

COMBINED MEETING MINTUES OF
Community Improvement Corporation & Lake County Economic Development Center
 391 W. Washington Street
 Painesville, OH 44077

Attendees:

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|----------------------------|------------------|-----------------|-----------------|------------------|
| <i>CIC/LCEDC Reps:</i> | Robert Aufuldish | Morris Beverage | David Gilmer | Thomas Hilston |
| | Martin Kuula | Dale Langbehn | Pat Rositani | Walt Siegel |
| | Ken Sinha | Michael Slocum | Tom Thielman | |
| <i>CIC Reps:</i> | David Anderson | James Gills | Ken Lorenz | William Margalis |
| | Bob Shiner | Dan Troy | Greg Waina | Tom Williams |
| <i>LCEDC Reps:</i> | Michael Davis | Doug Heiser | Janice Lipscomb | Ken Spence |

Others:

Abigail Branstein Bob Fenn Catherine Haworth John Hawkins
 Karen Sundy

Proxy's Returned:

| | | |
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| <i>CIC Reps:</i> | Caroline Luhta | William Reid |
| <i>LCEDC Reps:</i> | Doug Heiser | |

Absent:

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|----------------------------|----------------|---------------|---------------------|-------------------|
| <i>CIC/LCEDC Reps:</i> | Frank Ashton | James Hayer | Gary Kostura | Michael Patriarca |
| | Bryon Pike | Frank Ragley | Neil Sawicki | Jerry Youngberg |
| <i>CIC Reps:</i> | Ronald Balog | Richard Bonde | Michael Evangelista | Jim Janson |
| | Edward Podojil | Corbett Shaw | Charles Tackett | Darrell Webster |
| <i>LCEDC Reps:</i> | John Crocker | Rose Dziak | | |

On November 9, 2005, CIC President, David Gilmer, called the combined meeting of the CIC Trustees and LCEDC Board of Advisors to order at 11:35 a.m.

APPROVAL OF COMBINED MINUTES

Mayor Lorenz moved to approve the minutes of the July 12th, 2005 combined meeting of CIC and LCEDC and Mr. Beverage seconded. The motion passed.

A. TREASURER'S REPORT

Mr. Rositani presented the treasurer's report for LCEDC and CIC. The financial supplements include the balance sheet as of September 30, 2005, profit and loss previous year comparison January through September 2005, and a 3 month projection. We are reporting a loss of 57 thousands vs. a profit of 62 thousand this time last year. There are a number of revenue items we are expecting in the last quarter. We will basically break even for the year. The balance sheet reflects a strong cash balance distributed among financial

institutions in the area.

Mr. Langbehn moved to approve the treasurer's report. Mayor Lorenz seconded. The motion passed.

B. DIRECTOR'S REPORT

Ms. Haworth commented on the budget. We are going to have to take a close look at our budget and realize some reduction in our expenses. There will be a 12% decrease in our grant agreement with the SBDC; additionally we now have to pay rent.

NORTHEAST OHIO PROCUREMENT TECHNICAL ASSISTANCE CENTER (NEOPTAC)

Mr. Fenn presented the PTAC report. NEOPTAC is funded by the Department of Defense, Ohio Department of Development, the Lake County Commissioners, and the Economic Development Center. PTAC's mission is to help small businesses sell their products and services to the government.

PTAC recently held the Third Annual Veterans Business Symposium at Lorain County Community College. This event was held in part because of a law that was passed to allow the federal government to set aside contracts for service disabled veterans. The event provides an opportunity for PTAC to disseminate information to the veterans. It was a very successful symposium with 288 participants. Scott Denniston, Dennis DeMolet and LTC James Blanco all spoke. Additionally, three veteran owned businesses were inducted into the Veteran Business Hall of Fame. The event was supported from a variety of generous sponsors from the community, commercial, local, and federal sectors.

SBDC

The SBDC fiscal year ended on September 30, 2005. We had some really strong job creation numbers. We are starting to see manufacturing jobs coming back, and small businesses really making an investment in their buildings because they need to grow.

The SBDC funding is cut by 12% for next year.

ENTERPRISE ZONE/SITE SELECTION/MICRO LOAN

We had one enterprise zone project, Hall Chemical in Wickliffe.

We hit our target for the micro-loan program with six loans. We had to spend a certain dollar amount by the end of the fiscal year, or the funds had to be returned.

SBA 504 LOAN PROGRAM

This program processed 20 loans this year. This was our highest year ever. We had 6.5 million dollars in debentures alone, and a job creation of 110 jobs. We still have 10 to 15 loans that need to be closed. The loans are generating about 60 thousand annually in fee income. This dollar amount will continue to grow as we close more loans.

INTERNATIONAL TRADE ASSISTANCE CENTER – (ITAC)

David Simerly is currently working with the Lorain County Manufacturers Council to put together an Exporting for Survival Seminar at Lorain County Community College. He is also working with the Mentor Chamber to bring to program to Mentor. Additionally, Mr. Simerly is working with Cleveland State and their export program. Furthermore, he is also working with the British-American Chamber of Commerce to organize a business mission to England next year.

C. OTHER ISSUES

STRATEGIC PLANNING

We started the strategic planning process, and are working with Lakeland Community College. We will have a task force meeting December 5. This will be a one time event, in which a direction for future planning of economic development in our community will be developed.

TEAM NEO

Ms. Haworth met with Dr. Jim Robey of TEAM NEO. They are trying to put together a starting salary survey. This information will be used for retention and expansion efforts in the future.

ECONOMIC FUND FOR THE FUTURE

The Lake Geauga Board of the Cleveland Foundation will contribute \$100,000 so that Lake and Geauga County can have a voice in the Economic Fund for the Future. Ms. Haworth will serve as the representative on the committee.

AMERICA SPEAKS: VOICES AND CHOICES

They don't have enough people for the town meeting on November 12 in Akron. Ms. Haworth encouraged people to go if they could.

LAKE ERIE COLLEGE

The rent issue has been resolved. We are entering into a new agreement, with four parking spaces reserved for visitors. Additionally, we are discussing sharing technical support with Lake Erie College.

ANNUAL MEMBERSHIP

The membership is at \$66,000 which is the same as last year at this time. We are hoping to get another 10 thousand before the year is over. There are still some significant players who have not yet contributed.

GULFPORT MS/DISASTER RELIEF LOANS

The trip was an unforgettable experience. The insurance companies weren't going to pay, people had no homes or sources of income - it was just unbelievable. The experience served as a great opportunity for the Lake County Economic Development Center – we did get some good publicity out of it with WELW and the News Herald.

In response to the tax abatement question: There will be no more personal property tax abatements. There will continue to be CRA, which will come through our office as a tax incentive review council. Through the JED agreement we will be involved in the review process for a fee, and new real property tax abatement.

D. COUNSEL INVOICE

The invoice is \$1,335 for the period of July through November 8. Mr. Langbehn moved to approve the counsel invoice. Mayor Lorenz seconded. The motion passed.

Mr. Hawkins explained that he was not at the previous two meetings because of a honeymoon and arthroscopic surgery.

E. OTHER BUSINESS

No other business was discussed.

F. NEW BUSINESS

No new business was discussed.

G. EXECUTIVE SESSION

Mr. Langbehn motioned to move into executive session to discuss personnel. Mayor Lorenz seconded. The motion passed.

The trustees motioned to extend Ms. Haworth's contract for another year, with a 3% increase. In the following year the incentive program concept will be reconsidered and a new contract will be formulated. The motion passed.

H. **ADJOURNMENT**

The meeting was adjourned at 12:30 p.m.

Respectfully submitted,

Abigail Branstein