

# HUD Sustainable Communities Application Consortium

Meeting: December 14, 2010: 1:30 pm – 3:30 pm

The Offices of Eastgate Council of Governments City Centre One 100 East Federal Street, Suite 1000  
Youngstown, Ohio 44503

## Consortium Members Present

- Akron Metropolitan Area Transportation Study
  - Jason Segedy (phone)
- Stark Area Transportation Study
  - Bob Nau/Jeff Dutton (phone)
- Eastgate Coalition of Governments
  - John Getchey
  - Rachel McCartney
  - Tim Yova
- Northeast Ohio Areawide Coordinating Agency
  - Howard Maier (phone)
  - Sara Maier (phone)
- Cuyahoga County
  - Paul Alsesnas
- Lorain County
  - Mike Challender (phone)
- Mahoning County
  - John McNally
- Stark County
  - Bob Nau (phone)
- Summit County
  - Elizabeth Mayer (phone)
- Trumbull County
  - Bill Miller
- City of Akron
  - Mark Moore
- City of Cleveland
  - Bob Brown (phone)
- City of Warren
  - Mike Keys
- City of Youngstown
  - Bill D'Avignon
- Cleveland Metropolitan Housing Authority
  - Donovan Duncan (phone)
- Akron Metropolitan Housing Authority
  - Pam Hawkins
- Cleveland State University
  - Stuart Mendel
  - Kirby Date (phone)
- The Fund For Our Economic Future
  - Brad Whitehead
  - Bethia Burke
  - Bob Jacquay (phone)
  - John Mitterholzer (phone)
- Mayors and Managers Association - The Regional Prosperity Initiative
  - Mike Lyons
  - Bill Curren

## Consortium Members Not Present

- City of Canton
  - Warren Price
- Stark Metropolitan Housing Authority
  - Mike Williams

## Non-Consortium Members Present

- enlight
  - Amy Fulford
  - Amy Kulisheck
  - Lisa Zembrodt
- HUD
  - Lucy Miller
- Mahoning River Corridor Initiative
  - Dan Mamula
- Hunter Morrison
- Raymond John Wean Foundation
  - Joel Ratner

Quorum Present? Yes

## SUMMARY OF ACTIONS TAKEN

(Copies of the supporting information and documentation presented to the Board are filed as a part of and incorporated within these minutes)

- The Consortium **Approved** the Governing Norms: Exhibit A Slide 4
  - Stuart Mendel Moved
  - Mike Keys Seconded
- The Consortium **Approved** the Articles of Incorporation, with changes: Exhibit A slide 5, Exhibit B
  - Mike Keys Moved
  - John Getchey Seconded
  - Changes include
    - NOACA is the office of enterprise
    - Three individuals will be listed as the initial directors rather than the full consortium
      - Brad Whitehead, The Fund For Our Economic Future
      - Michael Lyons, Mayors and Managers Association - The Regional Prosperity Initiative
      - Howard Maier, NOACA
    - Any spelling or address changes required will be incorporated into document
- Regarding Target Board Composition & Representation: Exhibit A slide 10
  - The Consortium **Approved** inviting Lorain, Elyria, and the six counties in the region not already represented in the original Application Consortium group.
    - Bill D'Avignon Moved
    - Bill Currin Seconded
  - The Consortium **Approved** inviting NEFCO
    - Bill Miller Moved
    - Jason Segedy Seconded
- Regarding Target Board Composition & Representation: Exhibit A slide 12
  - The Consortium **Approved** the proposed additional Executive Committee members as the four (4) MPOs, The Fund for Our Economic Future, and four (4) at-large; of these, Officers would be nominated.
    - Mike Keys Moved
    - Bob Brown Seconded
- The Consortium **Approved** the Budget Revisions: Exhibit A slide 15
  - Mike Keys Moved
  - Paul Alsenas Seconded

## PROCEEDINGS

The following highlights key discussion topics.

There was general agreement to the Ground Rules that decisions today are determined by a simple majority vote of the application consortium members present.

There was general agreement to the Governing Norms:

- Be transparent
- Be present
- Try in good faith to reach agreement
- Commit to stay at the table

### Articles of Incorporation

Bob Jacquay introduced the Articles of Incorporation via phone. The Articles are attached to these minutes as Exhibit B. He explained the purpose of the Articles and the difference between these and the Code of Regulations which will provide all the details regarding how the organization will govern itself. Bob highlighted that these Articles were drafted to be as standard as possible in order to provide the most flexibility when defining the Code of Regulations. Prior to submitting the Articles to the State, they will need to be revised into a preferred format supplied by the state.

Bob asked the consortium members to confirm the details in the Articles were accurate and reviewed the aspects of the articles the group should consider.

- It was suggested that the official name of the organization should be changed to “The Northeast Ohio Sustainable Community Consortium”.
- The group determined that, as the fiscal agent, NOACA’s mailing address is a logical choice.
- It was suggested a description of the charitable activities might need to be included, anticipating the state will want more detail. Bob indicated that if those details are required, adding the detail later would not be difficult.
- Names and organizations should be removed from the articles other than three individuals. The individuals/organizations selected were those with authority to sign on behalf of the organizations.
  - Brad Whitehead, The Fund for Our Economic Future
  - Michael Lyons, The Mayors and Managers Association – The Regional Prosperity Initiative
  - Howard Maier, NOACA

### Board & Executive Committee

- The group agreed that new members should be expected to provide cash or in-kind investment to the effort in order to have a seat on the board.
- A sponsorship-type model is an option for communities that struggle to meet the minimum requirement.
- This topic will be re-analyzed to determine whether or not the leveraged contribution could be reduced based on both new members and the adjusted size of the grant.
- The group determined that alternatives should be reviewed and shared with HUD to ensure we stay in compliance.
- John Getchey highlighted that the MPOs are receiving pressure from DOT regarding the documentation of their leveraged funds.

There was agreement that invitations should be extended to the remaining 6 counties, the cities of Lorain and Elyria, and NEFCO. It was generally agreed that invitations would be revisited at a later date.

Also to be revisited at a later date is the Board Chair; a search committee consisting of Dan Mamula, Bill Currin, John Mitterholzer, and Brad Whitehead will analyze the necessary traits, whether they be a known face and name in the community (including Columbus and D.C.), or someone from within the original consortium, and report back to the group. There was general agreement the Board Chair should be part of the original consortium. It was suggested that the Board term be 6 months to one year. A Board Chair search committee should be formed to vet alternatives and present to the Board.

Brad Whitehead reviewed the Executive Committee Target Composition suggestions.

- Proposed the committee consist of the four MPOs, four at-large groups, and the FFEF.
- It was suggested that NOACA should hold the office of Treasurer given their role as the financial partner with HUD; there was general agreement with the suggestion.
- Nominations for the at-large were requested. They will be sent to Bethia Burke at the Fund for Our Economic Future.

#### Program Director Update

- A selection committee is needed. NOACA will post the job description on their website and send the link so others can repost on their organizations' websites.
- Brad Whitehead volunteered, Stuart Mendel also volunteered.

#### Budget Revisions

- HUD required only high level revisions, as presented; Lucy Miller from HUD agreed via telephone.
- Amy Kulisheck and Amy Fulford, enlight, explained that the budget was reduced by 1/3 in the final year as it is expected that consultants may not be needed at that stage.
- Amy Fulford also mentioned that there will be two years to recognize shortages and fundraise to meet them, if necessary, for the third year.

#### Logistics Update

- Bethia Burke asked for recommendations and mentioned that a group will visit potential sites:
  - UA
  - First Energy

#### Next Steps

The next meeting will be held on January 19, 2011 at 1pm. Location to be determined.

Attachment of Exhibits includes:

- Exhibit A: December 14, 2010 Meeting Presentation
- Exhibit B: Draft Articles of Incorporation

# HUD Sustainable Communities Application Consortium Meeting

December 14<sup>th</sup>, 2010

1:30-3:30 PM

# Agenda & Objectives

Time	Agenda Item
1:30-1:45	Welcome, Introduction & Getting Organized
1:45-1:55	Articles of Incorporation
1:55-2:30	Board of Directors Executive Committee
2:30-2:40	Program Director Search
2:40-2:55	Proposed Budget Adjustments
2:55-3:10	Code of Regulations
3:10-3:20	Logistics Update
3:20-3:30	Next Steps

## Meeting Objectives

- Approve Articles of Incorporation & Code of Regulations
- Discuss & establish a governing structure
- Program director search communication & process
- Report out/input on task forces

# Getting Organized: Ground Rules

- Propose: decisions today are determined by a simple majority vote of the application consortium members present; however, we will strive for consensus
- Possible Alternatives:
  - super majority
  - unanimous approval
  - other

For discussion

# Getting Organized: Governing Norms

- Discussion: should we define governing norms?
- Proposed governing norms
  - Be transparent
  - Be present
  - Try in good faith to reach agreement
  - Commit to stay at the table
  - Others?

For discussion



Vote: Adopt governing norms

# Articles of Incorporation

- Objective:
  - Establish organization so operations can begin and provide a foundation for application for non-profit status
- Includes:
  - High-level objective of organization
  - Interim list of directors



Vote: Approve draft Articles of Incorporation

# Overview Board of Directors vs. Executive Committee Responsibilities

## Board of Directors

- Governance and Membership Decisions
- Approve Formal Recommendations for Plan
- Establish priorities and boundaries for the Program
- Act as champions for the Planning Program across the region, encouraging engagement and promoting buy-in

## Executive Committee

- Principle Governing Authority
- Oversee the activities of the Planning Program
- Review Work Stream work and develop recommendations for Board
- Act as champions for the Planning Program across the region, encouraging engagement and promoting buy-in
- Act as official liaisons to one more Program Work Streams

**For discussion**

# Board of Directors: Roles & Responsibilities

- Proposed Responsibilities for the Board of Directors:
  - Governance Decisions
    - Elect Executive Committee
    - Elect Board Officers
    - Approve Code of Regulations
    - Define & Oversee Board Membership
  - Approve Formal Recommendations for Plan
  - Establish strategic priorities and boundaries for the Program
  - Act as champions for the Planning Program across the region, encouraging engagement and promoting buy-in

For discussion



Vote: Approve Board of Directors Responsibilities

# Board of Directors: Principles

- Proposed principles:
  - We should selectively add to the board to promote to include
    - Groups that were not included originally because of time constraints
    - Vital leadership constituencies
  - While we actively seek diversity, we will use engagement to ensure broad representation has a voice
  - All board members will commit resources equivalent to a minimum of \$23,000/year
  - Each member organization meeting minimum resource commitment will have one vote, regardless of level of additional resources committed

For discussion



Vote: Approve Board Principles

- Membership on the board is ***one way*** but by far ***not the only way*** to drive and contribute to the direction of and the plans made under this program.

# Target Board Composition & Representation

- In addition to the application consortium, who should be invited to board membership?
- Possible invitees:
  - Board Chair (if not already a member of consortium)
  - Remaining Northeast Ohio counties
  - Lorain & Elyria
  - NEFCO
  - Metro Chambers
  - Universities
  - Community groups
  - Transportation Authorities
  - Others

For discussion

# Executive Committee Roles and Responsibilities

- Proposed Responsibilities for the Executive Committee
  - Hold Principle Governing authority and oversee the day-to-day decisions
  - Oversee the activities of the Planning Program
    - Hire and oversee the Program Director
    - Approve hiring of staff & consultants
    - Monitor fiscal responsibility for Program Office
  - Review of work stream work & develop recommendations for Board
  - Act as champions for the Planning Program across the region, encouraging engagement and promoting buy-in
  - Members will commit to acting as an official liaison to one ore more Program Work Streams:
    - Land Use
    - Transportation
    - Housing
    - Economic Development
    - Community Design
    - Civic Engagement
    - Research
    - Other?

For discussion



Vote: Approve Executive Committee Responsibilities

# Target Executive Committee Composition

- Proposed Officer Positions:
  - Chair/President
  - Treasurer
  - (appointed Secretary)
- Proposed Additional Executive Committee Members:
  - 4 MPOs
  - The Fund For Our Economic Future
  - At large
    - Proposed: one per each of four geographic areas
  - Other?
- Nomination process:
  - Executive committee nominations submitted by December 30<sup>th</sup>
  - Executive committee selected at next board meeting (in January)
- **Decision for Today:**  
Search committee for Board Chair

For discussion



Vote: Approve Executive Committee Composition

# Program Director - update

## Status

- 5 resumes submitted for consideration during w/e 10 December
- Organization must be incorporated before Program Director can be hired
- Propose selection by 1 February 2011

## Communication

- Please be sure to **communicate opportunity to your networks**
- NOACA to host public posting of opportunity
  - Posting to be live this week
  - Request re-post on relevant websites (e.g., MPOs, greencitybluelake)

# Program Director Interview & Selection Committee

- Recommend 5-person selection committee consisting of one representative from each geography, and FFEF
- Each member of the selection committee must be able to commit to the interview process, expected to require ~40 hours (non-continuous) in January

For discussion

# Budget Revisions

Budget Item	Submitted	Revised	Notes
Personnel	\$ 969,760	\$ 969,760	No Change
Office	\$ 221,840	\$ 48,340	Assumes donated rent, use of copier, and furniture (IT services was never in budget)
Meetings	\$ 44,400	\$ 31,800	Assumes ability to leverage Partners' Web conferencing capabilities
Conferences	\$ 12,000	\$ 12,000	No Change
Consultants / Partners	\$ 3,602,000	\$3,024,667	Reduces Work stream and Research budgets by 1/3 assuming higher level of Partner capacity
Fiscal Agency Fee	\$ 150,000	\$ 150,000	No Change
<b>Total</b>	<b>\$5,000,000</b>	<b>\$4,236,567</b>	



**Vote: Approve Initial Budget Revisions\***

\* Will have opportunity to further refine/adjust budget and scope

# Code of Regulations

Key issues will be outlined in Code of Regulations

- Quorum required for actions to be taken at meetings
  - Members Present? / 51% of members? / 66% of members?
- Officer Positions
  - Chair/President; Treasurer; Secretary
- Standing Committees
  - Executive
  - Governance
  - Finance
- Advance Notice Required for meetings:
  - Written notice 1 week prior
- Minimum number of meetings per year
  - Proposed: 4x per year

For discussion

# Logistics Update

- Office Location
  - Outreach has begun
  - Initial site visits are being scheduled
  - Identifying alternatives for donated space
- Services
  - Collecting information for payroll and health benefits
  - Will vendor relationships will be established once organization is incorporated
- Next Steps
  - Complete Site Visits
  - Develop recommendation to Executive Committee
  - Work with Budget/Scope Committee as needed

# Next Steps

- Proposed Next Meeting: 2<sup>nd</sup> week in January
- Homework Assignments:
  - Send nominations to Bethia Burke no later than January 4, 2011 ([bburke@futurefundneo.org](mailto:bburke@futurefundneo.org))
    - Board Officers
    - “At Large” members of the Executive Committee
    - Board Chair Recommendations
  - Work Networks to Identify Program Director Applicants
    - Target Close date for Position: January 15, 2011
  - Provide Feedback on Governance and Logistics Issues As Information is Disseminated

**ARTICLES OF  
INCORPORATION  
OF THE**

**SUSTAINABLE PLAN FOR  
NORTHEAST OHIO,  
INCORPORATED**

The undersigned, a majority of whom are citizens of the United States and Northeast Ohio, desiring to form a corporation, not for profit, under Ohio Revised Code Section 1702, do hereby certify:

First. The name of the corporation shall be **The Northeast Ohio Sustainable Community Consortium.**

Second. The place in this state where the principal office of the corporation is to be located is **1299 Superior Avenue, Cleveland, Ohio 44114.**

Third. The corporation is organized exclusively for charitable, educational, and scientific purposes under Section 501(c)(3) of the Internal Revenue Code (or the corresponding provision of any future United States Internal Revenue Law).

Fourth. In furtherance of the foregoing purposes, the corporation shall have the authority to do all things and to exercise all the rights, powers and privileges permitted charitable corporations formed under Sections 1702.01 to 1702.58, inclusive, of the Ohio Revised Code including, but without limiting the generality of the foregoing, the authority to purchase or otherwise acquire, by gift, devise, or bequest, lease as lessee, invest in, hold, use, lease as lessor, encumber, sell, exchange, transfer, and dispose of any property of any description or any interest in property of any description.

Fifth. (a) No part of the funds, income, or net earnings of the corporation shall inure to the benefit of or be distributed to any member, director, officer, or any other private individual, group or organization, or be devoted to any purpose other than those specified in the Third Article hereof, excepting, however, payment of reasonable compensation for services rendered, authorized expenses incurred by a member, director, officer, employee or agent in carrying out his or her duties on behalf of the corporation, and, expenses, including attorneys' fees, against which a director, officer, employee, agent, or volunteer is indemnified by the corporation.

(b) No substantial part of the activities of the Corporation shall consist of carrying on propaganda or otherwise attempting to influence legislation; and the Corporation shall not participate or intervene in any political campaign (including the publishing or distributing statements) on behalf of or in opposition to any candidate for public office.

(c) The Corporation shall not discriminate against any person by refusing its services to such person on the grounds of race, color, sex, age, religion, national origin or disability.

(d) Notwithstanding any provision of these Articles, the corporation shall not carry on any activity not permitted to be carried on (i) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law), or (ii) by a corporation, contributions to which are deductible under Sections 170(c)(2), 2055 and 2522 of the Internal Revenue Code of 1986 (or the corresponding provision of any

future United States Internal Revenue Law). These Articles shall be construed, and all authority and activities of the Corporation shall be limited, accordingly.

(e) Upon dissolution of the corporation, the Board of Directors shall, after paying or making provision for the payment of all liabilities of the corporation, distribute all of the assets of the corporation to one or more organizations which are organized and operated exclusively for charitable and educational purposes and which qualify for exemption under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States Internal Revenue Law), as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by the Court of Common Pleas of the County in which the principal office of the corporation is then located, to such organization or organizations organized and operated exclusively for charitable and educational purposes as said Court shall determine. In any event, the corporation's assets shall be distributed only to an organization or organizations organized and

operated for non-profit purposes similar to those of the corporation.

Sixth. The following are the names and addresses of the individuals who are to serve as initial Directors.

Howard Maier  
Northeast Ohio Areawide Coordinating  
Agency  
1299 Superior Avenue  
Cleveland, Ohio 44114

Michael Lyons  
Northeast Ohio Mayors & City Managers  
Association - The Regional Prosperity  
Initiative  
P.O. Box 387  
4410 West Streetsboro Road  
Richfield, Ohio 44286

Bradley Whitehead  
Fund for Our Economic Future  
1360 East Ninth Street – Suite 210  
Cleveland, Ohio 44114

Seventh. These Articles of Incorporation may be amended by a majority of the Directors present at a meeting at which there is a quorum in attendance, provided notice of the meeting and the proposed changes in these Articles of Incorporation have been given to all Directors no fewer than ten days before such a meeting.

In witness whereof, we have hereunto subscribed our names, this 3<sup>rd</sup> day of January, 2010.

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XXXXXX, Authorized Representative

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XXXXXX, Authorized Representative

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XXXXXX, Authorized Representative