

**RESOLUTION NO. 2020-05**

**A RESOLUTION AUTHORIZING THE ACCEPTANCE OF AN ADDITIONAL LOAN FROM, AND THE ISSUANCE, SALE AND DELIVERY OF AN ADDITIONAL HOUSING AND COMMUNITY DEVELOPMENT REVENUE BOND TO, THE GREATER CINCINNATI FOUNDATION, IN AN AGGREGATE PRINCIPAL AMOUNT OF \$1,000,000, TO FINANCE ADDITIONAL COSTS OF PORT AUTHORITY FACILITIES FOR AUTHORIZED PURPOSES OF THE PORT BY FUNDING AN ADDITIONAL DEPOSIT INTO THE GREATER CINCINNATI NEIGHBORHOODS HOUSING REVITALIZATION LOAN FUND ESTABLISHED BY THIS BOARD TO MAKE LOANS TO ENTITIES MANAGED BY THE PORT TO PROVIDE FOR A PORTION OF THE COSTS OF SUCH FACILITIES, AS AUTHORIZED UNDER A LOAN AGREEMENT WITH SUCH FOUNDATION; AUTHORIZING THE EXECUTION AND DELIVERY OF A SUPPLEMENTAL LOAN AGREEMENT TO PROVIDE FOR THE TERMS OF THE ADDITIONAL LOAN AND REVENUE BOND AND THE SECURITY THEREFOR; AUTHORIZING OTHER INSTRUMENTS, AGREEMENTS AND DOCUMENTS PERTAINING TO THE ADDITIONAL LOAN AND REVENUE BOND; AND AUTHORIZING AND APPROVING RELATED MATTERS.**

**WHEREAS**, the “authorized purposes” of the Port of Greater Cincinnati Development Authority (“The Port”), pursuant to and as defined in Sections 4582.21, *et seq.*, of the Ohio Revised Code (together with other authorities therein mentioned, the “Enabling Act”), include activities that enhance, foster, aid, provide, or promote housing and economic development 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, including activities that provide, or assist in providing, housing in the State for individuals and families to enhance the availability of adequate housing in the State and improve the economic and general well-being of the people of the State and, pursuant to such authority and a comprehensive strategic planning process, The Port developed, adopted and implemented a strategy to assist in forming successful neighborhood ecosystems where residents and others feel safe, create and have jobs and employment opportunities, and have access to adequate, diverse and cost-effective housing options (“Neighborhood Investment Strategy”); and

**WHEREAS**, pursuant to the Neighborhood Investment Strategy, The Port, both directly and through its management of the Hamilton County Land Reutilization Corporation (“LandBank”) and the Homesteading and Urban Redevelopment Corporation (“HURC”), has undertaken projects and programs throughout the City and County for the acquisition, construction, reconstruction, equipping, furnishing, improvement and other development, redevelopment and rehabilitation of housing, with a focus on single family housing (1 - 4 units) in neighborhoods identified as under-resourced by The Port, to support neighborhood revitalization and renewal, improve property values, increase and facilitate homeownership, enable neighborhood residents to build wealth, promote economic inclusion and aid in the formation, development and maintenance of successful and sustainable neighborhoods with adequate, diverse and cost-effective housing options (“Program Purposes”); and

**WHEREAS**, pursuant to Resolution No. 2018-03, adopted by this Board on March 14, 2018 (“Program Resolution”), this Board established the “Greater Cincinnati Neighborhoods Housing Revitalization Loan Fund” as a revolving loan fund in support of the Program Purposes (“Program Fund”) to finance “costs” of “port authority facilities” under and as defined in the Enabling Act and for the Program Purposes, through loans (“Project Loans”) by The Port from the Program Fund to the LandBank, the HURC or other entities managed, directly or indirectly, by The Port (“Managed Entities”) to pay or provide for a portion of the costs (“Project Costs”) of the acquisition, construction, reconstruction, equipping, furnishing, improvement and other development, redevelopment and rehabilitation of housing facilities (each a “Project”) in furtherance of the Program Purposes; and

**WHEREAS**, pursuant to the Program Resolution and the Enabling Act and for the Program Purposes, in order to provide for the initial capitalization of the Program Fund and thereby provide a source from which to make Project Loans to finance Project Costs in furtherance of the Program Purposes, The Port (then doing business as the Greater Cincinnati Redevelopment Authority) accepted an impact investment in the Program Fund in the form of a loan (“Initial Loan”) from The Greater Cincinnati Foundation, an Ohio nonprofit corporation (“Investor” or “Lender”), and issued a port authority revenue bond to the Investor, in an aggregate principal amount of \$1,000,000 (“Initial Bond”), in consideration of and to evidence the obligations of The Port with respect to the Initial Loan and the repayment of the principal of and interest on the Initial Bond and Initial Loan (“Initial Debt Service”), and entered into a loan agreement with the Investor (“Original Agreement” and, as amended and supplemented from time to time, the “Agreement”) to provide for the terms of and security for the Initial Bond and any “Additional Obligations”, under and as defined in the Original Agreement, issued by The Port for the Program Purposes under the circumstances described in the Original Agreement; and

**WHEREAS**, pursuant to the Agreement and the Enabling Act, and for the Program Purposes, in order to provide additional capital for the Program Fund and thereby provide additional funds from which to make Project Loans to finance Project Costs in furtherance of the Program Purposes, this Board has determined that it is necessary and proper and in the best interest of The Port for The Port to accept an additional impact investment in the Program Fund in the form of an additional loan, in the principal amount of \$1,000,000, from the Investor under the Agreement (“Additional Loan” and, together with the Initial Loan, the “Loans”), to issue a port authority revenue bond to the Investor, in an aggregate principal amount of \$1,000,000 (“Additional Bond” and, together with the Initial Bond, the “Bonds”), in consideration of and to evidence the obligations of The Port with respect to the Additional Loan and the repayment of the principal of and interest on the Additional Bond and Additional Loan (“Additional Debt Service” and, together with Initial Debt Service, “Debt Service”), and to issue the Additional Bond and accept the Additional Loan as Additional Obligations under the Agreement, secured *pari passu* with the Initial Bond and Initial Loan; and

**WHEREAS**, the Investor has agreed to make the Additional Loan and accept the Additional Bond as Additional Obligations under the Agreement, secured *pari passu* with the Initial Bond and Initial Loan; and

**WHEREAS**, this Board has determined that it is necessary and proper and in the best interests of The Port to enter into a supplemental loan agreement with the Investor as a supplement to the Original Agreement (“Supplemental Agreement”) to provide for the terms of and security for the Additional Bond and Additional Loan as Additional Obligations under the Agreement, secured *pari passu* with the Initial Bond and Initial Loan, including the assignment of additional revenues sufficient to pay the Additional Debt Service, to the payment of all Debt Service due on the Loans and Bonds.

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

Section 1. Recitals; Captions; Definitions. This Board hereby adopts, confirms and restates, as fully as if set forth in this Section 1, the recitals to this resolution, all of which are incorporated herein by reference as a statement of the findings and determinations of this Board, including as to the public purposes of The Port in implementing the Neighborhood Investment Strategy, adopting this resolution, accepting the Additional Loan and issuing the Additional Bond and entering into the Supplemental Agreement. The captions and headings in this resolution are solely for convenience of reference and do not define, limit or describe the scope or intent of any provisions or Sections of this resolution. Capitalized terms not defined by reference to the recitals or otherwise defined herein are used with the meanings given in or pursuant to the Agreement.

Section 2. Additional Determinations by the Board. In addition to and not in derogation of the findings and determinations of this Board stated in the Program Resolution and in the recitals incorporated into Section 1 of this resolution, this Board hereby further finds and determines, or confirms its prior findings and determinations, that pursuant to the authority of the Enabling Act: (i) it is necessary and proper and in the best interest of The Port to, and The Port shall, issue, sell and deliver the Additional Bond to the Investor in consideration of, and to evidence, the Additional Loan made by the Investor to The Port under the Agreement,

in an aggregate principal amount of \$1,000,000, as provided and authorized herein and in the Agreement, for the purpose of making additional Project Loans to finance additional Project Costs for the Program Purposes; (ii) the use of proceeds of the Additional Bond to make additional Project Loans to finance additional Project Costs is consistent with the purposes of the Enabling Act, will further the Program Purposes and will benefit the people of the State, including those within the jurisdiction of The Port, by (among other benefits): (A) enhancing, fostering, aiding, promoting or providing housing within the City and County, and (B) providing for acquisition, construction, reconstruction, equipping, furnishing, improvement and other development, redevelopment and rehabilitation of housing, with a focus on single family housing in neighborhoods identified as under-resourced by The Port, thereby providing, or assisting in providing, housing in the State for individuals and families to enhance the availability of adequate housing in the State and improve the economic and general well-being of the people of the State consistent with Article VIII, Section 16, of the Ohio Constitution; (iii) the terms of the Additional Bond, as contained herein and in the form of Supplemental Agreement on file with the Secretary of this Board, are satisfactory and are hereby approved with such changes as shall be consistent herewith and with the Enabling Act and the Agreement, as shall not be substantially adverse to The Port and as shall be approved by the officials executing the same, which approval (and that any changes are not substantially adverse to The Port) shall be conclusively evidenced by execution and delivery of the Additional Bond in accordance herewith; (iv) the terms of the Supplemental Agreement, in the form on file with the Secretary of this Board, are satisfactory and are hereby approved with such changes as shall be consistent herewith and with the Enabling Act, as shall not be substantially adverse to the Port and as shall be approved by the officials executing the same, which approval (and that any changes are not substantially adverse to The Port) shall be conclusively evidenced by execution and delivery of the Supplemental Agreement in accordance herewith; (v) the Additional Bond and Additional Loan shall constitute Additional Obligations under the Agreement, secured *pari passu* with the Initial Bond issued and Initial Loan made under the Original Agreement, and all proceeds of the additional Project Loans made from the proceeds of the Additional Loan and Additional Bond are and shall be pledged to the payment of Debt Service on the Bonds and the Loans and shall, for all purposes, constitute additional "Pledged Revenues" under and as defined in the Agreement ("Additional Pledged Revenues"), securing the payment of Debt Service on the Bonds and Loans, *pari passu*, in accordance with the Program Resolution, this resolution and the Agreement; and (vi) the Additional Debt Service (on the Additional Bond and the Additional Loan evidenced thereby) shall be payable only from, and shall be secured *pari passu* with the Initial Debt Service (on the Initial Bond and the Initial Loan evidenced thereby) by, the Pledged Revenues assigned to the payment of Debt Service under the Agreement.

Section 3. Issuance of Additional Bond; Additional Loan. The Port is hereby authorized to issue, sell and deliver the Additional Bond in consideration of and to evidence the Additional Loan made by the Lender to The Port under the Agreement, in an aggregate principal amount of \$1,000,000, to obtain funds for deposit into the Greater Cincinnati Neighborhoods Housing Revitalization Loan Fund established under the Program Resolution and to be used to make Project Loans to pay Project Costs for the Program Purposes. The Additional Bond shall be issuable only in definitive (certificated) fully-registered form, signed by any one or more of the President of The Port and the Chair and Vice Chair of this Board (each an "Executive Officer"), and by the Secretary (if not signing as an Executive Officer) or an Assistant Secretary of this Board (each a "Fiscal Officer" and collectively, together with the Executive Officers, "Authorized Officers") in the name of The Port and in their official capacities; provided that one or both of such signatures may be a facsimile. The Secretary (or other Fiscal Officer on behalf of the Secretary) shall act as the registrar for the Additional Bond ("Registrar") and will maintain, on behalf of The Port, a register evidencing the ownership of the Additional Bond and the outstanding principal amount thereof, including any and all related advances or disbursements and payments or prepayments, all as further described and provided in the Agreement. The Additional Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under this resolution or the Agreement unless and until the certificate of authentication on the Additional Bond is signed by the Registrar.

The Additional Bond shall be designated the "Port of Greater Cincinnati Development Authority 2020 Housing and Community Development Revenue Bond (Greater Cincinnati Neighborhoods Housing Revitalization Loan Fund)", with such additional or alternative designations as are deemed necessary or desirable by the Authorized Officers executing the same, and shall be issued in the form authorized and set forth in the Supplemental Agreement. The Additional Bond shall be issued as a single bond certificate representing the entire principal amount of the Additional Bond, but the Additional Bond may be exchanged

or replaced from time to time, including on any assignment permitted under the Agreement or upon satisfactory proof and indemnity if lost, stolen or destroyed, on terms satisfactory to the Registrar, including provision for cancellation of any Additional Bond surrendered. Any Additional Bond so issued may be executed by officials constituting Authorized Officers at the time of signing regardless of whether they shall be Authorized Officers at the time of authentication and delivery.

The Additional Bond shall be dated the date of its issuance and the outstanding principal amount of the Additional Bond shall bear interest at the rate or rates established in or pursuant to the Supplemental Agreement and approved by an Authorized Officer, with that determination conclusively evidenced by the execution and delivery of the Supplemental Agreement by an Authorized Officer. The interest rate on the Additional Bond shall not exceed the interest rate on the Initial Bond exclusive of any periods when it shall bear interest at a "default rate", not to exceed 5.00% per year, in accordance with the Agreement. The Additional Bond shall mature, subject to optional redemption and deferral in accordance with the Agreement, on April 1, 2025 ("Maturity Date"). Interest on the Additional Bond shall be payable on January 1, April 1, July 1 and October 1 of each year, commencing April 1, 2020 ("Interest Payment Dates") until the Maturity Date, or until the principal amount is paid or duly provided for (or deemed paid and provided for in accordance with the Agreement), and shall be payable, at the applicable rate or rates, from the most recent date to which interest has been paid or duly provided for or, if no interest has been paid or duly provided for, from its date. Interest on the outstanding principal amount of the Additional Bond shall be computed on the basis of a 360-day year consisting of twelve 30-day months. The Additional Bond shall have such other terms as are provided therein and in the Agreement.

Section 4. Sale of the Additional Bond. The Additional Bond shall be sold to the Investor in consideration of the making of the Additional Loan to The Port in accordance with the Supplemental Agreement, at a purchase price equal to 100% of the principal amount thereof payable on the date of issuance of the Additional Bond and otherwise on the terms and conditions established in the Supplemental Agreement and approved by the Authorized Officer or Officers signing the Supplemental Agreement, such approval to be evidenced conclusively by execution and delivery of the Supplemental Agreement by any Authorized Officer. It is determined by this Board that the price for and the terms of the Additional Bond, and of the Additional Loan, and the sale and delivery of the Additional Bond in consideration of the making of the Additional Loan to The Port, all as provided in and pursuant to this resolution and the Agreement, are in the best interest of The Port and are in compliance with all legal requirements.

Section 5. Deposit, Custody and Application of Proceeds; Project Loan Documents. The proceeds from the sale of the Additional Bond shall, upon receipt, be promptly and directly deposited into the Program Fund maintained on behalf of The Port by The Huntington National Bank, as depositary, custodial, disbursing and paying agent for and on behalf of The Port ("Custodian") under the Deposit, Custody and Payment Agreement dated as of August 2, 2018 between The Port and the Custodian ("Fund Custody Agreement") and shall be held and invested on the same terms as all other funds therein, and shall be disbursed from time to time by or on the order of an Authorized Officer to make Project Loans documented and made in accordance with the terms and conditions established in the Original Agreement and any other applicable instrument or agreements reasonably necessary or desirable in connection with the execution of and security for any Project Loan (collectively, as the same may be supplemented or amended from time to time, and together with the Agreement, "Project Loan Documents"), to pay Debt Service on the Bonds (and Loans), or to pay principal of and interest due on any other Additional Obligations issued from time to time. To the extent, if any, that amounts are on deposit in the Program Fund and are not encumbered to pay or provide for Project Costs under any applicable Project Loan Agreement, such amounts shall be used by or on direction of the Fiscal Officer to pay Debt Service when due on the Bonds (and Loans) and principal and interest, when due, on any Additional Obligations issued and secured *pari passu* with the Bonds (and Loans) and, if all such payments are current, then to the payment of any other obligations payable therefrom.

Section 6. Security; Pledged Revenues. The Additional Bond, Additional Loan and Supplemental Agreement (including the Additional Pledged Revenues and/or the assignment of the security for the additional Project Loans thereunder) do not and shall not pledge the general credit or taxing power of The Port or of the State or any political subdivision thereof, and nothing herein or in the Additional Bond or the Supplemental

Agreement, or in any other instrument or agreement authorized herein, shall constitute a general obligation, debt or bonded indebtedness of The Port, the State or any political subdivision thereof; and further, nothing therein gives the Investor or any owner of the Additional Bond, and they do not have, the right to have excises or taxes levied by this Board, or by the State or the taxing authority of any other political subdivision for the payment of Debt Service. The Additional Bond and Additional Loan are payable solely from the Pledged Revenues, including amounts from time to time on deposit or to be deposited in the Program Fund and available therefor, all as further provided herein and in the Agreement, and the Additional Bond and the Supplemental Agreement shall contain statements to that effect; provided, however, that nothing herein, in the Additional Bond or the Agreement shall be deemed to prohibit The Port, of its own volition, from using to the extent it is lawfully authorized to do so, upon appropriation by this Board, any other resources or revenues for the fulfillment of any of the terms, conditions or obligations of this resolution, the Supplemental Agreement or the Additional Bond (and Additional Loan).

Section 7. Covenants of Authority. In addition to the other covenants and agreements of The Port herein and in the Agreement, The Port, by issuance of the Additional Bond, covenants and agrees with the owner thereof that: (a) The Port will use proceeds of the Additional Bond to make additional Project Loans to finance Project Costs for Program Purposes in accordance herewith and with the Agreement; (b) The Port will, for accounting purposes, segregate the Program Fund and the Pledged Revenues from all other revenues and funds of The Port; (c) The Port will, at any and all times, cause to be done all such further acts and things and cause to be executed and delivered all such further instruments as may be necessary to carry out the purposes of the Supplemental Agreement, the Additional Loan, the Additional Bond and this resolution or as may be required by the Enabling Act, and will comply with all requirements of law applicable to the Additional Bond; (d) The Port will observe and perform all of its agreements and obligations provided for by this resolution, the Additional Bond and the Agreement, and the obligations of The Port hereunder and thereunder are hereby established as duties specifically enjoined by law and resulting from an office, trust or station upon The Port within the meaning of Section 2731.01, Ohio Revised Code; and (e) The Port will, solely from and to the extent of the Pledged Revenues, pay or cause to be paid all required Additional Debt Service on the dates, at the places and in the manner provided herein and in the Additional Bond.

Section 8. Agreement and Other Documents. To provide for the Additional Loan and the issuance and sale of, and security for the payment of Debt Service on, the Additional Bond, each Authorized Officer, alone or together with any other Authorized Officer, is hereby authorized, for and in the name of The Port, to execute and deliver the Supplemental Agreement, in substantially the form thereof now on file with the Secretary, with such changes therein as are not inconsistent with this resolution and not substantially adverse to The Port and which are permitted by the Enabling Act and shall be approved by the officer or officers executing the Supplemental Agreement. The approval of such changes, and that such changes are not substantially adverse to The Port, shall be conclusively evidenced by the execution of those documents by any Authorized Officer. In addition to the foregoing authorization and all other authorizations herein or in the Program Resolution, each Authorized Officer is further authorized and directed to execute any certificates and certifications, instruments and agreements (including amendments of or supplements to, and assignments or assumptions of, instruments and agreements that may include the Custody Agreement, the Agreement, the Project Loan Documents and other instruments and agreements), notices, directions, orders, statements, assignments, estoppels, instruments and other documents of any kind whatsoever, and to take all such other and further actions, as are necessary or desirable and appropriate to provide for the issuance of the Additional Bond in consideration of and to evidence the Additional Loan, and to otherwise consummate the transactions contemplated in this resolution, the Program Resolution, the Additional Bond and the Agreement, to obtain additional capital for the Program Fund, and to make, implement, administer and enforce the Project Loans in accordance with the Agreement and thereby implement the Program Purposes.

Section 9. Authorizations Supplemental; Ratification. The authorizations herein are supplemental to and are not in derogation of any other prior or existing authorizations provided by this Board with respect to the subject matter hereof, including those authorizations in the Program Resolution. Except to the extent, if any, inconsistent herewith, the Program Resolution and the findings, determinations, declarations and authorizations therein are, as supplemented hereby, ratified and confirmed. All actions taken by the officers of this Board and by the officers and staff of The Port pursuant to prior or existing authorizations with

respect to the subject matter hereof and of the Program Resolution are hereby adopted, ratified and confirmed.

Section 10. 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 11. Compliance with Open Meeting Law. This Board finds and determines that all formal actions of this Board or any of its committees concerning and relating to the adoption of this resolution were taken in an open meeting of this Board or committee and that all deliberations of this Board or any such committee that resulted in those formal actions were in meetings open to the public in compliance with the law.

Section 12. Effective Date. This resolution shall take effect and be in force immediately upon its adoption.

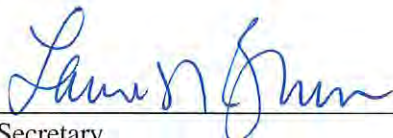
Adopted: January 15, 2020

Yeas: 9

Nays: 0

Abstention: 0

  
\_\_\_\_\_  
Chairperson

Attest:   
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Secretary