

# Board Minutes

## August 1, 2013 Special Board of Directors Meeting

Port of Greater Cincinnati Development Authority, 299 E. Sixth Street, 1<sup>st</sup> Floor Conference Room, Cincinnati, OH 45202

### 1. **CALL TO ORDER**

Mr. Budig called the Port of Greater Cincinnati Development Authority Board of Directors meeting to order at 8:02 a.m.

#### **Board Members Present:**

Budig, Otto	Greiwe, Rick
Jackson, Ed	Jacobs-Horton, Lydia
Marmer, Lynn	Robertson, Scott
Smith, David	

#### **Board Members Excused:**

Dunn Marty	Williams, Tom
Wright, Shane	

#### **Staff Present:**

Boggs Muething, Paula	Brunner, Laura
Karimi, Marjorie	Thomas, Susan

#### **Guests:**

Crossin, Matt – Commerce Bank	Glynn, Meghan – Calfee Strategic Solutions
Halaby, Kent – St. Ursula Villa	Kane, Scott – Squire Sanders Dempsey
Kreider, Ken – Keating Muething Klekamp	Lavigne, Greg – Frost Brown Todd
Watkins, Rachel – Councilmember Quinlivan	Williams, Jason – Cincinnati Enquirer

### 2. **WELCOME AND INTRODUCTIONS**

Mr. Budig welcomed and introduced guests.

### 3. **PUBLIC FINANCE**

*Susan Thomas, VP of Public Finance*

#### **St. Ursula Villa, Inc. Project, 3660 Vineyard Place, Cincinnati, OH (Mt. Lookout)**

General Information – St. Ursula Villa of Cincinnati, Inc. (St. Ursula Villa) is a co-educational Catholic school in the Ursuline tradition. The school is located on approximately 20 acres in the Mt. Lookout neighborhood of Cincinnati, OH. Enrollment is approximately 450 students in preschool through eighth grade.

St. Ursula Villa has asked the Port Authority to issue up to \$5,300,000 in bonds to refund existing bonds and finance the construction costs of first floor renovations of the Manor House

with the addition of space for pre-school facilities and an addition to the Main School Building to add junior high classroom facilities at the property owned by St. Ursula Villa. The refinance is \$2.3 million and new construction is \$3.0 million.

The debt is backed by St. Ursula Villa with the bonds solely purchased by Commerce Bank. The Bonds are non-recourse to the Port Authority.

Formal Action Requested – Before the Board today is proposed resolution 2013-11 entitled:

**A RESOLUTION AUTHORIZING THE ISSUANCE OF UP TO \$2,300,000 OF PORT OF GREATER CINCINNATI DEVELOPMENT AUTHORITY SPECIAL OBLIGATION DEVELOPMENT REVENUE REFUNDING BONDS (ST. URSULA VILLA OF CINCINNATI, INC. PROJECT), SERIES 2013A AND UP TO \$3,000,000 SPECIAL OBLIGATION DEVELOPMENT REVENUE BONDS (ST. URSULA VILLA OF CINCINNATI, INC. PROJECT), SERIES 2013B, IN ORDER TO ASSIST ST. URSULA VILLA OF CINCINNATI, INC. IN FINANCING AND REFINANCING THE CONSTRUCTION AND RENOVATION OF EDUCATIONAL FACILITIES IN CINCINNATI; PROVIDING FOR THE ASSIGNMENT OF REVENUES FOR THE PAYMENT OF THE SERIES 2013A BONDS AND SERIES 2013B BONDS; AUTHORIZING A LOAN AGREEMENT WITH RESPECT THERETO; AND AUTHORIZING A BOND TRUST INDENTURE APPROPRIATE FOR THE PROTECTION AND DISPOSITION OF SUCH REVENUES AND FURTHER TO SECURE THE PAYMENT OF THE SERIES 2013A BONDS AND SERIES 2013B BONDS; AND AUTHORIZING A PURCHASE CONTRACT, A TAX REGULATORY AGREEMENT AND SUCH OTHER INSTRUMENTS WITH RESPECT THERETO.**

The resolution authorizes the issuance and sale of bond by the Port Authority, upon the completion of the documentation of the transaction.

The resolution also authorizes the execution of a Loan Agreement, a Trust Indenture, a Tax Regulatory Agreement, and other documents as necessary to implement the transaction. The current draft forms of the documents and agreements are on file with the Secretary, and the resolution authorizes the setting of the final terms of the Bonds and the final terms of the Bond documents consistent with the terms of the resolution. The Bonds are expected to close in August 2013.

The President and Vice President of Public Finance have reviewed this transaction with one or more members of the Board and recommend the adoption of this resolution.

After a brief discussion, Mr. Budig asked for a motion to approve Resolution No. 2013-11.

**Motion:** Lynn Marmer moved to approve Resolution No. 2013-11 authorizing the issuance of up to \$2,300,000 of Port of Greater Cincinnati Development Authority special obligation development revenue refunding bonds (St. Ursula villa of Cincinnati, Inc. project), Series 2013A and up to \$3,000,000 special obligation development revenue bonds (St. Ursula Villa of Cincinnati, Inc. project), Series 2013B, in order to assist St. Ursula Villa of Cincinnati, Inc. in financing and refinancing the construction and renovation of educational facilities in Cincinnati

The motion was seconded by Ed Jackson and was approved unanimously.

**12<sup>th</sup> and Vine Parking Lot, Over the Rhine, Cincinnati, OH**

General Information – The Port Authority issued bonds in the amount of \$820,000 in December 2011 to refinance an existing loan between CCCP, LLC, (CCCP), a subsidiary of the Cincinnati Center City Development Corporation (3CDC), and the Cincinnati New Markets Fund (CNMF). The original CNMF loan was for the development of a public parking facility at the northeast corner of 12<sup>th</sup> & Vine Streets in Over the Rhine.

The debt was structured whereby there were five years of fixed rate interest from 2011 – 2016; from 2016 – 2021 a new interest rate would have been set, and then the bonds were to float on a variable basis in five year increments thereafter.

CCCP and the bondholder have asked the Port Authority to amend the outstanding bonds, allowing them to lock in a fixed interest rate for a longer period of time. An Omnibus Amendment agreement will supplement the Trust Indenture and amend the Bond Purchase Agreement and the Loan Agreement.

This is strictly an interest rate move and does not impact any of the other issues regarding the bonds, but does require amendments to the several aforementioned bond documents. The bonds will continue to be held by PNC Bank. This bond deal is cost neutral to the Port Authority and as close to cost neutral as possible to 3CDC.

Formal Action Requested – Before the Board today is proposed resolution 2013-12 entitled:

**A RESOLUTION AUTHORIZING SUPPLEMENTS AND AMENDMENTS TO CERTAIN DOCUMENTS AUTHORIZED BY RESOLUTION NO. 2011-12 OF THIS BOARD, AND AUTHORIZING AND APPROVING RELATED ACTIONS AND MATTERS.**

The resolution authorizes the supplement to the Trust Indenture and an amendment to the Bond Purchase Agreement and the Loan Agreement of Port of Greater Cincinnati Development Authority Bank Qualified Facilities Revenue Bonds Series 2011.

The current draft form of the agreement is on file with the Secretary, and the resolution authorizes amending the Bonds and the Bond documents consistent with the terms of the resolution.

The President and Vice President of Public Finance have reviewed this transaction with one or more members of the Board and recommend the adoption of this resolution.

After some discussion on this matter, Mr. Budig asked for a motion to approve Resolution No. 2013-12.

**Motion:** David Smith moved to approve Resolution No. 2013-12 authorizing supplements and amendments to certain documents authorized by Resolution No. 2011-12 of the Board and authorizing and approving related actions and matters.

The motion was seconded by Scott Robertson and was approved. Lynn Marmer abstained from voting.

**4. APPROVAL OF MINUTES**

Mr. Budig asked Board members if there were any additions or modifications to the June 12, 2013 Board of Directors meeting minutes. Hearing none, he asked for a motion to adopt the meeting minutes.

**Motion:** Rick Greiwe moved to adopt the minutes of the June 12, 2013 Board of Directors meeting. The motion was seconded by Lynn Marmer and was approved unanimously.

**5. ADJOURNMENT**

**Motion:** Lydia Jacobs-Horton moved to adjourn the Port of Greater Cincinnati Development Authority August 1, 2013 Special Board of Directors meeting. The motion was seconded by Scott Robertson and was approved unanimously.

The August 1, 2013 Special Board of Directors meeting adjourned at 8:18 a.m.

Respectfully,

  
Laura N. Brunner  
Secretary