

**ECONOMIC DEVELOPMENT CORPORATION
OF WAYNE COUNTY, INDIANA
Annual Board Meeting Minutes
Monday, June 1, 2020**

BOARD MEMBERS PRESENT: Bolser, Frame, Golden, King, Parker, Robinson, Salazar, Tanner, Templin, Turner, Zaleski

BOARD MEMBERS ABSENT:

STAFF PRESENT: Shaffer, Doty, Mitchell, Lindsey

GUESTS PRESENT: Sowers, George – EDC Counsel
Butters, Mary Anne – Wayne County Commissioner
Oler, Ron – Richmond Common Council
Leisure, Beth – Wayne County Council
McClane, Brenda – Hometown Media Group
Truitt, Jason – Palladium-Item
Kozierok, Leon & Malancuk, Josh – Element 13

I. CALL TO ORDER

Board Chair Randy Templin called the annual meeting of the Board of Directors of the Economic Development Corporation of Wayne County, Indiana to order at 4:05 p.m. on Monday, June 1, 2020 via Zoom meeting.

II. APPROVAL OF MINUTES

Templin stated the minutes from the May 11th, 2020 board meeting were on pages 2-4. There were no corrections.

Motion to approve May 11th minutes by King, second by Frame. Motion carried.

III. TREASURER'S REPORT

Lindsey reported the EDC was under budget by \$15,750.19 MTD and under budget by \$55,081.33 YTD for May with no items of note.

Motion to approve the May 2020 financials as presented by Turner, second by Salazar. Motion carried.

IV. COMMITTEE REPORTS

a. Executive Committee

Templin reported the Executive Committee met on May 28th. They discussed the COVID-19 loan program through the county and the potential for a new 80-acre housing development in Richmond. The Elder Beerman property transfer and lease and the Opportunity Zone moving to the next step will be discussed by Shaffer later today.

b. Industrial Park Committee

Mitchell reported the Industrial Park Committee met on May 28th. Regarding the GIP, Cambridge City is still looking at installation of a water tower and how to fund it. The MIP Phase I wetland mitigation is moving forward. With paperwork being submitted to IDEM. MIP Phase II Lot 2 is a 32-acre tract that will be divided into 2 lots: 15 ½ acres will be purchased by Element 13 and they will have Right of First Refusal on the additional 17 acres. Beals-Moore will be working to get the property divided. MIP Phase III is in process of receiving a \$10K grant from Duke Energy, where there was a site visit in June and

should be complete in September or October. Also looking at eligibility for a program through IMPA for another \$10K grant for site readiness.

Terracon has offered the EDC a desktop site evaluation of 100 acres (\$1K value). We are looking at using it for a parcel around the MIP.

V. EDC STAFF REPORTS

There were no verbal staff reports given, written reports were referenced.

VI. OTHER BUSINESS

a. Wolverine Worldwide Lease Amendment

Shaffer reported that she and Sowers met via phone with the Wolverine Worldwide attorney. There has been a lease/sublease agreement in place since 2014 between the City, Stride Rite Corporation (Wolverine) and the EDC. Stride Rite is requesting to only make ½ of their required rent payments beginning in April and continuing through December of 2020. The other ½ of the payments will be paid by the end of their lease term being June 2024. They are asking for this agreement from all landlords as their business has been severely impacted by COVID-19.

Motion to approve the lease/sublease amendment between the City of Richmond, Stride Rite Corporation and the EDC to accept ½ rent payments through the end of 2020 which will be paid by the end of the lease term in 2024 by Frame, second by Bolser. Motion carried.

b. Elder Beerman

Shaffer reported Elder Beerman property transfer paperwork has been completed. The property is being transferred to the City of Richmond with a Quit Claim deed and no money changing hands. The City and the EDC will have a lease agreement similar to Industrial Park agreements so that the EDC may market the property. The EDC will have a maintenance agreement with the County for \$52,500/year for maintenance of the property. This will save \$76K/year in property taxes which can be used to support other economic development projects. Sale proceeds from the property will reimburse the City first, if necessary, and the remainder will be returned to the Consolidated EDIT fund.

Motion to approve the transfer of the Elder Beerman property from the EDC to the City of Richmond by Parker, second by Salazar. Motion carried.

Motion to approve the lease agreement between the City of Richmond and the EDC for the Elder Beerman property by Salazar, second by Frame. Motion carried.

Motion to approve the maintenance agreement between the EDC and Wayne County for the Elder Beerman property by Parker, second by Zaleski. Motion carried.

c. TPMA Proposal for OZ Technical Assistance

Shaffer reported that the City is negotiating with Thomas P. Miller Associates (TPMA) for Opportunity Zone technical support. TPMA will be a partner with the City to look for investors for our identified projects. TPMA's guidance will help us bring deals to fruition with their network of contacts. This will also be helpful to redevelop the Elder Beerman property. Shaffer is requesting \$6K from Contractual/Professional Services from the EDC operating budget to go toward the contract between the City and TPMA. Shaffer has looked at the budget and we can afford the requested amount.

Motion to approve \$6,000 from Contractual/Professional Services to be used toward the City of Richmond's contract with TPMA by Tanner, second by Salazar. Motion carried.

d. Wayne County COVID-19 Loan Program

Shaffer reported they have \$900,000 committed in funding for Wayne County's COVID-19 Loan Program for disaster relief. The pooled-funding contribution breakdown is: \$250K County Revolving Loan Fund, \$250K EDC from Consolidated EDIT, \$150K from Wayne County EDIT, \$150K from City EDIT, \$100K from Economic Growth Group private funds. Zaleski stated we should do only \$150K as the City and County are doing, Shaffer indicated we are being asked to match the County loan fund contribution. Shaffer will take

to the Commissioners for approval Wednesday. Butters stated quorum from Commissioners for yes vote is established. The impact of COVID-19 on our local economy has been severe. These will be loans of up to \$25,000, at 0% interest, for a 60-month term with 6 months deferred. Guidelines include: business owner must be a Wayne County resident, business must have 50 employees or less, cannot owe back taxes, and must possess the ability pre-COVID to repay the loan. Irongate is creating the link for guidelines and the application. The application will be open for 2 weeks. Salazar asked how determination will be made. Shaffer indicated they must provide financials. These will not be first come, first served and if they have received PPP or EIDL funding, that will be taken into consideration. All applications will funnel through Lindsey at the EDC and the EDC will handle all marketing of the loan program. Shaffer is asking for a revision to the 2020 EDC Consolidated EDIT funding guidelines with the addition of #5 to support funding of the program for small businesses located in Wayne County to help mitigate expenses and loss of revenue due to COVID-19. Each year the EDC board approves what the guidelines for the year will be, so this is just an addition under special economic development projects. There is \$1.7M in unobligated in the Consolidated EDIT currently, Shaffer is also asking for EDC commitment of \$250,000 to the Wayne County COVID-19 loan program.

Motion to approve addition of #5 to the 2020 EDC Consolidated EDIT Fund guidelines by Zaleski, second by Salazar. King abstained as he may be applying for funding from the program. Motion carried.

Motion to approve \$250,000 from Consolidated EDIT Fund to the Wayne County COVID-19 Loan Program by Frame, second by Golden. King abstained as he may be applying for funding from the program. Zaleski voted no, he feels EDC should only match the \$150K contribution from the City and County EDIT funds. Motion carried.

e. Element 13 EDIT Grant Application #20-202

Shaffer reported we have an EDIT grant application #20-202 for \$146,000 from Element 13. The company is purchasing 15 ½ acres in MIP with Right of First Refusal for an additional 17 acres. Kozierek, a partner in Element 13, indicated they are an aluminum re-melting facility which receives their product from extruders and recycling facilities. They manufacture aluminum billets that are custom made for construction, transportation and aerospace industries. When the plant is completely operational, they will process 50M pounds/year. Shaffer indicated they will be investing over \$15.8M with 30 jobs created at an average wage of \$20.55/hour plus benefits. Kozierek indicated plant will be operational within 12 months from groundbreaking. Shaffer reported they have already received approval for tax abatements from the City and this funding is equal to other similar projects.

Motion to approve EDIT Grant Application #20-202 for Element 13 in the amount of \$146,000 by Turner, second by Golden. Motion carried.

VII. 2019 Economic Development Highlights

Shaffer indicated the staff will be presenting some 2019 highlights. Shaffer reported there were 6 local companies which invested over \$56M, creating 114 new jobs and retaining 80 jobs. The EDC held a ribbon-cutting for Blue Buffalo's state-of-the-art facility. Staff made 43 BR&E visits to provide additional support to our local businesses and celebrated Ahaus Tool & Engineering's 40th anniversary of their apprenticeship program. We worked with Excel Center to host roundtable discussions for healthcare, manufacturing and customer service. The EDIT grant guidelines and applications were updated. Mitchell reported we had 200 students attend Manufacturing Day, the Find a Job Friday program continued and Hoosier Opportunity marketing through advertising and social media is ongoing. Mitchell reported for MIP the EDC has optioned an additional 326 acres and mitigation for the wetlands is in process. Shaffer reported Opportunity Zone work with TPMA is moving forward. Engineering and architecture firm RQAW is determined viability for Elder Beerman property and RFP will be complete, 1st floor tenant is being considered and Shaffer feels it will be a competitive process for partnership. Doty reported the Better Homes and Gardens hosted a reception for the winners of the photo contest for the Home in Wayne (HIW) viewbook. There have been 1,000 posts on Instagram using the #homeinwayne. The EDC brand was getting lost so we contracted

with Ashley Sieb consulting to work on brand consolidation but the project has been scaled back due to COVID-19 but we are hoping for mid-summer completion. The Brightside stories have been moved to HIW.

VIII. ADJOURNMENT

Templin adjourned the meeting at 12:38 p.m.

NEXT BOARD MEETING – Monday, July 6th, 2020 at 4:00 p.m.