

LORAIN PORT AUTHORITY

Board of Directors

Regular Board Meeting

Tuesday, June 12, 2018

Board of Directors: Ms. Carr, Mrs. Cook; Messrs. Bansek, Davila, Kuszniir, Mullins,
Nielsen, Zellers and Mr. Zgonc

Staff: Tom Brown, Executive Director

Yvonne Smith, Accountant

Tiffany McClelland, Economic Development Specialist

Kelsey Leyva, Office Manager

Michael Brosky, Esq., Legal Advisor

Lil, Goose Dog

Guests: Rick Payerchin, Morning Journal

Craig Middlebrook, St. Lawrence Seaway Development Corporation

Adam Schlicht, St. Lawrence Seaway Development Corporation

Eric Kogelschatz, Shark & Minnow

Nick Turner, U.S. Representative Marcy Kaptur

James Levin, FireFish Festival

Pat Morrison, Lorain Growth Tourism Committee

Gail Bonsor, Lorain Growth Tourism Committee

Bob MacDonald, Lorain Growth Tourism Committee

Gary Schaffer, National Model Railroad Association Mid Central Region

Division Four

I. Roll Call

A. The meeting was called to order at 7:04 p.m. by Chairman Brad Mullins
with roll call indicating a quorum present.

II. Pledge of Allegiance

III. Report of Officers

A. Chairman

1. Correspondence received: None.

B. Executive Director

1. St. Lawrence Seaway Development Corporation 2017 'Pacesetter Award': Mr. Brown said the Lorain Port Authority was lucky enough to be a 2017 Pacesetter Award winner. Tonight, Craig Middlebrook and Adam Schlicht with the St. Lawrence Seaway Development Corporation are here to present the award. Eric Kogelschatz with Shark & Minnow and Nick Turner with U.S. Representative Marcy Kaptur's office also attended. Bill Morog and Steve Staton with Jonick & Co. in Lorain also attended the meeting as their dock operations were the predominant increases in international cargo tonnage in 2017. Mr. Brown said Lorain is open for business and eager to move cargo all over the world before turning the floor over to Mr. Middlebrook. Mr. Middlebrook said this is the second time the Port of Lorain received the Pacesetter Award. The last time was 2005. Mr. Middlebrook said the award program was initiated about 25 years ago to recognize U.S. ports for international tonnage. Last year was a huge for Lorain as international tonnage saw a 100% increase in export coke and import slag. The award was established because the individuals at St. Lawrence Seaway felt a lot of general public didn't realize how important ports are and the way they generate economic development and local impact. This is an opportunity to recognize the ports that are really making a difference. Only six (6) ports received the award in 2017. The Lorain Port Authority is part of a distinguished group, Middlebrook said, adding the award is a testament to Mr. Brown's hustle and willingness to showcase Lorain as a place to maximize opportunities. He congratulated Mr. Brown, his staff and the board for their hard work and commitment. Mr. Mullins congratulated the board and staff for its hard work!

2. FireFish Expanded Partnership Proposal: Mr. Brown said the FireFish expanded partnership proposal was included with the board packet. Mr. James Levin, director of the FireFish Festival, attended to make a presentation and answer questions. He said he has a background in leveraging economic development with the arts and is the founding director of the Gordon Square Arts District, which has added 85 new businesses since the early 1990s. The FireFish is not just about producing an event. The bigger idea is to trigger an economic revival centered around the arts. Mr. Levin said this year's festival, the fourth annual, will be Sept. 21-22. The footprint changes from year to year, but the 2018 festival will be on Broadway Avenue between West Erie Avenue and Fifth Street. The footprint also stretches east to include Black River Lane from Fifth Street to the Bascule Bridge. The crowning event is the parade or sunset procession with local musicians and performers that leads to the burning of the fish. This year's parade will go under the Bascule Bridge and will include the Lorain High School marching band. The goal is to bring 15-20,000 people to Lorain. Performers include Carlos Jones, the Plus Band and Sammy DeLeon. Partners include the Boys and Girls Club, Spectrum on Fourth Street, LCCC, Oberlin College, Lorain Arts Council, FAVA and the United Way, among others. If approved, Mr. Levin said the FireFish Festival would like to use the area right outside the boardroom window as a place of art installations and fabric pieces. Another request would be to use the green area to the north of the main entrance, where staff park during concerts. They also want to use stage as a space for a dance party and DJ after the burning of the fish. Mr. Levin said Mr. Vic Nardini is allowing the FireFish Festival to use his space at Broadway and Fourth for performances and a stage. Mr. Levin then reiterated that he wants the Port to allow the use of spaces he

mentioned, and provide power to all of the spaces identified. He's also asking for monetary support. Mr. Levin said his goal is economic development, which is the same goal as the Port Authority. The ask is for \$5,000, which Mr. Levin said will help to bring in high-quality artists. Ms. Carr asked about the art installation and its permanence. Mr. Levin said they would install likely on the Wednesday or Thursday before the festival and then torn down after. He then said some installments have stayed up longer, but the current plan is to have it removed Sunday, September 23. Mr. Brown said another in-kind ask is the presence of a sculpture throughout the summer. The executive director then asked if a picture of the sculpture was available. Mr. Levin said it's the firefish they created last year, which is 20-feet long and has a steampunk theme. He said it would be a huge advertising piece considering how many people the Port Authority draws with its events during the summer. Mr. Mullins asked where it would go. Mr. Levin said they would like to place the sculpture near the Train Station, but they're open to negotiations. Ms. Carr asked about the timeframe and when the FireFish Festival needs to have its answers by. Mr. Mullins said the topic would likely need to go to the Marketing and Public Affairs Committee for further discussion. Mr. Levin said for the advertising piece, they'd like to know in time to set it up before the International Festival. Mr. Mullins clarified and asked when they need to know about the monetary donation and other in-kind asks. Mr. Levin said anytime, but knowing by mid-July would be ideal. If the Port Authority says no to some of the spaces, such as the stage, it would change the footprint of the event. Mr. Mullins said the Port would be in touch following further discussions.

3. Broadway Building Deed: Mr. Brown said the document included in the board packet is a mechanism to set up the tax increment

financing (TIF) arrangements on the Broadway Building. He explained that in order for that consideration, the city has to take ownership of the building for an extremely brief period of time while the property is under the economic development status. What will happen is we will complete a quitclaim deed, sign the property over to the city and then in about 15 minutes the building will be signed back over to the Port Authority. It's a governmental process that needs to take place for us to enter into the TIF agreements. MR. Brown added the Lorain City Council will consider this item at their June 18, 2018, meeting. They will need to accept and they have already written a resolution of intent to approve the TIF agreement. On the same night, the topic of the TIF will also go before the Lorain City School Board for consideration. The CRA agreement is 15 years and the TIF would be years 16 through 30.

Mr. Mullins presented:

**A RESOLUTION AUTHORIZING THE TRANSFER AND ACCEPTANCE OF CERTAIN
REAL PROPERTY GENERALLY LOCATED AT 301 BROADWAY AVENUE IN THE
CITY OF LORAIN, OHIO.**

Mr. Bansek moved to accept Resolution No. 2018-18. Ms. Carr seconded the motion.
Roll call vote as follows:

Ayes: 9 Nays: 0 Abstain: 0 Resolution Passed

4. Grant Support Request from Lorain Growth Tourism Committee:

Mr. Brown said the Tourism Committee handles the International Tree and Train Display during the winter and Mrs. Gail Bonsor has created a presentation regarding grant opportunities. Mrs. Bonsor introduced Bob MacDonald and Pat Morrison with the Tourism Committee and Gary Schaffer with the National Model Railroad Association Mid Central Region Division Four. Mr. Schaffer produces the largest display during the Tree and Train event. Mrs.

Bonsor said the goal of the Tourism Committee is to bring events and attractions to Lorain. The committee falls under the Lorain Growth Corporation umbrella and shares its 501c3 status. In addition to Trees and Trains and the Model TRAINing Day, the Tourism Committee also actively supported the Cabela's Walleye Fishing Tournament. Mrs. Bonsor said about four years ago she talked to Rick Novak about a restored caboos and wanting to find a place to put it. At the time, Mr. Novak was very interested in the idea but financing became an issue and it didn't work out. Recently information for a possible grant has surfaced and the Tourism Committee has decided to pursue it. The end goal would be to have the restored caboos on the tracks near the Train Station. Mrs. Bonsor said the reason for the train is to illustrate to visitors that Black River Landing's Transportation Center was meant to act as a train station. The building is now used as a rental facility. Cabooses are not historical, but Mrs. Bonsor said the group wants to find a B and O caboos that has historical significance to Lorain. They want to be able to offer programs for children within the caboos or dining car. At this point, the Tourism Committee needs cooperation and approval from the Lorain Port Authority. The Tourism Committee is not asking for money and will finance the project through sponsorships, fundraisers and grants. They are simply asking for permission to place the caboos or train car on the Port's property. In 2019, the committee will be applying for \$10,000 grant through the Amherst Railroad Society of Massachusetts. The group is continuing to look for other grant opportunities. Mrs. Bonsor said they're a determined group. When the group was asked eight years ago to bring something to the Train Station in the winter months, they raised nearly \$8,000 and started Trees and Trains the following year. Mrs. Bonsor said this isn't the type of project that

can be completed in one year. She wants to start a committee with to Lorain Port Authority Board members, two Lorain Growth Corporation Tourism Committee members and two at-large members, which would be people who have a background and expertise in this type of venture. Mrs. Bonsor said her group is aware of the other train group who made a proposal for trains at Black River Landing and their goal is not to combine projects. Mrs. Bonsor said she believed both are possible. If approved tonight, the hope to start applying for grants and donations by August 31, 2018. Mr. Brown asked about a due date for the grant. Mrs. Bonsor said the deadline was June 30 this year. They initially asked to be put on the agenda to speed up the process, but ultimately decided they didn't want to rush it and are instead waiting to apply for the 2019 grant. The association offers two grants. One is the \$10,000 Founder's Day Grant and the other is a Heritage Grant. Mr. Shaffer said the area may qualify for the Heritage Grant because Black River Landing was previously the B and O yards. Mr. Zellers asked when the group would know if they got the grant. Mrs. Bonsor said the application deadline would be June 30, 2019, and the recipients would likely be announced January 2020. She said they have several cabooses on their list to check out. The caboose offered to the group originally is in the same place. It's free, they just need to pay to move it. Another caboose may also be available, but this process has just started. Mr. Mullins asked about the end goal. Mrs. Bonsor said it would be to get one car on the tracks at Black River Landing. Mr. Brown said it would be a static display. He said the difference between this proposal and other proposals is this project focuses on restored car, not a work in progress. Mr. Mullins asked if \$10,000 would be enough? Mrs. Bonsor said no. Mr. MacDonald said it'll cost almost that much to move it, but the caboose will need

to be maintained. Mrs. Bonsor said it would also need to be safeguarded and insured. Mr. Nielsen asked who would own the caboose. Mrs. Bonsor said the Tourism Committee would own it.

5. International Festival Table: Mr. Brown said Ms. McClelland has a tentative schedule. Some board members expressed interest in have a booth at the International Festival this year. It will promote what the Port is doing and start laying the preliminary groundwork for levy campaign. The staff will be working Friday night, but board members will be needed on Saturday and Sunday. We will be sharing a table with the Lorain Growth Tourism Committee and the interns are putting together ideas for promotional materials. Mr. Nielsen suggested raffling off a prize. Mr. Brown said anytime we can brag about our site, accomplishments and award is a good thing. Ms. McClelland said she would send out an email for people to sign up for times to work the booth.

IV. Report of Committees

A. Contract Management Committee

1. Mr. Zgonc said he had nothing to report.

B. Strategic Development Plan Committee

1. Ms. Carr said there was no real action to report. The meeting last week was informational to get up to speed on various properties we own on the waterfront that the board may want to act on in the next year. In the very near future, they'll be having another meeting and then be moving forward on potential projects. Mr. Brown added the Port is hosting the Expression of Interest meeting on Thursday. It was a national invitation to developers for various properties included in the areawide planning grant through the county's federal EPA grant. We're not sure how well-attended it will be, but we're always ready to engage and tell people about Lorain. Our south eight acres and our 24 acres are among the properties included.

C. Marketing and Public Affairs Committee

1. Mr. Bansek said once the Strategic Development Plan goes forward he will call a meeting to discuss it and an October fundraiser. His committee also picked up a few items tonight, so Mr. Bansek said the meeting will be soon.

D. Grounds Maintenance and Capital Improvements Committee

1. Mr. Nielsen said he had nothing to report.

E. Financial Planning and Audit Committee

1. May 2018 Financial Statement: Mr. Kuszniir said he met with Mrs. Smith concerning the March, April and May financial statements. He caught up and everything looks good. Ms. Carr moved to approve the March, April and May financial statements. Mr. Kuszniir seconded. Motion passed. Mrs. Smith quickly mentioned a suggestion by the auditors to create a separate agency fund when selling tickets for events such as Rockin' on the River or Country Jam as the Port Authority has no control over how the money is spent. She said she's revised the 2016 annual financial report and is working on 2017 annual financial report for the auditors. The corrections have already been made for 2018. At the beginning of May the general fund had \$840,589.87, the Marine Patrol fund had \$1,408.85, the Kelleys Island Ferry Boat Line had \$134,759, Ariel on Broadway had \$20,778.49 and ROTR ticket sales had \$990. Revenues included \$5,907.84 to the general fund and \$4,540 for Rockin' on the River. Advances in and out of the Marine Patrol and general funds also occurred. Expenditures from the general fund total \$174,109.13, Marine Patrol total \$3,198.48, Kelleys Island 40,427.70, which left the general fund with a balance of \$661,721.33, Marine Patrol with a balance of \$8,877.62, KIFBL \$94,331.30, Ariel on Broadway \$20,778.49 and ROTR \$5,530. The agency-wide balance is \$791,238.74.
2. Advancement of funds from the General Fund to the Marine Patrol Fund: Mr. Mullins asked Mrs. Smith if she would be needing a

motion or a resolution. She explained the advancement of funds needs a resolution. Mrs. Smith said the Port Authority typically receives the grant for the Marine Patrol in May. This year the funds didn't come until June.

Mr. Mullins presented:

A RESOLUTION TO APPROVE THE ADVANCEMENT OF FUNDS FROM THE GENERAL FUND TO THE SPECIAL REVENUE FUND MARINE PATROL.

Mr. Davila moved to accept Resolution No. 2018-19. Mrs. Cook seconded the motion. Roll call vote as follows:

Ayes: 9 Nays: 0 Abstain: 0 Resolution Passed

3. Budget Amendment: Mrs. Smith said staff sat down today to revise the 2018 operating budget. We increased, on page two, the Jet Express line item by \$6,000. The next item is an additional fund for charges for services for the KIFBL project. For now, Mrs. Smith said she and Ms. McClelland are working off an estimate. The figure will be increased at the end of the year once we have a better idea of the cost. On page five, which starts the appropriations, we have the shuttle boat funds. This is to pay the captains. Since we added additional trips this year, we're increasing the fund amount by \$3,000 to a total of \$21,000. Next is the Jet express. This is the payment we increased by \$6,000, so that will be a total of \$41,000. Travel and transportation was increased by \$3,000 as Mr. Brown and Ms. McClelland will be taking additional trips this year such as CDFA. On page six, the dues and fees line item was raised by \$2,000. This is also related to conferences and CDFA events as it covers registration. With repair and maintenance of buildings and land, we increased it by \$20,000 because we were already down to \$2,854 and didn't feel it was enough of a cushion. Mrs. Smith said this makes sense with the number of projects

completed this year. Mr. Brown said the increase will come from the unencumbered balance. He said a lot of repairs have been completed this season. Increasing the line item doesn't mean we have to use it, but it's there if needed. Mr. Mullins if all of the increases came from the unencumbered balance. Mrs. Smith said no, essentially only the \$20,000. That still leaves the general fund carryover at \$308,250.79.

Mr. Mullins presented:

A RESOLUTION RATIFYING EXPENDITURES AND AUTHORIZING THE EXECUTIVE DIRECTOR TO REVISE THE 2018 OPERATING BUDGET, TRANSFER AND APPROPRIATE FUNDS AND REQUEST AN AMENDED CERTIFICATE OF ESTIMATED RESOURCES FROM THE COUNTY AUDITOR, PENDING CONTRACT APPROVAL.

Ms. Carr moved to approve Resolution No. 2018-20. Seconded by Mr. Zellers. Roll call votes as follows:

Ayes: 9 Nays: 0 Abstain: 0 Resolution Passed

4. Then and Now Certificate: Mrs. Smith said the Port Authority had no then and now certificates requiring board approval.

F. Bylaws and Personnel Committee

1. Mrs. Cook said she had nothing to report.

V. Other Business

- A. Mr. Brown said he and Ms. McClelland had a great time in Cleveland at the CDFA Urban Finance Seminar. It was very educational. Three of the CDFA representatives who visited our office were at the Cleveland event and they are excited to share their plan with us. They can't wait to come back.
- B. One seat is still available on Thursday, June 14, 2018, if someone on the board wants to ride the Jet Express for the Chamber of Commerce event.
- C. Mr. Nielsen asked when the levy needed to be filed. Mr. Brown said he got the request and we have time to file. We're not really up until 2020, so we can only go so early. He anticipates going on the May 2019 ballot. Mr.

Nielsen suggested a committee meeting for the levy. Mr. Mullins said the topic will be revisited next meeting.

- D.** Mr. Brown said Rockin' on the River is off to a strong start this season. There were three great concerts in a row and three great crowds in a row. Weather has been beautiful. Mr. Zgonc said a few people who are disabled approached him and asked about ROTR not having adequate handicapped parking. Mr. Brown said he's confident those customers were incorrect. The entrance to the handicapped lot is off Eighth Street and the lot is right outside pavilions. Two golf carts provide shuttles all night to provide transportation to and from customers' vehicles. Mr. Brown said VIP parking caused a shift in the setup, but he believes it's an improved parking structure. In his opinion, people were just used to using the north entrance and change is sometimes hard to accept. Bob and Sandy Earley have gone above and beyond. Mr. Zgonc asked if two golf carts are enough. Mr. Brown said he believes it's more than enough. Mr. Zellers asked about the beer pour fundraiser. Mr. Brown said it's August 31, 2018.
- E.** Mr. Zellers then asked about the LED project. Mr. Brown said a lot of the lights are in transit but Grumpy's is underway. Chris Balson has visited Black River Landing to install test lights and to do light readings. He wasn't happy with the readings and did a change order on some of the products. Mr. Balson is working hard. Grumpy's could be lit by tomorrow night. The field light is next on the list and Black River Landing should start next week.

VI. Public Comment

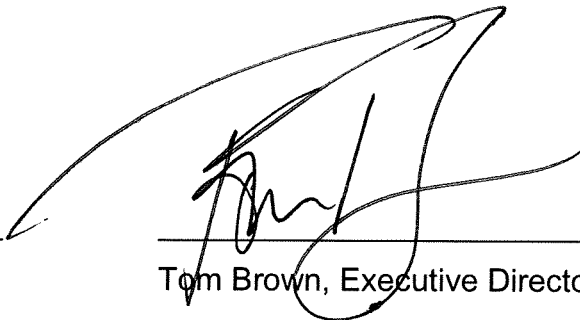
- A.** Mrs. Bonsor gave a quick update on Brewfest planning and said all major sponsorships are gone. Ticket sales are going great.

VII. Adjournment

- A.** With no further business to come before the board, Ms. Carr moved to adjourn. Mr. Davila seconded. The motion carried and the meeting adjourned at 7:54 p.m.



Brad Mullins, Chairman



Tom Brown, Executive Director