

**Lorain Port Authority
Board of Directors
Regular Meeting
Tuesday, January 14, 2020, at 7:00 p.m.**

Board of Directors: Mrs. Cook; Messrs. Bansek (7:07 p.m.), Davila, Kuszniir, Mullins, Nielsen, Sommers, Zellers and Zgonc

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

Guests: Gail Bonsor, Caboose Committee

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. **December 9, 2019, Regular Board Meeting:** Without question, Mr. Sommers moved to approve the minutes. Second by Mr. Zellers. Motion carried.

IV. Report of Officers

A. Chairman

1. Correspondence: Mr. Brown said Gail Bonsor wished to speak. Mrs. Bonsor said she wanted to give a Caboose update. She also has business cards if people want some. The Caboose Committee has shut down for winter. Before winter they painted the roof, gutted the inside and stored the parts. Mrs. Bonsor thanked Mr. Nielsen for his warehouse. The committee is a diverse group of people. Some actually worked on the Caboose when it was functioning. Gary Schaefer is the chairperson, Mrs. Bonsor is treasurer, Jim Dembiec is the project person. They meet on Mondays and try to accomplish as much as they can with what they have.

PPG donated all of the paints. They're looking for an epoxy to use on the floor. The biggest issue currently is leaking windows. The leaking will be more fully addressed in the spring, but they are holding up for now. The group is applying for several grants to replace the windows. Also looking for replacement parts. Recently they received a \$3,200 grant. They're making a list of more grants to apply for. The goal is to get several small grants to amount to the \$1,000 needed to replace the windows. An upcoming spring project is sand blasting the exterior. Mrs. Bonsor said the group has found a way to complete the job without it being very messy. Sand blasting process takes it down to bare metal without dust or tenting. They're selling t-shirts and a 3D Caboose ornament. They ordered 100 ornaments before the company was sold. The owner recently sold to China and they aren't able to order anymore at this time. The Caboose Committee meets every two weeks at the port offices to go over progress made and ongoing/upcoming projects. They are planning a Ho-Bo Stew for May 16 at the Train Station. They want to have a small flea market, too, to bring in more people. (7:07 p.m.; Mr. Bansek). Mr. Mullins asked about the ultimate goal regarding the Caboose and the amount of money needed to get there. Mrs. Bonsor said they want to bring it back to what it looked like originally and provide the history of the Black River railroad yards at the same time. They plan to offer tours and rentals for small meetings, too. The goal is also to be sustainable. Lorain Growth is providing insurance. She wasn't prepared with figures today, but she does have the estimated total to refurbish the Caboose. Windows are estimated at \$1,000. Sand blasting ranged from \$3,000-17,000. The system they found is being priced out now. Mr. Brown said the group is very self-sufficient and driven. Mrs. Bonsor runs a tight ship and has a great group of invested people. They're off to a great, commendable start. Mrs. Bonsor encouraged everyone to check out their website for updates. The group will be presenting to the Growth Consortium, too.

2. Spectrum Cable: Mr. Brown said he received a request yesterday from Spectrum Cable that didn't make it into the board packet. He recently met with Spectrum representatives. We've tried to shop around for phone and internet before and there is really no competition because of the infrastructure to get to our building. It's become a problem for Ariel on Broadway and any business on this side (east) of Broadway to Ninth Street. Mr. Brown said he is bringing this up now to get a little feedback from the board members. Spectrum wants to bore underground on the Black River Landing property from our entrance down to Ninth Street. They would run cable all the way down and bore under the road to provide internet to the businesses. This would create competition when it comes to cable and broadband. Mr. Brown said he asked about a land lease but learned historically there isn't one. Spectrum will generally give \$5,000 toward initial infrastructure costs, but it would cost \$28,000 just to feed lines to our building. Mrs. Smith received quotes even higher than that. In addition to boring underground, Spectrum is also asking to install green boxes or pillars 500 feet apart for designations 10-feet off the roadway. If we accepted, we'd have the opportunity for service. Don't know if we will, but it could help Broadway businesses. Mr. Brown said he talked to Mr. Nielsen about different conduit line that was placed underground by CenturyLink. Mr. Brown may suggest Spectrum attempt renegotiating with CenturyLink. Mr. Nielsen asked about the green pillars. Mr. Brown said they would be on our side of the street all the way down, several feet apart. He will send the plan out to the board tomorrow for review. Mr. Nielsen doesn't like the idea of pillars on the site. Mr. Brown said he doesn't either. Mr. Mullins asked if there would be a cost savings. Mr. Brown said potentially. Spectrum initially asked for poles on our site and Mr. Brown said absolutely not. It's about them trying to provide service to that side of Broadway. Mr. Nielsen said from Eighth Street to the Palace, they only have CenturyLink as an option. There is space available, but CenturyLink wants a lot of money for others to use their lines.

B. Executive Director

1. Ohio State Capital Budget Funding Request for Permanent Stage-Top:

Mr. Brown said as mentioned in the past our stage-top has lived its life cycle. The short-term decision was to invest around \$6,000 into it to re-stitch the vinyl. In theory, it could last another 8-10 years once re-stitched. To replace it would cost around \$200,000. Considering that and what we spend in cleaning, storage, and removal/install each year, we believe we can amortize it out to invest in new permanent structure. It would also allow us to enhance what we have and offer permanent lighting and sound, which would reduce costs for promoters like Mr. Bob Earley. Mr. Brown has started reaching out to difference architects. Preliminary figures to do a permanent enclosed stage top the right way is \$1 million. The capital budget request through Mr. Joe Miller's office is for \$500,000. He is asking for support from the board in pursuing that. It would be in the 2021-2022 budget. There is no guarantee. They could fund all or a portion. Mr. Brown thinks we would have a good opportunity for 20-year naming sponsorships as well. Organizations are realizing Lorain is on the upswing. We can't get budgeted unless we ask. Mr. Mullins asked if Mr. Ealey had any input. Mr. Brown said he talked to Bob and instead of him paying every week for sound and lighting, his per-show exposure could be reduced. We could possibly capture some of that savings. Every week a truck starts setting up at 8:30-9 a.m. and they're tearing it down by 2 a.m. Mr. Bansek said offering lighting and sound could open the site to a wider variety of promoters. He asked how long it took to build the current stage? Mr. Brown said one season. The groups who looked at the stage say it's a good foundation and size. There may be an opportunity to expand the footprint a little bit, but we think there's plenty of property around it. The goal is a permanent roof. We spend about \$12,500 every year to put it up, take it down, clean it and store it. Amortize that out and you've got a really good head start already. Mr. Bansek asked if this was a two to three-year project? Mr. Brown said yes, at least a year of planning which lines up with

the budget request. If we don't get it this time, we can try for the next biennium budget. Mr. Bansek asked how crucial the repairs were to the current stage top. Mr. Brown said Aable Rents didn't want to put up the tent unless we made the repairs. Ms. Leyva said Brandon with Aable Rents confirmed the stage will last at least another 8-10 years once the vinyl is re-stitched. To have that done and the top cleaned, it cost about \$6,500. Mr. Zgonc asked why we aren't requesting the full amount? Mr. Brown said the state wants to see we're investing as well. He sees great opportunities for fundraising. If we don't ask now, we have to wait two years. Mr. Zgonc asked if the plan was to have festivals and concerts at Black River Landing for the next 10-20+ years. Mr. Brown said yes, the original applications to create the site indicated the intention was to keep it a public space. We don't intend to develop this end of the site. Mr. Zgonc was thinking of the possibility of a stage or facility on the finger piers. Mr. Mullins said he thinks that would be tough to do. He is excited about having a permanent structure to draw bigger acts to Lorain. It gives Mr. Early the chance to negotiate with different, bigger groups.

Mr. Mullis present:

A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO PURSUE OHIO STATE CAPITAL BUDGET FUNDING FOR A PERMANENT STAGE-TOP AT BLACK RIVER LANDING.

Mr. Bansek moved to accept Resolution No. 2020-01. Second by Mrs. Cook. Roll call vote as follows:

Ayes: 9 Nays: 0 Abstain: 0 Resolution Passed

2. Support for Lorain County Commissioners' Ohio State Capital Budget Funding Request: Mr. Brown said in 2007 the Port played a role in supporting the lighting of the Charles Berry Bridge. The County Commissioners, ODOT and other entities are coordinating the \$26.3 million improvement of the bridge that should be completed in March. Those plans did not include the lighting. The County Commissioners are

making a state capital budget request to update the lighting on the Bascule Bridge and they're asking for our support. Mr. Brown asked for board support in this as we were original financial supports of the bridge. Mr. Mullins asked about the timing. Mr. Brown said the same as ours. There are different funding sources. Ours is more arts and culture related and theirs is infrastructure. Also, we're at the city level and they're at the county level. It's good for the Port, the city and the county.

Mr. Mullins presented:

A RESOLUTION SUPPORTING THE LORAIN COUNTY COMMISSIONERS' REQUEST FOR FUNDING IN THE STATE CAPITAL BUDGET FOR THE PURPOSES OF RE-LIGHTING THE CHARLES BERRY BRIDGE WITH LED LIGHTS AND MODERNIZED TECHNOLOGY.

Mr. Davila moved to approve Resolution No. 2020-02. Second by Mr. Nielsen. Roll call vote as follows:

Ayes: 9 Nays: 0 Abstain: 0 Resolution Passed

3. Support for Veteran Elite Teambuilding's Ohio State Capital Budget
Funding Request: Mr. Brown said Mr. Niko Eren is a Lorain veteran who served in the Navy Seals. He's working with Mr. Tony Giardini to offer a veteran's integration center. This means veterans returning to civilian life would have help with the transition. Another phase of the plan is a training facility with different activities and programming for military, police and corporate leadership training. Former commanders and military leaders would share their knowledge with different classes. Third phase is supporting youth initiatives. It's a big group of veterans with a very ambitious plan. It's projected to be a \$6-10 million development. They're looking at different properties and found a champion in the state legislature. They are asking we pass a resolution of support. In the future they hope we can act as the public partner. Mr. Brown met with them on three occasions. There's a chance they may ask us to accept land on their behalf and then we could end up as landlords, developers or long-term

leasing. We won't need to make any other decisions until the state capital budget is allocated. Mr. Kuszniir asked what amount they were requesting. Ms. McClelland said they're requesting \$250,000 for two years. Mr. Mullins said it's a noble cause. Retired guys are stepping up and getting involved. It could bring corporations back to Lorain with the training they're offering. A hometown boy wants to come back after a stellar career in the military. He is in support. Mr. Brown said it's an open-ended resolution because there are a number of possibilities moving forward.

Mr. Mullins presented:

A RESOLUTION SUPPORTING VETERAN ELITE TEAMBUILDING'S OHIO STATE CAPITAL BUDGET REQUEST FOR FINANCIAL SUPPORT OF A VETERAN TRANSITION, CORPORATE AND COMMUNITY TRAINING AND VETERANS SERVICES FACILITY.

Mr. Nielsen moved to approve Resolution No. 2020-03. Second by Mr. Kuszniir. Roll call vote as follows:

Ayes: 9 Nays: 0 Abstain: 0 Resolution Passed

4. Support for Lorain County Community College's levy (Issue 17): Mr. Brown said we have a great partnership with Lorain County Community College, and he is serving on the levy committee as a volunteer. Issue 17 will be on the March 17 ballot. They come back every 10 years. It's a 1.8 mil levy with an additional .5 mil. Every dollar spent by taxpayers converts to \$14 in economic development and benefit in the community. Without the college, this county isn't the same. A lot of people get their start there. Asking for board support. They just want support, no financial commitment.

Mr. Mullins presented:

A RESOLUTION SUPPORTING LORAIN COUNTY COMMUNITY COLLEGE AND THEIR LEVY, ISSUE 17, ON THE MARCH 17, 2020 BALLOT.

Mrs. Cook moved to approve Resolution No. 2020-04. Second by Mr. Davila. Roll call

vote as follows:

Ayes: 9

Nays: 0

Abstain: 0

Resolution Passed

5. Summer Market partnership: Mr. Brown said the board got to meet Mrs. Erin Stack. She's brining The Summer Market to Lorain in July and had a very successful Winter Market at The Shipyards in November. They presented Blessings House with a check for \$25,000 in proceeds from the Summer and Winter Markets. Every dollar earned goes back to charity. Mr. Brown is asking the board to consider being a cosponsor and charge no rental fees for this year. Mr. Zgonc and Mr. Nielsen agree. Mr. Nielsen moved to support the partnership. Second by Mr. Bansek. Motion carried.

C. Economic Development Director

1. Strategic Plan Annual Review: Ms. McClelland said she created a power point. Feel free to follow along in your Strategic Plan booklet. This is a snapshot of the first year of the strategic plan. Top achievements for 2019 include: the levy renewal passing, Oasis Marinas coming to Lorain, the ESID being established in Lorain to provide PACE financing as an economic development tool, the TIF agreement with the City of Lorain to ensure all TIFs are properly handled and taking ownership of Victory Park. When we think back on achievements, we're really trying to show people we are the economic development arm of the city. The speaking opportunities at state and national conferences this year have allowed us to showcase what we're doing and what we have to offer. Ms. McClelland was elected to the Ohio Council of Port Authorities this year. Mr. Mullins commended staff for their hard work. Ms. McClelland said we improved job descriptions. We want everyone focused on their specific job responsibilities. It allowed for a shift in focus toward economic development in 2019. We also looked at personnel policies and bylaws to establish the best fitting structure for the Port. We're bringing you longer term deals and bigger projects instead of the minutia. It's lessened the administrative burden and is putting the staff in a fantastic position to be

more efficient. Mr. Brown said it's been a remarkable change. The board deserves a lot of credit for having faith in the staff. Other achievements include going out to bid for the Kelleys Island Ferry Boat Line project. Ms. McClelland is working hard to get that done. She's hoping for a 2021 delivery on that project. KIFBL received federal funds to build a vessel and we're the host or local public agency that the funds flow through so they're able to have a second large vessel to ferry back and forth on Lake Erie. Funding was initially allocated in 2011. The first public entity couldn't handle the project. It's unique. We've been working on it for a few years. Once complete, the vessel will operate in Marblehead. Mr. Brown said we will glean a fee from the project that we hope to inject in the economic development budget. The goal is to become less and less reliant on the levy. Mr. Zellers asked about the progress. Ms. McClelland said the bids look good and negotiations are underway. Technicalities are abundant but she has every intention to get the agreement to the board in the next few months. In 2019 we focused on hosting events. The partnership with NOPEC for PACE has been great. We hosted a PACE event and cold storage event. The latter was an amazing opportunity to bring people in who could be advocating for us and prior they didn't know it existed. The EPA came to town and took a ride on our shuttle boats. We updated the website to refocus on economic development and took a huge step forward there. We secured The Summer Market for 2020 and have been really involved with the establishment of Main Street Lorain. It can be a great economic development driver. Ms. McClelland and Mr. Brown are on Main Street committees. We're educating people on our programs. Mr. Brown said he hopes the board sees a blend of continuing to do what we always have while blending in new tasks. A maintained activity in 2019 was the Brownfields assessment grant. We wrapped up the second assessment grant in Lorain. We also applied again and should hear back soon. We continue to host interns. All three were fantastic this summer. We had 77 events at Black River Landing. Over 2,000 people were on the

water through the Jet Express and the shuttle boats. We renewed a five-year deal with Rockin' on the River, locking them in at BRL through 2024. Fun achievements include being the Step It Up walking champs in Lorain County. We placed third in the Leadership Lorain County bowling competition. Lil chased over 17,000 geese. And in 2020 a regional Cabela's Walleye Tournament is coming to Lorain. Next are project leads. We spent a lot of time taking a look at businesses. Second to that was industry. We had a lot of redevelopment projects. Not much in the expansion or relocation area. An old town like ours makes redevelopment higher. Generally, we're talking to companies that have less than 25 jobs a majority of the time. There are other larger projects, but they are few and far between. Projects are generally \$10 million or under. Mr. Zellers asked what she gleaned from that information. Ms. McClelland said the sectors fit. Small investment. Our incentives align with redevelopment. The PACE program was by far the most talked about in 2019 and turned out to be the best fitting program for most. Mr. Brown said historically we were doing bonding. Now we're getting small businesses and changing course. We're getting creative to find a new niche. We prematurely shifted course, according to the Strategic Plan, but that was due to the demand. No one is coming in to build a new Ford plant. We're trying to be reactive to the market. For all of the people we see and talk to, we talk to some about our property and city property, but we're also talking about a lot of other properties, too. We do everything to find the appropriate property so the developer or investor can come to Lorain. Eight projects completed in 2019. Some were financed and others weren't. That correlated to 100 jobs. We closed on two PACE financing deals, meaning two businesses increased energy efficiency. We closed one TIF deal and completed three Brownfields projects. Looking ahead to 2020, we want to rebrand. We're still continuing to work with the City of Lorain for the formal agreement as the economic development entity. We plan to continue to grow the ESID and close more deals. We're going to create and send a separate

Economic Development Newsletter. The bylaws will be updated to incorporate the new policies. An annual board training and an official orientation program are also slated for 2020. Mr. Mullins asked about dollars generated for the Port and if there were any goals for 2020? Ms. McClelland said financially, no. Staff has talked about how to potentially restructure the budget, since the end goal is for economic development dollars offset the levy, but we are not there yet. We haven't offset the cost of running our economic development programs yet. She doesn't expect it in 2020 or 2021, but she believes the programs could be established in the years following. Mr. Mullins asked if there was a conversation about additional staff needs. Ms. McClelland said she believes the agreement with the city is the place to start to decide what the main focus areas will be. For example, if PACE continues to be popular, maybe we hire someone to administer the program instead of NOPEC who gets 2-4%. She thinks 2020 will be a telling year. Mr. Brown said Summit County Finance Authority is a six-person group. We're talking about key players in a very detailed program. Us honing our job descriptions has helped get us there this year. We want to cover the economic development arm and not rely so heavily on the levy. Mr. Zellers said we should have a goal to be able to measure against. Mr. Brown said we can give the number at the next meeting for the budget on February 4. We have the budget separated out now to be able to track better. Mr. Zellers believes a set goal is important. Mr. Mullins said the main goal is to break even. Mr. Brown said we also want continued negotiations with the County Land Bank. We made progress toward that in 2019. The LA trip was great. Ms. McClelland gave an awesome presentation. The space didn't allow for great sound, but there was great dialogue and questions. We're meeting someone tomorrow from the conference who works with Opportunity Zone. He's talking to the county and port about how they can help us. Ms. McClelland agreed. They were shooting for an intimate environment in too large a

room. The crowd was great. People from Maine and Nevada asked her for advice and guidance on their projects.

2. ODNR Paddle Enhancement Grant: Ms. McClelland said we've done ODNR grants before. They're trying to improve infrastructure. Mrs. Stephanie Moore-Koscho with LoCo 'Yaks reached out to us to write the grant. We'll submit it for her. The grant is for up to \$75,000. It is a reimbursable grant, meaning we pay up front and are then reimbursed. The LoCo 'Yaks want kayak infrastructure at Riverside Park. Mrs. Moore-Koscho researched the cost and we're looking to ask for about \$25,000 to create a kayak launch, a thank-you sign and educational materials. It would float near the white building at Riverside Park.

Mr. Mullins presented:

A RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR OR HIS DESIGNEE TO APPLY FOR FINANCIAL REIMBURSEMENT UNDER THE PADDLING ENHANCEMENT GRANT PROGRAM FOR THE ADDITION OF HAND-POWERED WATERCRAFT LAUNCH INFRASTRUCTURE AT RIVERSIDE PARK.

Mr. Bansek moved to approve Resolution No. 2020-05. Second by Mr. Sommers. Roll call vote as follows:

Ayes: 9 Nays: 0 Abstain: 0 Resolution Passed

V. Report of Committees

A. Contract Management Committee

1. Mr. Zellers said he had no report.

B. Strategic Development Plan Committee

1. Mr. Kusznir said he had no report.

C. Marketing and Public Affairs Committee

1. Mr. Bansek said he had no report.

D. Grounds Maintenance and Capital Improvements Committee

1. Mr. Nielsen said he had no report.

E. Financial Planning and Audit Committee

1. Mr. Davila said he had no report.

2. Mrs. Smith said the budget review meeting will be at 6 p.m. on February 4, 2020, here at the port offices.

F. Bylaws and Personnel Committee

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

VI. Other Business

- A. None.

VII. Public Comment

- A. Mr. Jack Bradly said he had a great meeting with Tom, Tiffany, Brad and Carl. He wants to be a partner with the Port and continue the same good work. He was at the hotel for the Chamber of Commerce event. The hotel was slated to be torn down, then to become senior living and now we have a gem on the corner of Broadway thanks to the Port Authority. Over 300 people attended the prayer breakfast at Ariel. Tonight, was the most highly attended event for the chamber, over 200. The ribbon cutting will possibly be in February. We would like the full board there. Date to be announced. Mr. Zellers asked if Oasis will have a grand opening. Mr. Brown said yes, likely when the season opens. They hit the ground running and are excited to showcase their Great Lakes presence. The Jackelope is rebranding under a new lease. Oasis is trying to engage the public and put fears to rest. Mr. Mullins asked if any people transitioned? Mr. Brown said that will be determined as the season starts. We will soon get proposals for resurfacing the parking lot. There is more work to do, but some facilities weren't as bad as anticipated.

VIII. Adjournment

- A. There being no further business to come before the board, Mr. Davila moved to adjourn. Mr. Nielsen seconded. Meeting adjourned at 8:36 p.m.



Brad Mullins, Chairman



Tom Brown, Executive Director