



**Concord Township-City of Painesville
Joint Economic Development District (JEDD)
Board Meeting Minutes
December 8, 2023
8:00 AM**

I. Call to Order:

The Concord Township-City of Painesville Joint Economic Development District (JEDD) Board met on Friday, December 8, 2023, at Concord Township Hall located at 7229 Ravenna Rd., Concord Township, Ohio. **Mr. Chris Galloway** called the meeting to order at 8:05 am.

II. Roll Call:

Roll Call: Business Representative, **Mr. Ray Sines**-ABSENT; Painesville District Employee Representative, **Mr. Doug Lewis**-YES; Concord Township Representative, **Mr. Morgan McIntosh**-YES; Painesville City Representative, **Ms. Christine Shoop**-YES; Lake County Auditor, Chairman of the Board, **Mr. Chris Galloway**-YES.

Others in Attendance: JEDD Administrator, **Ms. Rita McMahon**; JEDD Legal Counsel, **Mr. Mike Lucas**, (Wiles & Richards)

III. Approval of Minutes:

- ❖ **Mr. Morgan McIntosh** moved to approve the September 15, 2023 meeting minutes. **Mr. Doug Lewis** seconded. **VOTE:** All in favor of approval (4 Ayes).

IV. Board Member Business/Correspondence:

- ❖ **Mr. Chris Galloway** stated there is a ballot from the Public Entities Pool of Ohio (PEP) to vote for two out of three officers and asked the Board how would they would like to proceed.
- ❖ **Ms. Rita McMahon** stated Caplinger and Talarico are currently on the Board. Glotzbecker is not currently a board member. He is from the Village of Gibsonburg, it is just east of Perrysburg, near Bowling Green.
- ❖ **Ms. Christine Shoop** stated she votes for Glotzbecker and Talarico.
- ❖ **The Board** agreed with Christine Shoop's recommendation.
- ❖ **Mr. Chris Galloway** cast the ballot for Glotzbecker and Talarico.

V. Department Reports:

A. FINANCE – Mr. Morgan McIntosh, Treasurer

Revenue and Expense Worksheet

- ❖ **Mr. Morgan McIntosh** stated we were 85% of budgeted this year. Total receipts were \$1,164,000 and as opposed to our estimated \$1,370,000. The JEDD is at \$90,459 and were estimating \$95,000. Concord took in \$780,203 with an estimated \$903,000. Painesville took in \$260,069 with an estimated figure of \$301,000.
- ❖ **Mr. Morgan McIntosh** stated we had a little dip earlier in the year and it sort of corrected itself, but we are lagging on that. Rita McMahon and myself will dig into this more after the first of the year. We have a new Fiscal Officer coming on board in 2024 and will invite him to participate to learn how this is done. Steven Douglas Corporation did not open as early as anticipated this year which affected our numbers.
- ❖ **Ms. Rita McMahon** stated that the Board is now receiving two worksheets, one with our operating budget and another with our investment budget. We are doing a separate worksheet for STAR Ohio because it is easier to keep track.
- ❖ **Mr. Chris Galloway** asked, SDC aside, if we were down 2023 over 2022.
- ❖ **Mr. Morgan McIntosh and Ms. Rita McMahon** both stated yes to Chris Galloway's question.
- ❖ **Mr. Chris Galloway** stated that he believes something else has happened.
- ❖ **Ms. Rita McMahon** stated we did receive information mid-year. In 2022 there were a number of very large one-time net profit payments. We have not seen those payment in 2023 yet. Whether we will or not, I do not know. There were a couple well over \$50,000 in net profit. In the first six months of the year, we also saw some change in the payments that are coming from doctor's offices. They were down. The income tax from several of the medical offices that traditionally have been significant, like Lake Health, were almost half of what they have been previously. Those were the two areas we saw a reduction.
- ❖ **Mr. Chris Galloway** stated he would like to see the investigation focused on payroll and the medical offices.
- ❖ **Ms. Rita McMahon** stated she has received at least two phone calls in the past two months from UH payroll staff indicating they have not been taking JEDD money out. The UH cafeteria workers have not been paying JEDD income tax for two years. They are making it up and will be begin taking it out. There was another medical office that had a similar scenario.



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V. Department Reports (Continued):

A. FINANCE – Mr. Morgan McIntosh, Treasurer

Revenue and Expense Worksheet

- ❖ **Mr. Chris Galloway** stated the JEDD should send a communication to UH reminding them they are in the JEDD and to recommend they notify their HR and Payroll Departments. Provide the JEDD Administrator contact information.
- ❖ **Ms. Rita McMahon** stated she has been working with Bill Parkinson in Painesville to obtain information, however, we are not getting a clear response from RITA to address our concerns. When we get our last distribution, we will make a public records request to RITA to get more detailed information. Bill Parkinson can also make a request for more detailed information as well.
- ❖ **Ms. Christine Shoop** asked Chris Galloway if the letter should go to just UH or all JEDD members.
- ❖ **Mr. Chris Galloway** stated he will let Rita McMahon decide that, but certainly UH.
- ❖ **Ms. Rita McMahon** stated when you look at the Lake Health and UH numbers YTD through July 2022 and the same time frame for 2023 and compared it to just UH, they were equal. So, UH itself looks good. It could be subcontractors. I will follow up and send some type of notification to UH and will also identify any other members that need to be informed.

STAR Ohio Investment

- ❖ **Mr. Chris Galloway** stated the STAR Ohio investment is doing well.

2023 JEDD Budget Adjustment

- ❖ **Mr. Chris Galloway** stated Rita McMahon and I discussed the recommended 2023 budget adjustments and decided this was the best way to go about it (see the description on the cover page in your meeting packet).
- ❖ **Ms. Rita McMahon** stated we still have not received our invoice for our insurance. I have been in touch with the insurance agent and he says the underwriters will not look at our proposed policy until next week. We have added \$800.00 to the insurance line item to make it \$4000 for this year. Last year our insurance was just over \$3000. The other housekeeping items are explained in the memo.
- ❖ **Ms. Christine Shoop** stated she does not know how public pool entities work, but in regular insurance, companies have to give their renewal offer 30 days before the expiration date. That is a state law. Legally, if you do not get it in time, by law, you can get your old rate. However, maybe public entity pools have different rules. PEP may be having system or personnel issues.
- ❖ **Ms. Rita McMahon** stated her concern is if we do not get this until next week, we have to get the check cut, signed and mailed before January 1, 2024.
- ❖ **Ms. Chris Galloway** entertained a motion to add \$800.00 to the insurance budget line item of the recommended 2023 JEDD budget adjustment. **Ms. Christine Shoop** moved to approve adding \$800.00 to the insurance budget line item of the recommended 2023 JEDD budget adjustment. **Mr. Morgan McIntosh** seconded. **VOTE:** All in favor of approval (4 Ayes).
- ❖ **Ms. Chris Galloway** entertained a motion to add \$20.00 to the office expenses budget line item of the recommended 2023 JEDD budget adjustment. **Mr. Morgan McIntosh** moved to approve adding \$20.00 to the office expenses budget line item of the recommended 2023 JEDD budget adjustment. **Ms. Christine Shoop** seconded. **VOTE:** All in favor of approval (4 Ayes).
- ❖ **Ms. Chris Galloway** entertained a motion to add \$235.00 to the dues, subscriptions and memberships budget line item of the recommended 2023 JEDD budget adjustment. **Mr. Doug Lewis** moved to approve adding \$235.00 to the dues, subscriptions and memberships budget line item of the recommended 2023 JEDD budget adjustment. **Ms. Christine Shoop** seconded. **VOTE:** All in favor of approval (4 Ayes).

2024 JEDD Budget

- ❖ **Ms. Rita McMahon** stated all information is found on the 2024 Proposed Budget Summary document in the meeting packet. A brief summary is as follows:
 - Estimated receipts in 2024 will be basically what we budgeted for 2023, \$1,370,000.
 - Estimated year should end, including the balance in our checkbook and investments, at \$335,550, approximately a \$64,000 increase over the beginning balance in 2023.
 - STAR Ohio is estimated at \$7,900, assuming the principal investment stays at \$150,000. We have been averaging about \$700 a month.
 - The big changes in expenditures are on the economic development line. This line item has increased mainly because of the Quail Hollow RFP and SDC net profit refund.
 - The legal counsel line item has been reduced to \$7,000. The court case has been finalized.
 - The remainder of the line items have not changed significantly.
- ❖ **Ms. Christine Shoop** moved to approve the 2024 JEDD budget. **Mr. Morgan McIntosh** seconded. **ROLL CALL VOTE:** **Mr. Doug Lewis**-YES, **Mr. Morgan McIntosh**-YES, **Ms. Christine Shoop**-YES, **Mr. Chris Galloway**-YES.



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V. Department Reports (Continued):

B. ECONOMIC DEVELOPMENT COMMITTEE

Incentive Grants for IN9 Group, LLC

- ❖ **Mr. Chris Galloway** stated our Economic Development Committee met and we have a couple of incentives we are proposing that need to be voted upon.
- ❖ **Mr. Rita McMahon** stated the we received incentive requests from IN9 Group, who is building Little Mountain Creamery and Johnny's Auto Spa. At the committee meeting we discussed the infrastructure assistance grant and the payroll grant. The committee recommended the infrastructure incentive so that each business could obtain \$10,000 to pay for their sanitary sewer capacity charges, which is one of the eligible items. IN9 accepted the \$10,000 grant for each business. Mike Lucas suggested to create an agreement and a resolution for each entity. The agreements have been signed by Brandon Dynes of IN9. The Economic Development Committee recommends approval. It is now up to the Board to decide if they wish to move forward with the \$10,000 incentive grants for each business.
- ❖ **Mr. Doug Lewis** made a motion to approve the incentive grant for IN9, Johnny's Auto Spa, Resolution 2023-04 – A resolution by the Board of Directors authorizing the Concord Township-City of Painesville Joint Economic Development District to enter into an economic incentive agreement with IN9 Group, LLC, to provide a limited reimbursement of \$10,000.00 to IN9 Group, LLC for the Lake County sanitary sewer capacity project improvement assessment at Old Crile Road in Concord Township, and which includes the commercial business owned and operated by Johnny's Auto Spa and Detail, LLC, with a business address at 7879 Old Crile Road. **Mr. Morgan McIntosh** seconded. **VOTE:** All in favor of approval (4 Ayes).
- ❖ **Mr. Doug Lewis** made a motion to approve the incentive grant for IN9, Little Mountain Creamery, Resolution 2023-05 – A resolution by the Board of Directors authorizing the Concord Township-City of Painesville Joint Economic Development District to enter into an economic incentive agreement with IN9 Group, LLC, to provide a limited reimbursement of \$10,000.00 to IN9 Group, LLC for the Lake County sanitary sewer capacity project improvement assessment at Crile Road in Concord Township, and which includes the commercial business owned and operated by Little Mountain Creamery, LLC, with a business address at 7872 Crile Road. **Ms. Christine Shoop** seconded. **VOTE:** All in favor of approval (4 Ayes).

Modification to Available Incentives

- ❖ **Ms. Rita McMahon** stated there are changes to the Available Incentives document. A marked-up version has been provided to the Board so you can see the revisions. The original incentives were adopted in 2018, so the Economic Development Committee recommended to update the document. There have been changes in the marketplace, the economy, and what the Board has available to provide for incentives. A summary of the revisions are as follows:
 - **Infrastructure Grant:** Remove the road assessment grant for Crile Road, added in clause that the business has to agree to stay in the JEDD for a period of five years or they have to give the money back, added the term "capacity fees" to the sewer tap, and proposed changing the investment criteria, moving those a little higher.
 - **Job Incentive Program:** Added in a clause that the business has to agree to stay in the JEDD for a certain period of years or they have to give the money back, removed the clause that states and entity cannot receive a rebate if they took enterprise zone or a CRA (very different approaches).
 - **Grant Guidelines:** Suggesting to fix the grant term amount based on the projections provided at the beginning. The grant term would be no less than three years or greater than 10 years. In addition, grants over five years must be approved by Painesville and Concord Township (I do not believe the JEDD could pay back those incentives without the support of those two entities).
- ❖ **Ms. Christine Shoop** questioned where would the money come from if Painesville had to pay money back.
- ❖ **Ms. Rita McMahon** stated the money would come from wherever Painesville puts its income tax money from the JEDD, probably the general fund. This would be very similar to the type of agreement we completed with SDC.
- ❖ **Ms. Christine Shoop** made a motion to approve the modification to the Available Incentives as presented by Ms. Rita McMahon. **Mr. Morgan McIntosh** seconded. **VOTE:** All in favor of approval (4 Ayes).



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V. Department Reports (Continued):

B. ECONOMIC DEVELOPMENT COMMITTEE

Quail Hollow RFP

- ❖ **Mr. Rita McMahon** stated the Quail Hollow RFP went out on October 15, 2023. The deadline is December 15, 2023. Initially, three firms were interest, but since then, one firm has dropped out. I anticipate at least two proposals.

VI. Old Business:

A. JEDD MEMBERSHIP RECRUITMENT

- ❖ **Ms. Rita McMahon** stated Mr. Charles Branch will call in to provide a NextSite update. Please note the NextSite report was discussed as the last item of meeting.
- ❖ **Ms. Rita McMahon** stated Charles Branch will update the Board on what has been going on from his perspective.
- ❖ **Mr. Charles Branch** stated NextSite is continuing to meet with developers and retailers on behalf of the JEDD. In conversations with retailers they are still in growth mode and looking for sites. He had a conversation with one developer at the Retail Live Conference that mentioned there are a couple of groups/individuals that have a portfolio of properties (Starbucks, Dollar General) whose loans are becoming due, and they would have to off load those lower than what they wanted to, which may cause a shock to that part of the market for a short period as it relates to commercial development. By the 2024 ICSC, he believes more people will be willing to put deals together. This may coincide with a dip in rates and make it cheaper for people to put projects together. Developers and retailers are still looking at sites, but just waiting for economy to become more certain.
- ❖ **Mr. Charles Branch** stated he believes it will be small retail strips with a restaurant component. Anything shopping center related will have to be anchored by a grocery anchor.
- ❖ **Mr. Charles Branch** stated as we kick off 2024, NextSite will attend conferences as we have in the past. We will work to get market visits and site tours to the JEDD area in the first quarter of 2024. He will contact Rita McMahon when a visit and/or tour comes to the market and share her contact information with them.
- ❖ **Mr. Charles Branch** stated a big economic driver in the JEDD area is medical. Is there anything new we need to be made aware of to tell the Concord story.
- ❖ **Ms. Rita McMahon** stated there is no significant change in the medial market within the JEDD. No announcements regarding changes have been made. We are in the same place we were when we attended ICSC.
- ❖ **Ms. Rita McMahon** stated Sheetz will be opening next week. We have an ice cream store and an auto spa that will be opening in the Spring 2024. We are still in discussion with Marriott on Auburn. We anticipate to move forward with that project at the end of 2024. Marriott is interested in additional acreage for a restaurant to compliment their facility.
- ❖ **Mr. Charles Branch** has a potential developer that would be interested in the restaurant opportunity and could provide quick activity.
- ❖ **Ms. Christine Shoop** asked if our incentives play into anything with NextSite.
- ❖ **Ms. Rita McMahon** responded yes, when we are talking with developers. I will send Charles Branch the updated Potential Incentives.
- ❖ **Mr. Charles Branch** stated developers always ask about incentives. They help when there are financial gaps and assist to get the developers connected to our team as well.
- ❖ **Mr. Charles Branch** stated he did not attend the one-day Retail Live event but attended the Chicago event in early October. It was definitely not one of their best, with only around 800 people in attendance. It was only scheduled two months prior to the event and was at a different location. The Retail Live conferences I have attended in the past have been great. They are one day conferences, which are more cost effective, and it's not the same national retailers that we typically see at ICSC. They do a good job of getting regional concepts. Retail Live has began to offer more conferences over the past years. We are interested in attending those conferences and keeping and eye on ICSC numbers as well. I believe Retail Live is a direction the JEDD should consider. We will continue to represent the JEDD at all the conferences we attend.
- ❖ **Ms. Rita McMahon** stated we will take a closer look at Retail Live opportunities in the region
- ❖ **Mr. Charles Branch** stated the Retail Live Midwest conference locations are better situated for the JEDD.
- ❖ **Mr. Charles Branch** expressed NextSite's appreciation to work with the JEDD and excited about continued work in the future. Please do not hesitate to reach out.



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VI. Old Business (Continued):

B. ICSC 2024 – MAY 19-21, 2024

- ❖ **Ms. Rita McMahon** stated the dates for ICSC are May 19-21, 2024. There is a cost increase. Early registration is up to \$850 per member. We have until February 19, 2024 to register to get the lower rate. After that, registration is \$1,050 per member. Do you want me to register and if so, how many people.
- ❖ **Mr. Chris Galloway** stated register two people per our discussion after last year's meeting.
- ❖ **Ms. Christine Shoop** stated that we also discussed attending regional meetings.
- ❖ **The Board** agreed to have Rita McMahon purchase two 2024 ICSC registrations.
- ❖ **Ms. Rita McMahon** stated hotels usually open up in February. Is there a hotel preference.
- ❖ **Mr. Doug Lewis** suggested to check with Mentor to see where they plan to stay.
- ❖ **Mr. Chris Galloway** stated Morgan McIntosh or himself will follow up with Mentor.

C. WEBSITE UPDATE

- ❖ **Ms. Rita McMahon** stated the website has been updated to include SDC and IN9 properties. When the creamery and auto spa are up and running, we will get pictures of them and add to the website. SDC was very excited to be included on our website and have been very engaged.

VII. New Business:

A. INSURANCE RENEWAL

- ❖ **Ms. Rita McMahon** stated since we do not have proposal, Chris Galloway and I discussed that the Board could authorize a payment up to the \$4,000 that is in the budget, rather than meeting again to vote on this item.
- ❖ **Mr. Chris Galloway** entertained a motion to authorize Ms. Rita McMahon to renew the insurance and pay the invoice when it arrives, up to an amount, not to exceed \$4,000. **Mr. Morgan McIntosh** moved for approval. **Ms. Christine Shoop** seconded. **VOTE:** All in favor (4 Ayes).

B. ADMINISTATOR CONTRACT / RESOLUTION 2023-03

- ❖ **Ms. Rita McMahon** stated the 2024 agreement is the same as last year, with no changes.
- ❖ **Ms. Christine Shoop** made a motion to approve the JEDD Administrator's contract and Resolution 2023-03 – A resolution by the Board of Directors authorizing the Concord Township-City of Painesville Joint Economic Development District to enter into an agreement to renew the appointment of Aislinn Consulting, LLC as its Administrator. **ROLL CALL VOTE:** **Mr. Doug Lewis**-YES, **Mr. Morgan McIntosh**-YES, **Ms. Christine Shoop**-YES, **Mr. Chris Galloway**-YES.

VIII. Set 2024 Meeting Dates:

- ❖ **Ms. Rita McMahon** stated the 2024 meeting dates are a continuation of our quarterly meetings held in March, June, September, and December each year.
- ❖ **Mr. Morgan McIntosh** stated the proposed June date could be a potential problem for him.
- ❖ **Ms. Rita McMahon** stated we will publish the following dates as required and update if needed in the future.
 - March 8, 2024
 - June 14, 2024
 - September 13, 2024
 - December 13, 2024

Board Discussion:

- ❖ **Mr. Morgan McIntosh** stated we have a referral for someone from UH to replace Ray Sines. In addition, Rita McMahon, Chris Galloway and myself discussed the possibility of appointing someone from SDC because they expressed interest. We may have the opportunity to have a couple of candidates to look at. The Trustees will reach out to meet and interview candidates.
- ❖ **Mr. Morgan McIntosh** stated the ribbon cutting for Sheetz is on December 13, 2023.
- ❖ **Mr. Doug Lewis** stated Painesville is booming. Following is an overview:
 - Chase Bank tower should be completed March 2024. They will definitely have students in by the summer.
 - Starting Victoria Place this month.
 - Marous would like to have a ground breaking in January 2024 for the project.
 - Several other announcements will be coming soon



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Board Discussion (Continued):

- ❖ **Mr. Morgan McIntosh** stated he attended the business opening of Concord Sportsplex (behind Drug Mart). The opening was very well attended.
- ❖ **Ms. Rita McMahon** stated she had several conversations with the Harpersfield-Geneva JEDD. They are looking for information and direction and also have hired NextSite. I will be attending their meeting next week to provide direction.

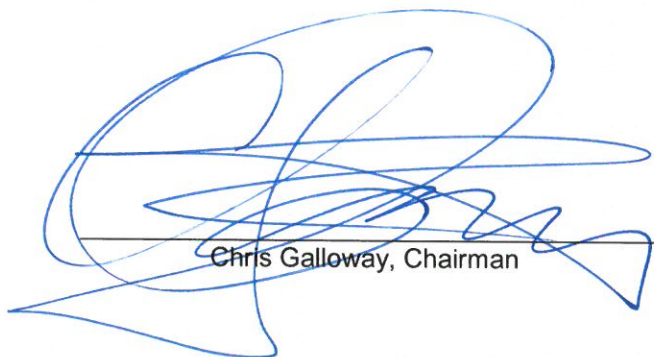
Ms. Christine Shoop moved to adjourn the December 8, 2023 JEDD Board Meeting. **Mr. Morgan McIntosh** seconded. **VOTE:** All in favor of approval (4 Ayes).

The Board Meeting was adjourned at 9:22 a.m.

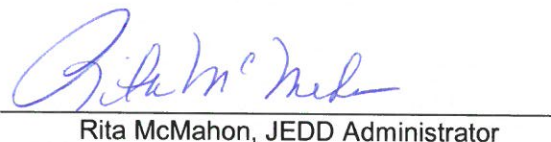
Meeting(s) scheduled below are subject to change:

March 8, 2024
June 14, 2024
September 13, 2024
December 13, 2024

All meetings will begin at 8:00 am at the Concord Township Hall Meeting Room unless otherwise notified.



Chris Galloway, Chairman



Rita McMahon, JEDD Administrator