



**NOACA Finance and Audit Committee**  
Meeting Minutes  
May 9, 2025  
NOACA Offices  
1299 Superior Avenue, Cleveland, Ohio 44114

**Present:** Please see the attached attendance record.

Mayor Jack Bradley, Chair of the Finance and Audit Committee, convened the meeting at 8:31 a.m.

**Meeting Minutes**

Mr. Andy Conrad made a motion to approve the meeting minutes of February 14, 2025. Mr. Thomas Patrick seconded the motion. The motion passed by voice vote.

**Public Comment on Agenda Items**

No one signed in to speak at this meeting.

**Chair's/Executive Director's Report**

No report was presented at this meeting.

**Action Items**

**Brownfields Revolving Loan Fund**

**Loan Termination – City of Middleburg Heights**

Mr. Jason Knauer stated that this item authorizes the Executive Director/CEO to issue a Notice of Termination for the Northeast Ohio Brownfield Program Loan Agreement with the City of Middleburg Heights. The Board of Directors had approved the loan offer on December 1, 2023 (Resolution 2023-050).

Mr. Knauer stated that on March 14, 2024, a loan agreement was finalized between NOACA and the City of Middleburg Heights. The city requires \$500,000 for asbestos remediation at the former Sears and Sears Auto site at 6950 W. 130 Street in Middleburg Heights. The city has completed the analysis of the Brownfields Cleanup Alternatives and the Community Involvement Plan. However, the Section 106 letter from the Ohio State Historical Preservation Office (SHPO) is still pending.

Mr. Knauer discussed the reason for the loan termination. As a result of the loan termination, \$500,000 will be unencumbered from the Brownfields Revolving Loan Fund (BRLF), making these funds available for new projects.

Mr. Knauer stated that pending Board approval, NOACA staff will update the budget to reflect the availability of funds.

Mr. Michael Dever made a motion to recommend the BRLF Loan Termination – City of Middleburg Heights to the Executive Committee for placement on the June 2025 Board of Directors agenda. Mayor Kevin Brubaker seconded the motion.

Mayor Matt Castelli commended NOACA for its work on the BRLF program. He explained that scheduling challenges led the City of Middleburg Heights to move forward independently, especially after receiving a state brownfield grant covering 100% of the costs. Delays from the State Historical Preservation Office contributed to timing issues, and with \$70 million in local investment under tight deadlines, the city needed to move forward. The city appreciated NOACA's support and believed the program will benefit others.

Mayor Bradley expressed appreciation that the City of Middleburg Heights did not need the \$500,000 loan, allowing other cities to benefit from the funds. He acknowledged the need for brownfield cleanup across the region to support economic development. He congratulated Middleburg Heights as well as other cities that can now apply for the funding.

The Committee voted and the motion passed by voice vote.

#### **Amendment to Terms and Conditions – NREUV MLK Plaza, LLC**

Mr. Knauer stated that this item will amend the repayment term for the brownfields program loan to NREUV MLK Plaza, LLC, from 10 years to 18 years. The loan offer was approved by the Board of Directors on March 8, 2024 (Resolution 2024-014).

Mr. Knauer said the loan has a 10-year repayment term and includes a personal guaranty from Dr. Gina Merritt, the sole owner of NREUV MLK Plaza, LLC. A \$30,000 debt service reserve would be held in escrow for the loan's duration and reduced as principal payments are made. The agreement also included a cognovit promissory note. A surety bond was requested to protect NOACA against default, though this requirement could be waived if the borrower is unable to secure the bond.

Mr. Knauer stated that NOACA staff continued discussions with Dr. Merritt after the loan offer was approved. She raised concerns about the original loan term in regards to cash flow, as the affordable housing project depends on completion and tenant occupancy for revenue. Dr. Merritt requested an 18-year repayment term to align with her existing loans from Freddie Mac and the Cleveland Foundation. Cotermious terms would allow for balanced repayment across all loans. NOACA conferred with its financial advisor, Sudsina & Associates, who supported a longer loan term to ease NREUV's cash flow and reduce financial strain. However, this would lower annual repayments, resulting in less money available to revolve into new loans.

Mr. Knauer stated that pending Board approval, the loan repayment term will be amended prior to the execution of the loan agreement by the appropriate parties.

Ms. Debbie Berry made a motion to recommend the Amendment to Terms and Conditions – NREUV MLK Plaza, LLC to the Executive Committee for placement on the June 2025 Board of Directors agenda. Mr. Conrad seconded the motion.

Ms. Berry asked if there was a balloon payment at the end of the term or if it was paid over the life of the loan.

Mr. Knauer said it consists of equal payments throughout the term.

Ms. Berry inquired whether staff had an estimate of the financial difference between a 10-year and an 18-year loan term. She expressed interest in understanding how much funding would be generated under each term.

Mr. Knauer noted that the annual payment amount will decrease from \$30,000 to just under \$15,000. Payments will be made twice a year, with each installment ranging between \$7,000 and \$8,000.

Mr. Conrad asked whether it was common practice for a private individual to provide a personal guarantee.

Director Gallucci stated that NOACA was relatively new to the business of making loans. However, this seemed to be acceptable to the EPA. She asked Mr. Knauer if he had any additional comments.

Mr. Knauer explained that the personal guarantee was recommended by NOACA's financial consultant, Sudsina & Associates, to ensure loan repayment if the project fails. He noted that this guarantee holds the sole owner personally responsible.

Mr. Conrad inquired whether any collateral was provided and about the specific guarantee involved.

Director Gallucci said she believed that funding was put up.

Mr. Knauer explained that one year's worth of loan repayments is held in escrow as collateral, and the personal guarantee also serves as collateral. He noted that the Brownfields Steering Committee discussed avoiding property seizure but still wanted some form of collateral to ensure accountability from the property owner.

Mr. Conrad sought clarification on the specifics of the actual guarantee.

Director Gallucci said she believed that the actual guarantee is the funds Dr. Merritt puts aside for that purpose.

Mayor Bradley stated that a surety bond provides additional protection by covering the loan if the owner defaults, creating two layers of security: the owner's guarantee and the surety bond. He supported the idea, emphasizing that it would protect NOACA financially without requiring them to seize the property.

In response to Mayor Bradley, Mr. Conrad expressed concern about the surety bond being waived. He said he wanted to make sure that NOACA was protected.

Mayor Bradley asked if NOACA was waiving the surety bond.

Mr. Knauer confirmed that the Brownfields Steering Committee agreed that the surety bond requirement could be waived if obtaining it is not feasible. However, NOACA could still attempt to have the borrower obtain a surety bond.

Mayor Bradley reiterated that he believed a surety bond was a good idea.

Commissioner Brakey asked about the loan's interest rate and how it might be affected by extending the repayment term.

Mr. Knauer explained that the Steering Committee approved a 0% interest rate for the loan, a decision made to promote participation in the new BRLF program by offering favorable terms. The committee has not discussed adjusting the interest rate for this loan. The 0% rate is intended to benefit both the borrower and NOACA by encouraging repayment.

Director Gallucci clarified that the 0% interest rate applies not only to this loan but to all loans issued under the Brownfields Revolving Loan Fund (BRLF) program.

Commissioner Brakey agreed with Mr. Conrad's concern, noting that if the term is extended, the default rate would likely rise, making a surety bond an essential component for the loan term extension.

Mayor Bradley asked whether the BRLF was intended to operate indefinitely as long as funds are available, regardless of repayment terms, or if it was originally designed to last for a specific period.

Director Gallucci clarified that the BRLF has no set end date and is intended to operate in perpetuity.

Mr. Dever inquired whether NOACA has an established policy on loan terms for this type of funding. He specifically questioned whether a loan term could extend beyond 18 years.

Director Gallucci explained that NOACA does have a set loan policy, but this loan is an exception, allowing an extension from 10 to 18 years. Future requests for similar exceptions would be evaluated on a case-by-case basis.

Mr. Alan Exley asked whether other projects are currently waiting for loans and expressed concern about the delay being attributed to the borrower's lack of success in generating income. He questioned why there was a delay on the income side and what was happening with the tenants.

Director Gallucci explained that the request is based on a projection, not an actual delay. The borrower currently has no tenants, as the development is planned for affordable housing. Unlike market-rate housing, affordable housing takes longer to become profitable, which accounts for the projected income gap.

Mr. Exley expressed surprise that the potential delay related to affordable housing profitability was not identified earlier in the process. He reiterated his question about whether other projects are currently waiting for loans.

Director Gallucci stated that there are no pending loan applications for projects at the moment. She noted that Middleburg Heights returned \$500,000 and that NOACA has an additional \$1 million in funding currently requested from the EPA.

Mr. Patrick noted that the background mentioned, "if possible, a surety bond," and asked whether the borrower currently has one or when NOACA expects to find out if the borrower can obtain it.

Mr. Knauer responded that he was unsure of the borrower's status of obtaining a surety bond. He explained that NOACA staff have been negotiating the loan terms and will follow up with the borrower to get an update on their progress in securing the bond.

Mayor Bradley stated that the Committee could consider a motion to amend the request by adding a requirement that the borrower obtains a surety bond.

Commissioner Brakey made a motion to amend the request, provided that a surety bond is obtained by the borrower. Mr. Conrad seconded the motion. The amendment passed by voice vote.

The Committee voted on the Amended Terms and Conditions – NREUV MLK Plaza, LLC. The motion passed by voice vote.

### **Recommendation for Funding – Site Readiness for Good Jobs Fund**

Mr. Knauer stated that this item offers a \$166,905 loan from the NOACA-Vibrant NEO Brownfields Revolving Loan Fund to the Site Readiness for Good Jobs Fund, contingent upon U.S. EPA Eligibility Determination and the availability of funds.

Mr. Knauer stated that the property is located at 7000 Central Ave., Cleveland, OH 44104, spanning 9.6 acres with a 185,000 sq. ft. building, previously used for manufacturing. It is zoned for industrial use and is proposed to be renovated for similar purposes, targeting industries such as food production, rail, or aerospace. The redevelopment is expected to create 100 permanent jobs at \$20/hour.

Mr. Knauer stated that environmental assessments were conducted and included Phase I, Limited Phase II, asbestos survey, lead-based paint inspection, and a VAP Phase II (in progress). A request for \$166,905 from the Revolving Loan Fund (RLF) has been made for lead-based paint remediation. Sudsina & Associates, LLC assessed the project as creditworthy. The Vibrant NEO Board met on April 29, 2025, but lacked a quorum and will need to reconvene before the NOACA Board meeting in June 2025.

Mr. Knauer stated that the Brownfields Revolving Loan Fund allocation is \$166,905 for environmental remediation of lead-based paint, disbursed as reimbursement for eligible expenses.

Mr. Knauer stated that pending Board approval, the loan will be executed and funds encumbered. This recommendation is conditional upon both the U.S. EPA's Eligibility Determination and the availability of funds from either the U.S. EPA Supplemental Funding or the terminated Middleburg Heights loan.

Mr. Dever made a motion to recommend to the Executive Committee the recommendation for funding – Site Readiness for Good Jobs Fund for placement on the June 2025 Board of Directors agenda. Mr. Conrad seconded the motion.

Ms. Berry said she would be abstaining from voting because she is on the Board of the Site Readiness for Good Jobs Fund.

The Committee voted. Ms. Berry abstained from voting. The motion passed by voice vote.

### **Procurement: Ratification of Vanpool Program Contract Extension**

Ms. Lindy Burt noted that NOACA's Executive Director, with the Board President's consent, executed a contract amendment on February 21, 2025, extending the Vanpool Program agreement with CLERAC, LLC DBA Commute with Enterprise through June 30, 2025. The original three-year contract, approved in December 2021, expired on February 23, 2025. The

amendment maintains existing pricing and terms to ensure uninterrupted service while a new procurement process, initiated in March 2025, is underway.

Ms. Burt stated that the Vanpool Program, launched in 2022, provides worksite transportation for employees, focusing on areas with limited public transit and low car ownership. It supports employers in attracting and retaining staff.

Ms. Burt reviewed the services offered by the program. The amendment is estimated to cost \$188,495, covering vendor payments for February and March 2025, along with average monthly costs for April through June. Funding will come from the CMAQ program.

Ms. Burt stated that pending Board approval, NOACA will complete the amended contract period ending June 30, 2025.

Mayor Brubaker made a motion to recommend the Procurement: Ratification of Vanpool Program Contract Extension to the Executive Committee for placement on the June 2025 Board of Directors agenda. Mr. Dever seconded the motion.

Ms. Berry asked why the procurement did not start in 2024 if the contract expired in February 2025.

Ms. Burt explained that NOACA's Programming Division initially planned to renew with the sole known vendor for the services. However, after discussions with the Executive Director, staff decided that, after three years of annual renewals, it was time to research the market and issue a new RFP to explore other potential vendor options. The RFP results are included under the Regional Vanpool Program procurement.

Director Gallucci added that the Programming Division had also been negotiating with the vendor to amend the contract for more favorable terms for NOACA, but those negotiations fell through, contributing to the delay in procurement.

The Committee voted and the motion passed by voice vote.

### **Procurement: Regional Vanpool Program**

Ms. Burt stated that this item authorizes the Executive Director to contract with CLERAC, LLC DBA Commute with Enterprise to operate a regional vanpool program. Currently, 53 vanpools are active, each serving a specific worksite with voluntary employee participation. The vendor provides vehicles and manages the program, while NOACA subsidizes 50% to 80% of the costs. The remaining expenses are covered by riders and, in some cases, their employers.

Ms. Burt reviewed the vanpool metrics as of March 2025, program goals, RFP posting, services of the program, and information on the vendor.

Ms. Burt stated that the program's estimated annual cost is \$508,000, based on 53 vanpools with an average 50% subsidy. The actual cost may vary with the number of vanpools and subsidy levels. The contract is for one year, with two optional one-year extensions, and is funded through CMAQ.

Ms. Burt stated that, pending Board approval, NOACA will enter a one-year contract with CLERAC, LLC DBA Commute with Enterprise to operate the program from July 1, 2025, to June 30, 2026. Pricing and potential contract renewal will be renegotiated in June 2026.

Mr. Dever made a motion to recommend the Procurement: Regional Vanpool Program to the Executive Committee for placement on the June 2025 Board of Directors agenda. Mayor Castelli seconded the motion.

Mr. Conrad asked how many people use the 53 vanpools per day.

Ms. Burt stated that the average ridership is five to seven people.

Mr. Conrad noted that the cost equals approximately \$2,000 per person.

Ms. Burt explained that the \$508,000 figure is based on having 53 vanpools and that the amount varies depending on the number of vanpools.

The Committee voted and the motion passed by voice vote.

#### **Procurement: Extension of Traffic Count Contracts**

Ms. Burt explained that this item authorizes the Executive Director to extend contracts with Eggeman Engineering and Southern Traffic Services/REKOR for an additional year to continue providing traffic count services. The Board of Directors approved the original contracts in June 2024.

Ms. Burt reviewed the purpose of the program. The original contract was procured through an RFP process conducted from February to March 2024. NOACA received five proposals and selected two vendors to evaluate different technologies and their impact on the accuracy of the results.

Ms. Burt stated that NOACA will extend the contracts with both vendors for one additional year at \$100,000 each, resulting in a total financial impact of \$200,000. Both vendors have agreed to maintain current pricing, and the funding source is NOACA's Ohio Consolidated Planning Grant (OCPG).

Ms. Burt stated that pending Board approval, NOACA will amend the contracts with Eggeman Engineering and Southern Traffic Services/REKOR.

Mr. Exley made a motion to recommend the Procurement: Extension of Traffic Count Contracts to the Executive Committee for placement on the June 2025 Board of Directors agenda. Mr. Dever seconded the motion.

The Committee voted and the motion passed by voice vote.

#### **Amendment to NOACA EV Charging Stations Program Contract**

Director Gallucci explained that the item pertains to Phase I of NOACA's EV Charging Stations Program, not Phase II. Phase II refers to the \$15 million federal CFI grant NOACA received. Phase I is the earlier initiative launched before NOACA pursued federal funding. The program is funded by NOACA's CMAQ program, with construction scheduled from July 2023 to August 2025. Included in the terms of NOACA's agreements with community partners is a five-year maintenance warranty obligation, however the current vendor contract only provides two years. This adjustment addresses that gap to ensure compliance with those agreements. No additional funding is being requested, only an increase in contract authority, which does not impact the project's budget.

Ms. Burt stated that this item authorizes the Executive Director to amend the contract with SAF, Inc. in the amount not to exceed \$100,000 to purchase extended manufacturer warranties for electric vehicle (EV) charging station equipment. The original project contract was approved by the Board of Directors in June 2023.

Ms. Burt stated that Phase I of the EV Charging Stations Program was initiated in July 2023. The expected completion of Phase I construction is August 2025. Phase I includes 46 charging units at 40 locations across the NOACA region, with 27 L2 dual chargers and 19 DCFC chargers.

Ms. Burt explained that Section 6.10 of the Partner Agreement requires a five-year maintenance commitment of the charging stations. Each EV unit includes a two-year warranty, and the proposed amendment would allow for a three-year warranty extension. The cost, not to exceed \$100,000, would increase the contract from \$3,542,262 to \$3,642,262. The total budget for Phase I of the EV Charging Stations Program is \$4,140,000. NOACA has funds in the budget to cover the increase.

Ms. Burt stated that pending Board approval, NOACA will execute the contract amendment with SAF, Inc. and proceed with the purchase of extended warranties for equipment installed under Phase I of the EV Charging Stations Program.

Mr. Patrick questioned the origin of a five-year warranty term, pointing out that the manufacturer offered a two-year warranty.

Director Gallucci explained that since NOACA did not have a vendor at the time, staff proposed a five-year contract. The proposed EV charging station vendor offered only a two-year basic warranty, but offered NOACA an option to purchase an additional three years.

Ms. Berry made a motion to recommend the Amendment to the NOACA EV Charging Stations Program Contract to the Executive Committee for placement on the June 2025 Board of Directors agenda. Mr. Dever seconded the motion.

The Committee voted and the motion passed by voice vote.

#### **Request for Additional NOACA Funding – City of Sheffield Lake Pedestrian Facility**

Mr. Jim Thompson stated that the City of Sheffield Lake submitted a request to NOACA for increased funding for the LOR US 6-14.19 (Lakefront Connectivity Phase 3A, PID 119593) due to high rates of inflation and commodity prices affecting costs across the transportation industry. The Regional Transportation Investment Policy (RTIP) guides the management of these funds. The request was evaluated against the NOACA Project Cost Increase Policy. NOACA staff recommended that the City of Sheffield Lake's request for additional funding be granted up to the 15% allowable under policy for \$37,866. The remainder of any additional funding needed would be the sponsor's responsibility. This amount is available in the current Transportation Improvement Program (TIP), supported by increased funding from the Infrastructure Investment and Jobs Act (IIJA) for 2022–2027. The adjustment will not affect other TIP projects.

Mr. Thompson stated that pending Board approval, the 2026-2029 TIP will be updated to reflect the revised funding commitments.

Mr. Dever made a motion to recommend the Request for Additional NOACA Funding – City of Sheffield Lake Pedestrian Facility to the Executive Committee for placement on the June 2025 Board of Directors agenda. Mr. Conrad seconded the motion.

Mayor Bradley asked if there was any risk of losing federal funds.

Director Gallucci responded that NOACA has received no indication from USDOT that formula funds are at risk, and those are the funds intended for use.

The Committee voted and the motion passed by voice vote.

## **Presentation/Discussion Items**

### **Third Quarter SFY 2025 Capital Programs Performance Measures**

Ms. Sarah White provided background on NOACA's Capital Programs Performance Measures. She stated that NOACA's SFY 2025 allocation for its capital infrastructure programs is \$55.6 million. Ms. White reviewed the performance areas for program delivery and fund utilization for the third quarter of SFY 2025:

- Program Delivery
  - % On-Time Project Implementation – Third Quarter: 56%, YTD: 64%  
5 of 9 projects delivered on time this quarter
  - % Program Balance – Third Quarter: 9.9%, YTD: 9.9%  
\$8.4M programmed in last quarter/\$84.6M programmed in total SFY 2025
- Fund Utilization
  - % of Estimate Accuracy – Third Quarter: - 5.7%, YTD: - 6.7%  
6 projects: \$14,885,852 (TIP Budget) vs. \$14,044,182 (Actual)
  - % of Funds Encumbered – Third Quarter: 51%, YTD: 51%  
\$43.1M Encumbered/Budget Takes/Outstanding vs. \$84.6M Budget

Ms. White stated that NOACA staff will continue to work with the project sponsors and ODOT to meet the established Capital Programs Performance Measures in SFY 2025.

### **Reports/Updates**

The Financial Reports and the Brownfields Revolving Loan Fund Quarterly Report were included in the meeting packet.

### **Old Business**

No old business was discussed at this meeting.

### **New Business**

No new business was discussed at this meeting.

### **Adjournment**

Mr. Conrad made a motion to adjourn the meeting at 9:28 a.m. Mr. Dever seconded the motion. The motion passed by voice vote.

The next regular Finance and Audit Committee meeting will be Friday, August 8, 2025, at 8:30 – 10:00 a.m., at the NOACA offices.

*Note: Additional information on the agenda items can be found on [NOACA's website](#) and [YouTube channel](#).*



**Finance and Audit Committee  
2025 Attendance Record**

MEMBERS	2/14/25	5/9/25	8/8/25	11/14/25
<b>BIBB, Justin</b> (Bonnie Teeuwen, Alternate) (Mike Culp, Alternate on 5/9/25)	A	A		
<b>BRADLEY, Jack</b> (Dale Vandersommen, Alternate)	X	X		
<b>BRAKEY, Carolyn</b> (Shane Hajjar, Alternate)		X		
<b>BRENNAN, Michael Dylan</b> (Deanna Bremer Fisher, Alternate)	X	A		
<b>BRUBAKER, Kevin</b> (Dawn Calvert, Alternate)		X		
<b>CASTELLI, Matthew</b> (Jim Herron, Alternate)	A	X		
<b>CONRAD, Andy</b> (Bethany Dentler, Alternate)	X	X		
<b>DEVER, Michael</b> (Nichole English, Alternate)	X	X		
<b>EXLEY, Alan</b> (Kirk Dimmick, Alternate)	X	X		
<b>GUTHEIL, David</b> (Linda Sternheimer, Alternate)				
<b>MOORE, David J.</b> (Thomas Patrick III, Alternate) (John Gall, Alternate 2/14/25)	A	A		
<b>PLECNIK, John</b> (John Marra, Alternate)	A			
<b>RONAYNE, Chris</b> (Debbie Berry, Alternate)	A	A		
<b>SPIDALIERI, Ralph</b> (Walter "Skip" Claypool, Alternate)				
<b>TOTAL</b>	<b>10</b>	<b>11</b>		

X = Member    A = Alternate