

RESOLUTION NO. 2013-14

A RESOLUTION AUTHORIZING THE INITIAL APPROVAL OF THE ISSUANCE OF PORT AUTHORITY REVENUE BONDS FOR THE ACQUISITION, REHABILITATION AND EQUIPPING OF THREE BUILDINGS IN THE CITY OF CINCINNATI AS A RESIDENTIAL RENTAL COMPLEX

WHEREAS, West Seventh and Race Apartments, LLC, an Ohio limited liability company (the "Borrower"), intends to acquire, renovate, rehabilitate, and improve the Robertson Building, located at 106 West Seventh Street & 707 Race Street, the Oskamp Nolting Building located at 26 West Seventh Street and the Lancaster Building 22 West Seventh Street, each within the city of Cincinnati, and convert the buildings into a multifamily housing complex containing approximately 75 affordable living units (the "Project"); and

WHEREAS, the Borrower has requested the Port of Greater Cincinnati Development Authority ("Port Authority") to issue revenue bonds pursuant to the authority of Article VIII, Section 16 of the Constitution of the State of Ohio and Sections 4582.21 through 4582.59, Ohio Revised Code (the "Act"), in a principal amount not to exceed approximately \$9,500,000 (the "Bonds"), to finance a portion of the costs of the Project; and

WHEREAS, United States Treasury Regulations Section 1.150-2 (the "Reimbursement Regulations") prescribes conditions under which proceeds of bonds, notes or other obligations used to reimburse advances made for certain expenditures paid before the issuance of such obligations will be deemed to be expended (or properly allocated to expenditures) for purposes of Sections 103 and 141-150 of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code") so that, upon such reimbursement, the proceeds so used will not further be subject to requirements or restrictions under those sections of the Internal Revenue Code, and certain provisions of the Reimbursement Regulations require that there be a Declaration of Official Intent not later than 60 days following payment of the expenditure expected to be reimbursed from proceeds of such obligations, and that the reimbursement occur within prescribed time periods after the expenditure is paid or after the property is placed in service; and

WHEREAS, at the request of the Borrower, the Port Authority wishes to take steps to comply with those Regulations in connection with the Project, to confirm its intentions with respect to the implementation of the Project, and to take other preliminary actions necessary or desirable in connection with the authorization of the Bonds;

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

Section 1. Findings. This Board does hereby find and determine, based upon the representations of the Borrower, that (i) the Project will be a "port authority facility" in furtherance of the purposes set forth in the Act, and (ii) the Project is consistent with the purposes of Section 16 of Article VIII, Ohio Constitution, to provide safe, decent and sanitary housing and to improve the economic welfare of the people of the State of Ohio.

Section 2. Initial Approval. The issuance of the Bonds, in one or more series pursuant to a common plan of finance, to finance the acquisition, rehabilitation and equipping of the Project in one or more series of Bonds is hereby initially approved. This approval is conditioned upon the Borrower providing such information as is requested by this Board with respect to the Project and this approval is not a final authorization to issue the Bonds. The Board will consider approval of the issuance of Bonds when the final proposal for the issuance of the Bonds is submitted by the Borrower.

Section 3. Bonds to be Limited Obligations. The Bonds to be issued shall be limited special obligations of the Port Authority payable solely from revenues to be received pursuant to a loan or other

financing agreement in a form acceptable to the Port Authority and the Borrower and shall not be a general obligation of the Port Authority or the State of Ohio or any political subdivision of the State of Ohio.

Section 4. Costs and Expenses. Subject to applicable federal tax law limitations, all costs and expenses involved in the authorization, issuance, sale and delivery of the Bonds and in providing financing for the Project, including the fees and disbursements of the original purchaser, bond counsel, counsel to the Port Authority, the Port Authority fees, volume cap fees, and the fees of legal counsel, accountants, financial advisors and other professionals incurred by the Borrower in connection with the Project shall be paid from the Bond proceeds, or, if they are insufficient, shall be paid directly by the Borrower, and the proceedings and agreements relating thereto, as hereafter adopted and undertaken, shall so provide.

Section 5. Official Intent. This Board hereby declares that the Port Authority reasonably expects that capital and other expenditures relating to the Project made by the Port Authority, the Borrower and others will be reimbursed from the proceeds of "bonds" (as defined in Section 150 of the Internal Revenue Code) and that the maximum principal amount of bonds expected to be issued for the Project is \$9,500,000. This resolution constitutes a Declaration of Official Intent under the Reimbursement Regulations.

Section 6. Public Hearing; Volume Cap. The President is authorized and directed to hold a public hearing with respect to the Project and the financing thereof by the issuance of the Bonds and the President or his designee is hereby designated as the hearing officer for the purpose of holding such hearing. The President is further authorized to request an allocation of volume cap for the Bonds from the State of Ohio.

Section 7. Retention of Bond Counsel. The Port Authority retains the law firms of Squire, Sanders & Dempsey (US) LLP ("Squire Sanders"), as bond counsel, to provide legal services in connection with the authorization, sale, issuance and delivery of the Bonds. In providing those legal services, as an independent contractor in an attorney-client relationship, Squire Sanders shall not exercise any administrative discretion on behalf of this Board in the formulation of public policy, expenditure of public funds, enforcement of laws, rules and regulations of the State or any political subdivision, or the execution of public trusts.


Section 8. Sunshine Law. This Board finds and determines that all formal actions of this Board concerning and relating to the adoption of this resolution were taken in an open meeting of this Board 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 9. Effective Date. This resolution shall take effect and be in force immediately upon its adoption.

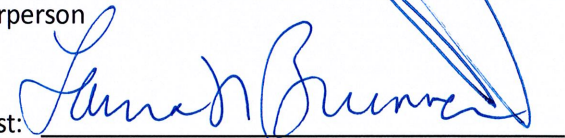
Adopted: October 24, 2013

Yeas: 8

Nays: 0



Chairperson


Attest: _____
Secretary