

## RESOLUTION NO. 2019-19

### **RESOLUTION AUTHORIZING THE PORT TO MAKE CAPITAL EXPENDITURES TO ACQUIRE FOR REDEVELOPMENT THE PROPERTY GENERALLY LOCATED AT 2000 WEST STREET, READING, OHIO, TO ACQUIRE SUCH PROPERTY DIRECTLY OR INDIRECTLY THROUGH THE LANDBANK, AND TO MAKE OPERATING EXPENDITURES NECESSARY IN 2019 WITH RESPECT TO THE OWNERSHIP OF SUCH PROPERTY, AND AUTHORIZING RELATED MATTERS.**

**WHEREAS**, the “authorized purposes” of the Port of Greater Cincinnati Development Authority (“The Port”) include activities that enhance, foster, aid, provide, or promote transportation, economic development, governmental operations, culture or research throughout the City of Cincinnati, Ohio (“City”) and the County of Hamilton, Ohio (“County”) and other activities authorized within the State of Ohio (“State”) by Article VIII, Sections 13 and 16 of the Ohio Constitution; and

**WHEREAS**, in support of such authorized purposes, The Port may acquire and improve, and sell, lease, exchange or otherwise dispose of property, structures, equipment and facilities within the State for industry, commerce, distribution and research and, pursuant to such authority, this Board has previously adopted Resolution No. 2016-09 and, for the reasons further stated in the Recitals to that resolution, which Recitals are incorporated herein by reference, authorized the issuance of revenue bonds and notes in anticipation of such revenue bonds (“Patient Capital Notes”) to provide moneys to acquire, improve, assemble, reposition and otherwise develop and redevelop former commercial and industrial sites, together with other necessary or desirable parcels, to create newly marketable sites attractive for commercial, industrial and mixed-use redevelopment, all of which will create and preserve jobs and employment opportunities within the City and the County (“Program Purposes”); and

**WHEREAS**, consistent with existing authority under the Bylaws adopted by this Board, its agreements relating to the management of the Hamilton County Land Reutilization Corporation (“LandBank”) and for the Program Purposes, The Port has executed an agreement, subject to conditions (as amended and/or assigned, “Agreement”), for the acquisition, which may be structured and implemented directly or indirectly through the LandBank, of the approximately 25-acre industrial property generally located at 2000 West Street, Reading, Ohio (Hamilton County Auditor Parcel Nos. 671-0001-0093-00, 671-0001-0092-00, and 671 0001-0089-00, exclusive of portions thereof dedicated to the City of Reading, Ohio (“City”) for the extension of Riesenber Avenue, and herein, collectively, the “Property”), and this Board has been advised by Port staff that The Port has, pursuant to Resolution No. 2018-26 previously adopted by this Board, performed the necessary due diligence with respect to the Property and that the “Review Period” under the Agreement expired on August 26, 2019 (“Diligence End-Date”); and

**WHEREAS**, this Board has been further advised by Port staff that the acquisition of the Property for redevelopment required or requires: (i) an initial expenditure of approximately \$300,000 for the necessary due diligence, as previously authorized by this Board, and paid or provided for, in full, from third-party grants made or to be made for such purpose; (ii) a capital expenditure by The Port of \$700,000 to pay the purchase price for the Property, less (A) the required deposit of \$25,000 made on or about February 19, 2019 from proceeds of Patient Capital Notes and (B) the required extension fee of \$10,000 paid from a third-party grant (such net payment amount of \$665,000 is referred to herein as the “Closing Payment”); and (iii) assuming timely completion of such acquisition, the expenditure of additional amounts to pay certain holding or operating expenses including, without limitation, utility, tax, insurance and security

costs ("Operating Costs") to be paid by The Port with respect to the Property, now estimated not to exceed \$10,000 in the current year; and

**WHEREAS**, the Closing Payment is expected to be paid from proceeds of the Patient Capital Notes, and the Operating Costs payable for the current year ("2019 Operating Costs") are expected to be paid from unrestricted cash of The Port available and appropriated for that purpose under Resolution No. 2018-29 (as amended, "2019 Appropriations Resolution") or from amounts available therefor in the Recycled Proceeds Account created under the Trust Agreement and Mortgage authorized pursuant to the Original Patient Capital Note Resolution (as supplemented and amended, "Trust Agreement"); and

**WHEREAS**, this Board has previously determined that it may be advantageous for The Port to acquire properties directly or indirectly through the LandBank in order to minimize Operating Costs, and hereby authorizes (i) assumption of the Agreement, or acquisition of the Property, from the LandBank, (ii) transfer of the Property to the LandBank under a suitable property holding agreement requiring reconveyance to The Port on conditions consistent with the requirements of the Trust Agreement ("Holding Agreement") and (iii) an amendment of the Trust Agreement necessary or desirable to any facilitate such transfer ("Trust Amendment") and, for such purpose, hereby further authorizes the execution and delivery of such Holding Agreement and any such Trust Amendment, all consistent with the requirements of the Trust Agreement and in the best interests of The Port; and

**WHEREAS**, it is necessary, at this time, to determine whether The Port will proceed with the acquisition of the Property for redevelopment and, to the extent that such determination is made, to appropriate or confirm the appropriation of amounts sufficient to pay the Closing Payment and provide for other related charges, including 2019 Operating Costs; and

**WHEREAS**, this Board has determined that acquisition and redevelopment of the Property will promote the authorized purposes of The Port, including the Program Purposes, that such acquisition for redevelopment is in the best interests of The Port and The Port should proceed with such acquisition and that, in order to proceed with such acquisition, it is necessary and desirable for this Board to authorize and confirm the authority for The Port to proceed under and acquire the Property pursuant to the Agreement, to do so directly or indirectly through the LandBank, to enter into a suitable Holding Agreement with the LandBank and any necessary Trust Amendment in order to minimize the Operating Costs with respect to the Property, to approve all expenditures necessary to acquire and hold the Property for redevelopment, and to enable authorized representatives of The Port to expend the funds necessary to pay or provide for amounts due under the Agreement or with respect to 2019 Operating Costs;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Port of Greater Cincinnati Development Authority:

**Section 1.** The recitals hereto are incorporated herein by this reference as a statement of the findings and determinations of this Board, including as to the public purposes of The Port in acquiring the Property for redevelopment and expending funds of The Port as contemplated and authorized herein, and of this Board in authorizing the acquisition of the Property for redevelopment and the expenditures of The Port's funds contemplated and authorized herein, and this Board further finds and determines that the acquisition and redevelopment of the Property will promote the authorized purposes of The Port, including the Program Purposes, that such acquisition for redevelopment is in the best interests of The Port, that The Port should proceed with such acquisition and that, in order to proceed with such acquisition, this Board hereby authorizes each of the Chair, the Vice Chair, the President, the Secretary and any Assistant Secretary (each an "Authorized Official"), alone or together with any other Authorized Official, to do any or all of the following: (i) to proceed under and acquire the Property pursuant to the Agreement, either by

assignment thereof or by acceptance of a conveyance from the LandBank upon its acquisition of the Property under the Agreement, (ii) to execute and deliver the Holding Agreement consistent with the requirements of the Trust Agreement and otherwise in form and substance satisfactory to the Authorized Official signing the same, (iii) if deemed advantageous to and in the best interests of The Port by an Authorized Official, to transfer the Property to the LandBank under the Holding Agreement on the condition that it be reconveyed to The Port consistent with the requirements of the Trust Agreement and to execute and deliver such deeds and other instruments as shall be deemed necessary or desirable for that purpose, and (iv) if deemed necessary or desirable to facilitate any of the transactions contemplated herein, to execute and deliver a Trust Amendment for that purpose, in form and substance satisfactory to the Authorized Official signing the same.

**Section 2.** This Board hereby approves all expenditures necessary to acquire and hold the Property for redevelopment. In furtherance of the foregoing, and in addition to and not in derogation of existing appropriations made by this Board, all of which are hereby adopted, ratified and confirmed, this Board hereby appropriates, or confirms the appropriation of, \$665,000 from the proceeds of the sale of the Patient Capital Notes, appropriated upon issuance thereof and deposited into the Note Proceeds Account established under the Trust Agreement, to pay or provide for the Closing Payment required under the Agreement and to be paid upon acquisition of the Property by The Port and hereby appropriates, or confirms the appropriation of, an amount sufficient to pay all 2019 Operating Costs of the Property from unrestricted cash of The Port available and appropriated for that purpose under the 2019 Appropriations Resolution; provided that all such 2019 Operating Costs may also be paid from the Recycled Proceeds Account established under the Trust Agreement to the extent authorized consistent with the requirements of the Trust Agreement and, if and to the extent necessary, are hereby appropriated for that purpose. This Board hereby determines that the expenditures of funds authorized by this resolution are for the purposes of economic development, and will create and retain jobs and employment opportunities in the State pursuant to and consistent with Article VIII, Section 13, of the Ohio Constitution and are consistent with all applicable requirements of Chapter 4582 of the Revised Code and the Ohio Constitution. This Board hereby authorizes any Authorized Official to make the Closing Payment and complete the acquisition of the Property. This Board hereby authorizes any Authorized Official to pay or provide for all 2019 Operating Costs and any amounts so paid from one source of authorized funding may thereafter be reimbursed from a different source of authorized funding on determination by an Authorized Official that such reimbursement is in the best interest of The Port.

**Section 3.** Notwithstanding any applicable requirements of the Bylaws, the authority granted to the Authorized Officials under this resolution includes the authority to enter into contracts relating to the acquisition and redevelopment of the Property in excess of the limits therein, and consistent with the Annual Budget and the appropriations made by this Board, and to issue payments in excess of any limits therein for the purposes contemplated in this resolution, without requiring any further approval by this Board.

**Section 4.** Each Authorized Official is hereby authorized to execute and deliver the Holding Agreement and Trust Amendment authorized herein, and any certifications, agreements, assignments, amendments, supplements, deeds, consents, approvals, affidavits and other instruments and documents, and to take such further actions, as are necessary or appropriate to provide for the acquisition of the Property pursuant to the Agreement and the redevelopment thereof consistent herewith, and to consummate the transactions contemplated in this resolution and the Agreement, the Holding Agreement or the Trust Agreement. All actions heretofore taken by the officers and officials of The Port and of this Board, in connection with acquisition of the Property pursuant to the Agreement are hereby adopted, ratified and confirmed.

**Section 5.** Each section of this resolution and each subdivision or paragraph of any section hereof and each sentence of a paragraph hereof is hereby declared to be independent and the finding or holding of any section or any subdivision, paragraph or sentence hereof to be invalid or void shall not be deemed or held to affect the validity of any other section, subdivision, paragraph or sentence of this resolution.

**Section 6.** This Board finds and determines that all formal actions of this Board and any of its committees concerning and relating to the adoption of this resolution were taken in an open meeting of this Board or its committees and that all deliberations of this Board and of any committees that resulted in those formal actions were in meetings open to the public in compliance with the law.

**Section 7.** This resolution shall take effect and be in force immediately upon its adoption.

Adopted: September 11, 2019

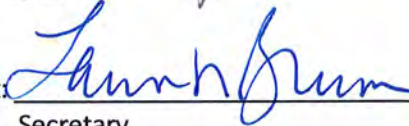
Yeas: 7

Nays: 0

Abstentions: 2

  
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Chairperson

  
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Attest:

Secretary