

Board Minutes

January 15, 2020 Board of Directors Meeting

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

1. CALL TO ORDER

Manuel Chavez called the Port Board of Directors meeting to order at 8:00am.

Board Members Present:

Chavez, Manuel
Luken, Charlie
Duke, Rance
Fisher, Bobby
Fischer, Rick

Bekal, Pradeep
Duffy, Sister Sally
Jones, Damon
Wideman, Melissa

Staff Present:

Brunner, Laura
Recht, Chris
Castellini, Todd

Powell, Jessica
Hudson, Rick
Johnson, Melissa

Guests:

Hanselman, Jay - WVXU
Denning, Philip, City of Cincinnati
Wetterich, Chris – Business Courier

Schulte, Skip - Citizen
Russo, Regina – RRight Now Communications

2. APPROVAL OF MINUTES – December 11, 2019

Mr. Chavez asked the Board members if there were any additions or modifications to the December 11, 2019 Board of Directors meeting minutes. Hearing none, he asked for a motion to adopt the meeting minutes.

Motion: Melissa Wideman moved to adopt the minutes of the December 11, 2019 Board of Directors Meetings. The motion was seconded by Sally Duffy and was approved unanimously.

3. CHAIRPERSON'S REPORT

Manuel Chavez

Mr. Chavez welcomed Rick Fischer, newly appointed member of the board.

4. PRESIDENT'S REPORT

Laura Brunner

Ms. Brunner gave a brief update on the Convention Center Hotel, stating there was a related motion before the board today and approvals pending from the City and the CFA to fund the demolition. Ms. Brunner stated a significant amount of work had been completed for due diligence and planning continues for redevelopment of the site.

Mr. Chavez and Laura Brunner introduced and welcomed Philip Denning, who will be joining the Port as an Executive Vice President. Ms. Johnson also announced Vice President Mike Smith was leaving the Port as an employee to launch his own development firm. Mike will continue to work with the Port as a consultant focusing on community wealth building.

Ms. Brunner called attention to 2020 Critical Strategies document and plans to work with other entities on a larger strategy for the area.

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

5. **PUBLIC FINANCE**

Todd Castellini

Mr. Castellini introduced Resolution 2020-01, a resolution to approve up to \$900K in PACE bonds for energy efficiency improvements for an existing office building in a Dayton Port Authority transaction, generating \$47K in annual savings.

Formal Action Requested – Before the Board today is proposed Resolution 2020-01 entitled:

A RESOLUTION (I) AUTHORIZING AND APPROVING THE ISSUANCE OF BONDS THROUGH THE SOUTHWEST OHIO REGIONAL BOND FUND IN ORDER TO MAKE FUNDS AVAILABLE TO PAY THE COSTS OF SPECIAL ENERGY IMPROVEMENT PROJECTS CONSTITUTING "PORT AUTHORITY FACILITIES" TO BE LOCATED ON CERTAIN REAL PROPERTY WITHIN THE JURISDICTION OF THE DAYTON-MONTGOMERY COUNTY PORT AUTHORITY; AND (II) AUTHORIZING THE EXECUTION, DELIVERY, AND PERFORMANCE OF ANY INSTRUMENTS, DOCUMENTS, OR CERTIFICATES RELATED TO THE ISSUANCE OF THE BONDS.

Motion: Sally Duffy moved to approve Resolution 2020-01. The motion was seconded by Charlie Luken and was approved by the remainder of the Board.

Mr. Castellini introduced Resolution 2020-02, a resolution to enter into a lease transaction to renovate and repurpose the Este Building, 124 East Seventh Street. 35 residential units and 2800 SQF of street level commercial space.

Formal Action Requested – Before the Board today is proposed Resolution 2020-02 entitled:

A RESOLUTION AUTHORIZING AND APPROVING A TRANSACTION CONCERNING THE ACQUISITION, CONSTRUCTION, EQUIPPING, INSTALLATION, AND IMPROVEMENT OF A RESIDENTIAL AND RETAIL MIXED-USE FACILITY AND OTHER RELATED APPURTENANCES RELATED CONSTITUTING A "PORT AUTHORITY FACILITY" TO BE LOCATED ON CERTAIN REAL PROPERTY TO BE ACQUIRED BY THE AUTHORITY; AUTHORIZING THE ACCEPTANCE OF THE CONVEYANCE OF

REAL PROPERTY BY ONE OR MORE DEEDS; AUTHORIZING A PROJECT LEASE; AUTHORIZING AN OPEN-END FEE AND LEASEHOLD MORTGAGE, ASSIGNMENT OF LEASES AND RENTS AND SECURITY AGREEMENT; AUTHORIZING A CONSTRUCTION MANAGER AT-RISK AGREEMENT; AUTHORIZING AN INDEMNIFICATION AGREEMENT; AUTHORIZING A DEVELOPMENT AGREEMENT; AUTHORIZING OTHER COLLATERAL DOCUMENTS; APPROVING A TERM SHEET; AND AUTHORIZING AND APPROVING RELATED MATTERS.

Motion: Melissa Wideman moved to approve Resolution 2020-02. The motion was seconded by Pradeep Bakel and was approved by the remainder of the Board.

Mr. Castellini introduced Resolution 2020-03, a resolution recommended to allow the President and CEO to sign resolutions of intent before board approval.

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

Formal Action Requested – Before the Board today is proposed Resolution 2020-03 entitled:

AUTHORIZING THE EXECUTION OF DECLARATIONS OF OFFICIAL INTENT PERTAINING TO THE FINANCING OF THE COSTS OF ACQUISITION, CONSTRUCTION, IMPROVEMENT AND EQUIPPING OF REAL AND PERSONAL PROPERTY CONSTITUTING PORT AUTHORITY FACILITIES.

Motion: Rance Duke moved to approve Resolution 2020-03. The motion was seconded by Bobby Fisher and was approved by the remainder of the Board.

Mr. Castellini introduced Resolution 2020-04, a resolution to issue up to \$59MM in revenue bonds for the acquisition and demolition and prep of the Millennium Hotel site.

Formal Action Requested – Before the Board today is proposed Resolution 2020-04 entitled:

AUTHORIZING THE ISSUANCE AND SALE OF REVENUE BONDS OF THE PORT OF GREATER CINCINNATI DEVELOPMENT AUTHORITY, IN THE MAXIMUM PRINCIPAL AMOUNT OF \$59,000,000 FOR THE PURPOSE OF FINANCING "PORT AUTHORITY FACILITIES" WITHIN THE MEANING OF SECTION 4582.21, OHIO REVISED CODE; AUTHORIZING THE SALE OF SUCH PORT AUTHORITY FACILITIES TO THE HAMILTON COUNTY LAND REUTILIZATION CORPORATION; AUTHORIZING THE EXECUTION AND DELIVERY OF ONE OR MORE TRUST INDENTURES AND BOND PURCHASE AGREEMENTS, A COOPERATIVE AGREEMENT AND ONE OR MORE PROJECT LEASES; AND AUTHORIZING THE EXECUTION AND DELIVERY OF OTHER DOCUMENTS, INCLUDING ONE OR MORE MORTGAGES, NECESSARY OR DESIRABLE FOR THE ISSUANCE AND SALE OF THE BONDS.

Motion: Melissa Wideman moved to approve Resolution 2020-04. The motion was seconded by Damon Jones and was approved by the remainder of the Board.

6. GCF REVOLVING LOAN FUND

Chris Recht

Mr. Recht presented Resolution 2020-05 to approve an additional loan from the Greater Cincinnati Foundation. Mr. Recht reminded the board that in 2018, through the Greater Cincinnati

Foundation, the Port established a revolving loan fund to finance renovations of HURC and Landbank properties. An additional \$1MM will be loaned to the Port at a 2% annual interest rate with the loan maturing in 2025.

Formal Action Requested – Before the Board today is proposed Resolution 2020-05 entitled:

A RESOLUTION AUTHORIZING THE ACCEPTANCE OF AN ADDITIONAL LOAN FROM, AND THE ISSUANCE, SALE AND DELIVERY OF AN ADDITIONAL HOUSING AND COMMUNITY DEVELOPMENT REVENUE BOND TO, THE GREATER CINCINNATI FOUNDATION, IN AN AGGREGATE PRINCIPAL AMOUNT OF \$1,000,000, TO FINANCE ADDITIONAL COSTS OF PORT AUTHORITY FACILITIES FOR AUTHORIZED PURPOSES OF THE PORT BY FUNDING AN ADDITIONAL DEPOSIT INTO THE GREATER CINCINNATI NEIGHBORHOODS HOUSING REVITALIZATION LOAN FUND ESTABLISHED BY THIS BOARD TO MAKE LOANS TO ENTITIES MANAGED BY THE PORT TO PROVIDE FOR A PORTION OF THE COSTS OF SUCH FACILITIES, AS AUTHORIZED UNDER A LOAN AGREEMENT WITH SUCH FOUNDATION; AUTHORIZING THE EXECUTION AND DELIVERY OF A SUPPLEMENTAL LOAN AGREEMENT TO PROVIDE FOR THE TERMS OF THE ADDITIONAL LOAN AND REVENUE BOND AND THE SECURITY THEREFOR; AUTHORIZING OTHER INSTRUMENTS, AGREEMENTS AND DOCUMENTS PERTAINING TO THE ADDITIONAL LOAN AND REVENUE BOND; AND AUTHORIZING AND APPROVING RELATED MATTERS.

Motion: Sally Duffy moved to approve Resolution 2020-05. The motion was seconded by Damon Jones and was approved by the remainder of the Board.

7. FINANCIAL REPORT

Rick Hudson

Mr. Hudson presented financials through November. Operating Revenues YTD were at 8.3MM, \$1MM below plan.

Operating Expenses at \$6.1 MM, \$200K below plan.

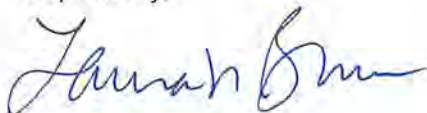
Operating Income at \$2.2MM, Non-Operating Income at \$2.9MM.

Balance Sheet at \$6.3MM, with \$2.1 MM being unrestricted, equal to 5 months of Port operating expenses.

8. ADJOURNMENT

The January 15, 2020 Board of Directors meeting adjourned at 8:32 a.m.

Respectfully,



Laura N. Brunner
Secretary