

The regular meeting of the *OHIO AIR QUALITY DEVELOPMENT AUTHORITY* will be held on Tuesday, January 8, 2019 at 10:00 am in the Coleman Room located on the Mezzanine level of the LeVeque Hotel, 50 West Broad Street, Columbus, Ohio.

OHIO AIR QUALITY DEVELOPMENT AUTHORITY



TUESDAY, JANUARY 8, 2019

TENTATIVE AGENDA

1. Welcome and Introduction of Guests Chairman
2. Minutes December 11, 2018
3. Resolution 19-01 Gardner-Kline Investment Company LLC
(PDAF)

A resolution authorizing the issuance and sale of Ohio Air Quality Development Authority Air Quality Revenue Bonds (Gardner-Kline Investment Company LLC Project), Series 2019 in the aggregate principal amount not to exceed \$1,200,000 to assist Gardner-Kline Investment Company LLC in the financing of costs of “air quality facilities” within the meaning of Chapter 3706, Ohio Revised Code; providing for the pledge of revenues for the payment of such bonds; and the execution and delivery of a bond purchase agreement, pledge agreements and the bond; and authorizing and approving related matters.

4. Resolution 19-02 Carstar of Amelia (CARC)

A resolution authorizing the issuance of not to exceed \$213,000.00 Air Quality Revenue Bonds of the State of Ohio in order to assist Carstar of Amelia in the financing of costs of Air Quality Facilities in order to promote the public purposes of Chapter 3706, Ohio Revised Code; providing for the assignment of revenues for the payment of said bond; authorizing the execution and delivery of a loan agreement, an assignment of loan agreement and the bond; and authorizing and approving related matters.

5. Resolution 19-03 Carstar of Amelia (CARC)

That the Ohio Air Quality Development Authority approves two grants from the Small Business Assistance Fund to Carstar of Amelia, or the owners thereof, for the purpose related to the eligible portions of the financing approved through Resolution 19-02. The first grant to assist in the payment of closing costs of the eligible portion of the amount financed and shall be certified as eligible by bond counsel. The second grant is to cover a portion of the principal amount not to exceed 30% of the project cost financed or \$30,000.00, under Resolution 19-02.

6. Resolution 19-04 Clifton Cleaners (CARC)

A resolution authorizing the issuance of not to exceed \$60,000.00 Air Quality Revenue Bonds of the State of Ohio in order to assist Clifton Cleaners, Inc. in the financing of costs of Air Quality Facilities in order to promote the public purposes of Chapter 3706, Ohio Revised Code; providing for the assignment of revenues for the payment of said bond; authorizing the execution and delivery of a loan agreement, an assignment of loan agreement and the bond; and authorizing and approving related matters.

7. Resolution 19-05

Clifton Cleaners (CARC)

That the Ohio Air Quality Development Authority approves two grants from the Small Business Assistance Fund to Clifton Cleaners, Inc. for the purpose related to the eligible portions of the financing approved through Resolution 19-04. The first grant to assist in the payment of closing costs of the eligible portion of the amount financed and shall be certified as eligible by bond counsel. The second grant is to cover a portion of the principal amount not to exceed 30% of the project cost financed or \$30,000.00, under Resolution 19-04.

8. Resolution 19-06

Holtz Industries, Inc. (CARC)

A resolution authorizing the issuance of not to exceed \$160,000.00 Air Quality Revenue Bonds of the State of Ohio in order to assist Holtz Industries, Inc. in the financing of costs of Air Quality Facilities in order to promote the public purposes of Chapter 3706, Ohio Revised Code; providing for the assignment of revenues for the payment of said bond; authorizing the execution and delivery of a loan agreement, an assignment of loan agreement and the bond; and authorizing and approving related matters.

9. Resolution 19-07

Holtz Industries, Inc. (CARC)

That the Ohio Air Quality Development Authority approves two grants from the Small Business Assistance Fund to Holtz Industries, Inc. for the purpose related to the eligible portions of the financing approved through Resolution 19-06. The first grant to assist in the payment of closing costs of the eligible portion of the amount financed and shall be certified as eligible by bond counsel. The second grant is to cover a portion of the principal amount not to exceed 30% of the project cost financed or \$30,000.00, under Resolution 19-06.

10. Informational Presentation

AMG Vanadium

11. Resolution 19-08

Facilitator for Planning Session
(Administrative)

A resolution authorizing the Executive Director to incur expenses in an amount not to exceed \$9,200 for the purpose of hiring a Facilitator for the OAQDA Planning Session.

12. Resolution 19A01

CDFA Membership (Administrative)

A resolution authorizing the Executive Director to incur expenses in an amount not to exceed \$5,500 for the purpose of obtaining membership and training with the Council of Development Finance Agencies (CDFA).

CDFA is a national association of members of the development finance community representing hundreds of public, private and non-profit development entities and provides a number of avenues for assisting the development finance industry including education, advocacy, research, resources and networking. This membership includes the opportunity for discounted training for the Executive Director (which will result in a professional certificate) as well as by Authority Members.

13. Executive Director's Report

Christina O'Keeffe

14. 2019 Budget Review

15. Adjournment

OHIO AIR QUALITY DEVELOPMENT AUTHORITY

The regular meeting of the Ohio Air Quality Development Authority was held on Tuesday, January 8, 2019 in the Coleman Room, Mezzanine level of the LeVeque Hotel at 50 W. Broad Street, Columbus, OH 43215. These are the minutes of that meeting.

The following members were present:

Mike Keenan, Chairman
Tom Niehaus, Vice Chairman
Ted Celeste
Michael Curtin
Jim Simon

Ex-Officio members present:

Laura Factor, Ohio EPA
Gene Phillips, Ohio Dept of Health

Staff present:

Christina O’Keeffe, Executive Director
Sandra Langston, Executive Assistant
Todd Nein, Project Manager
Michael Weiland, Fiscal Officer
Anita Culver, Secretary
Steve Smith, Legal Counsel

State agency representatives present:

Guests present:

Kelli Back, Carstar of Amelia
Tim Back, Carstar of Amelia
Raymond Holtz, Holtz Industries
Chris Meyer, TE Fusion Group
Jeffrey L. Liebert, TE Fusion Group
Phil Muldoon, TE Fusion Group
John Kirschner, GB Solutions
George Parthmer, AMG
Jane Neal, AMG
Tom Centa, AMG
Phil Hartmann, Frost Brown Todd

Carol Zimmerman, Zimmerman Communications
Dennis Schwallie, Dinsmore & Shohl
Billy Paterson, Greenworks Lending
Jake Fitzpatrick, Cleveland Cleaners
Aaron S. Berke, Vorys
Steve Sparks, Dinsmore & Shohl
Jim Schultz, Huntington National Bank
Michael Paratore, AMG
Shawn Buchtel, AMG
David Rogers, Frost Brown Todd

This meeting of the Authority has been duly posted and given to all news media, organizations and other persons who requested such information in accordance and in full compliance with Rule No. 2 of this Authority.

The Chairman called the meeting to order at 10:00 am. Legal Counsel confirmed that the Ohio Air Quality Development Authority was in full compliance with the Sunshine Law.

1. The Chairman welcomed everyone and asked individuals not seated at the table to introduce themselves.
2. Minutes – Regular business meeting December 11, 2018. Mr. Niehaus moved for approval of the minutes. Ms. Factor seconded. Voice vote. All ayes. Minutes adopted.

3. Resolution 19-01

Gardner-Kline Investment Company (PDAF)

A resolution authorizing the issuance and sale of Ohio Air Quality Development Authority Air Quality Revenue Bonds (Gardner-Kline Investment Company LLC Project), Series 2019 in the aggregate principal amount not to exceed \$1,200,000 to assist Gardner-Kline Investment Company LLC in the financing of costs of “air quality facilities” within the meaning of Chapter 3706, Ohio Revised Code; providing for the pledge of revenues for the payment of such bonds; and the execution and delivery of a bond purchase agreement, pledge agreements and the bond; and authorizing and approving related matters.

The Executive Director presented the resolution for consideration of financing approval. An inducement resolution was approved April 2018. She introduced Mr. John Kirschner for an update on the project. Mr. Kirschner said the project amount will be less than originally projected at the time of the inducement resolution. The cost went from \$1.7M to \$1.2 due to cost advantages in the electrical/lighting areas and HVAC when bids were received. He said demolition has started and the project is expected to close the end of February 2019. The Executive Director confirmed the project has been reviewed by staff to verify cost reductions. The project specifications have not changed since the project appeared before the Authority previously.

Mr. Niehaus moved to approve Resolution 19-01. Mr. Simon seconded. Voice vote. All ayes. Resolution adopted.

4. Resolution 19-02

Catstar of Amelia (CARC)

A resolution authorizing the issuance of not to exceed \$213,000.00 Air Quality Revenue Bonds of the State of Ohio in order to assist Carstar of Amelia in the financing of costs of Air Quality Facilities in order to promote the public purposes of Chapter 3706, Ohio Revised Code; providing for the assignment of revenues for the payment of said bond; authorizing the execution and delivery of a loan agreement, an assignment of loan agreement and the bond; and authorizing and approving related matters.

The Executive Director introduced Mrs. Kelli Back and Mr. Tim Back, owners of Carstar of Amelia, to give an overview of the project. The presenters shared some of the company’s history and explained the project in detail. Installing new equipment will result in the creation of new full-time jobs and an increase in production. They discovered the CARC program through working with their vendor.

Mr. Celeste moved to approve Resolution 19-02. Mr. Simon seconded. Voice vote. All ayes. Resolution adopted.

5. Resolution 19-03

Carstar of Amelia (CARC)

That the Ohio Air Quality Development Authority approves two grants from the Small Business Assistance Fund to Carstar of Amelia, or the owners thereof, for the purpose related to the eligible portions of the financing approved through Resolution 19-02. The first grant to assist in the payment of closing costs of the eligible portion of the amount financed and shall be certified as eligible by bond counsel. The second grant is to cover a portion of the principal amount not to exceed 30% of the project cost financed or \$30,000.00, under Resolution 19-02.

Ms. Factor moved to approve Resolution 19-03. Mr. Niehaus seconded. Voice vote. All ayes, Resolution adopted.

6. Resolution 19-04

Clifton Cleaners (CARC)

A resolution authorizing the issuance of not to exceed \$60,000.00 Air Quality Revenue Bonds of the State of Ohio in order to assist Clifton Cleaners, Inc. in the financing of costs of Air Quality Facilities in order to promote the public purposes of Chapter 3706, Ohio Revised Code; providing for the assignment of revenues for the payment of said bond; authorizing the execution and delivery of a loan agreement, an assignment of loan agreement and the bond; and authorizing and approving related matters.

The Executive Director introduced Mr. Jake Fitzpatrick, owner of Clifton Cleaners and asked him to give a brief presentation of the project. Mr. Fitzpatrick explained that the company will be installing a Columbia C400 VGK-S cleaning machine to take the place of their current 20 year old machine. With the installation of the new machine one additional employee will be hired immediately and two additional employees will be hired later this year.

Mr. Celeste moved to approve Resolution 19-04. Mr. Curtin seconded. Voice vote. All ayes, Resolution adopted.

7. Resolution 19-05

Clifton Cleaners (CARC)

That the Ohio Air Quality Development Authority approves two grants from the Small Business Assistance Fund to Clifton Cleaners, Inc. for the purpose related to the eligible portions of the financing approved through Resolution 19-04. The first grant to assist in the payment of closing costs of the eligible portion of the amount financed and shall be certified as eligible by bond counsel. The second grant is to cover a portion of the principal amount not to exceed 30% of the project cost financed or \$30,000.00, under Resolution 19-04.

Mr. Simon moved to approve Resolution 19-05. Ms. Factor seconded. Voice vote. All ayes, Resolution adopted.

8. Resolution 19-06

Holtz Industries, Inc. (CARC)

A resolution authorizing the issuance of not to exceed \$160,000.00 Air Quality Revenue Bonds of the State of Ohio in order to assist Holtz Industries, Inc. in the financing of costs of Air Quality Facilities in order to promote the public purposes of Chapter 3706, Ohio Revised Code; providing for the assignment of revenues for the payment of said bond; authorizing the execution and delivery of a loan agreement, an assignment of loan agreement and the bond; and authorizing and approving related matters.

The Executive Director introduced Mr. Raymond Holtz to give a presentation of the project. Mr. Holtz explained the project and shared how the new equipment will increase production, resulting in a total of up to ten new employees; three of which will be hired immediately. The installation of the new equipment will enable the company to fulfill customer demands.

Mr. Simon moved to approve Resolution 19-06. Mr. Niehaus seconded. Voice vote. All ayes, Resolution adopted.

9. Resolution 19-07

Holtz Industries, Inc. (CARC)

That the Ohio Air Quality Development Authority approves two grants from the Small Business Assistance Fund to Holtz Industries, Inc. for the purpose related to the eligible portions of the financing approved through Resolution 19-06. The first grant to assist in the payment of closing costs of the eligible portion of the amount financed and shall be certified as eligible by bond counsel. The second grant is to cover a portion of the principal amount not to exceed 30% of the project cost financed or \$30,000.00, under Resolution 19-06.

Ms. Factor moved to approve Resolution 19-07. Mr. Celeste seconded. Voice vote. All ayes, Resolution adopted.

10. Informational Presentation

AMG Vanadium

The Chairman stated that the following informational presentation may involve new areas of work for the Authority and will require considerable study in determining next steps. He said the information to be shared during this meeting is an opportunity to learn more about the project details and better understand the request for consideration with the initial indication the proposal's impact may extend beyond its direct footprint within the State of Ohio.

The Executive Director said AMG Vanadium's project application was received in November 2018. AMG Vanadium was invited to give a presentation to the Authority to provide a better understanding of the project because it is typically a different type of project application than what OAQDA has received traditionally. She introduced Mr. Tom Centa, Executive Vice President, to introduce the company's team and an overview of the project.

Mr. Centa described the project as a proposal to construct a new recycling facility that is a duplicate of their existing facility located in Cambridge, Ohio. The facility will extract alloys of vanadium, nickel and molybdenum from spent catalyst, a form of hazardous waste, to support the steel and stainless steel industries. This conversion process also prevents the hazardous waste from being landfilled and provides a safer disposal method. The new state of the art facility will have a significant impact on the overall global air quality, reducing CO₂, SO₂, NO_x and particulate matter. It is a \$300 to \$400 million project to be located in Muskingum County that is 25 miles from the current facility. They anticipate the project will produce approximately 100 jobs with the construction anticipated to begin mid-2019. AMG Vanadium is committed to being the leading hazardous waste processor in the world, converting waste into valuable products and will be a positive project for the environment and the State of Ohio. The members had discussion surrounding the project and presentation.

11. Resolution 19-08

Facilitator for Planning Session
(Administrative)

A resolution authorizing the Executive Director to incur expenses in an amount not to exceed \$9,200 for the purpose of hiring a Facilitator for the OAQDA Planning Session.

The Authority's working session will occur on February 12, 2019. Ms. Factor moved to approve Resolution 19-08. Mr. Niehaus seconded. Voice vote. All ayes, Resolution adopted.

12. Resolution 19A01

CDFA Membership (Administrative)

A resolution authorizing the Executive Director to incur expenses in an amount not to exceed \$5,500 for the purpose of obtaining membership and training with the Council of Development Finance Agencies (CDFA).

CDFA is a national association of members of the development finance community representing hundreds of public, private and non-profit development entities and provides a number of avenues for assisting the development finance industry including education, advocacy, research, resources and networking. This membership includes the opportunity for discounted training for the Executive Director (which will result in a professional certificate) as well as by Authority Members

Mr. Celeste moved to approve Resolution 19A01. Ms. Factor seconded. Voice vote. All ayes, Resolution adopted.

13. Executive Director's Report

Christina O'Keeffe

The Executive Director said a statement on how OAQDA is handling whole building/facility project applications has been posted on the OAQDA website and was sent to OAQDA partners including the law firms that are on the rotation list to serve as bond counsel. It was also included in the Air Focus newsletter released on January 7, 2019. As part of the due diligence process, an RFQ for technical support services to evaluate the project applications has been drafted and will be released soon. She will send additional information to members regarding the planning meeting once all logistics have been finalized. She reminded members of the legislative amendment that was proposed which included the intent to codify HR services performed for OAQDA by the Department of Administrative Services, Central Service Agency; and relayed that the amendment was not presented nor ultimately enacted.

Several project applications are under evaluation and expected for the March and April meetings. In regards to the inducement resolution related to New Steel Inc., a follow-up response was provided to the company in mid-December regarding the items that the Authority Members had requested. The deadline for submission was the end of December 2018, and the company responded with one item on the list that relates to the EPA agreement for outstanding fees. New Steel cited confidentiality and did not provide any other documentation; however, they stated there will be a favorable public announcement in January 2019. The expectation from the company is the remaining outstanding items, as requested, will be provided after the public announcement. The company was cautioned on the timing delay in receipt of these materials due to the expiration date of their inducement resolution on April 1, 2019.

Regarding operational items, the Executive Director reported an assessment of the IT services and hardware has been performed and a report is expected soon. It will be utilized in determining next steps with managing IT resources. In addition, the monthly financial reports have been provided to Authority Members for their review, as available in their binders, and any questions by Members can be addressed. With no questions, the Executive Director summoned the Fiscal Officer, Michael Weiland, in presenting the 2019 Budget.

14. 2019 Budget Review

Christina O’Keeffe & Michael Weiland

The Executive Director introduced the 2019 Budget consisting for calendar year 2019 (January – December). The guidance for this budget include several themes anticipated for the year such as (1) discovery, planning and investment of new opportunities; (2) continued process improvements to achieve cost savings and efficiencies; and (3) program evaluation and realignment with strategic priorities/goals. She then turned the presentation over to Fiscal Officer, Michael Weiland, to discuss the budget details. Information was conveyed regarding the total bond issuances for 2014 through 2018, the 2019 budget comparison to actual historical trends, and an analysis of revenue, expenses and net operating income up to 2019. Sources of revenue in 2019 include administrative fees from project financings along with transferred income from Ohio EPA to support the Clean Air Resource Center aimed at supporting small businesses. Projected 2019 expenditures include supplies/maintenance, equipment, personal services, small business grants and payroll. Additional detail was provided on list of personal services for 2019 that will be considered by Authority Members in the form of resolutions for consideration of approval. A forecast on fund balances and current allotment of fund amounts projected for 2020 through 2021 was also provided. The Chairman commended staff on the quality and scope of this presentation.

16. Adjournment

The Chairman adjourned the meeting at 11:43 p.m.

The regular meeting of the *OHIO AIR QUALITY DEVELOPMENT AUTHORITY* will be held on Tuesday, March 12, 2019 at 10:00 am in the Coleman Room located on the Mezzanine level of the LeVeque Hotel, 50 West Broad Street, Columbus, Ohio.