

**A G R E E M E N T**

**Between**

**MID WILLAMETTE VALLEY COUNCIL OF GOVERNMENTS**

**and**

**YAMHILL COUNTY**

**R E C I T A L S:**

1. The **Mid-Willamette Valley Council of Governments (COG)** and **Yamhill County, Oregon**, a political subdivision of the state of Oregon, (**COUNTY**) have long had interests in common; and
2. The **COUNTY** is a member of the **COG**; and
3. The **COUNTY** desires assistance with various aspects of the operation of its economic development revolving loan fund program and the **COG** provides such services for its member governments; and
4. The **COUNTY** has authority to enter into intergovernmental agreements for cooperation between units of local government in accordance with Oregon Revised Statutes Chapter 190.

In consideration of the mutual benefits and obligations set out herein, the parties agree as follows:

**1. DESCRIPTION OF WORK TO BE PERFORMED BY COG**

The **COG** shall provide the following services for the **COUNTY'S** Economic Development Revolving Loan Fund Program:

- A. Loan Underwriting and Packaging services,
- B. Loan Closing,
- C. Loan Servicing,
- D. Reporting, and
- E. Special Technical Assistance and Loan Collection work, including training of **COUNTY** staff as required.

The **COG** shall utilize the **COUNTY** RLF Program terms and loan criteria as found in Exhibit B, in addition to customary commercial lending standards and practices to evaluate loan eligibility.

**2. COMPENSATION**

- A. For services described under 1.A and 1.B above, the **COG** shall be compensated on a fee basis at the rate of 1.5% of the loan amount for any complete loan package prepared by **COG** staff and submitted to the **COUNTY** for final disposition (loan fee). The loan fee shall be due at the time the loan is closed. The minimum fee for such loans shall be **\$700**. The **COUNTY** shall reserve the right to provide all of the loan packaging services based on the County Administrator's evaluation of staff capabilities and the needs of the **COUNTY**. The **COUNTY** shall provide **COG** with notice that the **COUNTY** intends to provide loan-packaging services.
- B. For all activities described in 1.C, 1.D, and 1.E above, the **COG** will be compensated monthly based on the cost of services not to exceed a total annual cost of \$5,000.00 pursuant to the fees identified as Exhibit A.
- C. **COG** shall bear the cost of staff travel and incidental expenses and these costs are included as part of the fees stipulated in this Agreement.

**3. TERMS AND TERMINATION**

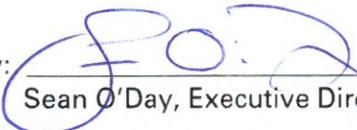
This Agreement shall be effective on *July 1, 2018* and continue until *June 30, 2019* or until such time as either party provides sixty (60) days written notice of its intent to terminate the Agreement, and then the Agreement shall terminate on the 60<sup>th</sup> day following said notice.

**4. AMENDMENTS**

This Agreement may be amended by mutual agreement of **COUNTY** and **COG**. Any amendments shall be in writing and signed by duly authorized representatives of both parties.

**IN WITNESS WHEREOF**, the above parties have caused this Agreement to be signed in their respective names by their duly authorized representatives.

**MID-WILLAMETTE VALLEY COUNCIL OF GOVERNMENTS**

By:   
Sean O'Day, Executive Director

Date: 8/30/18

**YAMHILL COUNTY**

By:   
Laura Tschabold, County Administrator

Date: 6-21-18

## EXHIBIT A

### Compensation Details

1. **Special technical assistance and loan collection assistance activities** when requested by **COUNTY** staff shall be compensated at the professional Loan Officer hourly rate of \$97.00 and the Loan Documentation and Servicing Specialist hourly rate of \$60.00(which includes salary and all overhead costs including travel).
2. **Loan packaging and closing activities** shall be compensated on a fee basis at the rate of 1.5% of the loan amount for any complete loan package prepared, at the request of the **COUNTY**, by **COG** staff and submitted to the **COUNTY** for final disposition. The minimum fee for such loans shall be \$700.00 and shall be due at the time of loan closing.
3. **Loan servicing and reporting activities**, which include monitoring and verifying the provisions of all loan agreements, maintaining current documentation of insurance and tax payments, collecting and reviewing financial statements from each borrower on at least an annual basis, and preparing and annual loan program activity report to the **COUNTY**, **COG** shall be compensated at a flat monthly rate of \$150.00.

## EXHIBIT B

### YAMHILL COUNTY ECONOMIC DEVELOPMENT REVOLVING LOAN FUND PROGRAM

#### Loan Criteria and Terms:

- **Eligibility:** Manufacturing, including food processing businesses located anywhere in Yamhill County. Other businesses may be eligible if they would have a significant impact on the Yamhill County economy as determined by the Yamhill County Board of Commissioners.
- **Uses:** Land, equipment, construction, or working capital.
- **Loan amounts:** \$250,000 maximum
- **Participation rate:** 40% of project cost.
- **Interest rates:** 4% minimum
- **Term/Amortization:** Loan term not greater than 120 months, negotiable amortization period.
- **Job Creation:** Preference will be given to loan requests that result in the creation and retention of jobs.

#### Loan Review Procedures:

- 1) **Initial consultation:** The applicant, prior to applying for the Yamhill County RLF Program, will meet with a COG Loan Officer to discuss a potential loan application and determine consistency or the borrower's eligibility to borrow from the program. Application materials and submittal requirements will also be explained.
- 2) **Application submittal/review:** Upon submittal of an application, the COG will review the application and determine if all of the necessary information has been submitted. The applicant will be notified of any deficiencies in the submittal.
- 3) **Credit analysis/recommendation:** Upon submitting a complete application, the COG will prepare a credit analysis report with a recommendation for the COG Revolving Loan Fund (RLF) Board.
- 4) **COG RLF Board review/loan approval:** The COG RLF Board reviews the COG credit analysis report and makes a final decision on the application and the appropriate loan interest rate.
- 5) **Yamhill County review:** A copy of the RLF Board recommendation is sent to the Yamhill County Board of Commissioners for review and concurrence.
- 6) **Loan documents:** The COG prepares draft loan documents for the County's review and approval.
- 7) **Loan closing:** The borrower signs final loan documents. Original loan documents (exempt from FOIA) are kept on file at the County Attorney's office.

- 8) Loan payments/accounting: The County Finance Department will collect and account for loan repayments. Loan payments will be set up to be received by ACH. Loan "work outs" will be handled by County staff with advice from legal counsel and the COG.
  
- 9) Loan servicing activities: The COG will provide loan servicing activities including: monitoring and verifying the provisions of all loan agreements, maintaining current documentation of insurance and tax payments, collecting and reviewing financial statements from the borrower on an annual basis.