

RESOLUTION NO. 2008-03

A RESOLUTION AUTHORIZING THE ACQUISITION, CONSTRUCTION, AND DEVELOPMENT OR REDEVELOPMENT OF, AND PRELIMINARY ACTIONS PERTAINING TO THE FINANCING OF, REAL AND PERSONAL PROPERTY COMPRISING PORT AUTHORITY FACILITIES ON A SITE ADJACENT TO THE EXISTING PORT AUTHORITY PROJECT AT 303 BROADWAY WITHIN THE CITY OF CINCINNATI AT QUEEN CITY SQUARE AND GENERALLY LOCATED ON THE EASTERLY SIDE OF SYCAMORE STREET BETWEEN THIRD AND FOURTH STREETS IN THE CINCINNATI CENTRAL RIVERFRONT AREA; AUTHORIZING ACCEPTANCE OF TITLE TO AND THE IMPROVEMENT AND REDEVELOPMENT OF THE PROJECT SITE, INCLUDING DEMOLITION OF EXISTING IMPROVEMENTS, THE CONSTRUCTION AND EQUIPPING OF AN OFFICE BUILDING, RELATED RETAIL AND PEDESTRIAN FACILITIES, AND A PARKING GARAGE AND THE INTEGRATION OF THOSE PROJECT FACILITIES WITH THE 303 BROADWAY PROPERTY; APPROVING A PROJECT TERM SHEET AND AUTHORIZING THE EXECUTION AND DELIVERY OF A COOPERATIVE AGREEMENT, A SERVICE AGREEMENT, A CITY FUNDING AGREEMENT, IF ANY, AND A CONSTRUCTION AGENCY AGREEMENT, ALL PERTAINING TO THE PROJECT; AUTHORIZING THE EXECUTION AND RECORDING OF A RESTRICTIVE COVENANT RELATING TO THE PROJECT SITE AND THE 303 BROADWAY PROPERTY; AUTHORIZING THE SIGNING OF RELATED DOCUMENTS AND AUTHORIZING AND APPROVING RELATED MATTERS.

WHEREAS, the Port of Greater Cincinnati Development Authority (“Port Authority”) has been asked to assist in the cooperative redevelopment of the property (“Property”) generally located on the easterly side of Sycamore Street between Third and Fourth Streets within the City of Cincinnati, which redevelopment is expected to proceed pursuant to a Cooperative Tax Increment Financing and Redevelopment Agreement to be entered into by and among the City of Cincinnati, Ohio (“City”), The Western and Southern Life Insurance Company (“WSLIC”), Queen City Square Development I, LLC (“Developer”), a single-member Ohio limited liability company owned by Eagle Realty Group, LLC (“Eagle Realty”), and the Port Authority (“Cooperative Agreement”), as outlined in a Queen City Square Phase II Term Sheet, in substantially the form on file with the Secretary of this Board and to be included as an exhibit to the Cooperative Agreement (“QCS II Term Sheet”); and

WHEREAS, the Property is currently owned by WSLIC and is located entirely within the area north of Third Street in the Cincinnati Central Riverfront area, as identified in Exhibit A to the Agreement for the Creation of the Port of Greater Cincinnati Development Authority (“Formative Agreement”) between the City and Hamilton County, Ohio (“County”), is currently the site of an approximately 1,550-space parking garage operated by, or on behalf of, WSLIC and other related structures and improvements (“Existing Improvements”), and is adjacent to the site of the property generally known as 303 Broadway at Queen City Square (“303 Broadway Property”), owned by the Port Authority and leased to 303 Broadway QCS, LLC, a single-

member Ohio limited liability company owned by WSLIC, as master lessee (“303 Broadway LLC”); and

WHEREAS, the plan for the redevelopment of the Property pursuant to the Cooperative Agreement, as outlined in the QCS II Term Sheet (“Redevelopment Plan”), includes without limitation the following:

(i) acquisition of title to the Property by the City pursuant to a Quit-Claim Deed from WSLIC (“WSLIC Deed”), the form of which is on file with the Secretary of this Board, subject to, among other things, both: (A) a covenant running with the land requiring reconveyance of the Property to the Port Authority for redevelopment or, on the conditions contained in the WSLIC Deed, in the event that WSLIC determines that the Redevelopment Plan is infeasible, to WSLIC (“WSLIC Reconveyance Covenant”), and (B) a short-term Interim Lease Agreement (“Interim Lease”) to be executed by the City, as lessor, and WSLIC, as lessee, to permit the continued operation of the Existing Improvements until demolition commences pursuant to the Redevelopment Plan; and

(ii) passage by City Council of ordinances sufficient to authorize the City’s participation in implementation of the Redevelopment Plan (“City Legislation”), including the following: (A) an ordinance authorizing the necessary transfers of the Property, (B) one or more ordinances authorizing any funding approved by the City, which may include either or both of (I) a public improvements construction agreement between the City and the Developer (“Public Improvements Agreement”) and (II) a funding agreement between the City and the Port Authority relating to identified work covered by the Redevelopment Plan (“City Funding Agreement”), (C) an ordinance amending the ordinance establishing the “Downtown South/Riverfront District Incentive District” to remove the Property from that District, (D) an ordinance (“TIF Ordinance”) declaring the improvement (as defined in Revised Code Section 5709.41) to the Property to be a public purpose exempt from real property taxation for up to thirty (30) years pursuant to Revised Code Sections 5709.41 through 5709.43 (together with related statutory provisions, the “TIF Act”), requiring the owner or owners of the parcels included in the Property to make service payments to the City (“Service Payments”), including payments in lieu of the exempted taxes, and authorizing the execution and delivery by the City of a Service Agreement with the Port Authority, as fee owner of title to the Property after reconveyance to the Port Authority by the City as contemplated hereby (“Service Agreement”); and (E) one or more ordinances authorizing the execution and delivery by the City of other agreements and instruments necessary to carry out its participation in the redevelopment of the Property, including the Cooperative Agreement; and

(iii) reconveyance of the Property by the City to the Port Authority pursuant to a Quit-Claim Deed (“City Deed”), the form of which is on file with the Secretary of this Board, for redevelopment in accordance with the Cooperative Agreement, the Service Agreement and the Redevelopment Plan, but subject to the WSLIC Reconveyance Covenant (until the occurrence of certain events) and the Interim Lease (until notice given by or on behalf of the Port Authority of the imminent commencement of demolition); and

(iv) the redevelopment of the Property by or on behalf of the Port Authority, including (A) demolition of the Existing Improvements and all necessary site preparations, including excavation and shoring (collectively, "Site Preparation"), (B) acquisition, construction, improvement, equipping, furnishing, installation and other development (collectively referred to herein as "construction"), on the site of the Property ("Project Site"), of a mixed-use project generally known as Queen City Square Phase II, including a 41-story office tower ("Queen City Square Tower") above an 11-story (with 3 to 5 stories below grade), approximately 1700-space, parking garage ("Parking Garage"), together with ancillary retail space, a pedestrian promenade and other related improvements (collectively, "Project Facilities"), (C) integration of certain of the Project Facilities, including the Parking Garage, with the facilities located on the 303 Broadway Property ("303 Facilities"), including the parking garage included in the 303 Facilities, and (D) lease of the Project Site and the Project Facilities (collectively, "Project") to a private-sector master lessee ("Master Lessee"), expected to be 303 Broadway LLC, pursuant to a master lease agreement ("Master Lease"), for further development by the Master Lessee, including build-out of certain tenant improvements not included in the Project Facilities ("Excluded Tenant Improvements"), subleasing of the office space ("Office Space") and retail space ("Retail Space") within the Project Facilities, and operation, maintenance, repair and upkeep of the Parking Garage and common areas within the Project Facilities; and

(v) imposition, at the request of the City, of a restrictive covenant with respect to ownership or other site control of the Project Site and the 303 Broadway Property ("Control Covenant"), the form of which is on file with the Secretary of this Board; and

(vi) in order to finance costs (as defined in Revised Code Section 4582.21) of the Site Preparation (including demolition of the Existing Improvements), of construction of the Parking Garage (and identified related common areas) and of other identified portions of the Project Facilities (collectively "TIF Improvements") and of related costs including costs of issuance (collectively "TIF Costs"), issuance by the Port Authority of special obligation port authority tax increment financing revenue bonds in an estimated aggregate principal amount of \$54,000,000 ("TIF Bonds"), secured only by an assignment of, and payable only from, a portion of the Service Payments collected by the City and to be assigned to the Port Authority, and such other security as is provided under a trust indenture and other documentation agreed to by the Port Authority in connection with the issuance of the TIF Bonds ("TIF Bond Documents"); and

(vii) issuance, by the Port Authority, of special obligation port authority lease revenue bonds, in a now estimated aggregate principal amount of \$225,000,000 ("Lease Bonds" and collectively with the TIF Bonds, "Bonds"), secured only by an assignment of, and payable only from, the rental payments to be made by the Master Lessee under the Master Lease and such other security as is provided under any trust indenture and other documentation agreed to by the Port Authority in connection with the issuance of the Lease Bonds ("Lease Bond Documents"), to finance costs of the construction of the Project Facilities (but not the costs of the Excluded Tenant Improvements or any TIF Costs paid with the proceeds of the TIF Bonds) and all related costs ("Lease Bond Costs" and, together with the TIF Costs, the "Project Costs"); and

(viii) engagement by the Port Authority of the Developer, which previously served as the agent of the Port Authority in the redevelopment of the 303 Broadway Property, as its agent (“Construction Agent”), for the demolition of the Existing Improvements, the other Site Preparation and the construction of the Project Facilities including the TIF Improvements, but not the Excluded Tenant Improvements (collectively, the “Project Improvements”), all pursuant to a Construction Agency Agreement, the form of which is on file with the Secretary of this Board (“Construction Agency Agreement”) and the guaranty, by WSLIC, of completion of the Site Preparation (if and when commenced) and the Project Improvements and certain other improvements to the Property pursuant to and subject to the terms of a Guaranty of Completion, the form of which is on file with the Secretary of this Board (“Completion Guaranty”); and

WHEREAS, under the circumstances described herein, and pursuant to the laws of the State of Ohio (“State”), particularly Revised Code Sections 4582.21 through 4582.59 and the authorities therein mentioned, including Article VIII, Section 13, of the Ohio Constitution (collectively, “Port Act”), this Board has full authority to and desires to authorize or take those actions necessary to undertake the redevelopment of the Property by implementing the Redevelopment Plan, including the acquisition and construction of the real and personal property comprising the Project and “port authority facilities”, as defined in the Port Act, and further including: (i) entering into the Construction Agency Agreement as provided herein and, after approval by the City, entering into the Cooperative Agreement (and thereby approving the final QCSII Term Sheet), the Service Agreement and any City Funding Agreement (collectively, “Port Agreements”), (ii) accepting the reconveyance by the City, pursuant to the City Deed, of fee title to the Property, subject to the WSLIC Reconveyance Covenant and the Interim Lease, (iii) signing the Control Covenant and authorizing recording of the Control Covenant against the 303 Broadway Property and, if title thereto has been transferred to the Port Authority, against the Property, (iv) accepting the Completion Guaranty on the terms and conditions contemplated by the Cooperative Agreement, and (v) approving a letter agreement pertaining to the fees required by the Port Authority for its participation in implementing the redevelopment of the Property, the form of which is on file with the Secretary of this Board (“Letter Agreement”); and

WHEREAS, the Port Authority, pursuant to the Port Act, wishes to authorize or take preliminary actions in connection with the proposed issuance of the Bonds by the Port Authority to finance the Project Costs, including the Lease Bonds (debt service on which is to be paid from rental payments to be made by the Master Lessee) anticipated to be issued to finance the Lease Bond Costs, and the TIF Bonds (debt service on which is to be paid from Service Payments imposed as a covenant running with the land, and with the leasehold interest of the Master Lessee, and to be assigned by the City to the Port Authority) anticipated to be issued to finance the TIF Costs;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Port of Greater Cincinnati Development Authority, that:

Section 1. This Board hereby finds and determines, based upon information provided by WSLIC, the Developer and, to the extent applicable, the City, that: (i) the Property is located within the area described as the Banks Redevelopment Area in the Formative Agreement and, accordingly, the Port Authority has full power and authority to participate in the redevelopment

of the Property pursuant to the Cooperative Agreement, in accordance with the Redevelopment Plan and in the manner contemplated by this resolution, (ii) the Property constitutes, and the Project when acquired, constructed and developed for lease to the Master Lessee will constitute, “port authority facilities” in furtherance of “authorized purposes” of the Port Authority, including the promotion of “transportation” and “economic development”, as those terms are used in the Port Act, (iii) the acquisition and redevelopment of the Property, including the Site Preparation and the construction of the Project Facilities on the Project Site, the financing of the Project Costs in the manner contemplated hereby, and the leasing of the Project by the Port Authority in furtherance of the Redevelopment Plan is consistent with and will promote the purposes of Section 13 of Article VIII, Ohio Constitution, and will create or preserve jobs and employment opportunities and improve the economic welfare of the people of the City, County and State, (iv) redevelopment of the Property consistent with the Redevelopment Plan, including the construction of the Project Facilities, will enhance the Cincinnati Central Riverfront area and the value of the 303 Broadway Property, and (v) it is in the best interests of the Port Authority to, and the Port Authority shall: (a) enter into the Letter Agreement and the Construction Agency Agreement as soon as practicable consistent with the terms thereof and hereof, (b) after approval by the City of the City Legislation, enter into the Cooperative Agreement, the Service Agreement, and any City Funding Agreement, (c) accept fee title to the Property from the City pursuant to the City Deed in order to undertake the redevelopment of the Property as contemplated hereby, (d) sign and accept the Completion Guaranty, on the terms contemplated by the Cooperative Agreement, and (e) upon approval by the City, sign the Control Covenant and deliver the same for recording against the Project Site (if owned by the Port Authority) and the 303 Broadway Property, (f) in accordance with Section 2 below, use its reasonable best efforts to negotiate and complete the TIF Bond Documents, the Master Lease and the Lease Bond Documents for authorization by this Board and, subject to that authorization, use its best efforts to issue the Bonds in order to finance the Project Costs, all on substantially the terms outlined in the Cooperative Agreement, including the QCSII Term Sheet, and (g) take such other actions as are consistent with and contemplated by this resolution and the agreements and instruments authorized hereby (those actions contemplated by this subparagraph (v) are referred to herein collectively as “Port Actions”). This Board hereby determines that the arrangements as to Port Authority fees, as set forth in the Letter Agreement, are satisfactory to and in the best interests of the Port Authority, taking into account the aggregate principal amount of the Bonds, the concurrent determination to undertake preliminary actions with respect to both the TIF Bonds and the Lease Bonds, the relationship between the Project Costs payable from the TIF Bonds and the Lease Bonds, and the relationship of the Property to, and the impact of the redevelopment of the Property on, the 303 Broadway Property. The Letter Agreement, in the form on file with the Secretary is hereby approved and shall be signed and accepted at or prior to the execution and delivery of any of the Port Agreements.

Section 2. In order to finance the Project Costs, this Board hereby agrees, subject to satisfaction of the conditions set forth in the Cooperative Agreement, to exercise its reasonable best efforts to authorize and cause the Port Authority to issue the Bonds, in the estimated maximum aggregate face amount of \$300,000,000, including the TIF Bonds, in an estimated aggregate face amount of \$54,000,000, and the Lease Bonds, in estimated aggregate face amount of \$225,000,000. The Bonds shall be issued pursuant to and in accordance with the Port Act and the applicable provisions of, and subject to satisfaction of the conditions set forth in, the Cooperative Agreement and the TIF Bond Documents (and the Service Agreement) and the

Lease Bond Documents (and the Master Lease), respectively, and in substantial conformity to the terms established in the QCSII Term Sheet, as finalized in connection with the execution and delivery of the Cooperative Agreement. The Cooperative Agreement, including the QCSII Term Sheet, shall be in substantially the form on file with the Secretary of this Board, which is hereby approved. Any one or more of the Chairperson, the Vice Chairperson, the President and the Vice President (each an “Authorized Officer”), alone or together with the Secretary or any Assistant Secretary of this Board (each a “Fiscal Officer”), are hereby authorized and directed to execute the Cooperative Agreement, substantially in that form, but with such changes as are necessary or desirable to reflect the intended terms of the transactions contemplated by this resolution and described in the QCS II Term Sheet, as finalized by the parties to the Cooperative Agreement, and the terms of, security for and manner of sale of the Bonds, as are not adverse to the Port Authority and as are approved by the officer or officers executing the Cooperative Agreement, such execution being conclusive evidence of approval of any such changes and that they are necessary or desirable, in accordance herewith, and are not adverse to the Port Authority. Each Authorized Officer and Fiscal Officer is further authorized to sign, on behalf of the Port Authority, any findings, requests, term sheets, engagement letters, commitment letters, memoranda of understandings or other preliminary approvals required in connection with the implementation of the transactions contemplated by the Cooperative Agreement and this resolution and consistent therewith.

Section 3. Based on information known to the Port Authority with respect to the 303 Broadway Property and the acquisition and construction of the 303 Facilities, or information furnished to the Port Authority by the Developer, Eagle Realty and/or WSLIC (collectively, “Developer Parties”), and the findings and determinations made by this Board in Section 1 above, this Board hereby determines that the manner in which the contracts for the redevelopment of the Property, including the construction of the Project Improvements, should be made is to enter into the Construction Agency Agreement and, in accordance therewith, and subject to the terms of the Cooperative Agreement and any City Funding Agreement, authorize the Developer to act as its agent for and manager of the redevelopment of the Property, including the construction of the Project Improvements. The Construction Agent shall be authorized to negotiate the terms of the construction contract or contracts, including any subcontract or subcontracts and all contracts for the supply of materials (collectively, “Construction Contracts”) necessary or desirable in connection therewith, all subject to applicable provisions of the Cooperative Agreement, any City Funding Agreement and the Construction Agency Agreement.

In accordance with the terms of the Construction Agency Agreement, the Construction Agent shall not enter upon the Property prior to the date on which the City Deed is recorded and the Port Authority obtains title to the Property (“Title Transfer Date”). Thereafter, so long as the Interim Lease shall be in effect, the rights, duties and obligations of the Construction Agent shall be limited to those that are consistent with the operation of the Existing Improvements in accordance with the Interim Lease, and the Construction Agency Agreement shall so provide. On or prior to the Title Transfer Date, any agreements of any of the Developer Parties with respect to the design, landscape design, engineering, architecture or similar services with respect to the redevelopment of the Property (“Professional Contracts”) executed and delivered prior to the date of the Construction Agency Agreement shall be assigned to the Port Authority or to the Construction Agent (for subsequent assignment to the Port Authority) on terms satisfactory to the Port Authority (including provision for payment or reimbursement of all costs incurred by the

Developer Parties pursuant to the Professional Contracts assigned). All Professional Contracts executed and delivered after the Title Transfer Date shall be negotiated by the Construction Agent and executed and delivered in accordance with the Construction Agency Agreement. On or prior to the Title Transfer Date, any letters of intent executed and delivered by any Developer Party within ninety days prior to, and in anticipation of, execution and delivery of the Construction Agency Agreement shall be assigned to the Port Authority or to the Construction Agent (for subsequent assignment to the Port Authority) on terms satisfactory to the Port Authority (including provision for payment or reimbursement of all costs incurred by the Developer Parties pursuant to those letters of intent), to the extent, if any, not incorporated into the Construction Contracts.

This Board hereby specifically finds and determines that such manner of negotiation and contracting with respect to the Construction Contracts and the Professional Contracts (collectively, "Contracts"), including the assignments contemplated hereby, will best carry out the public purposes of the Project, including the public purposes of Article VIII, Section 13 of the Ohio Constitution and, accordingly, the Contracts shall not be subject to any requirement of competitive bidding or selection unless and except to the extent specified in the Cooperative Agreement. This Board hereby authorizes and approves the appointment of the Developer as its agent under the Construction Agency Agreement for the purpose of undertaking, managing and completing, on behalf of the Port Authority, the redevelopment of the Property, including the construction of the Project Improvements, with such compensation, if any, for serving as its agent for and manager of the redevelopment of the Property as the Construction Agency Agreement shall provide, but not to exceed three percent (3%) of the Project Costs.

Notwithstanding anything to the contrary herein or in the Cooperative Agreement or the Construction Agency Agreement, the obligations of the Port Authority under or pursuant to the Construction Agency Agreement and the Contracts shall not be a general obligation, bonded indebtedness or a pledge of the general credit of the Port Authority but shall be payable solely from the proceeds of the Bonds, any City Funding Agreement, the proceeds of any other revenue bonds of the Port Authority issued for that purpose and any other money that may be made available to the Port Authority for that purpose, including any moneys provided by the Developer Parties, and the Construction Agency Agreement and each Contract shall so state, by addendum or otherwise. Further, until and unless the Bonds have been issued by the Port Authority, all monetary or pecuniary obligations of the Port Authority under or with respect to the Construction Agency Agreement or the Contracts shall be conditioned on the issuance of the Bonds (except to the extent if any payable under a City Funding Agreement or funded by any of the Developer Parties), and the Construction Agency Agreement and each Contract shall so state, by addendum or otherwise. Subject to the foregoing, this Board hereby authorizes and approves the execution and delivery by the Port Authority of the Construction Agency Agreement in substantially the form on file with the Secretary of this Board, which is hereby approved. Any one or more of the Authorized Officers, alone or together with any Fiscal Officer, are hereby authorized and directed to execute and deliver the Construction Agency Agreement, in substantially that form, but with those changes as are not substantially adverse to the Port Authority and as are approved by the officer or officers executing the Construction Agency Agreement as being necessary or desirable and in the best interest of the Port Authority, that execution being conclusive evidence of approval of any such changes as being necessary or

desirable and in the best interest of the Port Authority and that they are not substantially adverse to the Port Authority.

Section 4. This Board hereby authorizes and approves the execution and delivery by the Port Authority of the Service Agreement, the Control Covenant and any other instruments or agreements included as exhibits to any of the Port Agreements, each in substantially the form on file with the Secretary of this Board, and any City Funding Agreement that is approved by counsel to the Port Authority as to legal sufficiency and by the Fiscal Officer as being sufficiently protective of the funds of the Port Authority. Any one or more of the Authorized Officers, alone or together with any Fiscal Officer, are hereby authorized and directed to execute and deliver the Service Agreement, any City Funding Agreement, the Control Covenant and any other such instrument or agreement in substantially those forms, but with those changes as are not substantially adverse to the Port Authority and as are approved by the officer or officers executing that agreement or instrument as being necessary or desirable and in the best interest of the Port Authority, that execution being conclusive evidence of approval of any such changes as being necessary or desirable and in the best interest of the Port Authority and that they are not substantially adverse to the Port Authority.

Section 5. This Board hereby authorizes and approves the acceptance of title to the Property pursuant to the City Deed (subject to the WSLIC Reconveyance Covenant and the Interim Lease) and the acceptance of the Completion Guaranty, each in substantially the form on file with the Secretary of this Board, together with any changes not substantially adverse to the Port Authority and approved by any Authorized Officer as being reasonably necessary or desirable and in the best interest of the Port Authority, with execution of a written acceptance being conclusive evidence of approval of any such changes as being necessary or desirable and in the best interest of the Port Authority and that they are not substantially adverse to the Port Authority. This Board hereby further authorizes and approves all other Port Actions necessary or desirable, in the reasonable judgment of any Authorized Officer, to carry out the transactions contemplated by the Port Agreements, including such actions as may be contemplated by the WSLIC Deed in the event that WSLIC timely determines that the redevelopment of the Property consistent with the Redevelopment Plan is infeasible.

Section 6. In accordance with Revised Code Section 4582.37 and the terms of the Construction Agency Agreement and the Cooperative Agreement, the Construction Agent shall comply and cause compliance with all applicable provision of Chapter 4115, Ohio Revised Code. The Director of Economic Inclusion of the Port Authority is hereby designated as the Prevailing Wage Coordinator for the Project pursuant to the requirements of Revised Code Section 4115.032 and is directed to perform the duties therein specified.

Section 7. The Port Authority retains the law firms of Squire, Sanders & Dempsey L.L.P. (“Squire Sanders”), as bond counsel, and Gonzalez, Saggio & Harlan, L.L.P. (“Gonzalez Saggio”), as issuer counsel, in each case to provide legal services in connection with the transactions contemplated by this resolution and the participation of the Port Authority in the redevelopment of the Property, including the preparation, negotiation, execution and delivery of the Port Agreements and the other instruments and agreements authorized hereby, the preparation, negotiation, authorization, execution and delivery of the TIF Bond Documents and the Lease Bond Documents, the authorization, sale, issuance and delivery of the Bonds, the

construction of the Project Improvements and the financing and leasing of the Project and the other Port Actions contemplated hereby. In providing those legal services, as independent contractors in an attorney-client relationship, Squire Sanders and Gonzalez Saggio shall not exercise any administrative discretion on behalf of this Board in the formulation of public policy, expenditure of public funds, enforcement of laws, rules and regulations of the State or any political subdivision, or the execution of public trusts. The fees and expenses of Squire Sanders and Gonzalez Saggio for those legal services, except to the extent expressly agreed to by the Port Authority and set forth in the Letter Agreement, shall be an obligation of and shall be paid by the Developer Parties, including pursuant to the provisions of the Cooperative Agreement obligating the Developer Parties to indemnify the Port Authority against any and all loss, cost, expense, claims or actions arising out of or connected with the transactions contemplated by this resolution and the participation of the Port Authority in the redevelopment of the Property, including the preparation, negotiation, execution and delivery of the Port Agreements and the other instruments and agreements authorized hereby, the preparation, negotiation, authorization, execution and delivery of the TIF Bond Documents and the Lease Bond Documents, the authorization, sale, issuance and delivery of the Bonds, the construction of the Project Improvements and the financing and leasing of the Project and the other Port Actions contemplated hereby; provided, that all such fees may be paid or reimbursed from proceeds of the Bonds, if and when authorized by this Board and issued by the Port Authority.

Section 8. This Board finds and determines that all formal actions of this Board concerning and relating to the adoption of this resolution were taken in an open meeting of this Board and that all deliberations of this Board and of any committees that resulted in those formal actions were in meetings open to the public in compliance with the law.

Section 9. This resolution shall take effect and be in force immediately upon its adoption.

Adopted: May 15, 2008

Yeas: 6

Chairperson

Nays: 0

Attest: _____
Secretary