



## Transportation Infrastructure Investment Fund Council

### Meeting Minutes

November 16, 2023

1:00 p.m.

(Virtual via Zoom and In-Person (Delaware Room, DelDOT Admin. Bldg.)

#### Members Present:

Mr. Joe Westcott (CHAIR)  
Dr. Martin Nunlee  
Representative Bill Bush  
Senator Jack Walsh  
Ms. Cornelia Johnson  
Mr. Bill Strickland  
Ms. Mona Parikh

#### Guests:

Pamela Steinebach	Delaware Department of Transportation
Susanne Laws	Delaware Department of Transportation
Todd Reavis	Delaware Department of Transportation
Liddy Campbell	Delaware Department of Transportation
Tami Venn	Delaware Department of Transportation
George Lees	Delaware Department of Transportation
Meghan Niddrie	Delaware State Highway Safety
Andrew Harton	Delaware Division of Small Business
Kristina Robinson	Delaware Division of Small Business
Don Schoenl	Agile Cold Storage
Cathy Basenese	Sussex County Habitat for Humanity
Kim Morton	Sussex County Habitat for Humanity
Kevin Gilmore	Sussex County Habitat for Humanity
Katie Millard	Sussex County Habitat for Humanity
Mark Davidson	Pennoni Associates
Kenneth Usab	Morris & Ritchie Associates
Steven Leonard	TidalHealth Peninsula Regional, Inc.
Angel Aguilar	TidalHealth Peninsula Regional, Inc.
Mike Riemann	Becker Morgan
Rob Herrera	Seaford Innovation
David Rinnier	Seaford Commercial 28 LLC
Steve Weathers	Seaford Commercial 28 LLC
Marc Coté	Rossi Group
Dr. Margareth Legaspi	M&E Properties, LLC
Alan Decktor	Pennoni Associates
Angelique R	



**Agenda Item # 1:** Welcome and Introductions

**Discussion:** Quorum was confirmed.

Ms. Steinebach announced that representatives of the applicants were present at the meeting to answer any questions regarding the current applications.

**Agenda Item # 2: Approval of the July 26, 2023, Meeting Minutes**

**Discussion:** Mr. Westcott acknowledged that the meeting materials were sent out last week for the Council's review. A motion to approve the July 26, 2023, meeting minutes was made by Rep. Bill Bush. The motion was seconded by Mr. William Strickland. **Approved by the Council.**

**Agenda Item # 3: Summary of TIIF Program Improvements (As Necessary)**

**Discussion:** No Discussion.

**Agenda Item # 4: Status of Previous Approvals**

**Discussion:** Ms. Steinebach reviewed the status of current Grantee projects. She stated the total amount awarded to date is \$37,551,646.57, total jobs created is 13,033 and current amount available for awards \$16,468,353.43.

**Agenda Item #5: Vote on Requests for Reassignments, Extensions and Progress Payments**

**TidalHealth Peninsula Regional, Inc.:** Ms. Steinebach provided award information on Round One Grantee, TidalHealth Peninsula Regional, Inc., who is requesting a grant term extension of two years to expire October 2025. Ms. Steinebach mentioned that representatives of the Grantee are present at the meeting should anyone have any questions.

Dr. Nunlee asked if work had begun on the project. Mr. Kenneth Usab from Morris & Ritchie Associates stated that construction has not begun yet, but preliminary design and environmental studies have been completed and a development agreement has been signed between the Town of Millsboro and TidalHealth.

Mr. Westcott asked if the construction would be completed by October 2025. Mr. Usab responded yes.

Sen. Walsh asked the total budget price for the project. Mr. Steven Leonard responded the project amount is between \$60-80 million dollars for the 1<sup>st</sup> building. Sen. Walsh asked whether



the requested TIIF amount covers 100% of the TIIF scope of work. Mr. Usab stated that 75% of the TIIF scope will be covered by TIIF. Sen. Walsh asked if the applicant was contemplating any market pressure increase. Mr. Steven Leonard from TidalHeath Peninsula Regional replied there are none anticipated.

Mr. Westcott asked the Council if there were any further questions, and since no further questions were asked, Mr. Westcott asked for a motion to approve the request for a 2-year grant term extension. A motion to approve was made by Mr. William Strickland and the motion was seconded by Senator Jack Walsh. **Approved by the Council unanimously.**

**M&E Properties, LLC:** Ms. Steinebach provided award information on Round Two Grantee, M&E Properties, LLC, who is requesting a grant term extension of two years to expire February 2026. Ms. Steinebach mentioned that the Grantee was present online should anyone have any questions.

Dr. Nunlee asked if work had begun on the project. Dr. Margareth Legaspi with M&E Properties, LLC stated that work has been ongoing over the past 2 years, have obtained permits from DelDOT and site plan approval has also been obtained. Dr. Legaspi stated if the two-year extension is approved, they will be able to obtain the DelDOT permit acquisition for Phase 1, and ultimately will help create more jobs in Delaware.

Mr. Westcott asked the Council if there were any further questions, and since no further questions were asked, Mr. Westcott asked for a motion to approve the grant term 2-year extension. A motion to approve was made by Dr. Nunlee and the motion was seconded by Rep. Bush. **Approved by the Council unanimously.**

**Lakeshore Motors Company, Inc.:** Ms. Steinebach updated the Council on the intent of Round One Grantee, Lakeshore Motors Company, Inc. to withdraw from their grant agreement due to the stated reasons in their October 6, 2023, letter to the Council. The awarded amount will be returned to the TIIF fund to be available for award to future applicants.

**Agenda Item #6: Review of Received TIIF Grant Applications**

**Agile Cold Claymont LLC:** Ms. Steinebach provided a review of the project, which includes two cold storage buildings that will provide storage and distribution of goods. Ms. Steinebach also provided highlights of the TIIF Scope of Work, which includes entrances, turn lanes, signal reconstruction, and pedestrian facilities including a bus stop. Mr. Andrew Harton with the Delaware Division of Small Business (DSB) provided an overview of the financial stability of the proposed project, stating that the financials of the parent company were reviewed. He stated the company is in good standing, had no labor law violations, no compliance issues, proposes to create 130 new jobs, with an average annual salary of \$57,000.00 and the project will generate \$1,112,543.19 in annual taxes. Ms. Steinebach stated the Applicant has requested \$2,342,581.00. Ms. Steinebach stated the Applicant requested Confidentiality of Financials.



Mr. Westcott asked if the jobs will be direct employees of Agile Cold Claymont LLC employees of the organization who leases this space. Mr. Don Schoenl with Agile Cold Claymont LLC stated that employees will be direct employees of Agile. Mr. Westcott asked if site construction has been completed. Mr. Schoenl stated site work has been completed and permits are currently being obtained.

Dr. Nunlee asked about project impacts on traffic congestion in the area. Ms. Steinebach stated that anytime a contractor is asking for access to a state-maintained roadway, they are required to conduct a traffic analysis per DelDOT's development regulation and for this project, the analysis has been completed.

Sen. Walsh asked when construction will begin on this project. Mr. Schoenl stated construction is to begin as soon as possible with projected opening September 2024. Sen. Walsh asked if the project was fully bid out, Mr. Schoenl confirmed it is. Sen. Walsh asked whether hauling will be from Port of Wilmington as well as from Packer Marine Terminal. Mr. Schoenl stated Agile is currently in discussions with Port of Wilmington.

Mr. Westcott asked for a motion to vote on the application for \$2,342,581.00. A motion was made by Ms. Parikh and seconded by Dr. Nunlee. **Approved by the Council unanimously.**

**Seaford Commercial 28 LLC:** Ms. Steinebach provided a review of the project, which includes redevelopment of the former Nylon Capital Shopping Center, to create a workforce training and opportunity hub. Ms. Steinebach also provided highlights of the TIIF Scope of Work includes, mill & overlay of all site frontage roads, utility relocations, updated striping, signage and pedestrian facilities. Mr. Rob Herrera with Seaford Commercial 28 LLC stated that an ARPA grant of \$20 million dollars was awarded for this project. Ms. Steinebach stated the Applicant has requested \$4,695,879.00, and that because DelDOT is expediting review of the project, utility relocation contingencies were recommended, however TIIF only reimburses actual costs not to exceed the grant amount. Mr. Harton provided an overview of the financial stability of the proposed project, stating that since the applicant formed in 2022 and with no parent company, the financials of the owners were reviewed. He stated the company is in good standing, had no labor law violations, proposes to create 115 new jobs, with an average annual salary range between \$35,000- \$200,000.00, and will generate \$1,172,202.00 in annual taxes, however a Division of Revenue compliance check is still pending. Ms. Steinebach stated the Applicant requested Confidentiality of Financials.

Dr. Nunlee asked if there was any attempt to ascertain the economic effect beyond the employees. Mr. Herrera with Seaford Commercial 28 LLC stated that workforce development studies were conducted and most of the studies pertained to healthcare workforce training. Mr. Herrera also stated that workforce development studies conducted also included the impacts of western Sussex County. Mr. Herrera stated he will provide economic impact information from the ARPA application as a follow-up to this meeting.



Mr. Westcott asked the question when construction will begin. Mr. Herrera summarized the status of the various construction phases of the project, with demolition slated to take place in early 2024, construction to begin in March/April 2024, and completion of the entire project by mid-2025.

Mr. Westcott asked for a motion to vote on the application for \$4,695,879.00. A motion was made by Ms. Mona Parikh and seconded by Mr. Strickland. **Approved by the Council unanimously.**

**Sussex County Habitat for Humanity, Inc.:** Ms. Steinebach provided a review of the project, which includes expansion of the existing ReStore facility to increase donated product and sales to offset costs, creating more affordable homeownership and cost-saving services for local low-income residents. Ms. Steinebach also provided highlights on the TIIF Scope of Work which includes road widening and restriping protected turn lanes and utility relocation. Ms. Steinebach stated the Applicant has requested \$1,969,000.00. Mr. Harton provided an overview of the financial stability of the proposed project, stating the company provided three years of audited financials. The company is in good standing, had no labor law violations, confirmed 501c3 status, proposes to create 17 new jobs, with \$41,706.00 average annual salary, and the project will generate \$36,594.93 in annual taxes due to its exemption from paying gross receipts tax. Ms. Steinebach stated the Applicant requested Confidentiality of Financials.

Rep. Bush asked whether a non-profit organization is eligible for TIIF. Mr. Lees stated that non-profits legally are allowed to apply under the current TIIF code.

Mr. Westcott asked when construction will begin. Mr. Mark Davidson with Pennoni Associates summarized the status of the various phases of the project, with construction due to begin end of 2024 or early 2025.

Mr. Westcott asked for a motion to vote on the application for \$1,969,000.00. A motion was made by Ms. Parikh and seconded by Dr. Nunlee. **Approved by the Council unanimously.**

#### **Agenda Item # 7: Executive Session to Discuss Applications**

**Discussion:** Mr. Westcott asked the Council members if there was a need for an executive session and there were no comments made by the Council.

#### **Agenda Item # 8: Future Meetings**

**Discussion:** Ms. Steinebach stated that the next deadline for TIIF application submissions is Monday, January 22, 2024. The next Council meeting is scheduled for Thursday, April 2, 2024.



**Agenda Item # 9: Public Comment**

**Discussion:** No public comment was offered.

**Adjournment**

A motion to adjourn the meeting was made by Ms. Johnson. The motion was seconded by Sen. Walsh. The meeting was adjourned at 2:20 p.m.

*Minutes Prepared by: Liddy Campbell, DelDOT Planning*

*Minutes Reviewed by: Susanne Laws, P.E., DelDOT Planning*