

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

Lance D. Himes, Interim Director
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
Project Development and Financing
Clean Air Resource Center

The regular meeting of the *OHIO AIR QUALITY DEVELOPMENT AUTHORITY* will be held on Tuesday, September 8, 2020 at 10:00 am via video conference and following the adjournment of the meeting, the Board and staff will welcome the newest Member with no business to be discussed.

The meeting will be conducted in accordance with open meeting laws within the State of Ohio. During the current state of emergency and to protect employees, partners and the public, the Authority is offering video conference access and a call line as an option to attend the meeting remotely. To help ensure capacity on this conference line, please RSVP to info@aqda.state.oh.us with your interest to participate.

**To access the meeting by video, choose this link:
[Join Microsoft Teams Meeting](#)**

**To access the meeting by telephone,
dial: 614.721.2972,,508525270#**

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OHIO AIR QUALITY DEVELOPMENT AUTHORITY



TUESDAY, SEPTEMBER 8, 2020

TENTATIVE AGENDA

The meeting will be conducted in accordance with open meeting laws within the State of Ohio. During the current pandemic and to protect employees, partners and the public, the Authority is offering video conference access and a call line as an option to attend the meeting remotely. To help ensure capacity on this conference line, please RSVP to info@aqda.state.oh.us with your interest to participate.

To access the meeting by video, choose this link: [Join Microsoft Teams Meeting](#)

To access the meeting by telephone, dial: 1 614-721-2972 Conference ID: 508 525 270#

1. [Welcome and Introduction of Guests](#) [Chairman](#)
2. [Introduction of New Member](#) [Cara Dingus Brook](#)
3. [Minutes August 11, 2020](#)
4. [Resolution 20-29 \(CARC\)](#) [G & M Motors, Inc.](#)

A resolution authorizing the issuance of not to exceed \$99,700 Air Quality Revenue Bonds of the State of Ohio in order to assist G & M Motors, 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 the bonds; authorizing the execution and delivery of a loan agreement, an assignment of loan agreement and the bonds; and authorizing and approving related matters.

5. [Resolution 20-30 \(CARC\)](#) [G & M Motors, Inc.](#)

A resolution approving two grants from the Small Business Assistance Fund to G & M Motors, Inc., for the purpose related to the eligible portions of the financing approved through Resolution 20-29. 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 shall cover a portion of the principal amount not to exceed \$19,940 less eligible closing costs covered under the first part of the grant.

6. Resolution 20-31 (CARC)

La France Cleaners

A resolution authorizing the issuance of not to exceed \$100,000 Air Quality Revenue Bonds of the State of Ohio in order to assist LaFrance-South Inc. doing business as LaFrance Cleaners 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 the bonds; authorizing the execution and delivery of a loan agreement, an assignment of loan agreement and the bonds; and authorizing and approving related matters.

7. Resolution 20-32 (CARC)

La France Cleaners

A resolution approving two grants from the Small Business Assistance Fund to LaFrance-South Inc. doing business as LaFrance Cleaners, for the purpose related to the eligible portions of the financing approved through Resolution 20-31. 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 shall cover a portion of the principal amount not to exceed \$20,000 less eligible closing costs covered under the first part of the grant.

8. Resolution 20-33 (Administrative)

Interim Executive Director

A resolution approving the appointment of an Interim Executive Director and Secretary-Treasurer during planned leave of the Executive Director.

9. Executive Director's Report

Christina O'Keeffe

- Proposed Fee Schedule

- Request For Proposal (RFP) for Green Bonds

10. Annual Ethics Training

General Counsel

11. Open Discussion

12. Adjournment

13. Informal Meet & Greet

OHIO AIR QUALITY DEVELOPMENT AUTHORITY

The regular meeting of the Ohio Air Quality Development Authority (“Authority”) was held remotely, on Tuesday, September 8, 2020 at 10:00 am.

As authorized through House Bill 197 as passed by the General Assembly and signed into law by Governor DeWine, the Authority conducted this meeting using online videoconferencing technology via Microsoft Teams in order to protect the public during the declaration of an emergency related to COVID-19 pandemic. A telephone number and videoconference link to the meeting was published on the Authority’s website and distributed to persons of interest prior to the meeting and in compliance with Open Meeting Laws.

These are the minutes of the meeting.

The following members were present:

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

Ex-Officio members present:

Gene Phillips, Ohio Department of Health
Laura Factor, Ohio Environmental Protection Agency

The following members were absent:

Ex-officio members absent:

Staff present:

Christina O’Keeffe, Executive Director
Sandra Langston, Administrative Manager
Dawn Pertner, Fiscal Officer
Brooke Grant, Manager of Planning & Projects
Gabe Lorenz, Customer Service Coordinator
Lynne Barker, Temporary Employee - Ingenesis

General Counsel:

Thad Boggs, Frost Brown Todd

Guests present:

Steve Smith, Frost Brown Todd
Blake Beachler, Calfee
Mary Sullivan, Dinsmore & Shohl
Mark Kaplevatsky, G&M Motors
Cara Dingus Brook, The Foundation for Appalachian Ohio

Rob McCarthy, Bricker & Eckler
Stephen Weiss, LaFrance Cleaners
Andy Holzhauser, Donovan Energy
Katie Lundy, Inspire PR
Jess Ensley, Inspire PR Group

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 Chapter 3706-1 of the Ohio Administrative Code.

The Chairman called the meeting to order at 10:00 a.m.

1. The Chairman welcomed everyone.

The Chairman noted the meeting was being conducted through Microsoft Teams videoconferencing, in compliance with the Open Meetings Act and the administrative rules of the Authority.

Ms. Sandra Langston called the Roll:

Mr. Simon – Yea

Mr. Keenan - Yea

Mr. Celeste - Yea

Mr. Curtin - Yea

Ms. Factor – Yea

Mr. Phillips – Yea

Ms. Dingus Brook – Present but not voting

Chairman Simon noted that Ms. Dingus Brook, was recently appointed by Governor DeWine, but had not yet submitted her paperwork to the Governor’s office to complete the process, therefore, she is not officially a member until the paperwork is processed. She will be participating in the meeting as a guest, and will not be counted for the purposes of the quorum or vote.

General Counsel confirmed compliance with the Open Meetings Act, that a quorum of six members was present, and that it remained an open, public meeting. General Counsel confirmed that the meeting was fully in compliance with state law including House Bill 197.

Chairman Simon stated that the Authority would be explicit on which item was on the table for discussion or vote, and that he would recognize members and guests by name and title during discussions or ask them to introduce themselves. Additionally, he stated that roll call votes would be taken for each vote, and that if any member left the meeting it would be noted in the minutes. As part of the orientation to the meeting, the Chairman asked Mr. Langston to provide information about the Teams software and the ground rules for the meeting. Ms. Langston announced all known guests and staff who were present on the meeting, and asked those not readily identifiable to introduce themselves.

Ms. Factor arrived at 10:05 am.

2. Introduction of New Member

Cara Dingus Brook

Chairman Simon introduced Ms. Dingus Brook, CEO of the Foundation for Appalachian Ohio. He also described her experience and achievements, which included tripling the Foundation’s assets, raising more than \$10 million in funding for entrepreneurial and educational developments, leading the creation of six local community foundations, and helping to create the Ohio Appalachian Business Council and the Appalachian Partnership for Economic Growth. He asked Ms. Dingus Brook to introduce herself and noted that there would be social time after the business meeting is adjourned for OAQDA members

and staff to welcome Ms. Dingus Brook. He noted that OAQDA business would not be discussed during the time set aside for this virtual meet and greet.

Ms. Dingus Brook thanked Chairman Simon and stated that she was looking forward to being part of the Authority.

3. Minutes – Regular business meeting August 11, 2020.

Mr. Keenan moved for approval of the minutes. Ms. Factor seconded.

Roll call vote:

Mr. Simon – Yes
Mr. Keenan - Yes
Mr. Celeste - Yes
Mr. Curtin - Yes
Ms. Factor - Yes
Mr. Phillips - Yes

Motion passed. Minutes adopted.

4. Resolution 20-29 (CARC)

G&M Motors, Inc.

A resolution authorizing the issuance of not to exceed \$99,700 Air Quality Revenue Bonds of the State of Ohio in order to assist G & M Motors, 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 the bonds; authorizing the execution and delivery of a loan agreement, an assignment of loan agreement and the bonds; and authorizing and approving related matters.

Director O’Keeffe introduced this Resolution for G&M Motors, Inc., a body shop located in Twinsburg that is planning to install a new spray booth and paint mixing room as part of the company’s business expansion. The project is expected to create five new jobs. This Resolution considers the bond financing for the company, and is accompanied by Resolution 20-30 for the approval of a grant on the project. She introduced Mark Kaplevatsky, the business owner.

Mr. Kaplevatsky introduced his business, which was established in 2002. He became the sole proprietor in 2013 and began working with local body shops to repair lot vehicles. He stated that he was hoping to move more into auto body repair, including the creation of the body shop. The project involved installation of a new Garmat downdraft spray booth.

Ms. Factor asked about the role of the OAQDA project as part of his business expansion and Mr. Kaplevatsky described the company’s efforts.

Mr. Celeste moved to approve Resolution 20-29. Ms. Factor seconded.

Roll call vote:

Mr. Simon – Yes
Mr. Keenan - Yes
Mr. Celeste - Yes
Mr. Curtin - Yes
Ms. Factor - Yes
Mr. Phillips - Yes

Motion passed. Resolution adopted.

5. Resolution 20-30 (CARC)

G&M Motors, Inc.

A resolution approving two grants from the Small Business Assistance Fund to G & M Motors, Inc., for the purpose related to the eligible portions of the financing approved through Resolution 20-29. 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 shall cover a portion of the principal amount not to exceed \$19,940 less eligible closing costs covered under the first part of the grant.

Mr. Keenan moved to approve Resolution 20-30. Mr. Curtin seconded.

Roll call vote:

Mr. Simon – Yes
Mr. Keenan - Yes
Mr. Celeste - Yes
Mr. Curtin - Yes
Ms. Factor - Yes
Mr. Phillips - Yes

Motion passed. Resolution adopted.

6. Resolution 20-31 (CARC)

LaFrance Cleaners

A resolution authorizing the issuance of not to exceed \$100,000 Air Quality Revenue Bonds of the State of Ohio in order to assist LaFrance-South Inc. doing business as LaFrance Cleaners 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 the bonds; authorizing the execution and delivery of a loan agreement, an assignment of loan agreement and the bonds; and authorizing and approving related matters.

Director O’Keeffe introduced this Resolution for LaFrance Cleaners, a dry cleaner located in Youngstown. They intend to install new dry-cleaning and wet-cleaning machines in their facility to replace machines that used perchloroethylene, a known carcinogen. She introduced Stephen Weiss, the owner, to present on the company.

Mr. Weiss introduced the company, which is a third-generation family-owned business that was opened in 1945. They provide service to Mahoning Valley which is based in the Fosterville neighborhood of Youngstown. They employ approximately 24 employees. Their project includes one Columbia Sensene

dry cleaning machine, and one wet-cleaning system. He then discussed the benefits, including biodegradable solvents that will reduce perchloroethylene emissions by 100%, as well as the importance of the CARC program to the company's ability to go through with the project.

Mr. Celeste moved to approve Resolution 20-31. Mr. Phillips seconded.

Roll call vote:

Mr. Simon – Yes
Mr. Keenan - Yes
Mr. Celeste - Yes
Mr. Curtin - Yes
Ms. Factor - Yes
Mr. Phillips - Yes

Motion passed. Resolution adopted.

7. Resolution 20-32 (CARC)

LaFrance Cleaners

A resolution approving two grants from the Small Business Assistance Fund to LaFrance-South Inc. doing business as LaFrance Cleaners, for the purpose related to the eligible portions of the financing approved through Resolution 20-31. 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 shall cover a portion of the principal amount not to exceed \$20,000 less eligible closing costs covered under the first part of the grant.

Mr. Keenan moved to approve Resolution 20-32. Mr. Curtin seconded.

Roll call vote:

Mr. Simon – Yes
Mr. Keenan - Yes
Mr. Celeste - Yes
Mr. Curtin - Yes
Ms. Factor - Yes
Mr. Phillips - Yes

Motion passed. Resolution adopted.

8. Resolution 20-33 (Administrative)

Interim Executive Director

A resolution approving the appointment of an Interim Executive Director and Secretary-Treasurer during planned leave of the Executive Director.

Director O'Keeffe introduced this Resolution, which would appoint Brooke Grant, Manager of Planning & Projects, as Interim Executive Director and Secretary-Treasurer, during Director O'Keeffe's planned leave in the fall. She noted that she discussed details of the planned leave with each member. If approved, this resolution will be effective on the first day of her leave through the date of her return. She noted

that because the exact start date of her leave is uncertain, the Resolution authorizes Chairman Simon to execute documents to acknowledge the exact dates and authorize Ms. Grant's appointment at that point.

Vice Chairman Keenan inquired about compensation for Ms. Grant while she serves in the interim role. Director O'Keefe stated that Chairman Simon is addressing that matter with the appropriate individuals in the Governor's Office, who have approval on processing the request. Chairman Simon concurred.

Ms. Factor moved to approve Resolution 20-33. Mr. Keenan seconded.

Roll call vote:

Mr. Simon – Yes
Mr. Keenan - Yes
Mr. Celeste - Yes
Mr. Curtin - Yes
Ms. Factor - Yes
Mr. Phillips - Yes

Motion passed. Resolution adopted.

9. Executive Director's Report

Director O'Keefe gave an update on programs and projects.. She reminded members that the report she sent electronically contains more detailed information. She stated that the Authority is continuing to work through the due diligence process for the Petmin project. The company is hoping to appear at the October meeting with a bond resolution request, but the timing is dependent on outstanding items remaining in the due diligence process. She also mentioned conversations with a utility-scale solar developer, who is interested in bringing a project before the Authority. She noted the CARC program continues to receive good interest with several applications being submitted, and one is already scheduled to appear on the October meeting agenda.

Director O'Keefe gave an update on the green bond certification process and the project timeline. PFM has drafted a Green Bond Framework, and the next step involves the selection of a third-party verifier to review and provide a second-party opinion. A Request for Proposal (RFP) is developed and will be released later in the week. The approval of the third-party verifier will occur at the October board meeting. Then the firm will commence their work through the end of the year. She stated that the entire project is with the final presentation and approval of the second party opinion at the January 2021 board meeting.

Chairman Simon inquired on the financial balance of projects between CARC and Clean Air Improvement Program (CAIP). Director O'Keefe noted that the focus is maximizing the grants that were already appropriated for the CARC program, while increasing the activity in CAIP along with increasing the diversity in project types and locations around the state. She noted that, about cash flow, project size was the largest factor, and that Petmin and the utility-scale solar project should present good opportunities.

She gave a few general updates, which included her planned leave, along with Dawn Pertner's planned leave. She stated that Lynne Barker, a temporary employee, is currently serving in a fiscal role to assist

Ms. Pertner while she is on leave. In addition, Director O’Keeffe said that the Authority was engaging with a vendor for electronic board software, and based on discussions with Chairman Simon, she will enter into an agreement with the preferred vendor, BoardEffect, and present a resolution to ratify the agreement during the October or November meeting. Furthermore, she also noted that communications and marketing outreach strategies were under way, in coordination with Inspire PR, and mentioned the updates sent to the Members on legislative matters. Finally, the Director stated the Authority will be submitting the State Fiscal Year 2022-2023 budget request in the next week, by the deadline of September 15, 2020. Monthly financial reports will be sent after the board meeting to the members and as always, she is pleased to take any questions upon their review by the board.

Next, Director O’Keeffe introduced a discussion regarding proposed fee schedule and it will not be considered for a vote at this time. She presented a slide with the current fee schedule, and then discussed the various fee types and comparables with other conduit bond issuers. This research included the Council of Development Finance Agencies (CDFA) that issued a report in August 2019 describing various fee types and amount ranges. She noted that the Authority was in the minority compared to its peers, such as not having application or ongoing fees.

Furthermore, she shared additional research, courtesy of Huntington Bank, that presented comparables with other Ohio issuers, including the Ohio Water Development Authority, Cleveland-Cuyahoga County Port Authority, Economic & Development Finance Authority of Tuscarawas County, and the Columbus-Franklin County Finance Authority. All have several application and ongoing fees, while OAQDA has only an administrative fee.

She then noted the reason for evaluating and proposing adjustments to the agency’s fee schedule, which is primarily due to fiscal impacts and attaining stability in funding. For example, since OAQDA only has a one-time fees at project closing, the agency’s revenue is highly dependent on project activity timing and size, where some years there may be a lot of projects and related revenue and other years not enough to cover the baseline operational needs and costs. Additionally, one-time closing fees may not cover recurring expenses through the application and project monitoring periods. She noted that many issuers use ongoing fees to assist in stability and covering recurring expenses.

Director O’Keeffe shared the Authority’s staff recommendations for the fee schedule, which includes adding a nominal \$500 application fee, eliminating the 50% reduction of the closing administrative fee for taxable bonds (tax-exempt financings would see no change), and adding an annual administrative fee for CAIP projects equal to 5 or 10 basis points based on the outstanding par amount. In addition, the non-performance fee that may be issued from CAIP projects is recommended to be allocated to support the CARC program. The recommended timeline involves the consideration of approval at the October board meeting and an effective date in January 2021. She then shared the fiscal impact of the fees on the agency’s budget with anticipated revenue, based on 5 or 10 basis points.

The Members raised several questions and discussed several additional points for consideration, such as the grace period for companies that had already applied to the program, whether the application fee would apply to CARC projects, the level of the proposed application fee, comparisons to other bond issuers outside Ohio, and the fees applied to refinancings or refundings. The board agreed an educational session on the fee schedule will be helpful to learn more. Director O’Keeffe thanked the Members for their input and stated additional research will be conducted in preparation for an in-depth discussion of on the proposed fee revisions.

10. Annual Ethics Training

General Counsel

Chairman Simon introduced Thad Boggs, General Counsel, to provide annual ethics training as required by Executive Order 2019-11D. He discussed general approaches to ethics, along with specific topics including applicability of Ohio Ethics Law, Conflicts of Interest, Unlawful interests in Public Contracts, Misuse of Official Position, Improper Compensation, Disclosure of Confidential Information, Revolving Door Restrictions, Appearances of Impropriety, and penalties of violation of ethics law. He noted that, as ethics officer for the Authority, General Counsel should be the contact for ethics questions. He reminded members and staff to contact him if they have specific ethics related questions.

11. Open Discussion

Chairman Simon opened the floor for any business-related discussion of the items on the agenda. There was no discussion. He noted that there would be social time for the Authority members and staff following the meeting.

12. Adjournment

The Chairman adjourned the meeting at 11:07 a.m.

The regular meeting of the *OHIO AIR QUALITY DEVELOPMENT AUTHORITY* will be held remotely on Tuesday, October 13, 2020 via video conferencing through Microsoft Teams.