

Board Minutes

May 12, 2021 Board of Directors Meeting

Zoom Meeting

1. **CALL TO ORDER**

Manuel Chavez called the Port Board of Directors meeting to order at 8:01am.

Board Members Present:

Chavez, Manuel

Smitson, Patricia

Duke, Rance

Fisher, Bobby

Jones, Damon

Duffy, Sister Sally

Bekal, Pradeep

Wideman, Melissa

Fischer, Rick

Luken, Charlie

Staff Present:

Brunner, Laura

Johnson, Melissa

Denning, Philip

Fischer, Bill

Powell, Jessica

Castellini, Todd

Recht, Chris

Daniels, Jilson

Millikin, Tom

Guests:

Ann Thompson – WVXU

Jeff Wallace – Barge Design

2. **APPROVAL OF MINUTES – April 14, 2021**

Mr. Chavez asked the Board members if there were any additions or modifications to the April 14, 2021 Board of Directors meeting minutes. Hearing none, he asked for a motion to adopt the meeting minutes.

Motion: Rick Fischer moved to adopt the minutes of the March 10, 2021 Board of Directors Meetings. The motion was seconded by Bobby Fisher and was approved unanimously.

3. **PRESIDENT'S REPORT**

Laura Brunner

Ms. Brunner informed the board that the meeting materials now include an Economic Equity report by Jilson Daniels, and Mr. Daniels will present at the June board meeting.

Ms. Brunner stated she presented at the City of Cincinnati's budget hearing to advocate for the ARPA funding. The board will be informed of any progress.

4. NEIGHBORHOODS – Historic Stabilization

Jessica Powell

Ms. Powell presented an overview of the Historic Structure Stabilization Program, a program approved by the HCLRC's Board of Directors in 2012 dedicating a portion of the organization's budget to the stabilization program each year.

Ms. Powell presented the basics of the program and the HCLRC's unique tools used within the program. Factors pertaining to how properties are selected and details of the program's impact were presented.

Ms. Powell presented several examples of the projects and structures stabilized with the program, including locations, costs, photos, and additional details of each. Also reviewed were the challenges of funding the work needed of these properties.

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

5. COMMUNICATIONS – Port Short

Tom Millikin

Mr. Millikin presented the fourth in the series of Port Short videos, consistent with Ms. Powell's presentation related to historic stabilization.

The Board complimented Port staff on the video and the included information.

6. INDUSTRIAL

Melissa Johnson

Ms. Johnson presented an update on the Industrial Strategy, focusing on the Patient Capital Fund. Ms. Johnson gave an overview of the program, created in 2016, reviewing the initial agreement terms, the partners/noteholders, the purpose of the fund, and the achievements of Tranche 1 of the program, which concludes June 1, 2021.

Ms. Johnson shared the capital portfolio of the program and explained the conversion of the notes to bonds, per the original agreement. Ms. Johnson stated that in a recent meeting with the noteholders the noteholders were given four choices of how to move forward with the program, with the vast majority electing to rollover their funds to Tranche II.

Ms. Johnson stated Ernst & Young has been engaged to create a study for an Advanced Manufacturing Evaluation.

Ms. Johnson presented Resolution 2021-14, a resolution to approve Tranche II of the Patient Capital Fund.

Formal Action Requested – Before the Board today is proposed Resolution 2021-14 entitled:

AUTHORIZING THE ISSUANCE AND SALE OF ECONOMIC DEVELOPMENT MORTGAGE REVENUE BOND ANTICIPATION NOTES, SERIES 2021 (GREATER CINCINNATI PATIENT CAPITAL FUND II), IN ONE OR MORE ISSUES AND IN A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$50,000,000 (WITH AN IMMEDIATE AUTHORIZATION OF \$20,000,000, IN AGGREGATE PRINCIPAL AS A SUBLIMIT), FOR THE PURPOSE OF FINANCING "COSTS" OF "PORT AUTHORITY FACILITIES" WITHIN THE MEANING OF SECTION 4582.21, OHIO REVISED CODE, INCLUDING COSTS OF THE ACQUISITION, IMPROVEMENT AND OTHER DEVELOPMENT AND REDEVELOPMENT OF REAL PROPERTY TO PROMOTE ECONOMIC DEVELOPMENT AND THE CREATION AND RETENTION OF JOBS IN HAMILTON COUNTY AND THE CITY OF CINCINNATI; AUTHORIZING PLEDGED REVENUES TO SECURE PAYMENT OF SUCH NOTES, INCLUDING A PLEDGE OF NON-TAX REVENUES OF THE PORT AUTHORITY TO SECURE PAYMENT OF INTEREST ON THE NOTES WHEN DUE; AUTHORIZING THE EXECUTION OF A TRUST AGREEMENT AND OPEN-END MORTGAGE, ONE OR MORE NOTE PURCHASE AGREEMENTS, ONE OR MORE MORTGAGES AND OTHER RELATED AGREEMENTS AND INSTRUMENTS IN CONNECTION WITH THE FOREGOING; AND AUTHORIZING AND APPROVING RELATED MATTERS.

Motion: Rance Duke moved to approve Resolution 2021-14. The motion was seconded by Trish Smitson. Bobby Fisher abstained and the remainder of the board approved.

7. **PUBLIC FINANCE**

Todd Castellini

Mr. Castellini presented Resolution 2021-15, a resolution to approve a structured lease to build 64 new affordable apartment complex in Avondale called Blair Lofts.

Formal Action Requested – Before the Board today is proposed Resolution 2021-15 entitled:

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF PORT AUTHORITY REVENUE BONDS IN A MAXIMUM PRINCIPAL AMOUNT OF \$15,000,000 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 3401 READING ROAD, LLC; AND AUTHORIZING THE EXECUTION AND DELIVERY OF RELATED DOCUMENTS AND MATTERS.

Motion: Pradeep Bekal moved to approve Resolution 2021-15. The motion was seconded by Sally Duffy and was approved by the remainder of the Board.

Mr. Castellini presented Resolution 2021-16, a resolution to issue up to \$8MM of refunding existing TIF bonds in Norwood for a project called Linden Pointe.

Formal Action Requested – Before the Board today is proposed Resolution 2021-16 entitled:

AUTHORIZING THE ISSUANCE AND SALE OF A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$8,000,000 OF REVENUE BONDS UNDER THE SOUTHWEST OHIO REGIONAL BOND FUND PROGRAM FOR THE LINDEN POINTE TIF PROJECT; AUTHORIZING THE EXECUTION AND DELIVERY OF A SUPPLEMENTAL TRUST INDENTURE TO SECURE SUCH BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A PURCHASE AGREEMENT AND THE DISTRIBUTION OF ANY REQUIRED DISCLOSURE STATEMENT FOR THE OFFERING AND SALE OF THOSE BONDS; AND AUTHORIZING THE EXECUTION AND DELIVERY OF OTHER DOCUMENTS NECESSARY OR DESIRABLE FOR THE ISSUANCE AND SALE OF THE BONDS.

Motion: Rance Duke moved to approve Resolution 2021-16. The motion was seconded by Damon Jones and was approved by the remainder of the Board.

Mr. Castellini presented Resolution 2021-17, a resolution to approve a capital lease to redevelop 6 historic buildings in the 11 market rate and 20 affordable apartment units located in Pendleton for a project called Broadway Square IV.

Formal Action Requested – Before the Board today is proposed Resolution 2021-17 entitled:

A RESOLUTION (I) AUTHORIZING AND APPROVING A TRANSACTION CONCERNING THE ACQUISITION, CONSTRUCTION, DEVELOPMENT, AND IMPROVEMENT OF A MIXED USE FACILITY AND APPURTENANCES RELATED THERETO CONSTITUTING "PORT AUTHORITY FACILITIES" TO BE LOCATED ON CERTAIN REAL PROPERTY TO BE ACQUIRED BY THE AUTHORITY; (II) AUTHORIZING THE ACCEPTANCE OF CERTAIN REAL PROPERTY BY DEED OF CONVEYANCE; (III) APPROVING THE EXECUTION AND DELIVERY OF A DEVELOPMENT AGREEMENT, A CONSTRUCTION MANAGER AT-RISK AGREEMENT, A PROJECT LEASE AGREEMENT, AN INDEMNITY AGREEMENT, AND RELATED AGREEMENTS IN CONNECTION WITH THE TRANSACTION; AND (IV) APPROVING THE PROVISION OF OHIO SALES AND USE TAX EXEMPTION CERTIFICATES FOR THE PURCHASE OF BUILDING AND CONSTRUCTION MATERIALS INCORPORATED INTO THE PROJECT (V) APPROVING THE TERMS OF A TERM SHEET IN CONNECTION THEREWITH AND (VI) AUTHORIZING AND APPROVING RELATED MATTERS.

Motion: Bobby Fisher moved to approve Resolution 2021-17. The motion was seconded by Trish Smitson, with Damon Jones abstaining, and the resolution was approved by the remainder of the Board.

Mr. Castellini presented Resolution 2021-18, a project to approve a capital lease for a new 49,000 square foot warehouse in Lower Price Hill.

Formal Action Requested – Before the Board today is proposed Resolution 2021-18 entitled:

A RESOLUTION (I) AUTHORIZING AND APPROVING A TRANSACTION CONCERNING THE ACQUISITION, CONSTRUCTION, DEVELOPMENT, AND IMPROVEMENT OF A WAREHOUSE AND DISTRIBUTION FACILITY AND APPURTENANCES RELATED THERETO CONSTITUTING "PORT AUTHORITY FACILITIES" TO BE LOCATED ON CERTAIN REAL PROPERTY TO BE ACQUIRED BY THE AUTHORITY; (II) AUTHORIZING THE ACCEPTANCE OF CERTAIN REAL PROPERTY BY DEED OF CONVEYANCE; (III) APPROVING THE EXECUTION AND DELIVERY OF A DEVELOPMENT AGREEMENT, A CONSTRUCTION MANAGER AT-RISK AGREEMENT, A PROJECT LEASE AGREEMENT, AN INDEMNITY AGREEMENT, AND RELATED AGREEMENTS IN CONNECTION WITH THE TRANSACTION; AND (IV) APPROVING THE PROVISION OF OHIO SALES AND USE TAX EXEMPTION CERTIFICATES FOR THE PURCHASE OF BUILDING AND CONSTRUCTION MATERIALS INCORPORATED INTO THE PROJECT (V) APPROVING THE TERMS OF A TERM SHEET IN CONNECTION THEREWITH AND (VI) AUTHORIZING AND APPROVING RELATED MATTERS.

Motion: Melissa Wideman moved to approve Resolution 2021-18. The motion was seconded by Trish Smitson and was approved by the remainder of the Board.

Mr. Castellini presented Resolution 2021-19, a resolution to approve an exemption certificate for sales tax towards a future TIF Bond towards a mixed-use redevelopment of the former US Playing Card site in Norwood.

Formal Action Requested – Before the Board today is proposed Resolution 2021-19 entitled:

AUTHORIZING THE EXECUTION AND DELIVERY OF A PRELIMINARY AGREEMENT IN CONNECTION WITH THE US PLAYING CARD/FACTORY 52 PROJECT IN NORWOOD, OHIO, AND THE PROVISION OF OHIO SALES AND USE TAX EXEMPTION CERTIFICATES FOR THE PURCHASES OF BUILDING AND CONSTRUCTION MATERIALS INCORPORATED INTO THE PUBLIC INFRASTRUCTURE IMPROVEMENTS FOR THAT PROJECT.

Motion: Trish Smitson moved to approve Resolution 2021-18. The motion was seconded by Charlie Luken and was approved by the remainder of the Board.

8. FINANCIAL REPORT

Rick Hudson

Mr. Hudson stated the Port Audit was in process, which is due to the State Auditor on May 29th.

First quarter showed operating revenues at \$2.4MM.

Operating expenses at \$137,000, 8% below plan, with operating income at \$842,000.

Balance sheet shows a decline in operating cash of \$630,000, due to the reduction of payables, including capital improvements to the convention center garage.

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

9. ADJOURNMENT

The May 12, 2021 Board of Directors meeting adjourned at 9:08 am.

Respectfully,



Laura N. Brunner
Secretary