

**Lorain Port and Finance Authority
Board of Directors
Regular Meeting
Port Office
Tuesday, February 8, 2022, at 7:00 p.m.**

Board of Directors: Messrs. Kuznir, Mullins, Scott, Sommers, Veard, Zellers
and Zgonc (7)

Staff: Tom Brown, Executive Director
Tiffany McClelland, Assistant Director
Yvonne Smith, Accountant
Kelsey Leyva-Smith, Office Manager
Mike Brosky, Esq., Attorney (7:03 p.m.)
Lil, Goose Dog

Guests: Rick Payerchin, The Morning Journal

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 8, 2020, Regular Board Meeting Minutes Amended for Clarification: Mrs. Leyva-Smith said these meeting minutes had previously been approved but needed to be amended for clarification. Ms. McClelland's start date was recognized from her time as an intern/split employee, so she will receive four weeks of vacation. Also, employees who achieve 15 years will get five weeks of vacation. A few typos were also corrected prior to tonight's meeting. Mr. Nielsen moved to adopt as amended. Second by Mr. Zgonc. Motion carried.
- B. December 14, 2021, Regular Board Meeting: Mrs. Leyva-Smith said a few typos were corrected prior to tonight's meeting. Mr. Sommers moved to approve as amended. Second by Mr. Kuznir. Motion carried.

IV. Report of Officers

A. Chairman

1. Correspondence received:

- a. Mr. Brown said he anticipates a letter for the March meeting.

B. Executive Director

1. Mr. Brown said a state record lake trout caught out of Lorain's harbor was donated to the office to be mounted and displayed.
2. State of Ohio Capital Budget Request: Mr. Brown said this is a base resolution. We're still awaiting our final design of the stage from the architects and approval of those plans. The state capital budget request is due to the legislatures right around the date of our March meeting. Rather than having a special call, he decided to bring the resolution this month. Mr. Brown said this is an attempt to get some funding for the stage project.

Mr. Mullins presented:

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

Mr. Nielsen moved to approve Resolution No. 2022-01. Second by Mr. Veard. Roll call vote as follows:

Ayes: 8 Nays: 0 Abstain: 0 Resolution Passed

3. Jet Express Update: Mr. Brown said in December he reported that the bareboat charter agreement with amendment we were operating under with the Jet Express wasn't working for us. He said we've come up with a concept and negotiated a new arrangement for the remaining eight (8) years of the agreement. The board asked that we go back and negotiate for a guaranteed eight trips. Following negotiations with Capt. Kelly Freimark, we will tentatively start in June with likely a Put-In-Bay Trip. There's an opening for either a Port trip or a partnered trip with BrewFest in mid-June. The Jet will also be in town for the Lorain County Chamber of Commerce's annual event. Mr. Brown said most of these trips will be the larger vessel, the Jet II. Tentatively, June 17 would be a sunset or lighthouse excursion, possibly on a concert night. June

19 would be a PIB trip. October 1 is also a PIB trip for their wine festival. Then there's a minimum of three Browns games. Counting the chamber event, that would be nine trips this year. Everything is dependent on weather. If we lose something on the schedule early in the season, we'll reschedule. Mr. Brown said the Jet is making a concerted effort to get back in Lorain. They're excited to try this new model. The Jet will handle the scheduling and ticketing, and we'll work with them on the coordination. Mr. Zgonc moved to approve the new charter agreement with the Jet Express with a minimum of eight dates. Second by Mr. Sommers. Motion carried.

4. Personnel Policy Update: Mr. Brown said Mrs. Smith noticed this while going through an audit that the board made a motion regarding Ms. McClelland's compensation and start date as it relates to vacation time. We're now requesting a motion to approve updating the policy to reflect what was approved in the meeting. Motioned to approve by Mr. Sommers. Second by Mr. Kuszniir. Motion carried.

C. Assistant Director

1. 2021 Year in Review/Strategic Plan Update: Ms. McClelland said she'll cover 2021 accomplishments and what we have planned for 2022. Achievements in 2021 included beginning the stage design process, the West Erie Avenue Property donation and facilitating a manufacturing company coming to Lorain. Lorain County Public Health was the last to receive new market tax credits. It's a two-step process for businesses to make expansions in a more effective way. We sold the project to Summit County and they were awarded the NMTC. It was a huge win for Lorain. A local manufacturer was also selected as a showcase for Manufacturing Month in Lorain County and chosen as Manufacturer of the Year last week. We brokered the new Jet Express agreement. We introduced McCrone Motorsports Park to the city for possible Brownfield reclamation. We also downsized miscellaneous lots. Grants included JobsOhio Inclusion Grant Application awarded for a market study on priority waterfront sites. The ODNR Paddle Enhancement Grant for the ADA Kayak Launch was complete with the structure fully installed. We're working

through its best location now. A Brownfield Grant application was submitted by our office last year, and we'll know by late spring if we received an award. We finished the Marine Patrol Grant season and negotiated with Lorain Police Department to oversee the program in the future. We were a partner in an application to the EDA for the Build Back Better Regional partnership. We didn't get it, but we were one of 8 agencies chosen to apply for a \$20 million grant in Ohio to try to bring in an economic development focus for the state. There was something like 5,000 applications submitted and only one in Ohio was awarded. The Coastal Management Assistance Grant for Mile-Maker 00 is ongoing and was received in 2021. That grant should be done in 2022. We facilitated Inclusion Grants to Lorain businesses. You can get them funding for expansion or equipment. We developed partnerships to facilitate shipping expansion in the harbor. We're a conduit between the city and the shipping industry. 2021 was the inaugural season for the Water Taxi. The Swing Sponsorship Program launched in 2021. Many relationships were grown and maintained, too. We're working well with the Lorain County Port Authority. Karis Cold Storage cleared land for the Riverbend location on Lorain's East Side. Maintained achievements include the KIFBL project. The planned date to be finished is spring 2022. The delivery date, as of today, is April 15. Ms. McClelland doesn't believe it, but that is what is on the schedule. In 2021 we entered year two of the Oasis Marinas partnership and completed year two of five of the phragmite management plan. We continued our leadership position in the Ohio Council of Port Authorities. Our ESID remains operational, and we continued expansion efforts. We participated in the Lake Erie Shoreline Erosion Program and are working with county to get it in place and the funding behind it. There were 55 events at Black River Landing and 2,445 passengers rode on the shuttle boats. Fun achievements: Mrs. Leyva-Smith got married again, Ms. McClelland won the Monster Mash Dash, Lil chased 18,203 geese, the BRL t-shirt toss was well received, and we participated in golf outings. Ms. McClelland then moved onto project leads. These are potential projects in the City of Lorain and doesn't mean it did or didn't

happen. We're dealing with the same industries, mostly the business sector. Mixed use would be like Crocker Park. Project type is what they are talking about doing, such as redeveloping, expanding, operations, relocation, etc. We've been more focused on development than in past years. We had a good amount of redevelopment and fair amount of expansion. We worked mostly with small companies. We don't get many with 100 jobs or more. Project size, same thing. Ms. McClelland said as far as the incentives we discussed, Construction Finance is our bread and butter. Conduit finance goes hand in hand. TIF we don't manage anymore so we don't really talk about it much anymore. Same with tax abatement. Brownfields has gone down a bit, mostly because we haven't been funded in the last two cycles. PACE is a great fit in our community, and we can offer this to other cities. When it comes to property discussions, we are trying to focus our efforts on our properties only. Ms. McClelland said that doesn't happen as much as we would like. Overall, five projects were completed, whether we financed it or not. We offered five term sheets for financing, which is a record amount for us. We closed on one PACE Project in 2021. Moving on to limitations, this year specifically we had Bond Financing difficulties due to historically low interest rates. People can go to their banks for a lower rate than we can offer. Another is geographical area. With some programs, we can't leave Lorain, which hurts us. 2022 Focus Areas: We have a property at 3807 West Erie and are finalizing a lessee. The stage design and fundraising are a major focus. Brownfield Grant funding, state and federal, as well as accessing all available federal dollars through the infrastructure Investment and Jobs Act. We also want to strategically plan economic development Funds. We brought in a fair amount of funding and have a resolution in place keeping economic development funds going toward economic development. We need to start thinking what strategically we want to do with it. Do we want a revolving loan fund? A dedicated focus to maritime development? Mr. Mullins said Ms. McClelland did a nice job. Ms. McClelland said we're developing a good foundation. The next question is what is our risk tolerance? Mr. Mullins asked

if that would go to committee? Ms. McClelland said yes. Mr. Zellers said because economic development is a big part of what we do, should we have a committee for it specifically? Would that be helpful? Mr. Brown said he thinks that would become cumbersome. It limits our flexibility. We could take it to Strategic Development Plan Committee when the time is right. Mr. Brown said ORC 4582 allows for confidentiality. Mr. Brown said the cooperative agreements and relationships, it sometimes matters where you go and who's in the room. We've gotten invited to high level stuff. We might not have the answer or the property, but we're being included.

2. House Bill 436: Ms. McClelland said basically this is the first bill in a long time that has come out to change Port Authority Ohio Revised Code. The main reason she's bringing this up is the Ohio Council of Port Authorities wants to take a unified stance against House Bill 436. The organization feels very strongly if this ends up getting headway in the house, it will prompt legislators to make more changes, take away powers or restrict us. The proposed bill aims to change Bonding Authorization and Sales Tax Exemption to Personal Property. The former is a cross reference that is confusing, and the latter is impossible to monitor and can be easily abused. Mr. Brown said it's a slippery slope, and he can see counties opposing it, too. The OCPA will be taking a vote. Ms. McClelland asked for support to align with the OCPA. Mr. Nielsen moved to not support HB 436. Ms. Bonilla seconded. Motion carried. Mr. Zgonc asked if there was someone he could reach out to with his concerns? Ms. McClelland said to reach out to the local legislature.
3. ODNR Paddle Enhancement Grant: Ms. McClelland said we applied for the Paddle Enhancement Grant for through ODNR in 2020 for the ADA Kayak Launch at Riverside Park. Oasis Marinas would also like to apply for this grant. We'd be the host applicant. We'd work in conjunction with them to submit the grant. It's due March 1, so we wanted to get approval today. The grant is completely reimbursable, and we're still working through the ideas. Mr. Mullins asked about where specifically? Ms. McClelland said we'll be focusing on the Black River Wharf.

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 A PORT FACILITY.

Mr. Kuszniir moved to approve Resolution No. 2022-02. Second by Mr. Zellers. Roll call vote as follows:

Ayes: 8 Nays: 0 Abstain: 0 Resolution Passed

V. Report of Committees

A. Contract Management Committee

1. AAble Rents Stage Top Agreements: Mr. Zellers said Mrs. Leyva-Smith would present the information. Mrs. Leyva-Smith said she reached out to AAble Rents for the cleaning, installation, removal and storage from September 2022-April 2023 quotes for the vinyl stage top. The cleaning and storage quotes remained identical to 2021. The installation quote increased \$1,051 and the removal quote increased by \$751. The main reason is the pay rate for their workers increased from \$65 to \$75 per hour, per person. The freight charge also increased by \$100, and the tent ox increased by about \$50. Mrs. Leyva-Smith opened to questions. Mr. Mullins clarified the increase was from 2021 to 2022. Mrs. Leyva-Smith said yes. Ms. Bonilla moved to approve the agreements. Second by Mr. Sommers. Motion carried.
2. Gas and Electric Rates: Mr. Zellers said he thinks we should support the motion, but wanted to let Mrs. Smith report. His energy engineers also reviewed her figures. Mrs. Smith explained NOPEC and TPI Efficiency got back to us. The first half is electric rates for 12, 24 and 36 months. Our current rate is .0555 ccf and the contract ends March 31. Mrs. Smith said she went over this with Mr. Brown. The only variable rate is from NOPEC, but it is much lower. They do notify you if the rate is going to increase, and you can switch to a fixed rate if you want to. For gas, Mrs. Smith shopped the same companies. Although NOPEC doesn't do 36 months, their two-year ccf is considerably lower. She recommends going with NOPEC for both. Mr. Mullins

asked if electric was for 12-months? Mrs. Smith said no, it's open to change. Mr. Brown said if it was close, he wanted to go with NOPEC to help support that partnership. Motion to approve by Mr. Veard. Second by Mr. Sommers. Motion carried.

B. Strategic Development Plan Committee

1. Mr. Kuszniir said the committee will have a meeting in the future.

C. Marketing and Public Affairs Committee

1. Mr. Nielsen said there was a meeting prior to the full board to talk about BRL Marketing and the Water Taxi. A sign-up sheet for the stage top promotion is available. The committee will be convening again soon to wrap up the conversation.

D. Financial Planning and Audit Committee

1. 2021 Annual Financial Report: Mrs. Smith said this went out in the board packet. It took a little longer because she was waiting for the outside bond confirmation. We got it and got the report in on time. She opened to any questions. Mr. Zellers moved to approve the report. Second by Ms. Bonilla. Motion carried.
2. 2022 Permanent Budget: Mr. Kuszniir said the financial committee met before the board meeting. There was a great presentation by Mrs. Smith and Mr. Brown. The information was concise and easy to digest. The committee recommended full board approval. Mrs. Smith said this is actually two-fold. We have to set the permanent budget and then make an amendment.

Mr. Mullins presented:

A RESOLUTION MAKING PERMANENT APPROPRIATIONS OF THE LORAIN PORT AUTHORITY FOR CALENDAR YEAR 2022.

Mr. Sommers moved to approve Resolution No. 2022-03. Second by Mr. Veard. Roll call vote as follows:

Ayes: 8 Nays: 0 Abstain: 0 Resolution Passed

3. Budget Amendment: Mrs. Smith said a budget amendment is necessary to add in the additional revenues.

Mr. Mullins presented:

A RESOLUTION RATIFYING EXPENDITURES AND AUTHORIZING THE EXECUTIVE DIRECTOR TO REVISE THE 2022 OPERATING BUDGET, TRANSFER AND APPROPRIATE FUNDS AND REQUEST AN AMENDED CERTIFICATE OF ESTIMATED RESOURCES FROM THE COUNTY AUDITOR.

Mr. Zgonc moved to approve Resolution No. 2022-04. Second by Mr. Kuszniir. Roll call vote as follows:

Ayes: 8 Nays: 0 Abstain: 0 Resolution Passed

E. Bylaws and Personnel Committee

1. Mr. Sommers said he had no report.

VI. Other Business

A. None.

VII. Public Comment

A. None.

VIII. Executive Session: Purposes of Property Disposition and Personnel

A. Mr. Nielsen moved to enter executive session. Second by Mr. Bonilla. Roll call vote as follows:

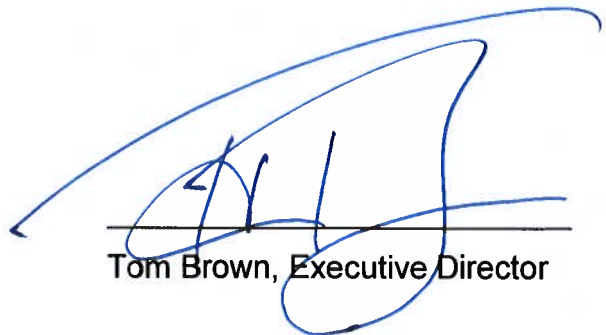
Ayes: 8 Nays: 0 Abstain: 0 Motion Carried

B. Mr. Sommers moved to exit executive session. Second by Ms. Bonilla. Motion carried.

IX. Adjournment

A. There being no further business to come before the board, Mr. Nielsen moved to adjourn. Mr. Zellers seconded. Meeting adjourned at 8:53 p.m.


Brad Mullins, Chairman


Tom Brown, Executive Director