

Board Minutes

September 14, 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 8:01am.

Board Members Present:

Spiller, Amy

Wideman, Melissa

Duke, Rance

Bekal, Pradeep

Jones, Angelita

Fischer, Rick

Qualls, Roxanne

Not Present for Purposes of Board Action or Quorum - Chavez, Manuel (virtual)

Staff Present:

Brunner, Laura

Hudson, Rick

Denning, Philip

Millikin, Tom

Recht, Chris

Garth, Andrew

Michael, Rahiel

Hahn, Greg

Daniels, Jilson

Public Attendees:

Shanahan, Madeline – Calfee

Smyjunas, J. Robert – Vandercar

2. CHAIRMAN'S REPORT

Manuel Chavez

Mr. Chavez recommended that the Board nominate Amy Spiller as Vice Chair of the Port Board of Directors. Pradeep Bekal moved to elect Amy Spiller as Vice Chair pursuant to Article II, Sections I & II of the Port Bylaws.

All voted in favor, passing the motion.

Mr. Chavez also welcomed Roxanne Qualls as the Port board's newest member.

Ms. Spiller presided over the meeting.

3. PRESIDENT'S REPORT

Laura Brunner

Ms. Brunner welcomed Andrew Garth as the Port's new Executive Vice President and General Counsel. Ms. Brunner informed the board of the Port's recent nominations and wins for various awards locally and nationally.

Ms. Brunner informed the board that later in the day she would be doing an interview with NBC Evening News about single family housing, followed by a presentation for the CRBC. Ms. Brunner informed the Board that KAO was hosting the meeting for the CRBC, including offering a bus tour of Camp Washington.

Ms. Brunner noted the updated Scorecard was included in the meeting materials.

4. APPROVAL OF MINUTES – June 8, 2022

Ms. Spiller asked the Board members if there were any additions or modifications to the June 8, 2022 Board of Directors meeting minutes. Hearing none, she asked for a motion to adopt the meeting minutes.

Motion: Melissa Wideman moved to adopt the minutes of the June 8, 2022 Board of Directors Meeting. The motion was seconded by Rick Fischer and was approved unanimously. Ms. Qualls abstained.

APPROVAL OF MINUTES – June 28, 2022

Ms. Spiller asked the Board members if there were any additions or modifications to the June 28, 2022 Board of Directors special meeting minutes. Hearing none, she asked for a motion to adopt the meeting minutes.

Motion: Melissa Wideman moved to adopt the minutes of the June 28, 2022 Board of Directors Special Meeting. The motion was seconded by Rance Duke and was approved unanimously. Ms. Qualls abstained.

5. NEIGHBORHOOD UPDATE

Philip Denning

Mr. Denning presented an update on the CARE portfolio of homes. The Port worked with an advisory group to develop an eviction policy that prioritizes compassionate treatment of tenants. In April of 2022, 160 of the properties were delinquent in rent. The Port took several steps to help the renters resolve delinquencies and, as of August 2022, only seven delinquent renters remain. Three evictions have been completed with two more in process.

Mr. Denning stated a total of 60 of the properties are vacant, reviewing some of the steps taken to turn the properties and presenting examples of some of the completed properties.

Mr. Denning reviewed the rent and utility assistance offered and corresponding communication to the renters; also reviewed were the steps the Port is taking with homeownership counseling, including outreach meetings attended by the current renters.

Mr. Denning concluded with a brief review of property management for the homes, with negotiations for a new property manager underway.

The Board asked questions about the properties and information presented, all of which were answered to satisfaction.

Mr. Denning described a request to amend the Bylaws to increase the spending limit authorization for the President/CEO from \$100,000 to \$250,000, primarily related to enhancing the ability to purchase homes and properties.

Ms. Spiller moved, in order to promote the efficient and proper management of the Port, to amend the Port Bylaws, the most recent version of which was adopted in June of 2016. Proposed amendments to the bylaws have been provided to the board for its review and discussion.

Melissa Wideman moved to amend, Angelita Jones seconded, with all in favor.

6. PUBLIC FINANCE UPDATE

Greg Hahn

Mr. Hahn presented Resolution 2022-23, the first of two resolutions for the Lincoln & Gilbert Family Project, located in Walnut Hills. This resolution would authorize the Port to issue bonds for the construction of 50 new affordable apartments.

The Board asked questions, all of which were answered to satisfaction.

Formal Action Requested – Before the Board today is proposed Resolution 2022-23 entitled:

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF PORT AUTHORITY REVENUE BONDS IN A MAXIMUM PRINCIPAL AMOUNT OF \$3,000,000 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 LINCOLN & GILBERT FAMILY LLC OR AN AFFILIATE; AND AUTHORIZING THE EXECUTION AND DELIVERY OF RELATED DOCUMENTS AND MATTERS.

Motion: Rick Fischer moved to approve Resolution 2022-23. The motion was seconded by Pradeep Bekal and was approved by the remainder of the Board.

Mr. Hahn presented Resolution 2022-24, the second resolution for the Lincoln & Gilbert Family Project to authorize the Port to issue bonds for the construction of 36 new affordable apartments.

Formal Action Requested – Before the Board today is proposed Resolution 2022-24 entitled:

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF PORT AUTHORITY REVENUE BONDS IN A MAXIMUM PRINCIPAL AMOUNT OF \$3,000,000 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 LINCOLN & GILBERT FAMILY II LLC OR AN AFFILIATE; AND AUTHORIZING THE EXECUTION AND DELIVERY OF RELATED DOCUMENTS AND MATTERS.

Motion: Pradeep Bekal moved to approve Resolution 2022-24. The motion was seconded by Melissa Wideman and was approved by the remainder of the Board.

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

Mr. Hahn presented Resolution 2022-25, a project in Anderson Township called Vantage Anderson, for the new construction of 224 market-rate apartments. The resolution will facilitate sales tax abatement on construction material.

Formal Action Requested – Before the Board today is proposed Resolution 2022-25 entitled:

AUTHORIZING THE ACQUISITION OF A LEASEHOLD INTEREST IN REAL PROPERTY IN ANDERSON TOWNSHIP, 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 VANTAGE ANDERSON, LLC AND THE LEASE OF SAID REAL PROPERTY TO VANTAGE ANDERSON, 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 VANTAGE ANDERSON, 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.

Motion: Pradeep Bekal moved to approve Resolution 2022-25. The motion was seconded by Rance Duke and was approved by the remainder of the Board.

Mr. Hahn presented Resolution 2022-26, to authorize a preliminary agreement to issue Ohio sales and use tax exemption certificates for the purchase and construction materials of the former Macy's Headquarters, now called 7W7. This project will convert 13 floors, 365 sq. ft. of the building into 341 market-rate apartments.

Formal Action Requested – Before the Board today is proposed Resolution 2022-26 entitled:

AUTHORIZING THE EXECUTION AND DELIVERY OF A PRELIMINARY AGREEMENT IN CONNECTION WITH THE 7W7 PROJECT IN CINCINNATI, OHIO, AND THE PROVISION OF OHIO SALES AND USE TAX EXEMPTION CERTIFICATES FOR THE PURCHASES OF BUILDING AND CONSTRUCTION MATERIALS INCORPORATED INTO THAT PROJECT.

Motion: Melissa Wideman moved to approve Resolution 2022-26. The motion was seconded by Pradeep Bekal and was approved by the remainder of the Board.

Mr. Hahn presented Resolution 2022-27, a preliminary agreement for the Mercantile Library Building, with the intention of expanding the library and creating 156 market-rate apartments. This agreement would issue a tax-exemption certificate for the purchase of the building and construction materials.

Formal Action Requested – Before the Board today is proposed Resolution 2022-27 entitled:

AUTHORIZING THE EXECUTION AND DELIVERY OF A PRELIMINARY AGREEMENT IN CONNECTION WITH THE MERCANTILE REDEVELOPMENT PROJECT IN CINCINNATI, OHIO, AND THE PROVISION OF OHIO SALES AND USE TAX EXEMPTION CERTIFICATES FOR THE PURCHASES OF BUILDING AND CONSTRUCTION MATERIALS INCORPORATED INTO THAT PROJECT.

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

Motion: Melissa Wideman moved to approve Resolution 2022-27. The motion was seconded by Pradeep Bekal and was approved by the remainder of the Board.

7. FINANCIAL REPORT

Rick Hudson

Operating revenues were at \$5.2MM vs. plan of \$5.1MM, 3% better than plan.

Communities First has been underperforming due to the current housing market, favorability was due to improved parking revenues.

Operating expenses were \$4.7MM vs. plan of \$4.8MM, 2% under plan.

Operating income was \$561,000, \$255,000 better than plan.

Balance sheet showed Unrestricted Cash at \$2.2MM, equal to 4 months of operating expenses.

The Port audit has been completed by Plante Moran, which completed its maximum tenth year of service. The auditor of state will be putting the future auditing work out to bid.

8. COMMUNICATIONS – Port Short

Tom Millikin,

Mr. Millikin presented the seventh Port Short video of the year, featuring the capacity-building of developers, focusing on one who started as a sub-contractor who has advanced through his partnership with the Port.

9. ADJOURNMENT

The September 14, 2022, Board of Directors meeting adjourned at 9:02 am.

Respectfully,



Laura N. Brunner
Secretary