

RESOLUTION NO. R-12-23

**A RESOLUTION IN SUPPORT OF AND AUTHORIZING THE MAYOR
TO SUBMIT A MARKET DEVELOPMENT GRANT APPLICATION
THROUGH THE OHIO ENVIRONMENT PROTECTION AGENCY
TO ENABLE CANVUS, LLC TO OBTAIN FUNDING FOR THE
PURCHASE OF RECYCLING EQUIPMENT FOR THEIR
START-UP FACILITY AT 1350 MOORE ROAD
AND DECLARING AN EMERGENCY**

WHEREAS, Canvus, Inc. is an Ohio Corporation currently located at 18500 Lake Road, Rocky River, Ohio 44116 (hereinafter referred to as “Canvus”); and

WHEREAS, the wind industry has struggled with recycling retired turbine blades due to their massive size and durable fiberglass material; and

WHEREAS, Canvus seeks to operate a recycling/repurposing business at 1350 Moore Road, Avon, Ohio and thereby implement their process for converting retired wind turbine blades into reusable products (for more information on the company, see the Market Development Grant Application attached hereto as Exhibit A); and

WHEREAS, the company plans to employ at least 75 workers in Avon in this business operation by the third (3rd) quarter of 2023; and

WHEREAS, Canvus has identified specific recycling equipment that will enable it to more efficiently recycle and repurpose these fiberglass wind turbine blades; and

WHEREAS, the State of Ohio, through the Ohio Environmental Protection Agency (“OEPA”), provides financial assistance to recycling companies for the purpose of establishing and/or expanding their operations by the purchase of machinery and equipment through the State of Ohio Market Development Grant under the Recycling and Litter Prevention Program; and

WHEREAS, the City Administration desires to support Canvus and its business of recycling/repurposing these unusable fiberglass blades by applying for the Market Development Grant on behalf of Canvus and seeks Council’s authorization to apply for said Grant and thereby increase recycling in the community; and

WHEREAS, Council finds and determines that it would be in the best interests of the health, safety and welfare of the citizens of the City of Avon for the Administration to assist Canvus in applying for a grant on their behalf seeking to obtain financial assistance from the OEPA for the purpose of acquiring necessary recycling machinery and equipment to efficiently operate their recycling business.

NOW, THEREFORE, BE IT RESOLVED BY THE COUCNIL OF THE CITY OF AVON, COUNTY OF LORAIN AND STATE OF OHIO:

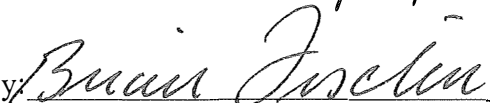
Section 1 - That the Mayor for the City of Avon be, and he is hereby authorized and directed, to execute and file an application with the Ohio Environmental Protection Agency for the next round of grant funding associated with the Market Development Grant Program and to provide all information and documentation required to assist Canvas, LLC in becoming eligible for funding for their recycling equipment to be located at 1350 Moore Road, Avon, Ohio. A copy of said grant application is attached hereto as Exhibit A and incorporated herein by this reference.

Section 2 - The City of Avon agrees to obligate the funds required to satisfactorily complete the proposed project and become eligible for reimbursement under the terms of the (OEP A) Grant Program.

Section 3 - That it is found and determined that all formal actions of the Council of the City of Avon concerning and relating to the adoption of this Resolution were taken in an open meeting of the Council of the City of Avon and that all deliberations of this City's Council and any of its committees that resulted in those formal actions were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

Section 4 - That this Resolution is hereby declared to be an emergency measure immediately necessary for the preservation of the public health, safety and welfare of the citizens of the City of Avon, the immediate emergency being the necessity to support an application to the State of Ohio's Market Development Grant Program prior to its predetermined deadlines; therefore, this Resolution shall be in full force and effect upon its passage and approval by the Mayor.

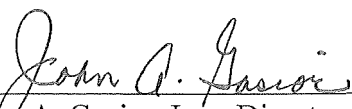
PASSED: February 13, 2023 DATE SIGNED: February 13, 2023

B 
Brian Fischer, Council President

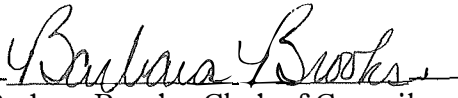
DATE APPROVED BY THE MAYOR: February 14, 2023


B Ryan Jensen, Mayor

APPROVED AS TO FORM:


John A. Gasior, Law Director

ATTEST:



Barbara Brooks, Clerk of Council

Posted: February 15, 2023
Electronically and at City Hall
As provided by Council

Prepared By:
John A. Gasior, Esq.
Law Director

I, Barbara J. Brooks, Clerk of the Council of the City of Avon, Ohio, hereby certify this document to be a true and exact copy of Resolution No. R-12-23, passed by the Council of said City on February 13, 2023.

IN WITNESS WHEREOF, I have on this 14th day of February, 2023, affixed my signature and official seal.


Barbara J. Brooks, Clerk of the Council
of the City of Avon, Ohio



**Division of Environmental and Financial Assistance
 Recycling and Litter Prevention Program
 Market Development Grant Application 2022**

Although your government sponsor (the grantee) is required to fill out your online grant proposal, as the business (cooperating enterprise), you will provide most of the required answers to the narrative questions, project background information and required attachments. This template can be filled out and provided to your government sponsor to make the application process easier.

If awarded funding, 100 percent of the grant payment shall be held by Ohio EPA and not forwarded to the government sponsor (grantee) until all expenditures have been completed, the appropriate invoices and proof of payment are documented, and an Ohio EPA final compliance check is completed. Once the government sponsor (grantee) receives the payment, the grantee shall forward the payment in full to the business (cooperating enterprise). If awarded funding, you have 24 months to complete the project.

1. Select a project category from the drop-down menu. Please see the infographic below for options.

| ID: Project Category | Max Grant (\$) | Min Match (%) | Example Description |
|---|----------------|---------------|--|
| 3: Material Recovery Facility | \$200,000.00 | 100 | Equipment for new or expansion of privately owned or operated MRF (conveyors, balers, screening systems, optical sorters, air systems, skid steer, front loader). |
| 4: C&DD Collection and Processing Equipment | \$200,000.00 | 100 | Equipment for collecting and processing construction and demolition debris (conveyors, magnetic units, balers, material grinders, skid steers, front loader). |
| 10: Recycling Equipment | \$200,000.00 | 100 | Equipment for collecting and processing of recyclable material (e.g. cardboard, glass, plastic, organics, etc.). Equipment for bagging units, balers, containers, conveyors, grinding units, in-vessel composting units, optical sorters, plastic excursion systems, printing and production materials, pulping units, screening equipment, signage, trucks, drying units. |

Recycling Equipment

2. Do you have an open Recycle Ohio Grant? (An open grant is a grant within an active grant cycle, without a finalized Close Out report.

No

3. Funding Request

Provide the funding request amount: \$200,000

Does the applicant certify that the applicant has the total required match funds available for the application?

Yes

Budget Table

Please complete the budget table below. For each line item choose a category. The category of "Other" is not recommended. Then, in the description box explain what will be purchased using grant dollar or match dollars. Click here for more information on [eligible expenditures](#).

You may include additional match funds; however, additional match funds do not increase the likelihood of a grant award.

| Category | Description | Grant Dollars | Match Dollars | Line Item Total |
|-----------------|-------------|---------------|---------------|-----------------|
| Equipment | | | | |
| Choose an item. | | | | |
| Choose an item. | | | | |
| Choose an item. | | | | |
| Choose an item. | | | | |
| Choose an item. | | | | |
| Choose an item. | | | | |

4. Applicant Organization (this is your government sponsor)

Applicant Organization City of Avon Tax ID Click or tap here to enter text.
 Address 36080 Chester Rd
 City Avon State OH Zip Code 44011

5. Authorizing Official (this is your government sponsor and authorized person to sign grant agreements)

Salutation Ms.
 First Name Pam Last Name Fechter
 Title Economic Development Director
 Organization City of Avon
 Phone Number +1 (440) 937-7826 Email pflechter@cityofavon.com
 Address 36080 Chester Rd
 City Avon State OH Zip Code 44011
 Country USA

6. Cooperating Enterprise (this is the business requesting to implement a project with Ohio EPA grant funds)

Salutation Mr.
First Name Brian Last Name Donahue
Title Vice President – Corporate Affairs
Organization Canvus, Inc.
Phone Number (216) 770-7313 Website www.gocanvus.com
Email bdonahue@gocanvus.com
Address 18500 Lake Rd
City Rocky River State OH Zip Code 44116
Country USA

7. Project Contact (this is your point of contact for the grant. This individual will be contacted for questions and grant documentation. The project contact is your government sponsor).

Salutation Ms.
First Name Pam Last Name Fechter
Title Economic Development Director
Organization City of Avon
Phone Number +1 (440) 937-7826 Email pflechter@cityofavon.com
Address 36080 Chester Rd
City Avon State OH Zip Code 44011
Country USA

8. Targeted Material List and Sources

What are the targeted materials for your project (For example: crushed glass and mixed paper)? Please remember to include details about your Targeted Materials, Sources and Markets when answering the *Collection, Processing and Diversion Rate* question in the Project Details Section. Please provide the name of the region and/or areas of your identified target material sources. What are the organization(s) where the targeted material is coming from? Targeted materials can include feedstock or raw materials for a manufacturing process.

| Targeted Material | | | | |
|-------------------|--|--|--|--|
| Organization | | | | |
| City | | | | |
| State | | | | |

9. Targeted Material Details

What are the targeted material details for your project?

The primary market is where you will send the targeted materials after you have completed your activities with them.

| | |
|---|--|
| Targeted Material | |
| Enter the estimated diverted/collected quantity in tons | |
| What percentage of the recycled targeted material is generated in Ohio? | |
| Material Specifications (Example: plastics #1, #2) | |
| Name of Primary Market | |
| Primary Market City | |
| Primary Market State | |
| Primary Market Country | |

| | |
|---|--|
| Targeted Material | |
| Enter the estimated diverted/collected quantity in tons | |
| What percentage of the recycled targeted material is generated in Ohio? | |
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| Primary Market Country | |

| | |
|---|--|
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| Material Specifications (Example: plastics #1, #2) | |
| Name of Primary Market | |
| Primary Market City | |
| Primary Market State | |
| Primary Market Country | |

10. Executive Summary

Provide an overview of the proposed project. This is your chance to sell your proposal! Please include the purpose and scope, job creation and retention, and the specific methods and technologies that will be incorporated to implement your project. Explain if the proposed activities/events are existing or new. If applicable, list the type(s) of scrap tires to be collected (passenger, light truck, semi-truck and/or agricultural). Please be aware text boxes do not allow for inserting graphics, documents, tables, or photos. You will have the opportunity to provide attachments, such as photos, tables, etc., later in the application. (8,000 characters max)

Our company, Canvas, Inc. provides a canvas for all of us by making smart street furniture (functional art as we like to call it).

For years, the wind industry has struggled with recycling end-of-life wind turbine blades due to their massive size and durable fiberglass material. We viewed this challenge as an opportunity — the chance to reimagine materials once thought of as being spent. We were inspired to create a sustainable solution, one that honors the blades' ingenious engineering: providing clean power to tens of thousands of homes over their lifespan.

What if we could give this unique and storied material a second life, upcycling them into community-focused products for all to enjoy?

It will take all of us working together to solve this problem. We are partnering with dreamers, designers, and doers who share our vision — to reimagine, create, and inspire.

Every blade tells a story. Every product has a purpose.

Our process of converting retired wind turbine blades is patent pending and we have filed design patent applications on each individual product we will make. The renewable energy industry has a vested interest in our success and they have made it know that they will support us by becoming our first customers and purchasing products for their own use but also to donate to the communities where they operate.

We will use a wire saw in order to cut the blades into 'filets' that will unite other non recyclable materials such as mixed plastics to make our finished product. It is not heavy manufacturing, once the filets are cut our 'craftspeople' will use hand tools and their skills to create our products. Our jobs will be a tremendous source of pride for our employees because of the impact our products will have.

Canvas currently employs 25 people and we will have at least 75 people by the third quarter of 2023. All of those employees will work either at our headquarters in Rocky River OH or our Production Studio in Avon, OH

11. Budget Narrative

Provide a detailed description of budget line items and how they fit within the scope of your project. If it is necessary to include budget information from outside of the grant term, please indicate it will not be covered with grant funds. (4,000 characters max)

Our products require inserts in order to complete them and those inserts are made from wood or plastic sheet. Every single wind turbine blade is slightly different so the CNC machines are critical to making our finished product. These machines will use information from a scan of each individual blade to cut the material to its exact size for that exact blade. We have two machines currently but we are quite certain that our demand will require the additional 2 machines we are budgeting for. These will also require the dust vacuum systems to foster a safe working environment for our craftspeople.

12. Timeline

Provide a list of activities and events with projected dates with years, including the major milestones of grant expenditures. If it is necessary to include timeline information from outside of the grant term, please indicate it will not be covered with grant funds. (Reminder: grant or match funds may not be spent before July 1st of the funding year) (4,000 characters max)

The equipment that we will purchase with the grant funds will be ordered in August of 2023. We anticipate a lead time of approximately 4-6 weeks and the equipment will be installed as soon as it arrives. Based on this I would expect the equipment to be installed and functioning by the end of September 2023

13. Readiness

What steps have you taken to prepare for this project? Examples include: a secured project location, permits and documentation, finalized quotes/invoices, business plan and route plan. If you are spending money outside of the grant cycle to prepare for your project, please describe (Reminder: grant or match funds may not be spent before July 1st of the funding year). (4,000 characters max)

The only thing we need to do to be prepared is allocate space in our 100,000 sq. ft. production studio in Avon, OH. We have the space already identified and by the time this equipment is purchased we will be in production with all necessary permits in place.

14. Project Impact

What is the area impacted by this project? Include your project's site of operation and/or service area. (For example, location for surveillance cameras, drop-off container locations, litter cleanup areas, paving locations, etc.) Who will benefit from this project? Include groups targeted by your project. (For example, community for tire amnesty, neighborhoods for recycling contamination tagging, conference audience, etc.) (4,000 characters max)

The area impacted by what we are doing is the entire country and all members of a community will benefit. Our products will be in parks and at schools and on community streets. Our planters will provide beauty with their flowers and our seating based products will provide citizens a truly unique place to rest for a moment.

15. Collection, Processing and Diversion Rate

Explain the materials sources, method of collection, how the material will be processed, and the processing capabilities built into your project to handle the material. Provide an estimated diversion rate and the amount of materials that will be diverted from landfill for recycling. Include the primary end market for the materials. (4,000 characters max)

Our fiberglass blades come from wind farms that are repowering their turbines or decommissioning the farm entirely. They are delivered to us after being cut into 40 to 50 ft sections on the wind farm. The blades are typically stored outside until they are brought into the studio for production. We use a stationary rope saw to cut the sections into filets which are 18" to 36" sections

that will be made into our products. With a single line and two shifts, we estimate that we will keep 15000 – 20000 tons of this material out of landfills and we can add a second line into this facility with ease which would double our capacity and diversion volume.

16. Project Permits

Describe the Ohio EPA permits, licenses, and other documentation required for your project in relation to your project timeline. It is the applicant's responsibility to verify what permits are required. (4,000 characters max)

We are in the process of scheduling a site visit from the Ohio EPA to verify that assumption and take the steps necessary to be in compliance based on the feedback from that visit.

17. Financial Need and Project Commitment

Explain the financial need for requesting grant funds and how funding will support the success of your project. Describe your organization's long-term operational and financial commitment to your project. What type of strategies are in place to continue to support your project without additional and/or future grant funding? (4,000 characters max)

We are not in full production yet so therefore our revenue is at minimal levels relative to what it will be, we are seeking grants that can help us get the necessary equipment in place to ensure that this solution is viable for the entire industry. We have signed a long term lease on our facility and have already invested approx. \$5,000,000 of our own funds to get the company to the point it is at today. Without grant funding we will most likely have to delay the purchase of this equipment and that will in turn delay the benefit to everyone that interacts with our products.

18. Regional Waste and/or Organizational Sustainability Planning

State how the proposed project supports the strategic and educational goals of the local and state solid waste management plans. Also include any regional or organizational sustainability/waste reduction goals that this project would support. We encourage you to reach out to your local solid waste district if you aren't familiar with their programs. State solid waste district contacts and examples of addressing State/local solid waste plans can be found below. [Click here for more information about State Solid Waste plans](#) (4,000 characters max)

Fiberglass is a non recyclable material as compared to traditional plastics that can be mechanically recycled. The fiberglass blades used to be sent to landfills all across the country and buried but landfills wont accept them any longer either due to regulation or just need for space. The only other viable alternative to our solution is to grind the blades into small section sizes and burn them as an alternative fuel in a cement kiln, this still creates emissions and leaves behind ash which must be dealt with. Our conversion of these blades into street furniture allows us to use 100% of the blade and not throw any part of it away.

19. Metrics

Explain how the success of your project will be measured and evaluated. (For example, amount of material collected, number of people reached at an event or conference, amount of material reduced, contamination reduction, etc.) (4,000 characters max)

The best way to measure our success from a recycling standpoint will be the number of tons that are converted into our products. At a minimum that will be 12000 tons per year. That's our baseline but we will be able to streamline process and add capacity in order to divert at least three to four times that amount.

20. Benefit

Explain how these funds will impact and benefit your community or organization (and markets if applicable).

Businesses (Cooperating Enterprises) are required to submit a three-year estimate of future sales and a projected investment payback schedule (ROI) as part of the required financial documents in a separate email. If applicable, please also include a brief summary of the ROI and three-year estimate of future sales. (4,000 characters max)

We will be sending the three year projections in a separate email but feel that we are being conservative in our estimates. The products we make will allow cities, schools, hospitals etc to reimagine the spaces they occupy to benefit their citizens and students and patients. We recognize that budgets are sometimes tight for these entities and will therefore allow them to create a wishlist of items as a "recipient". We will match those recipients with "donors" made up of some of the largest companies in the world. Technology companies, renewable energy producers, retailers and consumer goods manufacturers. They will want to participate because we will be uniting their recycled and non recyclable waste into our products allowing them to be part of the amazing story.

21. Awareness Strategies

Describe awareness strategies to educate and communicate to customers and stakeholders to promote project activities and results. If applicable include interaction with suppliers, distributors, and/or stakeholders instead of the public. (4,000 characters max)

This is one of the best aspects of our project. Our stakeholders are our suppliers, our customers and the citizens and students that will interact with our products everyday. Each product has a metal stamp with a QR code. It tells the story of our product with input from the supplier as well as the customer. People sitting on one of our benches can upload a picture through the QR code to show them enjoying our products. Our goal is to create a Community of Sustainability in Motion.

22. Business Overview

Provide a history and overview of your business and how it relates to this project, including: company structure, company products, facility locations, field expertise, and/or other related information. Explain how your project will improve or change product production.

Canvus was founded in 2022 by a team that had experience in the renewable energy sector and realized the problem that fiberglass blades created. The team had handled projects to recycle the fluids, metals and fiberglass from wind farm repower and decommissioning projects. We had established marketplaces for fluid and metals but very few viable landfill alternatives for fiberglass so we decided to accept the challenge and tackle the problem ourselves. Canvus is a standalone corporation and is privately held. Our full product line can be seen at www.gocanvus.com. We currently have our office and headquarters in Rocky River, OH and our first production studio will be in full production in the month of February 2023 in Avon, OH. Products like this have never been made before.

23. Industry Trends

Explain current industry and market trends impacting your business within Ohio and how your project addresses these trends. (4,000 characters max)

The wind energy industry has known that their fiberglass blades would be a problem when the first ones were put in the air 25-30 years ago. However the solution was put to the side for as long as the blades were still in operation. In the last 5-10 years however major tax incentives have been given to replace older less efficient equipment with newer higher capacity turbines (repowering). Those incentives combined with the average age of the US wind fleet overall has put a significant spotlight on the blades coming down and landfill is not an option. The passage of the Inflation Recovery Act has provided significant capital to the industry and will increase the problem in future years. Currently the estimates are that about 5000-8000 blades per year come down, from 2024-2030 the estimates jump to 10000 – 20000 blades. Canvus is the solution to the problem.

24. Market Potential and Product Distribution

Describe the company's growth potential within your project's market and discuss the barriers to market entry. Discuss your company's product distribution method. (4,000 characters max)

There are a few barriers to entry for any competition and we have leveraged these to our advantage. The first is understanding the supply chain for retired wind turbine blades. We have 6 years of experience handling this material and we know all of the energy companies and turbine OEMs that will have blades and what projects they have coming up. The second barrier is one that we have put up, our patents. We have a patent pending on our process of converting blades into products, we have design patents on each product and we have a patent pending on our product QR code which is the first of its kind in that it allows two parties, the supplier and customer, to edit the content behind the QR code. Finally the barrier to entry that is most important is the brand and the community that we are building. The industry and marketplace only need one Canvas. As mentioned previously we are approaching the civic and commercial markets with our product. For civic customers that may not have the funds necessary we are creating a database of donors, made up of the largest companies in the world to help our recipients reimagine their spaces for their citizens, students and patients.

25. Acknowledge Funding Source

Ohio EPA requires you to acknowledge the grant program's participation in your project. How will you incorporate this? (For example, Recycle Ohio logo on all equipment purchased with grant funds, advertisements for litter collection events, signage for scrap tire-related projects, etc.) (4,000 characters max)

We will highlight their contribution with signage at our facility and can also mention the grant in our stories that people access when they scan the QR code on one of our products. It will provide incredible amounts of exposure for the program.

26. County

Please enter the county or counties which will receive the benefit if this grant is awarded.

Lorain and Cuyahoga

27. Jobs

Number of jobs created
Currently 25

What is the type of jobs created?
FTE

Number of jobs retained
25

What is the type of jobs retained?
FTE

28. Project Location Contact

Provide contact information for the locations where the projects included in the application will occur. You will attach facility/site details and applicable construction drawings at the end of this application. Please list all locations if the project(s) in this application will be conducted at more than one location.

| Contact | Project Street Address | City | Zip |
|---------|------------------------|------|-----|
| | | | |
| | | | |
| | | | |

29. Attachments

The attachments listed below are required as part of your application. Please provided all attachments to your Government Sponsor so that they can add them to the Market Development Grant Application (*Each attachment size can be no larger than 10 megabytes).

- Project site details and/or project drawings (*At least one attachment must be provided)
- Manufacturing specifications and quotes for equipment purchases (*At least one attachment must be provided)

Additional attachments are not required but can be provided to your Government Sponsor if you believe they are important to understanding your grant request.

30. Financial Documents

I certify required financial documents listed below will be submitted via e-mail to: recycle@epa.ohio.gov not later than Feb. 11, 2022. Failure to submit this information may result in denial of the grant request. Please visit Ohio EPA’s [Requesting the Recognition of Trade Secret Protection](#) fact sheet for more information about trade secret claims.

- 3-5 years of sales projections with anticipated Return on Investment (ROI)

- Bank letter indicating sufficient funds for project costs (line of credit, letter of credit or proof of cash reserves)
- Business Credit Rating Report (Dun & Bradstreet, Equifax Business, Experian Business, etc.)
- 3-5 years of profit and loss or income statement reports

For questions and additional information on marking documents as confidential or Trade Secret, you can also reach out to:

Marc Glasgow
Ohio EPA - Office of Legal Services
Supervising Attorney, Special Investigations Unit, Emergency Response, and Collections
Office - 614-644-2846
marcus.glasgow@epa.ohio.gov

Do you certify the required financial documents will be submitted by the deadline?

Yes

I claim that all or part of the submitted financial documents are entitled to Trade Secret Protection in accordance with Ohio Revised Code Section 1333.61(D). Claims for Trade Secret protection do not guarantee confidentiality. Documents must comply with Ohio EPA's requirements for Trade Secret claims.

Do you intend to claim Trade Secret Protection for the financial documents to be submitted?

No