

Economic Development Incentive Committee  
February 13, 2018  
Meeting Minutes

**Call To Order**

Chairman Nickles called the meeting to order at 2:05 PM. The following members were present: Mr. Paul Koch, Mr. Matt Lasko, Mr. Justin Harris, Ms. Abbey Bemis and Chairman Al Nickles. Ms. Maria Muratori, Development Specialist and Debi Eversole, Clerk from the Community Development Department were also present. Sharon Johnson, Sandusky City Resident was also present. There were 5 voting members present.

**Approval Of Minutes**

Mr. Koch moved to approve the minutes from the January 9, 2018 meeting. Ms. Bemis seconded the motion. The motion carried with a unanimous vote.

**Program Financial Update**

Ms. Muratori presented the program financial update as of February 13, 2018:

ECONOMIC DEVELOPMENT FUNDS									
	2017 Carryover	Beginning Balance	Date Approved	Committed	Spent	Revenue	Ending Balance	Total Project Cost	Estimated New Jobs
	\$ 3,557	\$ 453,557					\$ 313,532		0
Substantial Development SandCity, LLC		\$ 125,000	3/14/2017	\$ 125,000	\$ -	\$ -		\$ 6,645,872	32.5
							\$ -		
Façade		\$ 100,000							
							\$ 100,000		
Signage		\$ 100,000							
							\$ 100,000.00		
Small Business Assistance BSL Holdings Ltd.		\$ 125,000	1/9/2018	\$ 15,000	\$ 150	\$ 125		\$ 29,798	0
							\$ 109,975		
Economic Development - Other Expenditures		\$ 3,557							
							\$ 3,557		
Total				\$ 140,000				\$ 6,675,670	
Ex SandCity				\$ 15,000				\$ 29,798	
Leverage	47.7								
Ex SandCity	2.0								
2018 Expenditure									

Ms. Muratori stated that the final payment of \$125,000 for the city hall project came out in January that will leave roughly \$313,000 for 2018. She added that a re-payment from the Leaking Boot came in so that will show on next month's financial update.

### **Application Review**

Meghan and Richard Hografe, H2 Productions had applied for a Signage and Façade Grant at 225 W. Water Street. The project includes replacing all of the existing windows with historically appropriate windows. This project went before the Landmarks Commission and was approved unanimously for the renovations. The recommendation is for a \$35,000 Signage and Façade Grant which is 15% of the total project cost.

Chairman Nickles asked if the upper floors were apartments. Mr. Lasko stated that the upper floors are apartments and that several of them are not rentable due to the poor conditions of the windows and the water infiltration. The former owner of the building had come to the city requesting grant funding. The city proposed an offer of grant funds but the applicant did not want to keep the historic integrity of the windows so the grant was not awarded.

Mr. Koch moved to approve the grant as recommended by staff. Ms. Bemis seconded the motion. With no further discussion, the motion was approved with a unanimous vote.

Jeff Danevich, Houdini's Great Adventures LLC, dba Escape Rooms by Franknicky had applied for a Small Business Grant for his business at 134 E. Adams Street. The project includes an expansion opportunity for the applicant. Mr. Danevich has designed 4 escape rooms in the last 2 years. His experience is very unique as he makes all of the props himself. He is developing new rooms that are estimated to cost \$5,000. The recommendation is for \$2,500, which is 50% of the project cost. He plans to hire a new employee so that the rooms can operate if he is not there.

Ms. Bemis moved to approve the grant as recommended by staff. Mr. Koch seconded the motion. With no further discussion, the motion was approved with a unanimous vote.

Michael Waddle and Diane Alexander, MBC Services Inc, dba Sandusky Canvas had applied for a Signage and Façade Grant at their business at 300 Central Avenue. The cost of the proposed sign is \$861.00 and the recommendation is for \$645.75, which is 75% of the project cost. Sandusky Canvas has been in business for 10 years and was formerly on W. Water Street. Mr. Lasko stated that the city gave them assistance at their former location a few years back. At that time, they were renting. This application is for a different project. It is a different location which the applicants have purchased. They will operate the business and also live in the building. There is also space for another business to rent from them.

Mr. Harris moved to approve the grant as recommended by staff. Mr. Koch seconded the motion. Chairman Nickles noted on the record that this is a different project for this applicant. With no further discussion, the motion was approved with a 4/1 vote. Mr. Lasko was opposed.

Matt Keech, Omeca Inc, dba Cameo Pizza had applied for a Small Business Assistance Grant at his location at 702 W. Monroe Street. This is the second phase of the "Topside" project which is specific to fire safety issues including alarm systems, a second exit, firewalls and doors. The total project cost is \$39,000 and the recommended grant is \$9,500, which is approximately 25% of the total project cost. It is important to know that the recent investments into this project are around \$400,000 and if this grant is approved, the city will have contributed \$44,000 towards the project, which is 11% of the total investment. Mr. Lasko added that \$25,000 of these funds went toward the demolition of 2 properties that the city did not have to incur. Mr. Harris asked if this was the final phase or will he request more money at a later date. Mr. Lasko stated that he was not aware of any future projects or requests from this applicant. It was mentioned that the applicant may want to make improvements to the outside dining and patio area.

Mr. Lasko moved to approve the grant as recommended by staff. Mr. Koch seconded the motion. With no further discussion, the motion was approved with a unanimous vote.

Bryan Huntley, Peerless Stove & Manufacturing Co has applied for a Signage and Façade Grant for his business at 334 Harrison Street. This is a city owned property that Mr. Huntley currently leases from the city. The applicant has received permission from the city for the proposed signage. Staff recommended that the sign will be movable in case the city will reclaim the property for any reason. The recommendation is for a grant in the amount of no more than \$9215.19, which is 75% of the highest estimate provided. The grant will be scaled down if necessary. The project completion date is 6/30/18.

Mr. Koch moved to approve the grant as recommended by staff. Mr. Lasko seconded the motion. With no further discussion, the motion was approved with a unanimous vote.

Robert Hare, Renaissance Too, LLC has applied for a Substantial Development Grant for 125 E. Water Street. The recommendation is for a \$90,000.00 Substantial Development grant; contingent upon obtaining Lake Erie Shores and Islands ("LESI") as a tenant, obtaining additional financial information, obtaining title reports, obtaining all relevant permits, submitting before and after photographs, and displaying temporary signs during construction and a sign for at least one year upon completion noting the City of Sandusky's support. This project will be complete by 3/31/2019. The project will also have to go through the city's Landmark's Commission and City Commission for approval. Lake Erie Shores and Islands would be on the first and second floor and there will be residential on the third floor. The total estimated costs including acquisition is approximately \$1,000,000. The recommended grant would be approximately 9 ½ %.

Mr. Harris moved to approve the grant as recommended by staff with the condition that Lake Erie Shores and Islands is the tenant of the building.

Ms. Muratori stated that the program could possibly assist Lake Erie Shores and Islands with

signage in the future. Mr. Lasko seconded the motion. He added that the vacant buildings will continue to deteriorate without city assistance. With no further discussion, the motion was approved with a vote of 4/0. Ms. Bemis abstained.

**Next Meeting**

Ms. Muratori stated that the next meeting will be March 13, 2018 at 1:30PM.

**Public Participation**

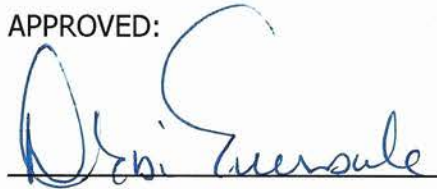
Sharon Johnson asked how many times Cameo had been through the program and if this was their last application. Mr. Lasko stated that this is the 3<sup>rd</sup> request and in the latest conversations with the Mr. Keech, there was no indication that they will have further requests. He added that anyone can apply. Ms. Johnson stated that she felt that new applications should be considered before the ones that come back over and over. Ms. Bemis stated that committee reviews applications as they are received so there are not applications stacked up. Chairman Nickles stated that the Cameo project has really beautified that area.

Ms. Johnson asked if the \$100,000 payment would go back into the Economic Development Fund. Ms. Muratori stated that the amount does not show on the February financial statement but that the money will go back into the fund.

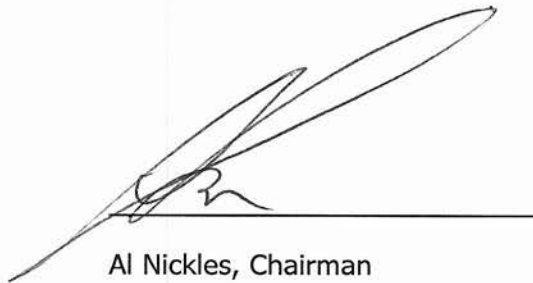
**Adjournment**

The meeting was adjourned at 3:00PM.

APPROVED:



Debi Eversole, Clerk



Al Nickles, Chairman