



MINUTES

CITY OF NEW ALBANY COMMUNITY IMPROVEMENT CORPORATION

Wednesday, December 6, 2023

CALL TO ORDER:

Community Improvement Corporation President Philip Smith called to order the Community Improvement Corporation (CIC) meeting of December 6, 2023, at 4:03 p.m. at the New Albany Village Hall, 99 West Main Street, New Albany, Ohio. Staff attending were Law Director Benjamin Albrecht, Economic Development Manager Sara Zeigler, Economic Development Specialist II Jackie Russell, Economic Development Specialist I Alex Klosterman, Development Department Coordinator Allison Criger, and Finance Director Bethany Staats.

ROLL CALL:

The following CIC Members answered Roll Call:

Member Colleen Briscoe	P
Member Marlene Brisk	P
Vice-President Todd Brubaker	P
Member Jennifer Chrysler	A
Secretary Ron Davies	P
Treasurer Everett Gallagher	P
Member Matt Shull	P
President Philip Smith	P
Member Joe Stefanov	P

Guests: Neil Collins, Onsite Leader of Innovate New Albany

Zeigler reported that Community Development Director Jennifer Chrysler requested to be excused as she was sick and could not attend. Smith moved to excuse Chrysler from the meeting. Briscoe seconded and the CIC voted with nine yes votes to excuse Chrysler from the meeting.

ACTION ON MINUTES:

The CIC adopted the May 5, 2023, meeting minutes by consensus.

INTRODUCTIONS:

Zeigler suggested that everyone present introduce themselves for the benefit of Klosterman who joined city staff in August. After the introductions, Zeigler presented Klosterman as the new Community Development Department liaison to the CIC.

COMMUNITY OUTREACH:

Zeigler addressed the CIC and explained that she wanted to improve communication between the Community Development Department and the CIC. Zeigler said that Klosterman would begin sending consistent updates. President Smith agreed that more consistent communication was desired and that a regular update would be helpful.

CODE OF REGULATIONS UPDATE:

Zeigler indicated that staff received the board's suggested updates to the Code of Regulations and will be working on updating them promptly.

INNOVATE NEW ALBANY:

1. Tiger Innovation LLC Contract Review and 2024 Approval

Smith asked Collins to lead an overview of the Innovate program throughout 2023. Russell indicated she would provide an update, as she had prepared a presentation that followed the nine key segments of the Tiger Innovate, LLC Contract. Collins volunteered to excuse himself after the presentation so that the CIC could discuss the material Russell would be presenting in privacy. Albrecht confirmed that Collins could excuse himself at any time but that the CIC was not a body that could conduct an executive session.

Russell began her presentation by providing a brief history of the nine goals specified in the contract for Tiger Innovation LLC. Russell explained that until three years ago there were no key performance indicators to measure performance.

Goal 1: Partnerships and Stakeholders

Russell outlined the Innovate New Albany partnerships with the Ohio Small Business Development Center, The Ohio State University, Columbus Young Professionals Club, Rev1 Ventures, Healthy New Albany, Otterbein University, and the Denison Edge startup incubator program. Russell also mentioned that Collins had entered into a contract role with Denison Edge. Collins explained that there were incredible synergies between the two programs and that he saw a serious opportunity to launch a partnership. In such an arrangement, Denison Edge and Innovate New Albany might collocate in New Albany, moving the Edge program closer to Denison University and infusing a college-age population into New Albany, which had everything but a university. Collins explained that blending student startups with more established companies at Innovate would also lead to more collaboration between companies in various sectors, develop a clear student internship pipeline for companies and improve the resources available to all involved since the organizations combined could afford a larger space with improved amenities like community meeting spaces. Russell indicated that the city had discussed this potential partnership internally and approved of the direction things were moving.

Goal 2: Attract Scalable Businesses

Russell indicated that in 2023 Innovate had a 95% occupancy rate, and was composed of 54% tech companies, with virtual companies making up about half of Innovate's tenants. Smith asked Collins how the occupancy rate usually varied throughout the year. Collins responded that there was a constant demand for space at Innovate and that there were one or two months when Innovate did not fill an open space to save for specific companies to move into Innovate. Without these instances, Collins explained, the occupancy rate would have been 99 or 100%. This being clarified, Smith asked how Russell felt about the companies that were currently there. Russell responded that the companies matched the initial ambitions for Innovate; the tech companies were doing well, but the remaining 46% of the companies brought diversity to the operation and complimented Innovate and the community well.

Goal 3: Secure Sponsorships

Russell reported that of the \$7,800 sponsorship goal, \$7,700 had been raised as of this meeting, plus an additional \$1,220 in in-kind sponsorships for a total of \$8,920. Collins added that Innovate had an open sponsorship invoice to WynHouse for \$2,400 and that AWS had made a sponsorship request – pledging \$1,200 – which had not yet been received, for a total of \$3,600 in unreceived sponsorship funds.

Goal 4: Help Connect Companies with Resources

Russell detailed the Expert Office Hours program, where Innovate companies or community members can seek advice from a variety of local experts in various areas of business, law, and other relevant topics. Russell noted that Collins had started to use Calendly, a new scheduling software that allowed people to book office hours with him directly on the Innovate website.

Goal 5: Publicize Stores About Innovate, and Goal 8: Graphic Support

Russell explained that contract goals five and eight were being presented together because publicizing stories about Innovate often requires graphic support. Collins noted that the Innovate LinkedIn page had amassed 1,438 followers as of 11/29/2023, a 60.5% increase in 2023. Russell explained that she would be including more regular updates on social media progress in an updated monthly report. Smith asked whether that was a report specifically for the CIC or the city's monthly report, and Russell clarified that she was referring to the city's monthly report which was available to the public on the city website. Smith asked if this could be sent directly to the CIC and Zeigler responded that it could. Collins added that he would like to do a trend analysis comparing the data in these monthly reports to the data from the same month one year ago and that he would like to include a simple forecast setting goals for the coming month. Briscoe asked whether this was too much work to do every month. Smith agreed that that level of detail may not be necessary. Briscoe proposed that this trend analysis be completed quarterly based on the data from the past four months. Smith and Collins agreed.

Goal 6: Facilitate On-site Operation

Russell presented the list of on-site tasks. Briscoe asked what direct involvement Collins had in mail delivery services. Russell explained that many of the companies were virtual. Collins added that throughout the pandemic the Innovate building had closed and that he had personally processed mail for all of the companies, virtual or otherwise, by sending photos or, in select cases, driving to the homes of business owners to deliver the mail himself. Briscoe suggested that the USPS could handle this workload directly. Davies recalled working at a law firm that used a digital system to handle this workload and Briscoe agreed that a software program would also be a great alternative. Russell agreed that this deserved more attention and Collins said that he would look into establishing a more efficient way to handle mail delivery and clarified that most companies had returned to regular mail practices in the past year.

Goal 7: Plan and Execute Events

Russell congratulated Collins on satisfying the required 36 annual Tiger Talks and noted that 3 more had been planned before the end of the year. Smith asked Collins what the most successful Tiger Talk was in 2023, and Collins responded that Lindsay Karas-Stencel's update on Ohio venture capital had brought in 67 people, just short of the 70-person capacity limit. Briscoe asked how many Tiger Talk attendees came from Innovate companies and Collins responded with an estimate of 10%.

Goal 9: Maintain Software Accounts

Russell reported that Collins maintains the Mailchimp, Megalytics, and Calendly software.

Russell asked that all CIC members refer to the redlined copy of the 2024 Tiger Innovation LLC contract included in their meeting packet. Russell presented the changes to the contract. Brubaker noted the omission of a date and asked Collins what "six community events" he intended to plan as noted in the contract. Collins explained that he envisioned hosting a breakfast every other month for Innovate companies with a speaker and food provided. Collins mentioned several local businesspeople who had expressed interest in speaking to Innovate companies at an event like this. Briscoe asked Collins how many Innovate companies had more than one employee. Collins said that more than half did, and that there were easily enough people on the immediate Innovate businesses list to fill the breakfast program.

Russell explained that the proposed increase in the Tiger Innovation LLC contract included a 2.5% cost of living increase and an additional \$500 a month to cover the increased cost for the technology support contracts. Briscoe asked and Russell confirmed that the \$500 increase was to cover \$100 worth of the increased Buckeye Innovation contract and \$400 dollars for free-lancers to help with graphic support.

Smith suggested that Collins' monthly salary rate be raised from the proposed \$11,987.75 to \$12,000. Brisk agreed that this was a cleaner figure.

Stefanov left the meeting at 5:02 p.m.

Collins excused himself while the CIC continued to discuss the 2024 proposed contract.

Smith remarked that Russell had provided a good review of Collins' performance. Smith said he was inclined to approve the changes since all metrics of success were being met and targets for growth were being achieved or even exceeded. Briscoe said that her only concern was Collins being spread thin by his new contract with Denison Edge. Russell said that she had only noticed Collins' work ethic improve since he had entered a contract with Denison Edge and that she could already see the synergy between the two programs paying off. Davies suggested that the sponsorship goal be increased to \$10,000. Russell agreed that this would be acceptable and agreed to change the amount in the Tiger Innovation LLC contract.

Gallagher moved to approve the proposed changes in the redlined contract given the minor edits to dates previously discussed were updated. Smith seconded and the CIC voted with eight yes votes to approve the proposed changes to the Tiger Innovation LLC contract.

2. The New Albany Company Lease Renewal

Russell informed the CIC that the Innovate program had rented its current space in the Signature Office Building from the New Albany Company (NACO) on a month-to-month basis for some time. Russell explained that NACO had shared their intent to take back the space in February of 2024. Russell said that the program should maintain their lease through that date and look for a new location in the meantime, which she clarified would be the subject of the next part of the presentation. Smith asked whether NACO could technically evict the Innovate program anytime and Russell confirmed that they could. Briscoe clarified that in reality, NACO would only be starting the eviction process by posting a notice, but concurred that the situation was insecure and agreed that the lease should be renewed to cover the time it would take for the city to identify a new location for Innovate.

Smith moved to approve the Innovate lease renewal. Davies seconded and the CIC voted with eight yes votes to approve the Innovate-New Albany Company lease renewal.

3. Location Update

Russell provided several "quick facts" about the Innovate program in its current location. Smith asked whether CAM was included in the provided figures and Russell confirmed that it was. Russell clarified that the city does not count income tax as revenues for the Innovate program. Staats concurred. Russell continued to provide more facts and financial figures about Innovate's current operation and location in the Signature Office Building then introduced photos and a floorplan of the Water's Edge 1 building. Smith asked and Russell confirmed that if standing on Walton Parkway facing SR161, the Water's Edge 1 building was on the right.

Russell reported that the City Council had confirmed an interest in the space. Russell presented the proposed lease information from Water's Edge 1 and discussed the benefits of increased square footage, which included the potential for community meeting space and colocation with Denison Edge.

Brubaker asked Collins what the leasing situation was for Denison Edge's current location in downtown Columbus. Collins clarified that there were some details he could not share but that he was currently investigating opportunities for Denison Edge to sublease their current space for the remainder of their lease to allow the opportunity for Denison Edge to collocate with Innovate. Briscoe asked whether Russell thought Denison Edge would fit into the 14,000 SF presented in the Water's Edge 1 floorplan. Russell said that it would; and that the space could also house tenants from the Guzo building, which currently made up about 4,000 SF, the city's finance department, which currently occupies 2,800 SF in the Signature Office Building, and the Innovate program, which currently occupies about 7,800 SF in the Signature Office Building. Combined, these would nearly match the entire space available on the first floor at the Water's Edge 1 building for a total of 19,218 SF. Russell explained that they could share spaces like restrooms and common areas, which would reduce their current square footage counts when combined. Professional space planning, coworking areas, a membership program offering day passes, and other considerations would also reduce the current total square footage figures. Smith said that it made the most sense to enter these considerations with that end in mind. Russell agreed and said that the City Council had been in favor of leasing the entire first floor to support that same end vision.

Davies asked what entity would lease the potential space and Staats responded that it was still unknown because they needed time to discuss the situation, but that at first glance she envisioned the CIC using the economic development fund to lease the space from the owner. The finance department would, in turn, lease the space from the CIC, and arrange the subleases to Innovate, Denison Edge, and by extension, the tenant companies. Smith confirmed that this was his initial vision as well. Davies asked Russell how firm the plan needed to be for NACO to potentially offer an extension of the lease. Russell replied that having the lease signed at a new location would likely offer enough assurance for NACO to extend the Innovate lease.

Davies asked whether Collins was directly involved in conversations about space planning and Russell responded that once the city confirmed a location Collins would be brought into those discussions. Brubaker asked and Russell confirmed that the space was currently furnished. Smith remarked that he had toured the space and remembered it being very nice. Smith also said it would be a good fit and that further space planning should be reserved for future discussions and perhaps a design firm.

4. Nonprofit Rate Extension

Russell explained that when the Innovate program received a 20% increase in CAM charges from NACO, the CIC had only initially passed on half of that increase – 10% – to the two nonprofit organizations at Innovate, with an agreement to delay adding the remaining half – the other 10% – until twenty-four months later. Once the second step of the increase was assessed, one nonprofit company began paying it, but the other requested an extension of the nonprofit rate (that included the initial 10% increase in CAM charges). Russell recommended that the CIC allow the extension and approve a credit for the nonprofit organization that had paid the full 20% increase.

Briscoe asked Collins whether he thought the leadership of the nonprofit that did not pay the second increase was sincere in their intentions as an organization and whether he thought that the organization truly needed the extension from a financial perspective. Collins said that he had no visibility into their financial situation, but that he did believe the organization was sincerely committed to their cause. Collins said that the owners routinely put their own money into the organization and frequently helped market Innovate events within the community.

Gallagher left the meeting at 5:22 p.m.

Brisk asked Collins if, in the case that an Innovate company regularly failed to pay their lease, he felt objective enough to post an eviction. Collins responded that with most companies being virtual, an

eviction was usually not the first step, since they could amend their lack of payment and carry on without having interrupted the physical operations at Innovate by taking up valuable space while in delinquency of payment. Brisk commented that the CIC could set aside a small percentage of the Innovate budget to be held to support nonprofits in case of payment increases. Zeigler suggested this idea be tabled for future discussion.

Smith asked Russell how she would phrase a continuation of the grace period, and Russell clarified that she was recommending approval of the nonprofit rate retroactively from July 2023 through February 2024 – or at such time as the Innovate program leaves its current space and renegotiates lease prices with its tenants. Brisk voiced her approval and asked if the CIC was prepared to vote on the matter.

Davies moved to approve the extension of the nonprofit rate retroactively from July 2023 through February 2024 – or at such time as the Innovate program leaves its current space and renegotiates lease prices with its tenants, and the subsequent crediting of the other nonprofit’s payments since July 2023; Smith seconded and the CIC voted with six yes votes to approve said extension and credit.

Albrecht left the meeting at 5:36 p.m.

OTHER BUSINESS

Zeigler noted that the meeting had extended beyond its scheduled 5:00 p.m. end time and quickly shared that the city and Breezeline, provider of fiber service to New Albany Net, agreed on contract terms. The contract was signed by Smith and returned to Breezeline and WOW! for final execution.


Zeigler proposed that the fiber-to-the-home update be postponed until the next scheduled meeting. Smith agreed and asked those still present whether a meeting on January 5 at 9:00 a.m. would fit their schedules. Those present confirmed that it would and Klosterman agreed to send notice of the meeting to those no longer present.

ADJOURNMENT

Smith moved to adjourn and was seconded by Briscoe. The motion was approved and the meeting was adjourned at 5:41 p.m.



Secretary, CIC Board of Trustees



Date