

**Lorain Port and Finance Authority
Board of Directors
Regular Meeting
Train Station
Tuesday, September 8, 2020, at 7:00 p.m.**

Board of Directors: Messrs. Bansek, Davila, Kuszniir, Mullins, Sommers, Veard and Zellers (7; Mr. Nielsen and Mr. Zgonc were absent.)

Staff: Tom Brown, Executive Director
Tiffany McClelland, Economic Development Director
Yvonne Smith, Accountant
Kelsey Leyva, Office Manager
Mike Brosky, Attorney

Guests: Anthony Horn, Citizen

I. Roll Call

A. The meeting was called to order at 7:00 p.m. by Chairman Brad Mullins with roll call indicating a quorum present.

II. Pledge of Allegiance

III. Disposition of Meeting Minutes

A. **August 11, 2020, Regular Board Meeting:** Mr. Mullins asked if there were any questions, changes or corrections. Ms. Leyva explained there was one change in the Bylaws and Personnel section. The second sentence was changed to say only the fieldwork of the audit is complete so far. Mr. Sommers moved to approve the minutes. Mr. Kuszniir seconded. Motion carried.

IV. Report of Officers

A. Chairman

1. Mr. Mullins turned the floor over to Mr. Anthony Horn. He is interested in some of the properties we own. Mr. Horn said he owns T Bonds on East Erie Avenue. He is interested in the lot behind his business so he can expand. He also owns 150 Lakeside Avenue, and Mr. Horn wants to buy the lot next door to build on the land. His plan is to develop the land in 2021. Mr. Mullins said the topic would go to executive session and we will

let Mr. Horn know what we decide. We will make a formal notice of the properties we're willing to sell. The lots Mr. Horn is interested in are commercial and residential.

2. Correspondence received:

- a. Mr. Brown said he received a late message. The committee for Lorain City Schools renewal levy is requesting a motion of approval or support from our board. We don't normally do endorsements. We do motions of support instead. Mr. Brown explained it is a renewal levy on the November 3 ballot. Mr. Zellers confirmed this is not a request for monetary support. Mr. Davila moved to support the LCS renewal levy on the November ballot. Second by Mr. Zellers. Motion carried.
- b. Mr. Brown said the Roads, Rails and Sales event was approved by LC Public Health. This is a major fundraiser for the Lorain Caboose Committee and their restoration project. They're socially distancing everything. The Port donated and we received bandanas for the board members. The event includes a car show and flea market. They have a few supporting agencies and sponsors. The next phase with the Caboose is scheduling sand blasting. The stick-and-peel paint removal method wasn't as good as they hoped. Mr. Brown will be calling the sandblasting company to give them permission to be on the site. The Caboose will be tented. As the caboose is improved, we'll move it to the permanent location.

B. Executive Director

1. Mr. Brown said he had nothing further to report.

C. Economic Development Director

1. Strategic Plan Update: Ms. McClelland said she'll be giving an update on what we've accomplished in 2020 and what we plan to do moving forward, including the changes. Our strategic plan has three main visions. Action item one is focusing on becoming the economic development leader in the city. Action Item two is us looking at our financing mechanisms and what we can do as an agency to enhance our economic development arm.

Action Item three is focused on our governance aspects and making us a more efficient agency. Some successes include our last meeting when we started the rebranding the agency. Becoming the Lorain Port and Finance Authority is a huge step. There is still more rebranding to do moving forward. Under vision two, we've done a lot in establishing ourselves as a redevelopment agency. This includes all of our Brownfield work. Around this time last year, we requested a resolution of support to apply for Brownfield Grant funding. That's on the agenda again. We didn't get funded last year but we want to try to get assessment dollars again. It's a great program for the agency. We also have a great PACE structure set up. We partner with another agency, so we don't invest financially, but we get a fee from managing the ESID. It's a start and a step in the right direction. Everything is outlined on our website and we've established ourselves as the PACE contact. We're also working with surrounding communities to expand the ESID outside the City of Lorain. By the end of 2020, we hope to expand to three other communities. Under vision three, we looked at all of our comprehensive governance policies. Mrs. Smith does a great job of keeping the bylaws and personnel policies updated. Moving on to continuations, under vision one, action item three is improving marketing and rebranding of the agency. We've been doing this since 2019 when we took on the strategic plan, but we want to have a good marketing campaign and a quarterly economic development newsletter. Ms. McClelland said we're also continuing to focus on partnerships. We have a leadership role in the Ohio Council of Port Authorities. Ms. McClelland is the president. Our strategic plan also includes maintaining our regular port activities, and we've done really well in an unusual year. Ms. McClelland said under vision two we're continuing the Brownfield work through assessment dollars. The program wasn't active in 2020 because we didn't receive the grant, but we're hoping we'll get funded again in 2021. That would mean we could do additional Brownfield assessments for our properties, which leads to cleanup dollars.

We're helping facilitate all cleanup efforts we can within the city and future development. Opportunity Zones are still a hot topic. After Ms. McClelland and Mr. Brown presented at the National Brownfield Conference, the EPA got more interested in Lorain. They're making it easier to get funding if you're talking about something in an Opportunity Zone. We have four. The EPA ended up giving us a strategy work session with US EPA, Ohio EPA and other national professional agencies to make opportunity zone investment more obtainable in Lorain. We will be getting a plan back and will share it with the board. Mr. Brown said it was one of the best Zoom sessions he's been on. He said it was good to have Team NEO and Jobs Ohio and local agencies involved. Mr. Mullins asked if Opportunity Zones could be expanded. Ms. McClelland said no, they're locked in unless Congress decides to change that. Contiguous land could potentially be included with the Opportunity Zone, but that might be it. Ms. McClelland said our strategic plan calls for a variety of incentive and financing programs and it has some projected to start by the end of this year. 2020 has pushed us back in a lot of ways. Economic Development paused for about six months which affected the strategic plan. We're taking a look at which program we want to tackle first. Relating to vision three, we would like to have board training in 2021. Mr. Kuszniir started down this path before the pandemic hit but we do not want our first training to be on Zoom. Ms. McClelland said the goal is to formulate an effective board training program. The board has already helped in decreasing administrative burdens by increasing Mr. Brown's spending thresholds and switching to three-year contracts. Some of these changes may be added to the bylaws. Ms. McClelland said we've also established fee structure for the PACE program. It took a lot of work, research, and networking to establish the fee structure. There isn't a lot of information out there until you ask directly. She and Mr. Brown feel they're narrowing into a structure that would be appropriate to present to the board. We're able to give a cost estimate for potential investors to make an informed decision. It

makes doing business easier and proactive. Ms. McClelland then shifted to alterations we've had to make when it comes to the Strategic Plan. The alterations are predominately focused around COVID-19 or changes in the city administration. Since starting down this path, the city administration has changed twice and there have been a lot of staff changes. We were initially striving for a formal agreement with the city establishing us as the economic development arm to handle their programs such as, TIF and their EPA revolving loan fund, but the current administration no longer wants to go in that direction with us. Because of this, we are taking it out of the Strategic Plan and focusing our efforts elsewhere. We still work with the city and talk with them daily. We work with the Mayor and the new safety service director and attend meetings when asked. Our TIF Agreement has been cancelled as they no longer wanted us managing their program. They are now handling that internally. The same goes for their revolving loan fund. The rest of the changes to our strategic plan are more COVID related. We were working on building relationships with banks and investors and the Strategic Plan had us hosting two PACE workshops, a developers/investors breakfast and an annual economic development event. Ms. McClelland said all of those have been pushed back. An online forum doesn't put us in the same position to interact and get our information across. Mr. Brown added that we are working well with the city. He believes there may have been some territory issues. They thought or were told the port was trying to take over too much, but that idea seems to have been solved. Mr. Brown said he still believes we will become the lead economic development agency; we're just going to go about it differently. We're going to lead by example. If we would have accepted a contract with the city, it came with reporting and other stipulations. He almost thinks our changing direction is a good thing. Mr. Brown said there is a clean separation and we can complement each other. He said we're Switzerland in a lot of ways and he thinks we should stay that way. It has been an off year, but it's starting to pick up now.

There are about a half dozen good projects we're working on and it may have been difficult to juggle what we have along with the city's programs. Mr. Brown said the city is still planning to reenergize its economic development programs, which is a good thing for everyone. Mr. Zellers asked if there was competition now? Mr. Brown said no, the city is still calling us a lot. He wants to see a more seamless relationship and a quicker turnaround time. Mr. Mullins said working with the Port and working with the city is night and day. Mr. Zellers asked about us working with the county and if there was any update on that relationship? Mr. Brown said he's had one meeting with the county and a consistent dialogue with the Community Development Department. The county port is a different structure, but we have dialogue periodically. Some people may still be furloughed. Most currently, there is a grant program for electric vehicle charging stations that we're working on with the county. Mr. Brown said he may come to the board asking for two spaces to be used as charging stations for electric vehicles. He thinks we are going in the right direction with the county. Ms. McClelland agreed and moved into project updates. She said we have about 3-5 potential development or expansion projects in the City of Lorain. Three involve Team NEO, which means it's some type of target industry they're focusing on. It also means we may leverage state dollars. The fact that people locally are looking to expand is great news. When it comes to PACE financing, we currently have half a dozen projects in the works. That means someone contacted us about financing with PACE, we engaged them with a lender, and they are still talking with the lender. The projects range from \$150,000 to \$1 million. Generally, PACE financing focuses on redevelopment work. Business owners are either reinvested or new businesses popping up that need energy efficiency improvements. One project has received an inducement letter, which means that they are getting ready to close. That will go before the ESID Board soon. Ms. McClelland said we're also working on the ESID expansion. We should be in a good position to expand at the end of

this year. Currently we're working on three project leads. That means someone came to us as an established business or is looking to expand or relocate here. We're also looking at six potential economic development grant opportunities, ranging from Jobs Ohio to EDA, ODNR and EPA. The EPA grant is on tonight's agenda and is for Brownfield Assessment Funding. Mr. Mullins said Elyria is already offering PACE financing through us, but they won't say it's the Port. Ms. McClelland said she has been working with Ms. Dawn Calvert with Elyria. She said they realized establishing an ESID and running it would be a burden on the city, so we're working through obstacles to make it happen. Mr. Brown said if we get through Elyria Township and touch Elyria, we'll soon be county-wide. If we can grow to county-wide, he believes that would be a nice accomplishment. Mr. Mullins thinks marketing and education is huge. Ms. McClelland said she wants a focused marketing campaign. Mr. Zellers asked if branding was internal? Ms. McClelland said yes, currently, but we're open to looking into a consultant. Mr. Mullins said Zoom Info is a great tool. Really inexpensive and really effective.

2. Brownfield Assessment Grant: Ms. McClelland said it's a \$300,000 grant. It would be zero match from us to do assessment work in the City of Lorain on any Brownfield or potential Brownfield site. We had a strong application last year and did a debrief with the EPA following the award distribution. They went over it line by line and the EPA said we scored high and had very few comments. Ms. McClelland said we basically were at the cutoff point to receive grant funding. It also could have been affected by new applicants. At least 50% of recipients were new grant recipients. We received a few comments for slight edits, but we were told to make those changes and resubmit. Mr. Brown said during conversations with other agencies, they were told the opposite in their debrief and had to start over. That gave us more confidence.

Mr. Mullins presented:

A RESOLUTION AUTHORIZING THE FILING OF AN APPLICATION WITH THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY (U.S. EPA) FOR A RENEWAL OF THE BROWNFIELDS ASSESSMENT GRANT.

Mr. Bansek moved to approve Resolution No. 2020-25. Second by Mr. Davila. Roll call votes as follows:

Ayes: 7 Nays: 0 Abstain: 0 Resolution Passed

V. Report of Committees

A. Contract Management Committee

1. Economic Development Funding: Mr. Zellers said last week there was a joint committee meeting and the Contract Committee met before the board this evening. The discussion was about a resolution to set up a separate account for economic development revenues. The resolution will be retroactive to January 2020. Ms. McClelland said Mr. Zellers covered it well. She said the only updates were that we specified what is considered economic development revenues and expenditures.

Mr. Mullins presented:

A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OR HIS DESIGNEE TO SET ASIDE ANY ECONOMIC DEVELOPMENT RELATED REVENUES TO BE USED FOR THE PURPOSES OF ECONOMIC DEVELOPMENT RELATED ACTIVITIES.

Mr. Bansek moved to approve Resolution No. 2020-26. Second by Mr. Sommers. Roll call vote as follows:

Ayes: 7 Nays: 0 Abstain: 0 Resolution Passed

B. Strategic Development Plan Committee

1. Mr. Kuszniir said he had no report.

C. Marketing and Public Affairs Committee

1. Mr. Bansek said he will have a committee meeting for the survey results, likely in November.

D. Grounds Maintenance and Capital Improvements Committee

1. Mr. Brown said he wants a committee meeting in October to give an update of projects accomplished in 2020. We're in year three of our landscaping/lawn maintenance contract. He asked MTC Horticultural Services to provide a new quote and he's hoping to send that to committee prior to the October Regular Board Meeting.

E. Financial Planning and Audit Committee

1. July 2020 Financial Statement: Mrs. Smith said she was able to go over financials with Mr. Kuszniir. He said the bookkeeping was great. He looked over Kelley's Island Ferry Boat Line and everything looks good. Mr. Zellers moved to approve. Second by Mr. Veard. Motion carried.
2. August 2020 Financial Statement: Mr. Sommers moved to approve. Second by Mr. Zellers. Motion carried.

F. Bylaws and Personnel Committee

1. Mr. Sommers said he had no report.

VI. Other Business

- A. Mr. Brown asked for a motion from the board. He spoke with the Mayor and city administration. They received another allocation of CARES Act money. They want us to apply for something and are hoping to work together. Mr. Brown said he would bring it back in October with more information. Mr. Davila moved to approve filing an application for the CARES Act grant. Second by Mr. Bansek. Motion carried.

VII. Public Comment

- A. None.

VIII. Executive Session

- A. Mr. Sommers moved to enter executive session. Second by Mr. Davila. Roll call vote as follows:

Ayes: 7

Nays: 0

Abstain: 0

Motion Carried

Mr. Davila moved to exit executive session. Mr. Kuszniir seconded. Motion carried.

IX. Adjournment

A. There being no further business to come before the board, Mr. Sommers moved to adjourn. Mr. Bansek seconded. Meeting adjourned at 8:10 p.m.



Brad Mullins, Chairman



Tom Brown, Executive Director