

Board Minutes

December 11, 2019 Board of Directors Meeting

The Taft Center at Fountain Square, 425 Walnut Street, Cincinnati, OH 45202

1. CALL TO ORDER

Charlie Luken called the Port Board of Directors meeting to order at 8:00am.

Board Members Present:

Luken, Charlie

Duffy, Sister Sally

Duke, Rance

Jones, Damon

Fisher, Bobby

Wideman, Melissa

Smitson, Patricia

Chavez, Manuel

Wright, Shane

Staff Present:

Brunner, Laura

Powell, Jessica

Recht, Chris

Hudson, Rick

Castellini, Todd

Guests:

Carbone, Mariel – WCPO

Schulte, Skip - Citizen

Tucker, Randy – Cincinnati Enquirer

Russo, Regina – RRight Now Communications

Wetterich, Chris – Business Courier

2. APPROVAL OF MINUTES – November 13, 2019

Mr. Luken asked the Board members if there were any additions or modifications to the November 13, 2019 Board of Directors meeting minutes. Hearing none, he asked for a motion to adopt the meeting minutes.

Motion: Shane Wright moved to adopt the minutes of the November 13, 2019 Board of Directors Meetings. The motion was seconded by Bobby Fisher and was approved unanimously.

3. PRESIDENT'S REPORT

Laura Brunner

Ms. Brunner gave a brief update on the Convention Center Hotel, stating, pending approval by the County and CFA, a resolution would be brought to the board in April for the issuance of bonds for the purchase of the demolition of the hotel, backed by an assignment of the occupancy hotel tax.

4. **PUBLIC FINANCE**

Todd Castellini

Mr. Castellini introduced Resolutions 2019-31 and 2019-32, related to project in Sycamore township on Kenwood Road. These resolutions will issue up to \$105MM of Taxable Lease Revenue Bonds and up to \$28MM in Tax-Exempt TIF Bonds to finance the construction of 248 apartment units, a 800-space parking garage, a 135,000 SF office building with 9,000 SF of retail space, and a 130-key hotel with 4,000 SF of retail space.

Formal Action Requested – Before the Board today is proposed Resolution 2019-31 entitled:

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF PORT AUTHORITY REVENUE BONDS IN A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$105,000,000, IN MULTIPLE SERIES, FOR THE PURPOSE OF FINANCING A PORTION OF THE COSTS OF ACQUIRING, CONSTRUCTING, IMPROVING, AND OTHERWISE DEVELOPING “PORT AUTHORITY FACILITIES” WITHIN THE MEANING OF SECTION 4582.21, OHIO REVISED CODE, FOR THE BENEFIT OF SYCAMORE CREEK II, LLC; AND AUTHORIZING THE EXECUTION AND DELIVERY OF RELATED DOCUMENTS AND MATTERS.

Motion: Bobby Fisher moved to approve Resolution 2019-31. The motion was seconded by Shane Wright and was approved by the remainder of the Board.

Melissa Wideman introduced Resolution 2019-31, a resolution for reimbursement of tax-exempt bonds issued related to the Millennium project.

Formal Action Requested – Before the Board today is proposed Resolution 2019-32 entitled:

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE BY THE PORT OF GREATER CINCINNATI DEVELOPMENT AUTHORITY OF TAX INCREMENT FINANCING REVENUE BONDS IN A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$28,000,000 IN MULTIPLE SERIES, FOR THE PURPOSES OF FINANCING COSTS OF ACQUIRING, CONSTRUCTING, IMPROVING AND OTHERWISE DEVELOPING “PORT AUTHORITY FACILITIES”; AUTHORIZING THE EXECUTION AND DELIVERY OF A TRUST AGREEMENT AND RELATED AGREEMENTS, INSTRUMENTS AND DOCUMENTS TO PROVIDE FOR THE TERMS OF AND THE SECURITY FOR THOSE BONDS AND FOR THE PAYMENT OF BOND SERVICE CHARGES ON, AND THE REPAYMENT OF, THOSE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT TO PROVIDE FOR THE SALE OF THOSE BONDS; AUTHORIZING A TAX REGULATORY AGREEMENT AND SUCH OTHER INSTRUMENTS AS ARE NECESSARY WITH THERETO; AUTHORIZING THE EXECUTION AND DELIVERY OF A COOPERATIVE AGREEMENT AND CONSTRUCTION MANAGER-AT-RISK AGREEMENT PERTAINING TO THE PROJECT; AND AUTHORIZING THE SIGNING OF RELATED DOCUMENTS AND AUTHORIZING AND APPROVING RELATED MATTERS

Motion: Rance Duke moved to approve Resolution 2019-32. The motion was seconded by Shane Wright and was approved by the remainder of the Board.

Mr. Castellini introduced Resolution 2019-30, a resolution to refinance parking garage debt for 3CDC. The resolution will issue up to \$85MM Parking Revenue Refunding Bonds to refinance existing debt on four garages including 5th & Race, 8th & Sycamore, Mercer Commons and Washington Park.

Formal Action Requested – Before the Board today is proposed Resolution 2019-30 entitled:

AUTHORIZING THE ISSUANCE AND SALE OF PARKING REVENUE REFUNDING BONDS, SERIES 2019 (5TH & RACE, 8TH & SYCAMORE, MERCER COMMONS AND WASHINGTON PARK GARAGES) IN THE MAXIMUM PRINCIPAL AMOUNT OF \$85,000,000, IN ONE OR MORE SERIES, FOR THE PURPOSE OF FINANCING AND REFINANCING "PORT AUTHORITY FACILITIES" WITHIN THE MEANING OF SECTION 4582.21, OHIO REVISED CODE; AUTHORIZING THE EXECUTION AND DELIVERY OF A TRUST INDENTURE TO SECURE SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A PURCHASE AGREEMENT; AND AUTHORIZING THE EXECUTION AND DELIVERY OF OTHER DOCUMENTS NECESSARY OR DESIRABLE FOR THE ISSUANCE AND SALE OF THE BONDS.

Motion: Damon Jones moved to approve Resolution 2019-30. The motion was seconded by Sally Duffy, Shane Wright abstained and the motion was approved by the remainder of the Board.

5. FINANCIAL REPORT

Rick Hudson

Mr. Castellini presented financials through October. Operating Revenues were at 47.7MM vs. plan of \$8.6MM, 10% below plan.

Operating Expenses at \$5.5 MM vs. plan of \$5.7MM. 3% below plan.

Operating Income at \$2.2MM vs. plan of \$2.9MM, \$665,000 below plan.

Balance Sheet at \$7MM, with \$2.4 MM being unrestricted, equal to 6 months of Port operating expenses.

Mr. Hudson presented information about the Port's Strategic Assets, parking garages. Mr. Hudson gave information about each of the parking assets owned by the Port, information including when acquired, how much the Port has invested in each, improvements made and the revenue for each asset.

The board asked questions about the garages, all of which were answered to the board's satisfaction.

Mr. Hudson presented the Port's Operating budget for 2020, stating the Finance Committee has previously reviewed and approved the budget. Total budget for Operating Revenues is \$10.6MM. Revenue Assumptions were presented and explained, including decreases in Private Operating Grants, Finance Fees, and increases for Parking Fees.

Information about the types of operating revenues was reviewed and compared. Mr. Hudson reviewed protections built in for revenue risk.

Operating revenue assumptions were reviewed, including increases for Payroll & Benefits, Professional Services and a decrease for Taxes & Holding Costs.

The Board asked questions about the information presented, all of which were answered to the board's satisfaction.

Mr. Hudson presented Resolution 2019-33 to approve the General Fund Operating Budget for 2020.

Formal Action Requested – Before the Board today is proposed Resolution 2019-33 entitled:

2020 OPERATING BUDGET FOR GENERAL FUND

Motion: Shane Wright moved to approve Resolution 2019-33. The motion was seconded by Damon Jones and was approved by the remainder of the Board.

Mr. Hudson presented Resolution 2019-34 to approve the 2020 Operating Budget for the Parking Facilities.

Formal Action Requested – Before the Board today is proposed Resolution 2019-34 entitled:

2020 OPERATING BUDGET FOR PARKING FACILITIES

Motion: Melissa Wideman moved to approve Resolution 2019-34. The motion was seconded by Sally Duffy and was approved by the remainder of the Board.

Mr. Hudson presented Resolution 2019-35 for the Five-year Capital Plan needed for the Fountain Square South garage.

Formal Action Requested – Before the Board today is proposed Resolution 2019-35 entitled:

FIVE-YEAR CAPITAL PLAN FOR THE FOUNTAIN SQUARE SOUTH GARAGE

Motion: Damon Jones moved to approve Resolution 2019-35. The motion was seconded by Rance Duke and was approved by the remainder of the Board.

6. EXECUTIVE SESSION

Charlie Luken moved, pursuant to Ohio Revised code 121-22 (G) to adjourn the meeting of the Board of Directors of the Port and to go into executive session for the sole purpose of discussing terms and conditions of an employee of the agency.

Through roll call vote, the Board entered Executive session at 8:50am. The Board of Directors meeting reconvened by roll call vote at 9:04am.

7. ELECTION OF OFFICERS

Mr. Luken stated the election of officers for the Port Board is governed by Article 2, Section 1 and 2 of the Port By-Laws. In anticipation of the election of officers, the proposed officers have been approached and have agreed to these designations.

Manuel Chavez as Chairperson and Patricia Smitson as Vice-Chairperson for terms commencing December 11, 2019 through December 31, 2020.

Charlie Luken moved to approve the positions, with Damon Jones seconding with all in favor.

8. ADJOURNMENT

The December 11, 2019 Board of Directors meeting adjourned at 9:05 a.m.

Respectfully,



Laura N. Brunner
Secretary