

Board Minutes

December 13, 2017 Board of Directors Meeting

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

1. CALL TO ORDER

Charlie Luken called the Greater Cincinnati Redevelopment Authority Board of Directors meeting to order at 8:00 am.

Board Members Present:

Luken, Charlie	Jones, Damon
Robertson, Scott	Chavez, Manuel
Smith, David	Fisher, Bobby
San Marco, Mario	

Staff Present:

Brunner, Laura	Johnson, Melissa
Hall, Darin	Recht, Chris
Castellini, Todd	Paul, Gail
Powell, Jessica	Hudson, Rick
Robb, Deborah	Eddy, Liz

Guests:

Wetterich, Chris – Business Courier	Schulte, Skip – Citizen
Kane, Scott – Squire Patton Boggs	Weckbach, Jeff – Hamilton County
Engel, Liz – WCPO	Nack, Lisa – Pathway Guidance
Hahn, Greg – GCRA	Still, William - Citizen

2. APPROVAL OF MINUTES – November 8, 2017

Mr. Luken asked the Board members if there were any additions or modifications to the November 8, 2017 Board of Directors meeting minutes. Hearing none, he asked for a motion to adopt the meeting minutes.

Motion: Scott Robertson moved to adopt the minutes of the November 8, 2017 Board of Directors Meeting. The motion was seconded by David Smith and was approved unanimously.

3. CHAIRPERSON'S REPORT

Charlie Luken

Mr. Luken welcomed the group and greeted the guests, and clarified that despite being mentioned in recent news, the Redevelopment Authority has received no formal request related to FC Cincinnati.

4. PRESIDENT'S REPORT

Laura Brunner

Ms. Brunner announced staff promotions and a new hire. Todd Castellini and Rick Hudson have been promoted to Vice-President. Greg Hahn will be joining Todd Castellini's team as Director of Public Finance and Compliance, taking over management of the Communities First Program.

Robert Sanders has been promoted to Director of Commercial Development.

Ms. Brunner stated the discussion of the 2018 Operating Metrics and capital raised would be deferred to the January meeting, giving the Board the opportunity to study the metrics.

5. PUBLIC FINANCE

Todd Castellini

Mr. Castellini introduced five resolutions, the first four related to the project at Court and Walnut streets. Using slides, Mr. Castellini described the project that includes a Kroger Grocery store, parking garage and apartments. 3CDC controls the current site and will be responsible for the development of the garage. North American properties will develop the apartments and Kroger will develop the grocery store and restaurant.

The Redevelopment Authority was asked to issue TIF bonds for a portion of the garage, purchased by PNC Bank and Fifth Third Bank; and a tax exempt conduit bond to finance the remainder of the garage financed by Kroger.

Formal Action Requested – Before the Board today is proposed Resolution 2017-16 entitled:

RESOLUTION NO. 2017-16

AUTHORIZING THE ISSUANCE AND SALE OF DEVELOPMENT REVENUE BONDS OF THE GREATER CINCINNATI REDEVELOPMENT AUTHORITY, SERIES 2017B (COURT AND WALNUT PROJECT) IN THE MAXIMUM PRINCIPAL AMOUNT OF \$10,500,000 FOR THE PURPOSE OF FINANCING "PORT AUTHORITY FACILITIES" WITHIN THE MEANING OF SECTION 4582.21, OHIO REVISED CODE; AUTHORIZING THE EXECUTION AND DELIVERY OF A SERIES 2017B TRUST INDENTURE TO SECURE SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF PURCHASE AGREEMENTS; AUTHORIZING THE EXECUTION AND DELIVERY OF A COOPERATIVE AGREEMENT AND A CONSTRUCTION AND DISBURSING ESCROW AGREEMENT; AUTHORIZING THE EXECUTION AND DELIVERY OF OTHER DOCUMENTS NECESSARY OR DESIRABLE FOR THE ISSUANCE AND SALE OF THE BONDS.

Motion: Scott Robertson moved to approve Resolution 2017-16. The motion was seconded by David Smith and was approved by the remainder of the Board.

Formal Action Requested – Before the Board today is proposed Resolution 2017-17 entitled:

RESOLUTION NO. 2017-17

AUTHORIZING THE ISSUANCE AND SALE OF DEVELOPMENT REVENUE BONDS OF THE GREATER CINCINNATI REDEVELOPMENT AUTHORITY, SERIES 2017A (COURT AND WALNUT PROJECT) IN THE MAXIMUM PRINCIPAL AMOUNT OF \$7,000,000 FOR THE PURPOSE OF FINANCING "PORT AUTHORITY FACILITIES" WITHIN THE MEANING OF SECTION 4582.21, OHIO REVISED CODE; AUTHORIZING THE EXECUTION AND DELIVERY OF A SERIES 2017A TRUST INDENTURE TO SECURE SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A PURCHASE AGREEMENT; AUTHORIZING THE

EXECUTION AND DELIVERY OF A COOPERATIVE AGREEMENT AND A CONSTRUCTION AND DISBURSING ESCROW 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 2017-17. The motion was seconded by Manuel Chavez and was approved by the remainder of the Board.

Mr. Castellini stated the Redevelopment Authority was asked to develop a Lease Structure with Kroger and a Lease Structure with North American Properties.

Formal Action Requested – Before the Board today is proposed Resolution 2017-18 entitled:

RESOLUTION NO. 2017-18

AUTHORIZING THE ACQUISITION OF 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 LEASE OF SAID REAL PROPERTY TO KROGER LIMITED PARTNERSHIP I; AUTHORIZING THE EXECUTION AND DELIVERY OF AN ASSIGNMENT; AUTHORIZING THE EXECUTION AND DELIVERY OF A CONSTRUCTION MANAGER AT-RISK AGREEMENT; AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDEMNITY AGREEMENT; 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: Scott Robertson moved to approve Resolution 2017-18. The motion was seconded by Bobby Fisher and was approved by the remainder of the Board.

Formal Action Requested – Before the Board today is proposed Resolution 2017-19 entitled:

RESOLUTION NO. 2017-19

AUTHORIZING THE ACQUISITION OF 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 LEASE OF SAID REAL PROPERTY TO CW JOINT VENTURE, LLC; AUTHORIZING THE EXECUTION AND DELIVERY OF THE ASSIGNMENT; AUTHORIZING THE EXECUTION AND DELIVERY OF A CONSTRUCTION MANAGER AT-RISK AGREEMENT; AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDEMNITY AGREEMENT; 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: Manuel Chavez moved to approve Resolution 2017-19. The motion was seconded by Damon Jones and was approved by the remainder of the Board.

Mr. Castellini introduced Resolution 2017-20, a resolution related to the Washington Park Garage. 3CDC has requested conduit bonds be issued to refinance existing debt on the garage. The Bonds will be purchased by PNC Bank.

Formal Action Requested – Before the Board today is proposed Resolution 2017-20 entitled:

RESOLUTION NO. 2017-20

AUTHORIZING THE ISSUANCE AND SALE OF DEVELOPMENT REVENUE BONDS OF THE GREATER CINCINNATI REDEVELOPMENT AUTHORITY, SERIES 2017 (WASHINGTON PARK GARAGE PROJECT) IN THE MAXIMUM PRINCIPAL AMOUNT OF \$5,250,000 FOR THE PURPOSE OF FINANCING "PORT AUTHORITY FACILITIES" WITHIN THE MEANING OF SECTION 4582.21, OHIO REVISED CODE; AUTHORIZING THE EXECUTION AND DELIVERY OF A SERIES 2017 TRUST INDENTURE TO SECURE SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A PURCHASE AGREEMENT; AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN 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 2017-20. The motion was seconded by Manuel Chavez and was approved by the remainder of the Board.

6. **FOUNTAIN SQUARE SOUTH GARAGE**

Melissa Johnson

Ms. Johnson presented resolutions 2017-21 and 2017-22 related to Fountain Square South Garage. The Redevelopment Authority is required to pass capital and operating budgets at the end of each year.

The Board asked questions about the garage's performance and its operation, all of which were answered to the Board's satisfaction.

Formal Action Requested – Before the Board today is proposed Resolution 2017-21 entitled:

RESOLUTION NO. 2017-21

RESOLUTION APPROVING THE FIVE-YEAR CAPITAL PLAN FOR THE FOUNTAIN SQUARE SOUTH GARAGE

Motion: Scott Robertson moved to approve Resolution 2017-21. The motion was seconded by David Smith and was approved by the remainder of the Board.

Formal Action Requested – Before the Board today is proposed Resolution 2017-22 entitled:

RESOLUTION NO. 2017-22

RESOLUTION APPROVING THE 2018 OPERATING BUDGET FOR THE FOUNTAIN SQUARE SOUTH GARAGE

Motion: Bobby Fisher moved to approve Resolution 2017-22. The motion was seconded by David Smith and was approved by the remainder of the Board.

FINANCIAL REPORT

Rick Hudson

Budget Update

Mr. Hudson reviewed the financials. Operating Revenues year to date are \$5.6 million vs plan of \$5.1 million, 10% better than plan.

Operating expenses were \$3.8 million vs plan of \$4 million, 4% under plan.

Unrestricted cash is at \$1.2 million equal to 3.5 months of operating expenditures.

Using slides and handouts, Mr. Hudson reviewed the proposed budget for 2018. Mr. Hudson went into detail reviewing and comparing revenues and expenditures.

Mr. Hudson reviewed the 2018 Revenue assumptions including finance fees, Communities First, Management fees, real estate fees and parking garage fees.

2018 Expense assumptions were reviewed, including headcount increase, decline in professional services, and general expenses increasing by 11%.

Mr. Hudson reviewed the 2018 unrestricted cash projection. Feedback was received that unrestricted cash should be increased, Mr. Hudson went over the plan to achieve the desired amounts each year going forward.

The Board asked questions about the presentation and the budget, all of which were answered to the Board's satisfaction.

Formal Action Requested – Before the Board today is proposed Resolution 2017-23 entitled:

RESOLUTION NO. 2017-23

**APPROPRIATIONS RESOLUTION OF THE BOARD OF DIRECTORS OF THE GREATER CINCINNATI
REDEVELOPMENT AUTHORITY FOR THE FISCAL YEAR 2018**

Motion: Scott Robertson moved to approve Resolution 2017-23. The motion was seconded by Bobby Fisher and was approved by the remainder of the Board.

7. **EXECUTIVE SESSION**

Charlie Luken stated that the Board would go into Executive Session.

Motion: Mario San Marco made a Motion pursuant to Ohio Revised Codes 121.22 (G) (4) to adjourn the meeting of the Board of Directors of the Port of Greater Cincinnati Development Authority and to enter into executive session for the sole purpose of a discussion and review of the terms and conditions of employment for an employee of the agency.

The motion was approved unanimously by roll call vote.

The Board adjourned into executive session at 8:46 a.m. The Board exited executive session and reconvened its Board of Directors meeting at 9:10 a.m.

8. **ADJOURNMENT**

The December 13, 2017 Board of Directors meeting adjourned at 9:11 a.m.

Respectfully,



Laura N. Brunner
Secretary