

**Lake County Ohio Port & Economic Development Authority (LCOPEDA)**  
**Board of Directors Meeting Minutes**  
**Wednesday, April 24, 2019**

**Call to Order:** Chairman, Art Lindrose called to order the regularly scheduled meeting held at Tapestry, Wickliffe at 3:00 pm with the pledge of allegiance and roll call. Board members in attendance included Mark Freeman, Biljana Lovrinovic, Bill Martin, Wally Siegel, James Struna and John Uhran (Vice-Chair). John Rampe (Secretary) joined us at 3:06 pm. Nathan Hicks was absent.

**Others present:** Tim Cahill, Debbie Connor, Chad Felton, Patty Fulop, Patrick Mohorcic, Don Hart, Ray Headen and Tapestry representatives, Chris and Emily.

**Approval of Minutes:** The members of the board were provided with copies of the minutes from the March 27, 2019 meeting in advance for review. A motion was made by Jim Struna and seconded by Wally Siegel to approve as presented. Meeting minutes of March 27, 2019 were approved with a 7-0 vote.

**Introduction of Port Counsel:** Chairman Lindrose introduced Mr. Brandon Dynes of Thrasher, Dinsmore & Dolan as the newly hired counsel for LCOPEDA. Mr. Dynes thanked the board for giving consideration to his firm and hiring him as counsel. He introduced himself as the proverbial “townie” of Painesville and Lake County. He was born, raised and educated in Painesville Township, graduating from Riverside High School. He lives in Concord Township now with his wife and 3 children. He serves as an acting judge for Judge Cicconetti in the Painesville Municipal Court; he is the immediate past president of the Lake County Bar Association; member of the Concord Township Zoning Board of Appeals; former trustee of the Lake County Development Council; is serves on the Lake County Notary Commission; and was formerly a member of the Riverside Schools Strategic Planning Commission. He shared that 90-95% of his legal practice is done in Lake County, OH. He is excited to serve as counsel to the LCOPEDA and he relishes the opportunity to work with everyone.

**Tapestry Presentation:** Tim Cahill introduced Chris and Emily from Tapestry who were gracious enough to accommodate us with an elegant snack, soft drinks and the room for the board meeting today. Chris Willbur, the Executive Director and Emily the Director of Sales were our hosts. Chris thanked LCOPEDA for their part in making the Tapestry deal work. Emily has been involved since last June during construction and through the opening December 17<sup>th</sup> when they got their first resident. There are currently 30 residents in the building; capacity is 111 assisted living and 56 memory care rooms. She noted that she was grateful for the overwhelming support of the community from the local police, hospital systems, Wickliffe and nearby cities as well. She will give a tour after our meeting and show us the facility and technical advances that set them apart. Chris added that many families have commented on coming there as kids when it was the Holidome and returning now to visit family.

Don Hart, our bond financial advisor, was also present and he and Tim Cahill gave a summary of the process of a bond deal to help the board understand what happens since we will have more coming down the pipe. Mr. Hart walked through the facility before they began and said this is a fabulous example of the contributions the LCOPEDA makes to the communities. There were a number of projects that the Port has done in the past to improve the quality of life for the citizens in both education and health care such as the YMCA and the Lake Health Center. Tapestry is the most impressive example of all the things the Port can do to make this become a reality. The Port had a lot of resources to act as a catalyst and in this case the health care facility was eligible for tax exempt bonds. The Port is the primary conduit for qualified tax exempt bonds and can save the project a significant amount of money. LCOPEDA worked with the Commissioners and got authorization to issue tax exempt financing. Bonds were issued and sold to institutional investors. For a project of this magnitude \$ 49 million, it is many millions in savings in construction and interest costs. Under the capital lease structure, we used here, the Port is exempt from sales and use tax on building and construction materials and this helped to lower the project cost. Beside those benefits, a failing property was repurposed and 80 full-time and 20 part-time direct jobs will be created with \$ 4 million in payroll. The community also benefit from another 70-80 indirect jobs that support the facility. Mr. Hart has been involved in nearly 900 projects worth about \$ 8 billion. He expects more projects from manufacturing, corporate headquarters and distribution to reach out to the Port for use of these resources.

Mr. Hart commented that the Port as a conduit does not take credit or financial risk. The bond holders assume all the risk. The Port has insurance, holds the security interests, and is indemnified, so despite the diversity in what the Port is doing, it is always the investor that assumes the business risk on these bonds.

Mr. Rampe asked if the bonds were sold to multiple institutions and how long did it take to sell the bonds. Mr. Hart replied that yes there were multiple institutional investors and that the bonds sold out quickly. The preliminary statements are taken on the road to line up investors before the bonds go for sale.

Mrs. Fulop asked if the Port makes a profit on the sales. Mr. Hart replied that the port makes money in three ways; the application fee, a fee at closing and an ongoing administration fee.

#### **Reports and Communications of Officers and Committees:**

Chairman's report – Mr. Lindrose commented that he is really glad that we have hired an attorney that has tentacles everywhere in Lake County.

Executive Director's report – Mark Rantala didn't have any report at this time.

**Public Comments:**

There were none. Mr. Dynes spoke on rules for public comments. The Port does not have to allow public comments, however, legal counsel recommends doing so. LCOPEDA can limit public comments as deemed appropriate. Further, it is recommended that comments be allowed with a time limit of 2-3 minutes per commentator thereby allowing the meeting to continue and for business to transact as necessary while still allowing public input. Mr. Struna added that adding a time limit is an ordinary thing. Mr. Dynes recommended 2-3 minutes per person commenting. It is also not a question and answer session. Mr. Freeman asked Mr. Dynes to draft some proposed rules instead of changing it from meeting to meeting for those meetings we wish to have public comments. Mr. Lindrose thought 2 minutes seemed appropriate. Mr. Freeman wanted to consider also if a paper should be handed in to indicate a topic, create an overall time limit or alert the chair that someone wants to speak. Mr. Martin spoke to his experiences and noted that the Chairman can limit the number of comments on any subject so you don't have to hear 20 people say the same thing. Mr. Siegel agreed. Mr. Dynes does not agree with limitations upon what can be commented upon, but agreed that an overall time period for public comment could be 20 minutes in total and not more than 2 minutes per person. Mr. Rampe affirmed that public comments require no comment back from the board. Mr. Freeman noted that we are free to respond if we chose. Mr. Ufran stated it would be good to have a framework anyway so we don't get surprised. Mr. Struna added that the public should not expect a response until the board has time to review and make that response anyway. Mr. Martin stated that the public should be aware of any rules and Mr. Lindrose would like to have them distributed with the public notice of the meeting.

Mr. Rantala remarked that we have been going back and forth on where, within the meeting, the public comments should be taken. He recommended the Public Comment section of the meeting be put after the Chairman's and Executive Director's Reports so they can hear a portion of what is to be said, which may answer their questions if they have them, but they do not have to sit through all the resolutions and such. Mr. Struna would like to see us be flexible initially and see where it works best the next couple of meetings.

**Economic Development**

Lost Nation Airport – Airport Manager, Patty Fulop stated that she was grateful for the comments on the name change of the airport. The consensus seems to be that the official name of the airport should be the Lake County Executive Airport. Many airport users and residents have request that Lost Nation be left somewhere in the name. Mrs. Fulop suggested we do not include it in the official name, but include it in the signage to help with the transition. The signs at the airport could read: Lake County Executive Airport, Lost Nation (Airfield, Strip, Airport, etc.) Mr. Lovrinovic asked "How important is it to have the county in the name"? Mr. Martin answered that both Lake County and Executive Airport are important for different reasons. Lake County indicates ownership and that the airport is public infrastructure so that users of the airport, potential investors or business that want to locate here can look at the

airport as county government ownership that is a stable facility which can help them to make a long term investment decision. Executive Airport sends a message that you are equipped and focused on attracting businesses to the airport. Mr. Struna is happy with Lake County Executive Airport at Lost Nation Airfield, which gives a little to the local folks (as a tag line). Commissioner Cirino commented at an earlier meeting that he felt it would be a branding mistake to have the name Lost Nation anywhere in the official name. Patty will look for additional feedback from the Commissioners and then prepare a resolution when ready for the official name change.

Earlier this year, we had approved the acceptance of an ODOT grant for removal of obstructions and the low bidder of the project was H & H Land Clearing. On the agenda today is a resolution to allow the Executive Director to enter into a contract of approximately \$ 76,000.00, which is higher than his spending authority, with the contractor. Mr. Siegel asked how many quotes we got for the project. Patty explained that we got three qualified bids. It went to public bid and was advertised as per the normal procedures. Working on an airport places more restrictions on a contractor in respect to FAA rules, crane height and other factors that eliminates some contractors. We were happy with the three bids we received and they were under the engineer's estimate.

Business Retention and Expansion – Economic Development Manager, Patrick Mohorcic reported that to date our team has met with 55 businesses. Produce Packaging Inc. moved into Willoughby Hills bringing to Lake County 38 existing jobs for a payroll of \$ 10 million and created 40 new jobs with an estimated payroll of \$ 900,000.00. Produce Packaging, Inc. will invest \$ 8 million into the project (\$ 6 million into building costs and \$ 1.5 into machinery and equipment). It is a JobsOhio funded project; part of the JobsOhio revitalization program that takes underutilized sites and puts them back up to speed. They are moving into the old Sam's Club site. We also took RFP's for two companies to JobsOhio that want to move into Ohio. One moved on to be a finalist and we submitted an application to JobsOhio at 2:00 pm today. We also have the JobsOhio project in Mentor and two possible projects in the pipeline. We also are working with Laketrans who are applying for a grant for electric buses in our opportunity zones. This is for Route 1 and 5 and we are still working with Team NEO on the priority site initiative to identify sites and attract outside business to Lake County.

Ms. Lovrinovic said that she met today with a company in Mentor that is looking to hire 100 people that may need to come from Cleveland. One of the issues they have is transportation. How can we help? Mr. Mohorcic replied that we are working with Laketrans to increase their routes to the area. Their new route from downtown Cleveland has been highly successful and goes to Tyler Blvd. Mr. Rantala mentioned that it now makes 18 stops on Tyler Blvd. and has 5-6 routes a day. Mr. Mohorcic will provide her with additional information.

Mr. Rantala directed the board to two pages in their packet which was a News Herald article on Produce Packaging that shows JobsOhio and their role in the project and identifies Peter Zahirsky and his and the Port's role in site selection.

Public Finance – Director of Public Finance, Tim Cahill stated that last month he went over the 2018 year-end numbers and there is nothing remarkable to report for the first quarter of 2019. A couple potential bond deals have pick up strongly in the last couple weeks and we may have a couple of resolutions to move ahead on them soon.

**West End Plan Update:**

Shared Economic Development Manager – We have a resolution on the agenda to terminate the Shared Economic Development position with Kirtland, Wickliffe and Willowick. The Mayors have asked to take over the program. We stood-up and got the program going, but currently we are only providing assistance in bookkeeping. The resolution on the agenda authorizes the Executive Director to sign off with the three cities. They are going to create a memorandum of understanding between the three of them and do their own bookkeeping. Our involvement will end May 31<sup>st</sup> which will be Monica Drakes last day here. The transfer to the Mayors will happen on June 1. The idea was to see if there was a way to make it work, and it worked.

Better Flip Project - Relative to the Better Flip, we will have a schedule of open houses at next month's meeting which will start in June. We are going to do tours for each of the cities in the west end, invite their councils, planning commissions and zoning boards on an individual basis. We will have open houses every Saturday and Sunday and have tours for real estate offices. He is going to offer a real estate continuing education class to educate them on the dynamics of the aging housing stock. In the last week he has spoken to the Mentor Rotary Club and to LCDC. Steve Litt, from the Plain Dealer, is going to do an architectural story on the project next month. They are pouring the driveway today or tomorrow (weather permitting), then the landscaping goes in. The inside needs some final light fixtures, the kitchen cabinets and appliances are all in, countertops have to go in yet. Mr. Ufran asked if Mr. Yamamoto would be involved in the open houses. Mr. Rantala responded saying no, but he spoke at the LCDC luncheon and has expanded his presentation and the new county auditor, Chris Galloway attended. The Willoughby Eastlake School system will also staff the open houses to speak to why the neighborhood will be good to come to because of two new high schools, a new elementary school and the School of Innovation. Mr. Freeman asked when we would bid and sell the house. Mr. Rantala said we would not do the auction until fall or when the flow of people going through slows.

**Other Economic Development Items:**

There were none.

**Resolutions and Motions:**

- a. **2019-11: Resolution of the Board of Directors of the Lake County Ohio Port & Economic Development Authority (LCOPEDA) Adopting and Establishing a Public Records Policy. A motion was made by Mr. Freeman and seconded by Mr. Struna to adopt resolution 2019-11. The motion was passed with an 8-0 vote.**

- b. **2019-12**: Resolution of the Board of Directors of the Lake County Ohio Port and Economic Development Authority (LCOPEDA) Authorizing the Executive Director to terminate the existing agreement for Monica Drake, the shared economic development director. A motion was made by Bill Martin and seconded by John Uhran to adopt resolution 2019-12. The motion was passed with an 8-0 vote.
- c. **2019-13**: Resolution of the Board of Directors of the Lake County Ohio Port and Economic Development Authority (LCOPEDA) Recognizing the obligation to affirmatively further Fair Housing in Lake County, Ohio. A motion was made by Wally Siegel and seconded by Jim Struna to adopt resolution 2019-13. The motion was passed with an 8-0 vote.
- d. **2019-14**: Resolution of the Board of Directors of the Lake County Ohio Port and Economic Development Authority (LCOPEDA) Authorizing the Executive Director to apply for and accept financial assistance from Lake County's FY'19 Community Development Block Grant Program for one or more of the Authorized Purposes of the LCOPEDA. A motion was made by Wally Siegel and seconded by John Uhran to adopt resolution 2019-14. The motion passed with an 8-0 vote.
- e. **2019-15**: Resolution of the Board of Directors of the Lake County Ohio Port and Economic Development Authority (LCOPEDA) Authorizing the Executive Director to execute and deliver a contract to H & H Land Clearing, LLC for tree clearing at Lost Nation Airport. A motion was made by Mark Freeman and seconded by Wally Siegel to adopt resolution 2019-15. The motion passed with a 7-0 vote. Mr. Martin abstained.

**Executive Session:** Chairman Lindrose entertained a motion to go into executive session pursuant to Ohio Revised Code 121.22(G) (2) to discuss real estate matters. A motion was made by Jim Struna and seconded by Biljana Lovrinovic to enter into executive session at 4:07pm. Chairman Lindrose requested a roll call vote and the result was Mr. Freeman – Aye, Mr. Lindrose – Aye, Ms. Lovrinovic – Aye, Mr. Martin – Aye, Mr. Rampe – Aye, Mr. Siegel – Aye, Mr. Struna – Aye, and Mr. Uhran – Aye.

Chairman Lindrose entertained a motion to return to the public meeting. A motion was made by Jim Struna and seconded by Wally Siegel to reconvene the public meeting at 4:19 pm. Chairman Lindrose requested a roll call vote and the result was Mr. Freeman – Aye, Mr. Lindrose – Aye, Ms. Lovrinovic – Aye, Mr. Martin – Aye, Mr. Rampe – Aye, Mr. Siegel – Aye, Mr. Struna – Aye, and Mr. Uhran – Aye.

**New Business:** None

**Old Business:** None

**Board Remarks:** Biljana Lovrinovic suggested we have a visioning session for the rebranding of the LCOPEDA website at our next board meeting. She has formed a committee to redevelop the website. She will collect board comments and information and moving forward will obtain proposals from web site firms. The goal is by the end of the year to have rebranding done, new business cards, new website, new communication because we will be in new offices and the beginning of the year can be very instrumental for those that need to have our new address and location. We are moving to the 5<sup>th</sup> floor of the current Lake County Administration Building.

Mr. Rantala advised the board that Mr. Zahirsky is not here because he is conducting tours for the Leadership Lake County Signature Class of the Better Flip House. There are 30-40 people touring the house now.

A motion was made by Mr. Struna and seconded by Wally Siegel to adjourn the public meeting at 4:23 pm. The meeting was adjourned by consensus.