeting and financial planning, human resources, and operations. Often small businesses will contact CWBL for assistance and to vet a business concept. In most cases, they do not have a business plan, in the conceptual stage, and need one-on-one coaching from experienced small business advisors. In those instances, CWBL Loan Officer will help them connect them to the resources they need.

The CWBL also refers Ultimate Recipients to the Cascades West Innovation Hub (CWIHub) for technical support. The CWIHub is one of nine Oregon Hubs. They are part of Oregon's ten-year Innovation Plan designed to provide technical assistance, capital, mentorship, networking, and talent development to innovation-driven entrepreneurs statewide. The link to the Hub's web site is here: [Cascades West Innovation Hub](#)

Chapter 8: Administrative Capacity

The Oregon Cascades West Council of Governments (OCWCOG) Community and Economic Development (CED) department is the administrator for the USDA IRP loans RBCS1-1 and RBCS2-1. The OCWCOG is a volunteer, 25-member organization created to serve local governments in Linn, Benton, and Lincoln counties, the Confederated Tribes of Siletz Indians, and the Port of Newport. Oregon law (ORS 190.010) authorizes OCWCOG to carry out, on behalf of its members, programs serving their residents, businesses, institutions, and agencies individually or as part of a regional solution. Only the authority of the member local governments, and their willingness to delegate their authority to OCWCOG, limits the range of services of the OCWCOG. OCWCOG employs over 255 people, with a total annual operating budget of \$60 million. The CED department has a long history of managing State and Federal programs and grants. It provides staff support for the Albany Area Metropolitan Planning Organization (AAMPO), the Corvallis Area

Metropolitan Planning Organization (CAMPO), and the Oregon non-emergent transportation program for Medicaid clients. The OCWCOG is also the administrator for the US Department of Commerce's Cascades West Economic Development District (CWEDD), one of twelve Oregon economic development districts and many across the country.

A small business revolving loan portfolio, including the USDA RBCS1-1 and RBCS2-1 loans, are managed and serviced by the Cascades West Business Lending, a program housed within the OCWCOG's Community and Economic Development department. Over the last 41 years, this program has managed a revolving loan portfolio for small businesses.

The CWBL program is governed by the Loan Program Advisory Committee (LPAC) and composed of OCWCOG Board appointees. In addition to this governance, all loan applications are reviewed and vetted by a CWBL Loan Officer, the Loan Review Subcommittee comprised of local commercial bankers and economic development stakeholders, and the OCWCOG Agency Director.

OCWCOG Board Approval

The OCWCOG Board Resolution to accept amendments to the RBCS1-1 and RBCS1-2 workplans was approved on January 17, 2013. See Appendix A. Once this updated workplan is vetted by USDA, we will seek CWBL Loan Program Advisory Committee and OCWCOG Board approvals and forward the updated workplan to USDA as an amendment and final approval.

Policy and Procedure Manual

Processes and procedures are defined by the OCWCOG and CWBL Bylaws and internal contract and finance department policies. All processes and procedures guided by our Loan Program Advisory Committee. We are in the process of updating all the CWBL revolving loan work plans, and when that is complete, we will create policy and procure manual and route it back to USDA as amendment and for subsequent approval.

Personnel

The CWBL program is staff by experience lending professionals and have similar responsibilities as a commercial lender. They analyze small business financial statements, including cash flow, working capital requirements, break-even calculations, balance sheet ratio analysis, and collateral coverage. They interview Ultimate Recipients, assess business' needs and eligibility, and help secure leveraged funding from private and public financing sources. Across the tri-county region, they work closely with conventional lenders, bankers, economic development practitioners and organizations, Chambers of Commerce, and Small Business Development Centers.

- Didi Aho, Loan Officer, Cascades West Business Lending, Community and Economic Development Department, Oregon Cascades West Council of Governments Ms. Aho is the CWBL loan officer and analyzes small business financial statements, including cash flow, working capital requirements, break-even calculations, balance sheet ratio analysis, and collateral coverage. She is responsible for interviewing small business owners, assessing business' needs and eligibility, and assisting them in structuring reasonable requests to various public and private financing sources. Over the years, Didi has established relationships with commercial bankers and economic development professionals. Didi has over 30 years' private sector commercial banking experience that includes qualifying and counseling borrowers, servicing and administering loans, and preparing reports.
- Susan Patterson, Interim Economic Development Supervisor, Community and Economic Development, Oregon Cascades West Council of Governments Susan Patterson holds master and doctorate degrees from Oregon State University, Corvallis Oregon. She has over 26 years' public sector (State of Oregon and Oregon community colleges) work experience as a grant administrator, project manager, and department supervisor. Dr. Patterson is the interim economic development supervisor for the Oregon Cascades West Council of Governments, provides staff support for the Cascades West Economic Development District, and oversees the Cascades West Business Lending Program. She has been with OCWCOG since February 2024.
- Matt Lehman, Community and Economic Development Director, Oregon Cascades West Council of Governments Mr. Lehman holds a BS in Economics and a BS in Political Science from Oregon State University. He has over 30 years' experience in technical sales and regional sales management in the Geospatial industry and is responsible for business development and channel management. For five years he served as a City of Philomath's City Councilor giving him jurisdictional experience regarding policies, needs, and perspectives of local, state and federal agencies. Matt has served as the OCWCOG CED Director for 18 months.

Program Governance and Oversight

The original OCWCOG Board approved the last USDA Rural Development (RDF 1-3) workplan amendment on January 17, 2013. Click this link for the minutes: [OCWCOG Board Minutes 1 17 2013](#) Once this updated workplan is vetted by USDA, we will seek CWBL Program Loan Advisory Committee and OCWCOG Board approvals and forward the updated workplan to USDA as an amendment and final approval.

OCWCOG Loan Program Advisory Committee

The Loan Program Advisory Committee was established by OCWCOG to advise the staff and OCWCOG Board on matters relating to the development and operation of the Loan Program. It is composed of appointees from the OCWCOG Board. There are seven members and they meet quarterly.

Loan Review Subcommittee

The Loan Review Subcommittee (LRS) was established by the Loan Program Advisory Committee. The LRS reviews loan applications and provides recommendations to the COG's Executive Director for approval or denial of the loans. This seven-member committee is composed of conventional lenders and economic development practitioners. They meet as needed.

Chapter 9: Financial Capacity

For over 37 years, the OCWCOG and its Cascades West Business Lending program has managed and administered revolving loan programs. They are self-supporting with loan interest and fees, and investment income. The 2026 OCWCOG operating budget is \$84.8 million; the CWBL program's operating and loan budget is \$4.205 million (all funds and loan capital).

Legal, Tax, and Audit Oversight

The OCWCOG has an internal finance department and utilizes professional legal, tax, and audit services that are selected by the OCWCOG Board through a competitive Request for Proposal process. Audits are conducted every year. Below is contact information for our legal, tax, and audit consultants.

Legal

Sean Kidd
Delapoer, Kidd PC
260 Ferry Street SW., Suite 202
Albany, Oregon 97321
Phone: 541-926-5505

Tax and Audit

Redw Advisors & CPAs
Ryan T. Pasquarella, Principle
475 Cottage Street NE Suite 200
Salem, Oregon 97301
Phone: 1-888-602-7339

OCWCOG was audited June 30, 2025, by an independent and licensed auditor, *redw Advisors and CPAs*. The auditor opinion found "...the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and aggregate remaining funding information of the Oregon Cascades West Council of Governments West Council of Governments as of June 30 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with the accounting principles generally accepted in the United States of America". The following link will take you to the full report: [OCWCOG Final Audit FY 2025](#)

Agreement of Audit Requirement

The Cascades West Business Lending program loan documents include an audit provision to conduct audit of Ultimate Recipients financial, management, and employment records. . This will allow OCWCOG to conduct a financial audit as needed.

Financial Resources

The Cascades West Business Loan program and its revolving loan portfolio are self-supporting with the recapitalization of the loan funds, earned program interest, and investment interest. The program pays for one full time loan officer, part time administrative support, and financial accounting. The program subcontracts a small portion of its loan servicing to the CCD Business Development Corporation, a certified development company based in Oregon. Administrative oversight is supported by the OCWCOG and its membership dues.

Record for Obtaining Funds

The OCWCOG has not been required to raise additional funds for this loan program, as the revolving loan has been recapitalized with loan principle, repayment fees, and housed in an interest-bearing account. OCWCOG intends to seek additional private and public funds to provide additional capital to the IRP/RDF fund. These matching funds will be used to fund Ultimate Recipient projects. A 25% private, non-federal match will still be required by the Ultimate Recipient, which can be derived from the borrower's contribution or private leveraged funds.

Sustainability of the Fund

The CWBL program is self-sustaining and supported by loan and investment interest, and service and miscellaneous fees from its small business revolving loan portfolio. The USDA IRP/RDF lending program is recapitalized with the repayment of principal loan funds, repayment fees, and program interest. The funds are banked in an interest-bearing account. This loan program has been part of the CWBL small business revolving loan program portfolio for over 37 years. The OCWCOG has well-established financial and management systems that will continue to support this lending program for the years ahead.

All loans are also enrolled in Business Oregon's Community Lender Loan Loss Reserve Program; the program can recapitalize principal losses to the specific loan program impacted. In a loan default scenario, CWBL would prepare a liquidation plan acceptable to Business Oregon, liquidate all assets that secured the loan, and if a debt balance remains, the principal may recover from the CLLLRP with written authorization from Business Oregon. This is another tool to reduce the risk inherent to lending.

Certification

The undersigned intermediary acknowledges and certifies that the foregoing Work Plan has been developed as the Intermediary's plan for administration of the Intermediary Relending Program (IRP). We agree to follow this plan in the operation of our USDA funded loan. We further agree not to make changes in this Work Plan without the prior concurrence of USDA, Rural Business-Cooperative Service.

Certified and agreed this ____ day of _____, 2026 by:

Oregon Cascades West Council of Governments

By: _____

Title: Paul Egbert, Agency Director Oregon Cascades West Council of Governments

Appendix A: Loan Program Advisory Committee Bylaws

Appendix A: Program Loan Advisory Committee ByLaws

(Current Loan Program Advisory Committee By-Laws will be updated in 2026.)

BY-LAWS

LOAN PROGRAM ADVISORY COMMITTEE of the OREGON CASCADES WEST COUNCIL OF GOVERNMENTS

Adopted September 16, 1999
Amended January 15, 2009
Amended May 15, 2014
Amendment December 3, 2015
Amendment May 19, 2016

ARTICLE I

PURPOSE

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

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

ARTICLE II

MEMBERSHIP

- A. Shall consist of the Board of Directors' Executive Committee, Chair of the OCWCOG Community and Economic Development Committee, and a commercial banking lending professional or an individual involved in economic development within the OCWCOG region.
- B. 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 year has lapsed after completion of the maximum of three terms.

ARTICLE III

OFFICERS AND STAFFING

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

- A. **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.
- B. **Vice-Chairperson** - In the absence of the Chairperson, the Vice-Chairperson shall execute all the functions of the Chairperson.
- C. OCWCOG will provide staff support for the Loan Program Advisory Committee and will provide staff to serve as recording secretary.

ARTICLE IV

SUBCOMMITTEES

- A. LPAC may establish subcommittees as necessary to handle specific responsibilities.
- B. 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 V

ORGANIZATION PROCEDURES

- A. LPAC shall hold meetings as necessary, at least semi-annually, at a time and place designated by the Chairperson.
- B. A majority of the membership of LPAC shall constitute a quorum for the transaction of business.
- C. Proceedings of meetings will be recorded in order to insure accuracy of minutes. Recordings will be retained for reference for one year.

- D. 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 meeting of OCWCOG Board. If it receives 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.

- E. 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.
- F. No proxy voting is permitted.
- G. 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 days prior to such meetings. Notice shall state the purpose of the meeting.
- H. Each LPAC member shall be given a copy of these bylaws and amendments.

Appendix B: AUSDA/RBS Concurrence

The preceding Work Plan submitted by Oregon Cascades West Council of Governments is hereby accepted as the Oregon Cascades West Council of Government's plan for administration of their Intermediary Relending Program (IRP) loan program; and Rural Business-Cooperative Service (RBS) hereby concurs with said Plan.

Director, Rural Business-Cooperative Service

Date