

June 15, 2016 Board of Directors Meeting

The Taft Center at Fountain Square, 425 Walnut Street, Cincinnati, OH 45202

1. CALL TO ORDER

Charlie Luken called the Port of Greater Cincinnati Development Authority Board of Directors meeting to order at 8:00a.m.

Board Members Present:

Luken, Charlie	Robertson, Scott
Fisher, Bobby	Jacobs-Horton, Lydia
Wright, Shane	San Marco, Mario
Jackson, Ed	Smith, David
Jones, Damon	Marmer, Lynn

Staff Present:

Brunner, Laura	Paul, Gail
Thomas, Susan	Robb, Deborah
Hall, Darin	Hudson, Rick
Johnson, Melissa	Koth, Lesley

Guests:

Schulte, Skip – Citizen	Wirtz, Jennifer – Parsons Brinckerhoff
Flick, James – City of Cincinnati	Jindal, Anil – Jindal Builders
Kane, Scott – Squire Patton Boggs	Weckbach, Jeff – Hamilton County
Engel, Liz – WCPO.com	Fosset, Jay – Strategic Advisor
Wetterich, Chris – Business Courier	

2. WELCOME AND INTRODUCTIONS

Mr. Luken welcomed the Board members and the guests, and introduced the new Board member, Damon Jones.

3. APPROVAL OF MINUTES – April 13, 2016

Mr. Luken asked the Board members if there were any additions or modifications to the April 13, 2016 Board of Directors meeting minutes. Hearing none, he asked for a motion to adopt the meeting minutes.

Motion: Mario San Marco moved to adopt the minutes of the April 13, 2016 Board of Directors Meeting. The motion was seconded by Lynn Marmer and was approved unanimously.

4. PRESIDENT’S REPORT

Laura Brunner

Ms. Brunner acknowledged the staff present, reviewed agenda items, and called attention to the updated strategy metrics.

5. REVISIONS OF THE BYLAWS

Laura Brunner

Ms. Brunner called attention to a motion to make revisions to the bylaws. Along with some administrative changes, there is a change for quorum: quorum established at the beginning of the meeting will be held throughout the duration of the meeting. Another update is to change the check-signing authority of the President/CEO to match the current contract-signing authority, aligning the amounts.

Lydia Jacobs-Horton read a motion to amend the bylaws to promote the efficient and proper management of the Port Authority and its Board of Directors, the most recent version of the bylaws having been adopted in December of 2013. A newly updated version of the bylaws had been provided to the Board for its review and discussion prior to the meeting.

Mr. Luken commented this was a careful and conservative approach to the changes that would help with efficiency. A brief discussion ensued.

Mario San Marco moved to approve the amended bylaws. Ed Jackson seconded the motion, with all in favor.

6. INDUSTRIAL STRATEGY

Laura Brunner & Melissa Johnson

Ms. Johnson gave a presentation related to Resolution 2016-15, a resolution contemplating the acquisition of the property located at 2250 Seymour Avenue. Ms. Johnson provided a brief history of the property, along with why this property is a good fit with the Industrial Strategy.

The Board made comments and asked questions about the property, all of which were answered to the Board's satisfaction.

Formal Action Requested – Before the Board today is proposed Resolution 2016-15 entitled:

RESOLUTION NO. 2016-15

RESOLUTION AUTHORIZING THE PORT OF GREATER CINCINNATI DEVELOPMENT AUTHORITY TO MAKE CAPITAL EXPENDITURES TO ACQUIRE FOR REDEVELOPMENT THE PROPERTY GENERALLY LOCATED AT 2250 SEYMOUR AVENUE, CINCINNATI, OHIO AND TO MAKE OPERATING EXPENDITURES NECESSARY IN 2016 WITH RESPECT TO THE OWNERSHIP OF SUCH PROPERTY, AND AUTHORIZING RELATED MATTERS

Motion: Damon Jones moved to approve Resolution 2016-15. The motion was seconded by Lynn Marmer and was approved, with Bobby Fisher, Mario San Marco, David Smith, and Shane Wright abstaining.

Ms. Brunner gave a brief update for Resolutions 2016-16 & 2016-17, which combined reflect all the known capital items in the next 12 months. Resolution 2016-16 covers the contracting authority to enter into contracts for these items that are anticipated. Resolution 2016-17 is the budget amendment that is required to enter into the contracts. Ms. Brunner reviewed the components of each item listed.

The Board asked questions about the resolutions, which were answered to the Board's satisfaction.

Formal Action Requested – Before the Board today is proposed Resolution 2016-16 entitled:

RESOLUTION NO. 2016-16

RESOLUTION AUTHORIZING THE PORT OF GREATER CINCINNATI DEVELOPMENT AUTHORITY TO PERFORM ACTIVITIES THAT WILL FACILITATE THE REDEVELOPMENT OF PROPERTIES LOCATED AT 2100 SECTION ROAD, 2250 SEYMOUR AVENUE, AND ADDITIONAL PROPERTIES IN THE SOUTH MILL CREEK AREA AND THE BOND HILL AND ROSELAWN NEIGHBORHOODS OF CINCINNATI, OHIO, AND TO ACQUIRE CERTAIN REAL PROPERTY IN BOND HILL AND ROSELAWN

Motion: Lydia Jacobs-Horton moved to approve Resolution 2016-16. The motion was seconded by Scott Robertson and was approved, with Bobby Fisher, Mario San Marco, David Smith, Shane Wright abstaining.

Formal Action Requested – Before the Board today is proposed Resolution 2016-17 entitled:

RESOLUTION NO. 2016-17

RESOLUTION TO AMEND THE PORT OF GREATER CINCINNATI DEVELOPMENT AUTHORITY ANNUAL BUDGET TO INCLUDE TOTAL CAPITAL EXPENDITURES OF \$33,000,000

Motion: Scott Robertson moved to approve Resolution 2016-16. The motion was seconded by Lydia Jacobs-Horton and was approved by all.

7. INCLUSION RESULTS & POLICY

Deborah Robb

Ms. Robb presented the 2015 Economic Inclusion results for the Port Authority, HCLRC, and the Fountain Square South Garage project. Ms. Robb provided information regarding other organizations that the Port Authority has assisted in the creation of their inclusion policies. Ms. Robb stated that before the Board is a motion to clarify the implementation of the Economic Inclusion Policy, whereby the Port Authority maintains the option of deferring to the City of Cincinnati's new policy when working on projects with the City.

The Board asked several questions about the policy, all of which were answered to the Board's satisfaction.

Lydia Jacobs-Horton made a motion to clarify the implementation of the Economic Inclusion Policy to support and empower minority-owned, women-owned, and small businesses. The Port Authority maintains an Economic Inclusion Policy, the most current version having been adopted February 19, 2009. In order to refine the organization's implementation of the policy, the Board of Directors wishes to clarify that in situations in which the Port Authority is working collaboratively with another public entity

on a project, the Port Authority may defer to the use of that public entity's corresponding policy for that particular project.

Lynn Marmer moved to approve to clarify the implementation of the Economic Inclusion Policy, Charlie Luken seconded the motion, with all in favor.

8. PUBLIC FINANCE

Susan Thomas

Ms. Thomas called attention to Resolution 2016-18, addressing a transaction out of the Southwest Regional Ohio Bond Fund. The Dayton Port Authority will be the issuer, making this a consenting resolution. The project is for infrastructure at Yankee Trace, a 550-acre high-amenity residential development outside of Dayton. \$9 million in infrastructure is needed to build an assisted living portion of the development. The \$9 million will be split three ways between three bond funds, with \$3 million coming from the Southwest Regional Ohio Bond Fund. The debt is backed by special assessment.

The Board asked questions about the deal, all of which were answered to the Board's satisfaction.

Formal Action Requested – Before the Board today is proposed Resolution 2016-18 entitled:

RESOLUTION NO. 2016-18

A RESOLUTION (I) AUTHORIZING AND APPROVING THE ISSUANCE OF BONDS THROUGH THE SOUTHWEST OHIO REGIONAL BOND FUND IN ORDER TO MAKE FUNDS AVAILABLE TO PAY THE COSTS OF PUBLIC INFRASTRUCTURE IMPROVEMENT PROJECTS CONSTITUTING "PORT AUTHORITY FACILITIES" TO BE LOCATED ON CERTAIN REAL PROPERTY WITHIN THE JURISDICTION OF THE DAYTON-MONTGOMERY COUNTY PORT AUTHORITY; AND (II) AUTHORIZING THE EXECUTION, DELIVERY, AND PERFORMANCE OF ANY INSTRUMENTS, DOCUMENTS, OR CERTIFICATES RELATED TO THE ISSUANCE OF THE BONDS

Motion: David Smith moved to approve Resolution 2016-18. The motion was seconded by Bobby Fisher and was approved by all.

Ms. Thomas called attention to Resolution 2016-19, a proposal in Phase 3 of the Keystone Development, which includes a parking garage and Hilton Garden and Hotel. The Port Authority will issue taxable lease revenue bonds, bonds that will be backed by lease payments made by the owners of the hotel. Ms. Thomas gave details of the existing real estate and how the deal came to the Port Authority.

The Board asked questions about the deal, all of which were answered to the Board's satisfaction.

Formal Action Requested – Before the Board today is proposed Resolution 2016-19 entitled:

RESOLUTION NO. 2016-19

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$21,000,000 OF LEASE REVENUE BONDS OF THE PORT OF GREATER CINCINNATI DEVELOPMENT AUTHORITY FOR

THE PURPOSE OF FINANCING COSTS OF "PORT AUTHORITY FACILITIES" WITHIN THE MEANING OF SECTION 4582.21, OHIO REVISED CODE, FOR THE BENEFIT OF KEYSTONE HOTEL PARTNERS, LLC, KEYSTONE HOTEL PARTNERS I, LLC, AND KEYSTONE HOTEL PARTNERS II, LLC; AUTHORIZING A BOND PURCHASE AGREEMENT; AUTHORIZING A GROUND LEASE; AUTHORIZING A LEASE; AUTHORIZING AN OPEN-END LEASEHOLD MORTGAGE, ASSIGNMENT OF LEASES AND RENTS AND SECURITY AGREEMENT; AUTHORIZING A CONSTRUCTION MANAGER AT-RISK AGREEMENT; AUTHORIZING AN INDEMNITY AGREEMENT; AUTHORIZING A DEVELOPMENT AGREEMENT; AUTHORIZING OTHER COLLATERAL DOCUMENTS; APPROVING A TERM SHEET; AND AUTHORIZING AND APPROVING RELATED MATTERS

Motion: Bobby Fisher moved to approve Resolution 2016-19. The motion was seconded by Lydia Jacobs-Horton and was approved by all.

9. FINANCIAL REPORT

Rick Hudson

Budget Update

Mr. Hudson stated revenues through the first four months are \$2 million and equal to plan. Operating expenses were at \$1.3 million vs. plan of \$1.5 million, \$212,000 favorable to plan.

Balance sheet showed unrestricted cash at \$750,000, representing three months of operating expenditures.

Plante Moran has completed the on-site audit work and plans to submit the audit report to the Auditor of the State within the next 30 days.

10. TEAM C: STRATEGIC OPERATING FORECAST

Laura Brunner & Rick Hudson

Ms. Brunner presented slides and information about the Go Big Strategy and how it will affect operations. The forecast impact and operational changes were presented through 2020.

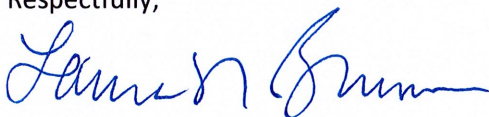
Mr. Hudson presented additional information about the forecasted impact on the operating expenses.

The Board made comments and asked several questions, all of which were answered to the Board's satisfaction.

11. ADJOURNMENT

The June 15, 2016 Board of Directors meeting adjourned at 9:02 a.m.

Respectfully,



Laura N. Brunner
Secretary