

Economic Development Incentive Committee  
 May 17, 2018  
 Meeting Minutes

**Call To Order**

Chairman Nickles called the meeting to order at 2:00 PM. The following members were present: Ms. Angie Byington, Chairman Al Nickles, Ms. Abbey Bemis and Mr. Paul Koch. Mr. Matt Lasko, Chief Development Officer presented the applications and Debi Eversole, Administrative Assistant recorded the meeting minutes. There were 4 voting members present.

**Approval Of Minutes**

Mr. Koch moved to approve the minutes from the April 10, 2018 meeting. Ms. Bemis seconded the motion. The motion carried with a unanimous vote.

**Program Financial Update**

Mr. Lasko presented the program financial update as of May 15, 2018:

ECONOMIC DEVELOPMENT FUNDS										
	2017 Carryover	Repayments	Beginning Balance	Date Approved	Committed	Spent	Revenue	Ending Balance	Total Project Cost	Estimated New Jobs
	\$	\$	\$					\$		
	3,557	128,402	581,959					93,290		46
<b>Substantial Development</b>			370,000							
SandCity, LLC				3/14/2017	\$ 125,000	\$ -	\$ -		\$ 6,645,872	32.5
Renaissance Too, LLC				2/19/2018	\$ 90,000	\$ 150	\$ 125		\$ 738,000	9
Marous Development Group, LLC				3/13/2018	\$ 100,000	\$ 150	\$ 125		\$ 13,006,200	23
Gundlach Sheet Metal Works, Inc.				3/13/2018	\$ 50,000	\$ 150	\$ 125	4,925	\$ 900,000	5
<b>Façade</b>			77,475							
H2 Property Management				2/13/2018	\$ 35,000	\$ 150	\$ 125		\$ 232,155	0
								42,450		
<b>Signage</b>			44,464							
Peerless Stove & Manufacturing Co.				2/13/2018	\$ 9,215	\$ 150	\$ 125		\$ 12,287	0
MBC Services, Inc., DBA Sandusky Canvas				2/13/2018	\$ 504	\$ 150	\$ 125		\$ 671	0
Erie County Community Foundation				3/13/2018	\$ 20,000	\$ 150	\$ 125		\$ 737,408	0
Lake Erie Shores and Islands				4/10/2018	\$ 4,000				\$ 6,500	0
								10,690		
<b>Small Business Assistance</b>			70,000							
BSI Holdings Ltd.				1/9/2018	\$ 15,000	\$ 150	\$ 125		\$ 29,796	0
Omega Inc., DBA Cameo Pizza				2/13/2018	\$ 9,500				\$ 38,621	0
Whodunnit's Great Adventures, LLC, DBA Escape Rooms by Franknicky				2/13/2018	\$ 2,500	\$ 150	\$ 125		\$ 5,000	1
Brew Tours, LLC, DBA San Brew Bike				3/13/2018	\$ 9,300	\$ 150	\$ 125		\$ 21,913	2
Lake Erie Shores and Islands				4/10/2018	\$ 10,000				\$ 18,705	5
M & E Quilt Shoppe				4/10/2018	\$ 8,400	\$ 125	\$ 125	15,225	\$ 14,000	1
<b>Economic Development - Other Expenditures</b>			20,000							
								20,000		
<b>Total</b>					\$ 488,419				\$ 22,407,130	
Ex SandCity					\$ 363,419				\$ 15,761,258	
<b>Leverage</b>	45.9									
Ex SandCity	43.4									

Mr. Lasko stated that this was updated after the April meeting. We will still see a balance of approximately \$94,000 since we have received some re-payments that have been entered in the spreadsheet. Chairman Nickles asked if we had any delinquent applicants. Mr. Lasko replied that there are no delinquencies, but there are some outstanding loans that are being repaid. For clarification, the spreadsheet indicates all money that had been committed from previous meetings. The green line items indicate money that had been dispersed. The red line items are

projects that are awaiting lien reports. With no further comments, Ms. Bemis moved to approve the financial update. Mr. Koch seconded the motion which was approved through a unanimous vote.

### **Application Review**

John Caporini, partial owner of H & C Building Supplies, a division of Huron Cement, had applied for a Signage and Façade grant for the property located at 2925 Venice Road.

H & C Building Supplies is looking to refurbish and relocate its existing sign and to encase the newly located sign within a decorative stone casing. The existing sign is very weathered and sits well above eye level of passing traffic. This makes it difficult for traffic and potential customers to view current specials, sales and promotions offered by the company and the current sign detracts from the overall aesthetic of the area and building. The sign will be refurbished and moved to ground level, viewable by passing traffic and will be encased in decorative stone in materials and colors similar to the existing building. The total project cost is \$5,573.92 and will be completed by 10/31/18. Mr. Lasko recommended a grant in the amount of \$2,786.96, which is 50% of the project cost. The recommendation is contingent upon obtaining title reports, obtaining all relevant permits, submitting before and after photographs, and displaying temporary signs during construction and a sign for at least one year upon completion noting the City of Sandusky's support.

Mr. Koch moved to approve the recommended grant in the amount of \$2,786.96. Ms. Bemis seconded the motion, which carried with a unanimous vote.

### **Application Review**

Amber Lee Patterson, dba Fancy Me Boutique had applied for a Small Business Assistance grant for her mobile boutique.

Fancy Me Boutique, historically only an online retailer is looking to develop a physical presence in the form of a "mobile" boutique. The mobile boutique would consist of a fully furnished and decorated tiny house/barn that is affixed to a trailer and able to be moved from location to location and able to be set up as a vendor at city/private events and functions. Mrs. Patterson is already leasing the tiny house/barn and has fully outfitted and furnished the interior and has purchased initial inventory to begin having a presence at events starting this summer. The final step is to purchase the actual trailer that the mobile boutique will be affixed to. This increased presence will help with their proof of concept and bring increased visibility in hopes of opening a brick and mortar store in downtown Sandusky. The total project cost is \$10,808.00 and will be completed 12/31/18. Mr. Lasko recommended a \$1,500 Small Business assistance grant, which is approximately 14% of the project cost. The recommendation is contingent upon obtaining title reports, obtaining all relevant permits, submitting before and after photographs, participating in no less than eight (8) events within the municipal limits, and displaying temporary signs during construction, and a sign for at least one year upon completion noting the City of Sandusky's support.

Chairman Nickles asked if there were any laws preventing an operation such as this to travel to different venues. Mr. Lasko stated that this request is similar to a food truck vendor, where they can park on private property with the property owner's permission and as long as it does not prohibit the property their required number of parking spots. Ms. Byington confirmed that

parking on private property would be allowed if the property is zoned correctly, the required permits are approved and that the applicant does not prohibit the owner from their required number of parking spaces.

Chairman Nickles asked how this would benefit the City. Mr. Lasko stated that the City would help them develop their brand and maybe take over a vacant store downtown. Ms. Bemis stated that she agreed with the recommendation and that this is where retail is heading. Once this online retailer establishes a clientele, those people may follow them to the City events. This will add to the draw and traffic flow into the City.

Ms. Bemis moved to accept Staff's recommendation for a grant in the amount of \$1,500 with all contingencies noted in the recommendation including, but not limited to participating in no less than eight (8) events within the municipal limits. Mr. Koch seconded the motion. Mr. Koch expressed the concern that the applicant is not from Sandusky and stated that maybe we should put limitations on mobile vendors. Chairman Nickles stated that it would be an easier decision to allow a City of Sandusky resident grant funding. Mr. Lasko stated that maybe future applications for this type of application would require an affidavit that they operate within the City of Sandusky.

With no further discussion, the motion carried with a unanimous vote.

### **Application Review**

Adam White, Luco-Wes Properties, LLC had applied for a Small Business Assistance grant for the property located at 904 W. Adams Street.

With the recent departure of Derrick's Diner to Warren Street, Mr. White is looking at undertaking certain improvement items to meet current Erie County Health Department standards, and just as importantly, to elevate and modernize the space to attract a new food and beverage tenant. The planned improvements include new kitchen subflooring and tile, finishing the drywall and further insulating the space, installation of a washable wall surface throughout the kitchen space and the installation of new energy efficient/LED lighting in the kitchen and dining spaces. Given the success of Derrick's Diner, this property can serve as a great incubation space for a new food and beverage and/or restaurant operators. Further, it provides a nice neighborhood amenity for folks not wanting to travel to more trafficked and popular dining areas either downtown or on Route 250 for example. Mr. White does not currently have a tenant lined up, but the improvements will make the space more marketable in order to secure an interested tenant. The total project cost is \$10,780 and is to be completed by 12/31/18. Mr. Lasko recommended a \$2,480.00 Small Business Assistance grant; contingent upon obtaining title reports, obtaining all relevant permits, submitting before and after photographs, and displaying temporary signs during construction and a sign for at least one year upon completion noting the City of Sandusky's support.

Ms. Bemis asked if anything is planned to be done with the exterior of the building. Mr. Lasko responded that this application is only for interior improvements. Chairman Nickles stated that if the committee does not approve this application, there is a risk that nothing will be done to the property. Mr. Lasko stated that the improvements are needed to secure a tenant for the space. Chairman Nickles asked if we should request prospective tenants prior to awarding any funding rather than award the funding and having the possibility of the space being improved and sitting

vacant for several years. Ms. Byington stated that it may be hard to market the space with the exterior looking the way that it does. Chairman Nickles stated that he would be more comfortable with the recommendation if the applicant had a tenant in mind and further would even be comfortable adding more money to improve the exterior. He suggested coming back with a tenant and master plan.

Ms. Byington moved to table the application in order to secure a tenant or create a master plan. Mr. Koch seconded the motion. With no further discussion, the motion to table the application carried with a unanimous vote.

### **Application Review**

David Bier & Dawson Foster, HavinFun Too, LLC had applied for a Small Business Assistance grant for their property located at 101 E. Water Street.

The partners are looking to open their third bar and restaurant named "Landmark". The concept will be to develop a "neighborhood" type restaurant feeling offering contemporary food with very local ingredients, while also focusing heavily (not exclusively) on "flexitarian" food options. The first floor of the space will be renovated through tearing down the previously installed brewing area and hood system, installing all new flooring, removing some walls to expose original brickwork, new paint and lighting throughout, replacement of rear bar, and all new furniture. The total project cost is \$364,500 with a completion date of 9/30/18. Mr. Lasko recommended a \$15,000 Small Business Assistance grant, contingent upon obtaining title reports, obtaining all relevant permits, submitting before and after photographs, and displaying temporary signs during construction and a sign for at least one year upon completion noting the City of Sandusky's support and City Commission approval.

Mr. Koch moved to approve the application with all of the contingencies noted in the recommendation. Ms. Bemis seconded the motion. With no further discussion, the motion carried with a unanimous vote.

### **Next Meeting**

Mr. Lasko stated that the next meeting will be Tuesday, June 12, 2018 at 1:30PM.

### **Public Participation**

There was no public participation for this meeting.

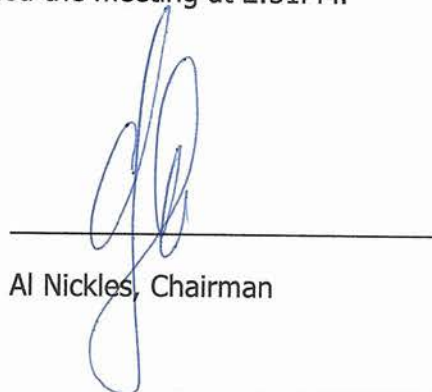
### **Adjournment**

With no further business, Chairman Nickles adjourned the meeting at 2:51PM.

APPROVED:



Debi Eversole, Clerk



Al Nickles, Chairman