

COMMUNITY IMPROVEMENT CORPORATION

Lake County Board of Trustees Quarterly Meeting
Hellriegel's Inn, Painesville, Ohio
Thursday, October 23, 2003

President Gilmer called meeting to order at 12:10 p.m.

ATTENDEES: Robert Aufuldish, Michael Evangelista, James Gills, David Gilmer, Dale Langbehn, Caroline Luhta, Robert Mahler, William Margalis, Mort O'Ryan, Michael Patriarca, Frank Ragley, William Reid, Patrick Rositani, Neil Sawicki, Robert Shiner, Darrell Webster

PROXY: David Anderson, Morris Beverage, Phillip Blair, Mark Cook, Patrick Kelly, Gary Kostura, Byron Pike, Gretchen Skok DiSanto

ABSENT: Timothy Brainard, Lorraine Fende, James Hayer, Verne Horton, Lee Lydic, Greg O'Dell, Edward Podojil, Walter Siegel, Greg Waina, Jerry Youngberg

OTHERS: Jessie Duncan, John Hawkins, Catherine Haworth

Minutes

Minutes for the Quarterly Meeting of the Board of Trustees, July 24, 2003, were mailed, reviewed and approved. M: Evangelista; 2nd: Langbehn. Approved.

Treasurer's Report

Mr. Langbehn, assistant treasurer, presented the treasurer's report referring to the four accompanying financial statements. Those statements include Balance Sheet as of September 30, 2003, Profit & Loss 3rd Quarter (July- September 2003), Profit & Loss (January-September 2003 w/ budget comparison), Profit & Loss (January-September 2003 and 4th quarter projection). The savings account is down \$8500 since last year. The computer virus the Center experienced earlier in the year is the only unusual expense. Motion to approve Treasurer's report. M: Gills; 2nd: Aufuldish. Approved.

Lake County Economic Development Center Executive Director's Report

SBDC-

The Small Business Development Center's fiscal year ended on September 30th. The Center had 1241 counseling sessions. Two hundred sixty-one clients were serviced. \$6,439,000 in loans have been approved and sixty-six jobs have been created. Funding for next year is in place. There is still a consultant working in Cleveland. An institution of higher education to be our partner in Cleveland has not been identified. However, Heights Regional Chamber (comprised of 7 municipalities) will be providing SBDC counseling. A new program called e-vantage has kicked-off in the Greater Cleveland Area. This program teaches how to effectively manage a business through e-commerce. An income of approximately \$5,000 should be generated through e-vantage. The SBDC's Annual Banker's Roundtable will be held at noon on November 20th at Hellriegels.

Procurement Technical Assistance Center-

PTAC just ended their 3rd quarter. All of this year's goals have been exceeded. PTAC has \$4.2 million in awards so far this year. All of their conferences are finished for the year. They have been busy and are doing extremely well.

International Trade Assistance Center-

ITAC finished their fiscal year on September 30th with 85 clients and 750 hours of counseling. Program Director, David Simerly, is still working on the Title IX Grant with Lakeland Community College and providing a lot of outreach. He recently was involved in hosting a Mentor Chamber Export Panel and is currently working on the June 2004 World Trade Conference with World Trade Center of Cleveland.

Enterprise Zone/Site Selection-

Agreement for Pet Processors in Painesville Township has been approved: \$50,000 in real property, \$6.7 million in personal property. You can now log onto www.ohiosites.com to view available industrial real estate in Lake County.

Revolving Loan Fund-

A new loan for \$12,000 was approved for Parker Precision. We should be notified soon about the status of the \$94,000 application that was sent to the SBA for micro-enterprise funds. The Revolving Loan Fund will not be receiving CDBG funds this year, therefore Cathy Walsh, Program Director, has been networking with area banks for additional funding. Ms. Walsh recently completed a workshop at Lakeland Community College and revamped the RLF brochures.

SBA 504 Loan Program-

The 504 loan program finished the year with 7 loans for a total \$2.156 million. This last quarter a \$1 million debenture was approved on a \$2.8 million project. This program is experiencing payoffs and refinancing because pricing is so favorable. Effective November 7th there will be no boundaries for lending within the state. This means that an LCEDC Cuyahoga county client can do a loan through us rather than the Growth Partnership.

Membership-

Unfortunately, our membership drive is not close to our goal of \$90,000. We are hoping to meet \$85,000. \$75,000 has been collected, \$3300 needs to be billed. A reason for not meeting our membership goal is that some of the organizations that supported us last year are no longer in business.

Team NEO-

A committee has been formed in Lake County to analyze what role Lake County should be playing in regards to Team NEO. (*Documents pertaining to the Team NEO Ad Hoc meeting held on August 13, 2003 were included today's packet.*) Enthusiasm stemmed from the meeting but there were issues that concerned the Chambers of Commerce and Ms. Haworth. More specifically, how can Lake County raise the funds to join Team NEO without jeopardizing funds the organizations already receive? Ms. Haworth feels that the Center and larger Lake County Businesses could raise \$50,000 in seed money before approaching other businesses for the remaining \$50,000. A recommendation was made to combine Lake, Ashtabula and Geauga counties to make one seat at the table and split the \$100,000. However, after further investigation, Ashtabula and Geauga counties will not be able to contribute the amount of money needed to raise \$100,000. The Lake County Economic Development Center will ask the Economic Advisory Board for \$10,000. SBC has shown interest in donating \$10,000. They are also interested in doing a Kick-Off

Breakfast, inviting community businesses to get them involved with Team NEO. This is tentatively set for the first week of December.

Ohio Third Frontier Internship Program-

The Lake County Economic Development Center was just awarded a grant from the Ohio Department of Development. Partnering with Lakeland Community College and Lake Erie College, interns will go to business & industry in Lake County. Governor Taft presented the award to the Center on October 17th at Thermotion in Mentor. Ten awards were given out throughout the state. The grant will reimburse employers 50% of the intern's wages up to \$3,000 for up to two years. The purpose of this internship program is to put interns in innovative high tech positions after graduations ultimately keeping our future leaders in Ohio.

Health Insurance-

At the LCEDC Board of Advisors meeting on July 8, a committee was formed to research and present The Center with better healthcare options. Coverage the Center previously provided was getting expensive. The Center is ineligible for group coverage. The new option is to provide no health insurance. Instead, the Center will reimburse employees up to \$200 per month for their health insurance premiums.

Other Business-

2003 Innovative Product or Service Award for Fast Track 50 goes to Ranpak. This announcement will be made at the November 6th presentation.

We were able to get Morton Salt a \$45,000 grant for training. The grant was from the State of Ohio.

The Deming Project did not come to Lake County or Ohio because the cost of doing business in Ohio was too high.

Other Business

There was a counsel invoice for \$2214.50. M: Shiner; 2nd: Margalis. Approved.

A suggestion was made to amend the budget before the fiscal year ended based on the 4th quarter projection provided by Teresa Edgington. M: Patriarca; 2nd: Sawicki. Motion Passed.

Mr. Gilmer proposed a resolution regarding the creation of a fund for the reimbursement of expenses incurred by trustees who would like to attend training or conferences regarding their responsibilities on the CIC Board. Mr. Gilmer assigned Mr. Margalis to create a more detailed policy including the specific fund amount and the uses and restrictions for each member. The board will vote at the next meeting.

The next regular meeting is scheduled for February 26, 2004. Motion to adjourn at 1:15 p.m. M: Langbehn; 2nd: Shiner. Approved.

Meeting went into executive session after adjournment.

Respectfully submitted,

Jessie Duncan