

**Economic Development Incentive Committee
February 11th, 2020
Meeting Minutes**

Call To Order

Mr. Nickles called the meeting to order at 1:32pm.

The following members were present constituting a quorum: Mr. Paul Koch, Ms. Abbey Bemis, Mr. Al Nickles, Ms. Hannah Nedolast, and Mr. Greg Voltz. City Commission Liaison Naomi Twine, Economic Development Specialist John Storey, and Clerk for the Community Development Department Kristen Barone were also present.

Approval of Minutes

Mr. Koch moved to approve the minutes from the January 14th 2020 meeting; Ms. Bemis seconded the motion. All members were in favor of the motion.

Program Financial Update

Mr. Storey stated that the Economic Development funds currently have a balance of \$303,930. At last night's City Commission meeting, the commissioners approved the grant to Lake Erie Island Cruises that this commission approved at the last Economic Development Incentive Committee meeting.

Mr. Koch asked if there is any benefit to putting a time limit on when the money has to be used by. He stated that there are some businesses that have been granted funds but then quite a bit of time passes and they still have not completed their projects and then other businesses get turned down for assistance because the funds have run out.

Mr. Storey explained that the application does ask when projects are expected to start and finish, and that he does call and check in on the projects. However, there is currently no policy in place that states what happens if projects have not started or completed by the dates put on the applications.

Mr. Voltz stated that he would recommend for staff to come up with a draft policy to discuss with Law Director Trevor Hayberger.

Ms. Bemis asked if meeting quarterly would help everyone understand better what might be expended.

Mr. Storey stated that he will talk with Trevor and get back with the committee on a policy.

Application Review

Mr. Storey stated that the first application on the agenda is for Family Health Services LLC. They are asking for a \$100,000 grant to go towards the cost of a 1.5 million dollar project for the construction, equipment, and start-up/soft costs of a dental facility for those with limited resources. He said that staff feel that \$50,000.00 is the appropriate amount to grant due to having allocated 40% of this year's budget so far and due to other projects that are coming up.

Ms. Bemis asked if Mr. Storey could comment on if he believes the program will be allocating all of this year's funds.

Mr. Storey said that he believes the money will go fast, as he has four applications sitting on his desk right now and his phones are always ringing. He said that there are a couple of bigger applications he is expecting, and that is why he is trying to preserve as much of the funds as possible.

Ms. Bemis stated that she would like to see more funds granted towards this project and would like to hear what the other committee members think.

Mr. Koch asked what the max percent is that can be granted on a project like this.

Mr. Storey stated that there is no max percent, but that typically 10% is granted. He said that a large majority of the applications received ask for \$10,000 or under, which staff are able to grant administratively. So that is one of the reasons the money goes quickly and something that would be detriment to meeting quarterly.

Commissioner Twine stated that she thinks the dental clinic is something the community needs and it is in a good location for those who need it, so she would be interested to see how much more money could be considered for the project.

Ms. Bemis made a motion to support a grant of \$65,000. She said that she is compelled by the impact and mission of the business model and company.

Mr. Voltz seconded the motion.

Mr. Koch abstained from the vote, and the rest of the voting members were in favor of the motion.

Mr. Storey stated that the second application on the agenda is for Chesapeake Lofts Condominium Association. They are asking for a \$24,000 grant from the Signage and Façade program, to go towards a \$32,450 project. He said that the rules state that up to 75% of signage costs can be granted and they are asking for a little under 75%.

Mr. Nickles asked if they have money in their reserves.

Mr. Storey replied that they do have money in their reserves.

Mr. Koch stated that his opinion has not changed since the last time the applicant applied for this grant in October, as that building is still comprised of mostly residential space. There is one small commercial space in that building and it is not being used.

Ms. Bemis stated that she would like to support the work, but not at the 75% level. She then made a motion to support an \$8,000 grant for the façade improvement.

Mr. Voltz seconded the motion.

There were three votes in favor of the motion and, two votes that were not in favor of the motion. The motion passed.

Next Meeting

March 10th, 2020.

Public Participation

Sharon Johnson stated that staff should look into getting a policy on what is residential versus what is commercial so that there is no gray matter on that. She then said that she agrees that the funds should not be held up by businesses that take years to complete their projects, when there are other business that could use those funds. Sharon then stated that since Mr. Nickles is a board member of Civista Bank and should have abstained from the Family Health Services vote.

Mr. Nickles stated that he does not vote on loans at the bank unless they are more than 20 million dollars.

Mr. Koch stated that the previous Law Director for the City Mr. Harris looked into this in the past and he said that there is not a conflict if the person voting is not directly involved with the loan, and Al is not involved with the loans unless they are more than 20 million.

Sharon stated that she also believes that if someone is abstaining from a vote, that person cannot be involved in any discussion on the matter either. She then asked Mr. Nickles if he told the Law Director that he is a board member of Civista bank and has stock in Civista also.

Mr. Nickles stated that he did.

Sharon stated that maybe they ought to talk with the Ethics Committee.

Mr. Nickles stated that Mr. Harris did that.

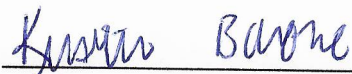
Sharon asked if Mr. Hayberger could send that communication to her.

Ms. Nedolast stated that she will talk with the Law Director and get answers to her concerns.

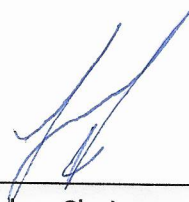
Meeting Adjournment

Ms. Bemis motioned to adjourn the meeting. Meeting adjourned at 2:36pm.

APPROVED:



Kristen Barone, Clerk



Mr. Nickles, Chairman