

RESOLUTION NO. 2019-29

DECLARING THE INTENT TO REIMBURSE CERTAIN COSTS IN CONNECTION WITH THE ACQUISITION AND DEMOLITION OF THE MILLENNIUM HOTEL AND THE EXPANSION OF THE CONVENTION CENTER ON THE SITE OF THE HOTEL.

WHEREAS, the Port of Greater Cincinnati Development Authority (the "Port"), a body corporate and politic duly organized and validly existing under the laws of the State of Ohio, is authorized and empowered, by virtue of the laws of the State of Ohio, including, without limitation, Sections 13 and 16 of Article VIII, Ohio Constitution, and Sections 4582.21 through 4582.59, Ohio Revised Code to acquire, construct, maintain, repair, furnish, and equip real and personal property useful for, or in furtherance of any authorized purpose, for such consideration and in such manner, consistent with Article VIII of the Ohio Constitution, as the Board in its sole discretion may determine; and

WHEREAS, the Port, as authorized in Board Resolution No. 2019-26, adopted on September 27, 2019, entered into an Agreement Regarding Assignment dated as of October 4, 2019, with Vandercar, LLC ("Vandercar"), under which the Port accepted an assignment of Vandercar's rights, interests and obligations under a Purchase and Sale Agreement dated as of July 1, 2019 (the "PSA") with Cincinnati, S.I Co.; and

WHEREAS, in accordance with the terms of the PSA, the Port made a first additional deposit of \$1,300,000 on October 5, 2019 (the "First Additional Deposit"), and a second additional deposit of \$1,300,000 on November 5, 2019 (the "Second Additional Deposit"); and

WHEREAS, each of the First Additional Deposit and the Second Additional Deposit was advanced by Hamilton County, Ohio (the "County"); and

WHEREAS, the Port, the City of Cincinnati (the "City") and the County are continuing to evaluate the following (collectively, the "Project"): (a) the potential acquisition and demolition of the Millennium Hotel; and (b) the timing, scope and size of the construction of new convention facilities and an expansion of the convention center on the site of the Millennium Hotel (the "Site"); and

WHEREAS, the Port currently expects that it will reimburse certain of the costs of the Project, including but not limited to repaying the County for its advancement of funds necessary to provide the First Additional Deposit and the Second Additional Deposit, from the proceeds of one or more series of tax-exempt bonds, notes, or other obligations (the "Securities") in an aggregate principal amount not expected to exceed \$300,000,000, the terms of which will be set forth in a future resolution or resolutions of this Board; and

WHEREAS, pending the authorization and issuance of the Securities, the Port intends to incur and to pay certain of the costs of the Project in expectation of the future reimbursement of such costs with proceeds of the Securities; and

WHEREAS, United States Treasury Regulation §1.150-2 (the "Reimbursement Regulations") prescribes conditions under which proceeds of the Securities will be deemed to be spent for purposes of Sections 103 and 141 to 150 of the Internal Revenue Code of 1986, as

amended (the "Code"), when used to reimburse expenditures paid before the issuance of those Securities; and

WHEREAS, this Board wishes to take steps to comply with the Reimbursement Regulations to protect the Port's ability to finance the Project on a tax-exempt basis.

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

Section 1. Declaration of Official Intent. The Board determines that this Resolution is a Declaration of Official Intent under United States Treasury Regulations for purposes of Sections 103 and 141 to 150 of the Code. The Port reasonably expects that certain of the costs of the Project, including the repayment to the County of its advancement of the First Additional Deposit and the Second Additional Deposit, will be reimbursed with the proceeds of the Securities. The aggregate maximum principal amount of the Securities is expected not to exceed \$300,000,000, to be issued, to the extent permitted by law, on terms set forth in a future resolution or resolutions of this Board.

Section 2. Severability. 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 3. Compliance With Open Meeting Law. 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 4. Effective Date. This resolution shall take effect and be in force immediately upon its adoption.

Adopted November 13, 2019

Yeas: 9


Chair

Nays: 0


Secretary

Abstentions: 0