

Board Minutes

October 19, 2022 Board of Directors Meeting

Dinsmore & Shohl

255 East 5th Street, Cincinnati, OH 45202

1. CALL TO ORDER

Manuel Chavez called The Port Board of Directors meeting to order at 8:02am.

Board Members Present:

Chavez, Manuel

Duke, Rance

Jones, Damon

Qualls, Roxanne

Fisher, Bobby

Wideman, Melissa

Bekal, Pradeep

Fischer, Rick

Spiller, Amy

Staff Present:

Brunner, Laura

Denning, Philip

Recht, Chris

Michael, Rahiel

Daniels, Jilson

Hudson, Rick

Millikin, Tom

Garth, Andrew

Castellini, Todd

Fischer, Bill

2. APPROVAL OF MINUTES – September 14, 2022

Mr. Chavez asked the Board members if there were any additions or modifications to the September 14, 2022 Board of Directors meeting minutes. Hearing none, he asked for a motion to adopt the meeting minutes.

Motion: Bobby Fisher moved to adopt the minutes of the September 14, 2022 Board of Directors Meeting. The motion was seconded by Roxanne Qualls and was approved unanimously.

3. GOVERNANCE -

Chris Recht

Mr. Recht presented Resolution 2022-32 proposing the creation of an advisory committee for the board as related to diversity, equity, and inclusion matters. Through discussion it was determined the committee will consist of up to 7 members, 3 board members and 4 non-members.

Formal Action Requested – Before the Board today is proposed Resolution 2022-32 entitled:

RESOLUTION CREATING AN ADVISORY COMMITTEE TO REVIEW AND COMMENT TO THIS BOARD ON CERTAIN DIVERSITY, EQUITY, AND INCLUSION MATTERS, AND APPROVING RELATED REQUIREMENTS

Motion: Damon Jones moved to amend Resolution 2022-32 to included up to four members not on the board, bringing the total member count to 7. The motion was seconded by Rance Duke and was approved by the remainder of the Board.

Mr. Recht presented Resolution 2022-28 to appoint Andrew Garth as Assistant Secretary as related to his new role as General Counsel of the Port.

Formal Action Requested – Before the Board today is proposed Resolution 2022-28 entitled:

A RESOLUTION APPOINTING NEW ASSISTANT SECRETARY OF THE PORT OF GREATER CINCINNATI DEVELOPMENT AUTHORITY

Motion: Roxanne Qualls moved to approve Resolution 2022-28. The motion was seconded by Rick Fischer and was approved by the remainder of the Board.

4. NEIGHBORHOOD UPDATE

Philip Denning

Mr. Denning presented updates on the CARE and Sedamsville portfolios of homes, beginning with a brief review of the lessons learned since acquiring the CARE portfolio.

Mr. Denning presented information about the recently acquired Sedamsville portfolio including location, number of properties and how many are currently occupied. Mr. Denning reviewed the funding for the acquisition along with projections and assumptions for the portfolio.

The board asked questions about the Sedamsville portfolio, all of which were answered to satisfaction.

Mr. Denning reviewed the projections and assumptions for the CARE portfolio, including the lease and occupancy status of the 194 homes. Mr. Denning presented revised assumptions for the renovations for the vacant properties, 12 homes in need of light renovation, 18 medium renovation and 30 homes in need of heavy renovation.

Mr. Denning reviewed the new Pro-Forma of sales projections and rehab completions for the CARE portfolio.

The board discussed asked questions about the CARE portfolio, all of which were answered to satisfaction.

5. PUBLIC FINANCE UPDATE

Todd Castellini

Mr. Castellini presented Resolution 2022-29, a project that will utilize the structured lease public finance too. Located in Pleasant Ridge at the corners of Lester and Montgomery, a 1.5-acre site that will build 82 new apartment units and 6K SQFT of commercial space.

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

Formal Action Requested – Before the Board today is proposed Resolution 2022-29 entitled:

AUTHORIZING THE ISSUANCE AND SALE OF PORT AUTHORITY REVENUE BONDS IN A MAXIMUM PRINCIPAL AMOUNT OF \$25,000,000 FOR THE PURPOSE OF FINANCING A PORTION OF THE COSTS OF ACQUIRING, CONSTRUCTING AND OTHERWISE IMPROVING "PORT AUTHORITY FACILITIES" WITHIN THE MEANING OF SECTION 4582.21, OHIO REVISED CODE, FOR THE BENEFIT OF LESTER AND MONTGOMERY APARTMENTS LLC, OR ITS PERMITTED AFFILIATES, SUCCESSORS OR ASSIGNS; AUTHORIZING THE EXECUTION AND DELIVERY OF A GROUND LEASE AGREEMENT, A PROJECT LEASE AGREEMENT, A CONSTRUCTION MANAGER AT-RISK AGREEMENT, A RECOGNITION AGREEMENT, A MORTGAGE, AN INDEMNITY AGREEMENT, AND OTHER RELATED AGREEMENTS IN CONNECTION WITH THE TRANSACTION; AND APPROVING THE PROVISION OF AN OHIO SALES AND USE TAX EXEMPTION CERTIFICATE FOR THE PURCHASE OF BUILDING AND CONSTRUCTION MATERIALS INCORPORATED INTO THE PROJECT; AND AUTHORIZING AND APPROVING RELATED MATTERS.

Motion: Bobby Fisher moved to approve Resolution 2022-29. The motion was seconded by Melissa Wideman and was approved by the remainder of the Board.

Mr. Castellini presented two resolutions that will provide structured capital leases for a large development in Walnut Hills broken up into two projects. Resolution 2022-30, a project called Paramount Launch, located at the former Kroger site in Walnut Hills. This project will consist of a new structure of 56 new apartments, 29 being affordable and 29,000 SQFT of commercial space.

Formal Action Requested – Before the Board today is proposed Resolution 2022-30 entitled:

AUTHORIZING THE ACQUISITION OF A LEASEHOLD INTEREST IN REAL PROPERTY IN THE CITY OF CINCINNATI, OHIO AND THE CONSTRUCTION THEREON OF "PORT AUTHORITY FACILITIES" WITHIN THE MEANING OF SECTION 4582.21, OHIO REVISED CODE; AUTHORIZING THE EXECUTION AND DELIVERY OF A GROUND LEASE OF SAID REAL PROPERTY FROM PARAMOUNT LAUNCH, LLC AND THE LEASE OF SAID REAL PROPERTY TO PARAMOUNT LAUNCH, LLC; AND AUTHORIZING THE EXECUTION AND DELIVERY OF A DEVELOPMENT AGREEMENT, A CONSTRUCTION MANAGER AT-RISK AGREEMENT, AN INDEMNITY AGREEMENT AND AN ASSIGNMENT AGREEMENT WITH PARAMOUNT LAUNCH, LLC AND OTHERS; AND AUTHORIZING THE EXECUTION AND DELIVERY OF SUCH OTHER DOCUMENTS AS MAY BE NECESSARY OR DESIRABLE IN CONNECTION WITH THE ACQUISITION AND CONSTRUCTION OF SUCH PORT AUTHORITY FACILITIES.

Mr. Castellini presented Resolution 2022-31, the second of the projects within the large development in Walnut Hills. Peebles apartments will consist of 42 new affordable multi family units.

The board asked questions about both of the projects, all of the were answered to the boards satisfaction.

Formal Action Requested – Before the Board today is proposed Resolution 2022-31 entitled:

AUTHORIZING THE ACQUISITION OF A LEASEHOLD INTEREST IN REAL PROPERTY IN THE CITY OF CINCINNATI, OHIO AND THE CONSTRUCTION THEREON OF "PORT AUTHORITY FACILITIES" WITHIN THE MEANING OF SECTION 4582.21, OHIO REVISED CODE; AUTHORIZING THE EXECUTION AND DELIVERY OF A GROUND LEASE OF SAID REAL PROPERTY FROM PEBBLES APARTMENTS LIMITED PARTNERSHIP AND THE LEASE OF SAID REAL PROPERTY TO PEBBLES APARTMENTS LIMITED PARTNERSHIP; AND AUTHORIZING THE EXECUTION AND DELIVERY OF A DEVELOPMENT AGREEMENT, A CONSTRUCTION MANAGER AT-RISK AGREEMENT, AN INDEMNITY AGREEMENT AND AN ASSIGNMENT AGREEMENT WITH PEBBLES APARTMENTS LIMITED PARTNERSHIP AND OTHERS; AND

AUTHORIZING THE EXECUTION AND DELIVERY OF SUCH OTHER DOCUMENTS AS MAY BE NECESSARY OR DESIRABLE IN CONNECTION WITH THE ACQUISITION AND CONSTRUCTION OF SUCH PORT AUTHORITY FACILITIES.

Motion: Rance Duke moved to approve Resolution 2022-30 and Resolution 2022-31. The motion was seconded by Amy Spiller and was approved by the remainder of the Board.

Mr. Castellini presented Resolution 2022-33, a project located in Delhi township consisting of 14 blighted acres that will house a new township administrative building, a pay-to-use recreation center, pre-k classrooms, park and recreation space and 180 apartment facility. Approval will authorize a preliminary agreement to enter into a structured lease.

Formal Action Requested – Before the Board today is proposed Resolution 2022-33 entitled:

AUTHORIZING THE EXECUTION AND DELIVERY OF A PRELIMINARY AGREEMENT IN CONNECTION WITH THE DELHI TOWNE SQUARE PROJECT IN DELHI TOWNSHIP, OHIO, AND THE PROVISION OF OHIO SALES AND USE TAX EXEMPTION CERTIFICATES FOR THE PURCHASES OF BUILDING AND CONSTRUCTION MATERIALS INCORPORATED INTO A 180 UNIT APARTMENT COMMUNITY WITHIN THAT PROJECT.

Motion: Melissa Wideman moved to approve Resolution 2022-33. The motion was seconded by Amy Spiller and was approved by the remainder of the Board.

6. *ECONOMIC EQUITY*

Jilson Daniels

Mr. Daniels updated the board focusing on updates with contractors and minority developers, providing information on a recent Townhall discussion about MBE utilization and what was learned from the feedback.

Additionally, a consultant has been retained to do a utilization study of the capacity of MBE's in Cincinnati and the state of Ohio.

Mr. Daniels stated the intention to launch a \$5MM patient capital fund or more to support minority developers for predevelopment-cost they typically cannot get bank funding for.

Mr. Jilson provided information about a new round table of 35 minority developers to network, participate in Think Tank, and training.

The board asked questions about the information shared, all of which were answered to satisfaction.

7. *COMMUNICATIONS – Port Short*

Tom Millikin,

Mr. Millikin presented the monthly Port Short video, focusing on how The Port works with its neighborhood partners, highlighting Price Hill Will and Working in Neighborhoods.

The board asked questions related to the information shared in the video, all of which were answered to the board's satisfaction.

8. FINANCIAL REPORT

Rick Hudson

Rick Hudson presented the August YTD financials to the board, explaining material plan variances in operating income, and relevant changes to the balance sheet. The next Finance Committee meeting is scheduled for November 7th. The Auditor of State has an RFP out for The Port's 2022 audit.

9. EXECUTIVE SESSION

Manuel Chavez moved, pursuant to Ohio Revised code 121-22 (G)(3) to adjourn the meeting of the Board of Directors of the Port and to go into executive session for the purpose of a conference with counsel for the Port of Greater Cincinnati Development Authority concerning a matter that involves pending litigation. The board, by roll call vote, approved the motion and entered into executive session.

The Board entered executive session at 9:07am. The Board of Directors meeting reconvened at 9:33am.

10. ADJOURNMENT

The October 19, 2022, Board of Directors meeting adjourned at 9:34 am.

Respectfully,

Laura N. Brunner
Secretary