

OHIO AIR QUALITY DEVELOPMENT AUTHORITY

Mike DeWine
Governor

Members

James S. Simon
Chairman

Michael H. Keenan
Vice-Chairman

Ted Celeste
Michael F. Curtin

Ex Officio
Dr. Amy Acton
Ohio Department of Health

Laurie Stevenson
Ohio Environmental Protection Agency

Executive Director
Christina O'Keefe

Secretary-Treasurer
Christina O'Keefe

Legal Counsel
Stephen J. Smith, Esq.

Programs
Facility Development and Financing
Clean Air Resource Center

The regular meeting of the *OHIO AIR
QUALITY DEVELOPMENT AUTHORITY* will
be held on Tuesday, January 14, 2020 at 10:00
am at 480 South High Street, Columbus, Ohio,
43215.

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CLEAN AIR & CLEAN ENERGY
ARE GOOD BUSINESS

OHIO AIR QUALITY DEVELOPMENT AUTHORITY



TUESDAY, JANUARY 14, 2020

TENTATIVE AGENDA

1. Welcome and Introduction of Guests Chairman

2. Minutes December 10, 2019

3. Resolution 20-01 (PDAF – Bond) Tomco Machining Inc.

A resolution authorizing the issuance of not to exceed \$1,000,000 in principal amount of an air quality revenue bond of the State of Ohio in order to assist Tomco Machining, Inc. in the financing of costs of air quality facilities, thereby promoting the public purposes of Ohio Revised Code Chapter 3706; 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.

4. Resolution 20-02 (PDAF - Bond) Jackson Investors 2019, LLC

A resolution authorizing the issuance of an air quality revenue bond of the State of Ohio for purposes of assisting Jackson Investors 2019, LLC in the financing of costs of air quality facilities, including the construction of certain improvements on real estate located in Cincinnati, Hamilton County, Ohio, thereby promoting the public purposes of Ohio Revised Code Chapter 3706; 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 20-03 (PDAF - Bond) Lindy-Zell Dayton Lofts dba St. Clair Lofts

A resolution authorizing the issuance of not to exceed \$1,750,000 in principal amount of an air quality revenue bond of the State of Ohio in order to assist Lindy-Zell Dayton Lofts, LLC in the financing of costs of air quality facilities, thereby promoting the public purposes of Ohio Revised Code chapter 3706; 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.

6. Presentation on 2020 Budget & Fiscal Report

Dawn Pertner, Fiscal Officer

7. Resolution 20-04 (Administrative)

Contract Renewals for Existing Professional Services

A resolution authorizing the renewals of contracts for existing professional services.

8. Presentation & Resolution 20-05 (Administrative)

Communication & Marketing

A presentation and a resolution for the selection of a firm to perform communication & marketing services for the Authority.

9. Executive Director's Report

Christina O'Keeffe

10. Executive Session

Motion to enter executive session pursuant to Section 121.22(G) of the Revised Code to consider the appointment, employment, dismissal, discipline, promotion, demotion, or compensation of a public employee or official.

11. Adjournment

OHIO AIR QUALITY DEVELOPMENT AUTHORITY

The regular meeting of the Ohio Air Quality Development Authority was held on Tuesday, January 14, 2019 at 10:00 am at 480 South High Street, Columbus, Ohio. These are the minutes of that meeting.

The following members were present:

Jim Simon, Chairman
Michael Keenan, Vice Chairman
Ted Celeste
Michael Curtin

Ex-Officio members present:

Laura Factor, Ohio EPA
Rebecca Fugitt, Ohio Dept of Health

Staff present:

Christina O’Keeffe, Executive Director
Sandra Langston, Executive Assistant
Gabe Lorenz, Customer Service Coordinator
Dawn Pertner, Fiscal Officer
Brooke Grant, Manager of Planning & Projects
Thaddeus M. Boggs, General Counsel

State agency representatives present:

Guests present:

Rob McCarthy, Bricker & Eckler
Mary Sullivan, Dinsmore & Shohl
Carol Zimmerman, Zimmerman Communications
Kyle Smith, EB&B Solutions
Chris Meyer, TE Fusion Group
Tiffany Shaffer, Shaffer’s Auto Body
Marisa Long, Inspire PR
Phil Muldoon, TE Fusion Group
Lloyd Cobble, Oberer

John Kirschner, GB Solutions
Jim Schultz, Huntington
Todd Smith, EB&B Solutions
Reginald Staples, Dinsmore & Shohl
Jason Shaffer, Shaffer’s Auto Body
Katie Lundy, Inspire PR
Mark Derrick, Apartment Energy
Todd Voelkerding, Urban Sites
Blake Beachler, Calfee

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. General Counsel confirmed that the Ohio Air Quality Development Authority was in full compliance with the Sunshine Law.

1. The Chairman welcomed everyone and asked those seated around the room to introduce themselves.
2. Minutes – Regular business meeting December 10, 2019.

Mr. Celeste moved for approval of the minutes. Mr. Curtin seconded. Voice vote. All ayes. Minutes adopted.

3. Resolution 20-01 (PDAF - Bond)

Tomco Machining Inc.

A resolution authorizing the issuance of not to exceed \$1,000,000 in principal amount of an air quality revenue bond of the State of Ohio in order to assist Tomco Machining, Inc. in the financing of costs of air quality facilities, thereby promoting the public purposes of Ohio Revised Code Chapter 3706; 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 this Resolution for Tomco Manufacturing Inc. They were approved for inducement in the Fall of 2019. In that inducement, two lenders were considered, but for this bond resolution the scope is focused on one of those lenders, First Financial. This Resolution includes the proposed project in the amount not to exceed \$1,000,000 and includes components to improve the building envelope. She introduced Chris Meyer of TE Fusion, consultant to the company.

Mr. Meyer gave a brief overview of the project, noting that the Authority Members received a full presentation in September 2019. This project is a new building in Springboro, which will house the machining activity for the company. The overall project will be \$2.6 million, but the bond resolution is specifically for an amount not to exceed \$1,000,000 for the energy efficient improvements. These improvements the building envelope, including more insulation and improved efficiency. The additional project funded by the second lender, Dayton County Port Authority, will include upgraded HVAC systems and a white roof, along with 120 kilowatts of bifacial solar panels. Furthermore, there will be LED lighting used. They estimated that the improvements will lead to a 44 percent increase in energy efficiency, 244,000 pounds reduction in carbon dioxide, 25 percent reduction of sulfur dioxide, and 30 percent reduction of nitrogen oxide, all compared to baseline code.

Mr. Keenan moved to approve Resolution 20-01. Mr. Celeste seconded. Voice vote. All ayes. Resolution adopted.

4. Resolution 20-02 (PDAF - Bond)

Jackson Investors 2019, LLC

A resolution authorizing the issuance of not to exceed \$4,000,000 in principal amount of an air quality revenue bond of the State of Ohio for purposes of assisting Jackson Investors 2019, LLC in the financing of costs of air quality facilities, including the construction of certain improvements on real estate located in Cincinnati, Hamilton County, Ohio, thereby promoting the public purposes of Ohio Revised Code Chapter 3706; 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 this Resolution for Jackson Investors 2019, LLC, which was approved for inducement in Fall 2019. This project involves energy-efficiency improvements to two new buildings in Cincinnati. She introduced Todd Voelkerding, CFO of the company.

Mr. Voelkerding gave an overview of the project, which is focused around campus student housing for the Art Academy of Cincinnati in the historic Over-the-Rhine district. This building will allow for an increased campus feel for the Academy. Total costs for the project are approximately \$8.6 million, which were slightly higher due to unexpected environmental costs resulting from vapor intrusions from a former tenant who was a dry cleaner. Mr. Voelkerding noted that enrollment at the Academy had grown from 220 in 2019 to over 300 in 2020. He then discussed the energy improvements, which include higher-efficient Cooling system, more insulation and building envelope efficiencies, domestic hot water fixtures and plumbing, more efficient appliances and elevator system. Director O’Keeffe thanked Mr. Voelkerding for working collaboratively with the technical evaluator for the project to adopt the recommendations from their technical analysis to achieve greater energy savings with this project.

Ms. Factor moved to approve Resolution 20-02. Mr. Celeste seconded. Voice vote. All ayes. Resolution adopted.

5. Resolution 20-03 (PDAF - Bond)

Lindy-Zell Dayton Lofts dba St. Clair Lofts

A resolution authorizing the issuance of not to exceed \$1,750,000 in principal amount of an air quality revenue bond of the State of Ohio in order to assist Lindy-Zell Dayton Lofts, LLC in the financing of costs of air quality facilities, thereby promoting the public purposes of Ohio Revised Code chapter 3706; 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.

Director O’Keeffe introduced this Resolution for Lindy-Zell Dayton Lofts dba St. Clair Lofts, which involves a project focused around new windows for an existing, old building in Dayton. She introduced Todd Smith, project consultant for the company.

Mr. Smith discussed the project located in a building that was built in 1911, in downtown Dayton. The building is all-electric and still has the original, single pane windows. The building is mixed-use with the upper floors being converted into apartments and the ground floor including retail tenants. He noted that the project is complex, requiring each window to be custom-sized and built onsite. They expect a 32 percent improvement in energy efficiency, along with 32 percent reductions in carbon dioxide, just from the window improvements. Director O’Keeffe recognized Lloyd Cobble, owner of the company, to speak about his vision for the project.

Mr. Cobble discussed the building management, noting that the building was already converted and that there had been prior improvements to the roof and lighting. There are 108 apartments of varying styles.

Discussion surrounded the process for the OAQDA real property tax exemption. Director O’Keeffe noted that each of Ohio county’s auditor determines the valuation of the properties based on their methodology that serves as the basis for the assigned property tax. As an example, if there is an increase in real property taxes as a result of the OAQDA financed project, then that incremental increase in taxes may be exempt.

Mr. Curtin moved to approve Resolution 20-03. Ms. Factor seconded. Voice vote. All ayes. Resolution adopted.

6. Resolution 20-06 (CARC)

Shaffer’s Auto Body & Paint, LLC

A resolution authorizing the issuance of not to exceed \$135,000.00 Air Quality Revenue Bonds of the State of Ohio in order to assist Shaffer's Auto Body & Paint, LLC 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.

Director O'Keeffe introduced this Resolution for Shaffer's Auto Body & Paint, LLC. She noted that the request for this project came in during the previous week, and that there were extenuating circumstances that necessitated the timing for this project to appear before the board. This project involves the replacement of an inoperable spray booth. She noted that this project approval is contingent on OAQDA receiving approval by the State of Ohio's Controlling Board at its January 27th meeting for increased appropriations associated with the CARC program, and that all parties are aware of and consented to the company assuming all risks related to moving forward. She introduced Jason Shaffer, the company owner.

Mr. Shaffer gave an overview of the company, which he owns with his wife. They started the business after years of experience working in the industry. He stated that all his employees receive ongoing training and are highly skilled. They have repaired over 4,000 vehicles since opening their shop. In October 2019 there was a power surge that damaged the paint booth. Unfortunately, their prior paint booth came from a manufacturer that went out of business, which was not available to address the damages. Two different spray booth companies reviewed, but could not fix the booth. Further, he did not receive insurance payouts until after 11 weeks of downtime and the payout did not cover all the lost revenue. He described the experience during this downtime, stating that they did not lay off employees. He then described the new paint booth, which is a GARMAT Zephyr high-efficiency downdraft booth featuring reduced emissions and improved safety. Mr. Shaffer thanked the Authority Members for their time.

The members thanked Mr. Shaffer for sharing his story and commended him for the way he handled the stressful situation. They encouraged him and wished him continued success in his business.

Mr. Keenan moved to approve Resolution 20-06. Mr. Celeste seconded. Voice vote. All ayes. Resolution adopted.

7. Resolution 20-07 (CARC) Shaffer's Auto Body & Paint, LLC

That the Ohio Air Quality Development Authority approves two grants from the Small Business Assistance Fund to Shaffer's Auto Body & Paint, LLC for the purpose related to the eligible portions of the financing approved through Resolution 20-06. 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 20-06.

Mr. Keenan moved to approve Resolution 20-07. Mr. Curtin seconded. Voice vote. All ayes. Resolution adopted.

8. Presentation on 2020 Budget and 2019 Fiscal Presentation

The Executive Director introduced this Presentation, which includes a fiscal analysis of 2019 and an outlook for 2020, including draft budget numbers. She noted that numbers and predictions are very conservative, to ensure that the Authority is responsible in its stewardship of resources and to ensure the agency continues to live within its means. It includes expenditures related to House Bill 6 and the associated Nuclear and Renewable generation programs, but not any revenue for the programs at this time. She then introduced Dawn Pertner, the Authority's Fiscal Officer.

Ms. Pertner outlined the numbers from the end of 2019, which featured 29 projects including 16 CARC projects and 13 PDAF projects. She noted that increase was continuing to grow for the CARC program. She then presented data and visuals revealing the historical trends for various aspects of the Authority's work and discussed the goal of moving toward a more stable point regarding project management and revenue generation. She noted that larger projects play a significant role in the overall numbers for different years. She then presented on the draft budget for 2020, which included very conservative projections for revenues. Discussion surrounded potential revenue for programs associated with House Bill 6, along with projected revenue from other sources. Further discussion surrounded balance between different project types, along with different expenses outlined in the draft budget. Director O'Keeffe noted that revenue projections do not include any potential revenue from new project types or for the HB6 programs until its known.

Ms. Pertner continued her presentation by outlining expenses, including CARC grant payments, payroll, service providers and equipment. Discussion surrounded the legislative process for seeking additional funding for the House Bill 6 programs. Director O'Keeffe noted that expenses have already been incurred for the programs. The Chairman noted that discussions were taking place with members of the legislature, as well as the Governor's office, regarding the Authority's budgetary needs. Ms. Pertner discussed further details of the expenses and revenue, presenting graphs outlining historical trends of expenses and revenue. She then outlined the professional services expenditures for the Authority, noting comparisons between projections and expenditures in the 2019 calendar year. Discussion surrounded the structure for legal services, along with the extensive nature of special projects that required their involvement in 2019. Ms. Pertner noted that going forward expenditures will be tracked by project type, which will assist in strategic planning. She stated that there would be additional expenses incurred relating to House Bill 6, which were tracked in the draft budget. Finally, she discussed goals for upward trends in the OAQDA budget. Director O'Keeffe thanked Ms. Pertner for her efforts in gathering and presenting the information.

Discussion surrounded the Authority's request before the Controlling Board. Director O'Keeffe stated that the Authority was requesting approval for an increase in appropriations for another half dozen CARC projects through the end of the fiscal year and stated that there had been significant inquiries on the program.

9. Resolution 20-04 (Administrative)

Contract Renewals for Existing Professional Services

A resolution authorizing contract renewal for existing professional services into calendar year 2020.

Director O'Keeffe introduced this Resolution, which would authorize contract renewals for several existing professional service consultants. She noted that she worked with each vendor to identify a fair

rate to continue their services and to adjust their rate based on the anticipated workload, where appropriate.

Mr. Curtin moved to approve Resolution 20-04. Mr. Keenan seconded. Voice vote. All ayes. Resolution adopted.

10. Presentation & Resolution 20-05 (Administrative) Communications & Marketing

A resolution authorizing the selection of Inspire PR as the firm to provide communication & marketing services.

Director O’Keeffe introduced this Resolution, which would authorize the selection of Inspire PR as a service provider for communications and marketing services. Inspire PR was selected from several responses to a request for qualifications issued by the Authority in October 2019. The Authority conducted an evaluation process, which included interviews with top candidates and determined that this candidate best suited the Authority’s current needs. Director O’Keeffe noted there was alignment on goals, subject matter expertise and vision based on the specific market segment of the Authority’s mission and operations. Further, this proposal was among the best and lowest-cost proposals submitted to the Authority. She introduced Marisa Long and Katie Lundy of Inspire PR.

Ms. Long and Ms. Lundy gave a brief overview of their firm. Ms. Long discussed her experience working at the U.S. Green Building Council, which gave her extensive subject matter knowledge as well as experience working with local governments, developers and other types of stakeholders that the Authority works with. Ms. Lundy discussed her varied experience working in different capacities in the public relations and media industry, including with the State of Ohio and as a news reporter and anchor. They both outlined their scope of work for the Authority, along with their firm’s commitment to shared values with the Authority. The firm was founded several years ago by Hinda Mitchell, and Ms. Long and Ms. Lundy discussed their connections around the state, including in many rural areas, along with their passion for communicating with different groups of people and stakeholders.

Discussion surrounded the process for the selection of Inspire PR, their experience and goals moving forward. Mr. Curtin discussed his perspective as part of the review process and praised the review process, as well as Inspire PR’s proposal. Director O’Keeffe acknowledged Mr. Lorenz for his role in managing the review process. Additionally, she recognized Carol Zimmerman for her work for the Authority through the past few years and for her willingness to assist in the transitional period.

Mr. Curtin moved to approve Resolution 20-05. Mr. Keenan seconded. Voice vote. All ayes. Resolution adopted.

11. Executive Director’s Report

Director O’Keeffe noted that a board retreat would be taking place in February where various topics would be discussed by the Authority members. Discussion surrounded budget planning for House Bill 6. Director O’Keeffe stated that House Bill 6 rules became effective on January 2, 2020, thereby allowing the release of applications for the Nuclear and Renewable Generation Programs. The applications are due by February 1. She noted that the Authority would be working closely with the Public Utilities Commission of Ohio (PUCO) as questions arose. Applications are to be approved by the end of March and reporting will begin on April 7, 2020. She also noted that the Authority will create an

The Ohio Air Quality Development Authority formally expresses appreciation and gratitude to Thomas Niehaus for his service and wishes him a healthy and productive retirement.

Mr. Celeste moved to approve Resolution 20A02. Mr. Keenan seconded. Voice vote. All ayes. Resolution adopted.

14. Executive Session

Personnel Matters

Motion to enter executive session pursuant to Section 121.22(G) of the Revised Code to consider the appointment, employment, dismissal, discipline, promotion, demotion, or compensation of a public employee or official.

Mr. Keenan moved to go into Executive Session at 11:20 a.m. to consider the appointment, employment, promotion or compensation of a public employee or official.

Mr. Celeste Seconded. Voice vote. All ayes.

Ms. Langston called the Roll:

Mr. Simon
Mr. Keenan
Mr. Celeste
Ms. Factor
Ms. Fugitt
Mr. Curtin

The Chairman noted that there may be one or two Resolutions relating to personnel matters after returning from executive session.

The Chairman excused OAQDA staff and requested Director O’Keeffe and General Counsel to remain in the meeting.

15. Exit executive session

Mr. Keenan motioned to reconvene the meeting into public session at 11:51 a.m. Mr. Curtin seconded.

Ms. Langston called the Roll:

Mr. Simon
Mr. Keenan
Mr. Celeste
Ms. Factor
Ms. Fugitt
Mr. Curtin

16. Motion to include Resolutions on Agenda.

Mr. Celeste moved to amend the Agenda to include Resolutions 20-08 and 20-09. Ms. Factor seconded. Voice vote. All ayes.

17. Resolution 20-08 (Administrative)

Hiring & Salary Adjustment

Authorizing the hiring and salary adjustments for OAQDA employees.

Director O’Keeffe introduced this Resolution, which considers hiring a new employee and a salary adjustment for an existing OAQDA employee. This reflects the need to fill vacant positions and make rate adjustments necessary to reflect the increased duties of certain staff, based on the increased workload and responsibilities of the Authority.

Mr. Celeste moved to approve Resolution 20-08. Mr. Curtin seconded. Voice vote. All ayes. Resolution adopted.

18. Resolution 20-09 (Administrative)

Rate Adjustment

Authorizing the rate adjustment for eligible OAQDA employees as of January 1, 2020.

Director O’Keeffe introduced this Resolution, which considers rate adjustment for certain OAQDA employees to provide a 2.75 percent salary increase as of January 1, 2020. This, along with the previous Resolution, are subject to the Controlling Board request submitted by the Authority.

Mr. Celeste moved to approve Resolution 20-09. Ms. Fugitt seconded. Voice vote. All ayes. Resolution adopted.

19. Adjournment

Mr. Keenan motioned to adjourn the meeting. Mr. Celeste seconded. The Chairman adjourned the meeting at 11:54 a.m.

The regular meeting of the *OHIO AIR QUALITY*

***DEVELOPMENT AUTHORITY* will be held on Tuesday,**

February 11, 2020 at 8:30 am at 300 West Broad Street,

Columbus, Ohio.