

**Meeting Minutes of the Board of Directors  
May 26, 2016**

The Pledge of Allegiance was recited.

**ROLL CALL**

The fifth meeting in 2016 of the Toledo-Lucas County Port Authority Board of Directors was called to order at 8:00 a.m. on Thursday, May 26, 2016, at One Maritime Plaza, 2<sup>nd</sup> Floor, Classrooms A and B, Toledo, Ohio.

The following members were present: Chairman James M. Tuschman, Vice Chairman John S. Szuch, Directors William J. Carroll, Jerry Chabler, Bernard H. Culp, Dr. Lloyd A. Jacobs, Andrea R. Price, G. Opie Rollison, Nadeem S. Salem, Sharon Speyer, A. Bailey Stanbery, and Baldemar Velasquez.

The following member was absent: Director George Tucker

**APPROVE MINUTES OF MEETING APRIL 28, 2016**

The minutes of the meeting of April 28, 2016 were presented for approval, copies having been distributed in advance to all directors. On motion by Director Tuschman and seconded by Director Chabler, and unanimously carried, the minutes were approved as submitted.

**PUBLIC COMMENT PERIOD**

Chairman Tuschman requested comments from the public. Hearing none, he proceeded with the order of business.

**REPORT OF THE CHAIR**

**CONSIDER APPROVAL OF APRIL COMMITTEE MEETING MINUTES**

Chairman Tuschman reported that, as a result of the committee restructuring, the April minutes of the Facilities & Development and Airport Committees needed to be approved. Following a motion made by Director Carroll, and seconded by Director Stanbery, Director Jacobs suggested that the motion be changed from 'approved' to 'accepted'. The Facilities & Development Committee minutes were accepted as revised, and unanimously carried by the members of the former Facilities & Development Committee. Following the motion of Director Chabler and seconded by Director Szuch, the Airport Committee minutes were unanimously carried by the members of the former Airport Committee.

Chairman Tuschman reported on a recent editorial Clueless on Economic Development. (2016, May 24). *The Blade*. Chairman Tuschman's remarks are as follow:

*A newspaper's responsibility is to provide the public with "the truth" as best as it can be determined or ascertained.*

*Recently in an editorial about Economic Development and the City, entitled "Clueless on Economic Development" our local newspaper criticized the decision of the City regarding*

*the so-called "firing" of the Harmon Group. The fact of the matter is -- he was not "fired" - his one year contract expired. A new "RFP" had to be offered up to the public.*

*Included in the article was a statement about the community's Economic Development "outfits" and noted "they trip over each other as they bumble their way to more botched pipe dreams."*

*They note that Economic Development should be "professionalism and planning" and that we need to get our "Economic Development house in order".*

*First, while Economic Development in our region certainly can be improved, it is important to note that there is probably more cooperation and coordination by the Economic Development leadership groups than there has been in many years (the executive directors and their respective board of directors).*

*The Economic Development roundtable meets monthly where the principals of the Port, the RGP, the Chamber, the Community Foundation and the University of Toledo are in direct communication on current initiatives projects and strategies.*

*The Economic Development groups also meet regularly with representatives of the Downtown Toledo Development Corporation and the 22<sup>nd</sup> Century Group.*

*A more expanded and defined senior Economic Development leadership team is being put together as we speak.*

*Let's be clear, we have work to do, but the message given to the public about our Economic Development goals, objectives, strategies and progress is wrong. It is an inaccurate message.*

*Let's look at the Dana deal at our Overland Parkway site, how it occurred and who got the deal done.*

*The deal, one of the best Toledo has seen in a long time, brings Dana back home to Toledo for manufacturing and assembly of its drive shafts and axles. It involves expansion of our 100,000 square foot spec building to 300,000 square feet and it involves approximately 350 jobs and a 70 million dollar investment on Dana's part for the equipment they will need for their new plant.*

*One would never really know the story of how this all came about and who was responsible for putting this deal together by reading the disjointed newspaper versions that have been set forth so far.*

*So here are the facts, clear and simple.*

*This Board in 2010 took great risk in taking on the revitalization of essentially an abandoned industrial site.*

*This Board and this Port President and his staff developed a total strategy for the redevelopment of this historic site.*

*Financing from a multitude of sources was arranged, a development partner was secured, the site was cleared and a spec building (100,000 square feet) was constructed and tenants were sought by our development partner and other real estate brokers.*

*The property was totally redeveloped. It was a deteriorated site containing scrap metal strewn throughout the property surface and buried foundations, several toxic ponds and two old perimeter dilapidated buildings -- it was a mess!!*

*Today, one of the old buildings is gone; the land is graded and clean; Interstate 75 is being routed into the site; the internal roads are in, as well as lighting and waterlines, and a 100,000 square foot building sits proudly on the site in accordance with the overall development plan agreed to between the Port and the Harmon Group early on in the project.*

*In January Paul Toth received a call from officials at Dana Corporation expressing serious interest in the spec building, but they needed one three times the size.*

*I was briefed on this as I transitioned to the Chairmanship of the Board in January 2016. For the following months I monitored the proposed deal with Paul, culminating in our recent announcement of the deal several weeks ago.*

*One thing of note is the fact that at the 11<sup>th</sup> hour of negotiations on this deal, critical details still remained unresolved. Paul Toth stepped in and made it happen.*

*Dana officials have stated clearly that 'but for Paul's efforts throughout, and particularly in the final negotiation session, this deal would not have been in Toledo.'*

*Let the record be very clear here. We do what we are supposed to do. We provide strategy, leadership and financing in the Economic Development space.*

*That is what we do. Let there be no mistake -- the Toledo-Lucas County Port Authority does not 'trip over others,' we do not have 'botched pipe dreams.' We deliver results and Dana is a good example.*

*And there is more to come."*

Chairman Tuschman also reported that the University of Toledo sponsored an economic development profile of the region and presented a video therefor. [The University of Toledo].

(2016, March 24). *Toledo, Ohio USA-21<sup>st</sup> Century Hub for Global Logistics and the Manufacturing* [Video File].

Retrieved from <https://www.youtube.com/watch?v=0r9zVoapYe0&app=desktop>.

### **REPORT BY THE PRESIDENT & CEO: PAUL L. TOTH, JR.**

Paul L. Toth, Jr., President & CEO reported on Overland Industrial Park and the Dana building. Mr. Toth presented the competitive market dynamics regarding existing buildings and their availability.

### **PRESENTATION BY KIM CUTCHER, PRESIDENT & CEO, LOCAL INITIATIVES SUPPORT CORPORATION (LISC), "TOLEDO'S PROMISE ZONE APPLICATION"**

### **RECOMMENDATIONS AND REPORTS FROM STANDING COMMITTEES AND DIVISIONS**

#### **FINANCE COMMITTEE**

#### **CONSIDER EXPENDITURES THROUGH APRIL 30, 2016**

Director Jacobs, Finance Committee chair, reported that the Operating Budget through April 2016 shows \$\$58,400 excess operating revenues over operating expense. This is ahead of a projected budget deficit by \$346,000.

The Finance Committee recommended approval of the Expenditures through April 2016. After discussion, on motion by Director Jacobs, seconded by Director Price, and unanimously carried, the Expenditures through April 2016 were approved as submitted.

#### **CONSIDER REAL ESTATE COMMISSION FOR OVERLAND INDUSTRIAL PARK SPEC BUILDING LEASE**

Director Jacobs reported that in June 2014, the Port Authority and Overland Industrial Parkway One, LLC ("Overland One") entered into a lease and development agreement to construct a 100,000 square foot warehouse/manufacturing spec building at Overland Industrial Park. A lease has been signed between Overland One and Dana Holdings to lease the existing building and includes an option to expand the building by up to an additional 200,000 square feet.

The Finance Committee recommended adoption of a resolution appropriating \$250,000 from Port Authority reserves to pay lease commissions in support of the lease of the spec building, with the repayment to the Port Authority over 10 years. After discussion, on motion by Director Jacobs, seconded by Director Culp, and unanimously carried,

#### **RESOLUTION NO. 33-16**

**Authorizing Real Estate Commission for Overland Industrial  
Park Spec Building Lease**

was adopted. The resolution in its full text is incorporated in the Resolutions Journal of the Port Authority.

**CONSIDER ISSUANCE OF REVENUE BONDS TO REFINANCE THE COSTS OF ACQUIRING, CONSTRUCTING, IMPROVING, EQUIPPING, AND FURNISHING OF A PUBLIC PARKING GARAGE (CRAWFORD HOYING DEVELOPMENT PARTNERS, LLC) (\$5,000,000)**

Director Jacobs reported that the Port Authority has been requested to issue up to \$5,000,000 in taxable development revenue bonds through the Northwest Ohio Bond Fund (the "Series 2016A Bonds") for the benefit of the City of Dublin, Ohio, and the Bridge Park New Community Authority for the refinancing of the acquisition and construction of an approximately 350-space public parking garage.

The Finance Committee recommended adoption of a resolution regarding the issuance of the bonds in the principal amount up to \$5,000,000 to be used to finance the project.

After discussion, on motion by Director Jacobs, seconded by Director Speyer, and unanimously carried,

**RESOLUTION NO. 34-16**

**Authorizing the Issuance of Port Authority Revenue Obligations in the Maximum Aggregate Principal Amount of \$5,000,000, to Finance Costs of "Port Authority Facilities," within the Meaning of Ohio Revised Code Section 4582.01, Consisting of an Approximately 350-Space Public Parking Garage and Other Public Improvements, to be Constructed, Owned and Operated by or on Behalf of the Columbus-Franklin County Finance Authority, by Refunding Revenue Obligations Issued to Finance Those Costs; Authorizing the Execution of a Cooperative Government, a Supplemental Trust Indenture, a Disbursing and Payment Agreement and Certain Other Agreements and Documents in Connection with the Foregoing; Authorizing the Use and Distribution of a Disclosure Statement in Connection with the Sale of those Revenue Obligations; and Authorizing and Approving Related Matters**

was adopted. The resolution in its full text is incorporated in the Resolutions Journal of the Port Authority.

**CONSIDER ISSUANCE OF REVENUE BONDS TO FINANCE THE COSTS OF ACQUIRING, CONSTRUCTING, IMPROVING, EQUIPPING, AND FURNISHING OF PUBLIC IMPROVEMENTS BENEFITTING A SITE TO BE DEVELOPED BY RANDALL RESIDENCES AT YANKEE TRACE, LLC (\$3,000,000)**

Director Jacobs reported that the Port has been requested to issue up to \$5,000,000 in development revenue bonds through the Northwest Ohio Bond Fund (the "Series 2016B

Bonds”) for the benefit of the City of Centerville, Ohio,) and Randall Residences at Yankee Trace, LLC for the acquisition and construction of certain roadway, utility, and other public improvements.

The Finance Committee recommended adoption of a resolution regarding the issuance of the bonds in the principal amount of up to \$5,000,000 to be used to finance the project.

After discussion, on motion by Director Jacobs, seconded by Director Salem, and unanimously carried,

## RESOLUTION NO. 35-16

**Authorizing the Issuance of Port Authority Special Assessment Revenue Obligations in the Maximum Aggregate Principal Amount of \$5,000,000, to Finance Costs of “Port Authority Facilities” Within the Meaning of Ohio Revised Code Section 4582.01, Consisting of Off-Street Parking, Streets, Sidewalks, Lighting, Storm Water Sewers, Storm Water Detention and Retention Improvements, Sanitary Sewers, Waterlines and Other Public Improvements, to be Constructed, Owned and Operated by or on Behalf of the Dayton-Montgomery County Port Authority as Agent for the City of Centerville, Ohio; Authorizing the Execution of a Cooperative Agreement, a Supplemental Trust Indenture, a Disbursing and Payment Agreement and Certain Other Agreements and Documents in Connection with the Foregoing; Authorizing the Use and Distribution of a Disclosure Statement in Connection with the Sale of Those Revenue Obligations; and Authorizing and Approving Related Matters**

was adopted. The resolution in its full text is incorporated in the Resolutions Journal of the Port Authority.

### **FINANCING PROGRAMS DASHBOARD**

Director Jacobs presented the Financing Programs Dashboard.

### **BETTERBUILDINGS NORTHWEST OHIO PROGRESS REPORT**

Director Jacobs reported on recent and current projects being undertaken by the BetterBuildings Northwest Ohio program.

### **NORTHWEST OHIO BOND FUND TRUSTEE REPORT**

Director Jacobs presented the Northwest Ohio Bond Fund Trustee report.

### **TRANSPORTATION AND OPERATIONS COMMITTEE**

### **CONSIDER CONSTRUCTION OF NEW FUEL FARM AT TOLEDO EXECUTIVE AIRPORT**

Director Carroll, Transportation and Operations Committee chair, reported that the

existing fuel farm at Toledo Executive Airport is beyond its useful life, and the Port Authority has been notified by the State of Ohio that the existing tanks must be taken out of service. In addition, the tank certificates are expiring and are not renewable through the State because of the age of the existing farm.

The Transportation and Operations Committee recommended adoption of a resolution authorizing the President to enter into a contract with the lowest responsive and responsible bidder that is below the engineer's estimate of \$500,000 for the installation of two 12,000 gallon above ground storage tanks and all ancillary services including site preparation, electrical service and existing tank removal at Toledo Executive Airport. In addition, the Transportation and Operations Committee recommended the appropriation of an additional \$20,000 for professional services related to review of shop drawings and for project management as necessary for completion of the project.

After discussion, on motion by Director Carroll, seconded by Director Stanbery, and unanimously carried,

### RESOLUTION NO. 36-16

#### Authorizing Construction of New Fuel Farm at Toledo Executive Airport

was adopted. The resolution in its full text is incorporated in the Resolutions Journal of the Port Authority.

#### CONSIDER EQUIPMENT PURCHASE FOR MIDWEST TERMINALS - FACILITY NO. 1

Director Carroll reported that Midwest Terminals of Toledo – International is the operator of Facility No. 1 and can benefit from the acquisition of an Elgin Waterless Pelican Street Sweeper, which is available through the State of Ohio Department of Administrative Services Cooperative Purchasing Program. The current State contract holder for Elgin Waterless Sweepers is Jack Doheny Companies from Twinsburg, Ohio.

The Transportation and Operations Committee recommended adoption of a resolution authorizing the President to enter into a contract for the purchase of a new Elgin Waterless Pelican Sweeper from Jack Doheny Supply in Twinsburg, Ohio, in the amount not to exceed \$265,600, and authorizing payment, including an additional ten percent (10%) contingency from the Port Authority Reserve Fund, and further authorizing the President to enter into lease agreement with Midwest Terminals for use of the street sweeper for 36 months at a monthly rate of \$7,723.97, which includes a three percent (3%) interest rate over the term. At the end of the lease, the Port Authority will sell the sweeper to Midwest Terminals for \$100.

After discussion, on motion by Director Carroll, seconded by Director Stanbery, and unanimously carried,

## RESOLUTION NO. 37-16

### **Authorizing Equipment Purchase for Midwest Terminals - Facility No. 1**

was adopted. The resolution in its full text is incorporated in the Resolutions Journal of the Port Authority.

### **PLANNING & DEVELOPMENT COMMITTEE**

#### **CONSIDER LEASE AGREEMENT WITH UNITED STATES OF AMERICA DEPARTMENT OF HOMEAND SECURITY CUSTOMS AND BORDER PATROL**

Director Speyer, Planning and Development Committee chair, reported that the Port Authority recently constructed a 5008 square foot general aviation facility for use by U.S. Customs and Border Patrol at Toledo Express Airport and located at 11371 West Airport Service Road.

The Planning and Development Committee recommended adoption of a resolution authorizing the President to enter into a lease agreement with the U.S. Government with an initial term of one year; the lease will automatically renew on a year-to-year basis at the option of the U.S. government for 19 years. There will be no rent for use of the facility and the Port Authority is required to provide all service, utilities, and maintenance for proper operation of the facility and building.

After discussion, on motion by Director Speyer, seconded by Director Carroll, and unanimously carried,

## RESOLUTION NO. 38-16

### **Authorizing Lease Agreement with United States of America Department of Homeland Security Customs and Border Patrol**

was adopted. The resolution in its full text is incorporated in the Resolutions Journal of the Port Authority.

#### **CONSIDER SUB-GRANT OF HEALTHY LAKE ERIE GRANT TO CITY OF FINDLAY AND CONSIDER AMENDMENT TO AGREEMENT WITH STATE OF OHIO**

Director Speyer reported that in October 2014 the Board of Directors authorized the President to accept \$7,350,000 in grant funding from the Ohio Department of Natural Resources through its Healthy Lake Erie Grant. With these funds the Port Authority has administered the construction of the \$2,500,000 Dredge Material Center of Innovation which will soon be completed.

The Planning and Development Committee recommended adoption of a resolution



authorizing the President to enter into a sub-grant agreement with the City of Findlay for \$355,000 and to amend the grant agreement with the State of Ohio to reflect the reallocation of funds.

After discussion, on motion by Director Speyer, seconded by Director Chabler, and unanimously carried,

**RESOLUTION NO. 39-16**

**Authorizing Sub-Grant of Healthy Lake Erie Grant to City of Findlay  
and Consider Amendment to Agreement With State of Ohio**

was adopted. The resolution in its full text is incorporated in the Resolutions Journal of the Port Authority.

**CONSIDER AMENDMENT TO AGREEMENT WITH FLIGHT SAFETY AT TOLEDO EXPRESS AIRPORT**

Director Speyer reported that FlightSafety previously operated a facility at Toledo Express Airport which included simulators and classrooms used for pilot training. In the spring of 2012, FlightSafety ceased training operations at the facility and while FlightSafety continues to maintain the facility and make the necessary payments, the facility is now essentially mothballed and has potential for better uses at Toledo Express Airport.

The Planning and Development Committee recommended adoption of a resolution authorizing the President to modify the existing agreement and/or enter into a new agreement with FlightSafety so the facility can be turned back over to the Port Authority and be repurposed.

After discussion, on motion by Director Speyer, seconded by Director Jacobs, and unanimously carried;

**RESOLUTION NO. 40-16**

**Authorizing Amendment to Agreement with Flight Safety at Toledo Express Airport**

was adopted. The resolution in its full text is incorporated in the Resolutions Journal of the Port Authority.

**GOVERNMENT, COMMUNITY & HUMAN RELATIONS COMMITTEE**

**CONSIDER COMMUNITY ECONOMIC DEVELOPMENT INITIATIVE LOAN FOR NORTHWEST OHIO ADVANCED ENERGY IMPROVEMENT DISTRICT RESIDENTIAL PROPERTY ASSESSED CLEAN ENERGY (PACE) FINANCING PILOT PROGRAM**

Director Price, Government, Community Relations and Human Resources Committee chair, reported that a request has been submitted for a \$150,000 loan by the Northwest Ohio Advanced Energy Improvement District to support a pilot residential Property Assessed Clean Energy ("PACE") financing program which will be operated in partnership with the Lucas County

Land Bank's Home Heritage Program, to allow homeowners to apply for financing of energy efficiency improvements to their homes which will be repaid through a special assessment placed on their property.

The Government, Community Relations and Human Resources Committee recommended adoption of a resolution authorizing a loan to the Northwest Ohio Advanced Energy Improvement District for \$150,000 of previously-appropriated funds from the Property Tax Fund for eligible costs.

After discussion, on motion by Director Price, seconded by Director Speyer, and unanimously carried,

**RESOLUTION NO. 41-16**

**Authorizing Community Economic Development Initiative Loan for Northwest Ohio Advanced Energy Improvement District Residential Property Assessed Clean Energy Financing Pilot Program**

was adopted. The resolution in its full text is incorporated in the Resolutions Journal of the Port Authority.

**DIVERSIFIED CONTRACTORS ACCELERATOR PROGRAM (DCAP) REPORT**

Director Price reported that the Port Authority approved capital request applications in the amount of \$172,299 in April. The Port Authority staff presented at the Minority Business Assistance Center 'Access to Capital' event with a focus on DCAP. Approvals to date: \$3,585,067.

**OTHER BUSINESS**

**ADJOURN**

There being no further business, the meeting adjourned at 9:35 a.m.

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Chairman

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Secretary