

**Lorain Port and Finance Authority**  
**Board of Directors**  
**Special Meeting**  
**Tuesday, October 24, 2023, at 5:00 p.m.**

**Board of Directors:** Ms. Bonilla and Kiraly; Mrs. Silva Arredondo; Messrs. Mullins (5:03 p.m.), Nielsen, Scott, Veard, Zellers and Zgonc (9)

**Staff:** Tom Brown, Executive Director  
Tiffany McClland, Assistant Director

**Guests:** Stacy Caddey, Fundraising Consultant

**I. Roll Call**

**A.** The meeting was called to order at 5:00 p.m. by Vice Chairman Carl Nielsen with roll call indicating a quorum present.

**II. Report of Officers**

**A. Feasibility Study Analysis with Stacy Caddey:** Ms. Caddey said this is the final report from the feasibility study analysis between July and October. We tested the Port's ability to raise \$10 million for a capital campaign for the Black River Landing Amphitheater Project. She conducted 21 interviews, which included representatives of different philanthropic foundations, government, community leaders, business owners and board members. The hope with this study was to examine perceptions about the Port Authority and to test the level of interest in the project, assess where it fits in terms of priority for those who are philanthropically inclined, gift and grant ranges. She thinks we had a really good mix of interviewees for a good combination of perspectives. Ms. Caddey said the Port is respected and loved from the staff to the board members. Interviewees were very favorable about the organization and their reaction to the project. Only one unfavorable and one mixed, and that was usually about one specific thing to do with the project. She believes follow-up conversations could remedy those concerns. The strengths that were shared most often were staff, leadership and reputation, and the belief this project could be the spark to future waterfront planning. People were very enthusiastic about the potential for future events at the new amphitheater and offer many ideas. Black River Landing is definitely

seen as one of the gems of Lorain and Lorain County. Concerns were mostly about where is the money going to come from. Interviewees want the programming to be balanced for the citizens of Lorain and those traveling to the city. Transportation was a mentioned concern if it were to get too popular or too big. Ms. Caddey said she explained in her interviews that the designs were not set in stone, but many expressed concerns about keeping Black River Landing a green space. She said the programming suggestions and partnerships are endless. Everyone felt this project could take on a regional scope but again they wanted to be sure to remind us to maintain a balance with the local Lorain audience. Many also suggested learning from other communities who have done this before. Find what works and apply it here. Ms. Caddey said she was pleasantly surprised people didn't have a laundry list of obstacles. She has been in fundraising for 30 years and the economy is always a concern. Out of all the interviews, not one person said we shouldn't move forward with the project. Ms. Caddey said she's almost never had that happen before. Of those who were able to answer about where this project would fall on their priority list, most said medium to high range, which is a good sign. The vast majority of people said they thought \$10 million was a realistic goal but there was an asterisk that it was doable with government participation. They also suggested some type of sales tax or public financing or forgivable loan program. Foundation leaders seemed to think philanthropy would make up about 25-30% of the project, based on their experience. Identified gift and grant ranges varied, and Rep. Joe Miller suggested asking for \$500,000 in the capital budget process. Ms. Caddey said we're in the planning phase right now. The next phase is the leadership applied phase where we finalize our case for support and start talking to the potential lead gift givers. The board of a 501c3 will usually make a pledge gift and then help ask others. They help develop ideas on who else we should be asking. With our small staff, board members' involvement will be important. Ms. Caddey said a majority of the interviews shared a common theme about the city and needing the city to be a partner. There was skepticism about follow through at the city level. She estimates the Port will be able to raise \$2.5-3 million in philanthropic dollars. The

ranges of the gift indications were between \$765,000 and \$1.6 million. Then there's the potential for naming rights. Ms. Caddey said in terms of a timeline, the next step would be pursuing the other government funding and creating a final case for support that includes all of the updated information for the final project plan. The quiet phase looks like ongoing prospect research and community outreach. The public phase is when we ask the general public. Immediate next steps are the port discusses board recommendations, makes decisions, actively pursues government funding and meet with Joe Miller's office. Ms. Caddey said in the quiet phase we do not have to disclose our goal. That's usually announced in the public phase. Determining the steering committee and staffing configuration to support a campaign. Meeting with study participants and others who weren't interviewed to answer any questions or concerns and provide them with the most up-to-date information. Ms. Caddy said those who were interviewed received a two-page summary about the project. Generally, the interviewees were very supportive and informed. There were hints with some people that if this gets a boost with a few lead gifts, there's potential to draw more philanthropic dollars. The naming rights opportunity is sort of on its own plate right now, Ms. Caddey said, but that can be incorporated as philanthropic recognition or as a promotional company or agent they can use it to sell to advertisers. Ms. Kiraly asked Ms. Caddey how she saw her timeline fitting in with our current construction timeline? Ms. Caddey said with a goal of opening in 2025, the timelines match up pretty well. Ms. Kiraly asked for a month-by-month or quarterly schedule? Ms. Caddey said yes, she will be doing that. With where we are at the end of October, she said it's good timing to get well organized on the government side. Her best advice right now is to meet with as many government officials as we can. The philanthropic people will still be there, but from what she understands the capital project fund is time sensitive and not likely to repeat again for some time. Mr. Zellers asked if we needed to establish a 501c3? Mr. Brown said no, the port can accept donations. Mr. Mullins said it might be a good time to reach out to private business owners who are looking at tax liabilities. Ms. Caddey left the meeting. Mr. Zellers said we need to get the

government thing figured out because we don't have a lot of time. Mr. Brown said he has been in contact with Senator Manning and Ms. McClelland has talked with Rep. Miller. Both have said we're at the top of their list and to wait until the programming comes out. Mr. Zellers asked how long? Mr. Brown said that's an unknown. Mr. Zellers said we need to let the architects have time with drawings and specifications. We need to give them solid direction on which way they're going. If we can't get the government funding, we're going to have to scale back and they'll have to redesign. Mr. Nielsen asked how long from when the guidance comes out would someone get a check? Mr. Brown said capital budget is probably a spring announcement for commitment. Once you have that commitment, you can leverage those things. The \$700 million is a Strategic Community Investment Fund. All we know right now is it'll be between \$700,000 million and \$1 billion and we better be ready. Ms. Kiraly said it usually takes a few months for the funds to roll out for capital. Mr. Zellers asked if the port would be involved in the financing? Mr. Brown said we're going to as an organization need to determine what we're comfortable amortizing and reach out to the county port and say we're comfortable borrowing x. He still thinks a .25% sales tax is doable. He'll probably go and meet with their board to see if they want to partner because they have a big project they need money for, too. There are other opportunities for partnerships as well. Mr. Brown said at a minimum he thinks we need to complete the stage and top in some sort of iteration. Mr. Zellers said we have to find some way to get the stage, the top, the lighting and get it done. He thinks we have to give Whiting-Turner some kind of worst case scenario. Those ARPA dollars have to be spent before the time limit expires. Mr. Brown said if we purchase materials, the money would be spent, and we have until end of calendar year 2026. Mr. Mullins said he thinks the county and city want to see progress. Mr. Brown said we have to come to some kind of conclusion on what we're comfortable with. He thinks we have to decide if we believe in moving the stage's location. Mr. Zellers wants the architects to tell us what the minimum amount would be, with the goal being \$10 million. Mr. Brown is going to set up another meeting with Whiting-Turner. Mr. Mullins said pricing came in high and

steel has come down. Mrs. Silva Arredondo asked about the \$1 million in savings? Mr. Brown said it was originally through the stage canopy would be a higher ticket item than it ended up being. Ms. Kiraly said it sounds like the capital campaign has to run the duration of the project. Mr. Mullins said he thought it was interesting Ms. Caddey brought up succession planning. He said Mr. and Mrs. Early will be here next year, but what comes after that? Ms. Bonilla asked if Live Nation was an attainable goal? Mr. Mullins said not them exactly, but possibly a similar company. Mr. Zellers said that could help with fundraising. Ms. Kiraly said she wouldn't rule out establishing a 501c3. If this is a 5-10 year campaign, we're going to need more manpower. It's a huge undertaking and could snowball once things get rolling. Mr. Mullins said Ms. Caddey just lays the groundwork for us. Ms. Kiraly said our current bandwidth can only handle so much. Mr. Mullins said he's talking about the future. We would have to create a separate entity just for programming. Ms. Kiraly said the thought would be potentially having the 501c3 live under the Port Authority as a subsidiary. Mr. Brown said he is exploring options with legal but he is not at liberty to discuss that yet. There are a lot of ways to do it. Mr. Brown said the port went from losing a lot of money running concerts to earning money when Mr. Earley came in with Rockin' on the River. He thinks the new stage could draw someone in. If we make the right presentation, the right players could come in with a proposal. Mr. Mullins said we look at who we are, what we do and what we're supposed to be doing and concerts aren't our expertise. Mr. Zgonc said we have to be ready by 2025. Mr. Brown said at a minimum we're going to have a transition plan with Mr. Earley. Across the industry, alcohol sales are down. Mr. Zellers confirmed the levy will be on the March ballot and said we'll be in the midst of fundraising, final designs, some idea if we get state or federal funding. Mr. Brown said we need to make the levy our number one priority and work on the stage quietly. Mr. Scott said he's not sure which direction we're going. What if we don't get the government funding? He asked for a flowchart to show what happens in the different scenarios. Mr. Mullins suggested a SWOT analysis. What he's gathered is we're going to move forward with the current plan and on the backburner have

a plan b. He agreed we can't take our eye off the ball with the levy. Mr. Scott asked about the financing option? Mr. Brown said we have to contribute to the project in some capacity, but it depends on the organization's comfort level. Mr. Scott asked for preliminary numbers? Mr. Brown said it could be anywhere from \$2-3 million. It depends on our revenue level. Mr. Veard asked about the number of attendees at Rockin' on the River? Mr. Mullins said it has to be 120-130,000 people across the different events and festivals. Mr. Zellers said we have to be ready to pull the trigger even if we don't get government funding. He would like to know exactly what the price is going to be without the greenroom and some of the other niceties. Can we get it into the \$5-6 million range? Mr. Nielsen asked what is the target date for construction? Mr. Zellers said we have to get going by next fall at the latest. There was some conversation about adding fencing to keep concert goes out while they start earlier, but he isn't sure that has been decided? Mr. Nielsen asked if we'll have to go out to bid on the construction phases. Ms. McClelland said yes. Mr. Nielsen asked how long that would take? Ms. McClelland said three months. Mr. Zellers said he sees a minimum of 3-4 months of architecture work still needing done. We'll get numbers to know we're in the ballpark. Mr. Zellers said it'll probably be a 6-8 week bid process and then 2-3 weeks of negotiations and contract signing, so six months out right now. Mr. Nielsen said we'd then be awarding contracts in June 2024. The two main components to him are the stage fundraising and the levy. Mr. Scott said he questions the validity of the survey. It included three board members and the mayor. Mr. Brown said it wasn't for lack of trying. Ms. Bonilla asked if anyone said anything about concrete donations? Mr. Brown said the report showed about \$1 million. Mr. Zellers said we need to establish a steering committee and determine who is going to talk to who. Mr. Scott said what are the action steps?" Mr. Brown said we need to have some further conversations with Ms. Caddey. He's going to ask for her best practices. Mr. Zellers said we're going to work with the architects, too. Mr. Scott asked if we needed to meet more often? Mr. Brown said that's going to have to happen. Mr. Veard said there is an art to fundraising and it takes time. We need someone who knows how to do it.

**III. Adjournment**

A. There being no further business to come before the board, Mr. Zgonc moved to adjourn. Mr. Mullins seconded. The meeting adjourned at 6:29 p.m.



Brad Mullins, Chairman



Tom Brown, Executive Director