

**Lorain Port and Finance Authority  
Board of Directors  
Contract Management Committee Meeting  
Train Station  
Tuesday, September 8, 2020, at 6:30 p.m.**

**Committee Members:** Messrs. Kusznr, Sommers and Zellers

**Board of Directors:** Messrs. Bansek, Davila and Mullins

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

**Guests:** None.

**I. Roll Call**

A. The meeting was called to order at 6:36 p.m. by Chairman Jeff Zellers with roll call indicating a quorum present.

**II. Report of Chairman**

**A. Chairman**

1. Economic Development Funding Resolution: Mr. Zellers said we're here to talk about the economic development funding resolution to present it to the full board tonight. Based on the committee meeting last week, Ms. McClelland said she made the suggested changes to the document that was then sent out to board members. We were more specific with what would be considered Economic Development revenues. Those include financing mechanisms, incentive structures, project management, contracts related to economic development or a lease of land for the benefit of economic development. We also did this on the expenditure side of things. We narrowed that down to include specifically projects related to economic development for grant matches, loan funds, planning and technical services related to economic development and property acquisition. Other than that, the resolution stayed the same. Mr. Zellers

said it sounded good. He asked about the loan fund or funds and for Ms. McClelland to provide an example. Ms. McClelland said it could be anything from a micro grant loan fund, to a revolving loan fund of a PACE fund to a bond fund. It could range in size from establishing a fund with \$100,000 and giving out micro loans between \$1,000-\$5,000 all the way up to a bond fund which is \$1 million or more. The board would decide that at a later time, including which program we do first. Mr. Zellers asked about the risks involved with a loan fund. Ms. McClelland said that is to be decided at the time we decide to take on that specific task. There are various ways to set up lending programs. It would require a deep dive into what the board is comfortable with, if we want to have a loan fund, if we want to partner with a bank, etc. There are a lot of different structures. This resolution is just to establish the funds for something like that to be possible. Ms. McClelland confirmed we currently do not have any type of loan fund. This resolution is meant to capitalize opportunities in the future. Mr. Zellers asked if there were any additional questions? Mr. Brown said the best way to look at this, is if you look at the the strategic plan in phase three, we were told to start establishing these types of programs. Until we have a reserve fund, none of the loan funds are possible. This is the first step to getting to phase three. We could use a lending institution, or at some point we could leverage \$500,000 and lend ourselves. Mr. Zellers asked about trouble with bonds and what the Cleveland Port Authority experienced. Mr. Brown said worst case scenario, if we aren't where we need to be in three years and the board is no longer comfortable, the funds can be injected somewhere else. Mr. Zellers confirmed this is about separating out an account within the general fund to track activity. Mrs. Smith said yes. Mr. Sommers had no questions. Mrs. Smith asked if this would be retroactive or as of today. Ms. McClelland recommended making it retroactive to 2020. She said she and Mr. Brown are looking at a separate resolution for Kelley's Island specifically. Making the economic development resolution retroactive for this year would make the transition

clean. Mr. Bansek said he agrees with setting up the fund. Mr. Kuszniir thinks it's a great idea and the first step to establishing future programs. Mr. Bansek said this helps us move away from being so dependent on the levy. Mr. Davila agreed. Mr. Mullins thinks this is something we must do to stick with the strategic plan. He likes the flexibility of it, too. Mr. Sommers moved to take the resolution to the board, retroactive to January 1, 2020. Mr. Kuszniir seconded. Motion carried.

**III. Other Business**

A. None.

**IV. Adjournment**

A. There being no further business to come before the board, Mr. Kuszniir moved to adjourn. Mr. Sommers seconded. Meeting adjourned at 6:48 p.m.



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Jeff Zellers, Chairman



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Tom Brown, Executive Director