

September 16, 2015 Board of Directors Meeting

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

1. CALL TO ORDER

Lydia Jacobs Horton called the Port of Greater Cincinnati Development Authority Board of Directors meeting to order at 8:04 a.m.

Board Members Present:

Jacobs-Horton, Lydia	Budig, Jr., Otto
Luken, Charlie	San Marco, Mario
Jackson, Ed	Fisher, Bobby
Wright, Shane	

Staff Present:

Brunner, Laura	Recht, Chris
Thomas, Susan	Robb, Deborah
Hudson, Rick	Koth, Lesley

Guests:

Engel, Liz - WCPO	Schulte, Skip – Citizen
Wallace, Jeff – Parsons Brinkerhoff	Didrichsen, Barbara - Citizen
Shenk, Andy- Citizen	Holwadel, Kathy – Citizen

2. WELCOME AND INTRODUCTIONS

Ms. Jacobs-Horton welcomed the board members and the guests.

3. Ms. Jacobs-Horton stated due to the busy summer of special board meetings, minutes from last four of those meetings would be adopted.

APPROVAL OF MINUTES – June 11, 2015

Ms. Jacobs-Horton asked the Board members if there were any additions or modifications to the June 11, 2015 Board of Directors meeting minutes. Hearing none, she asked for a motion to adopt the meeting minutes.

Motion: Charlie Luken moved to adopt the minutes of the June 11, 2015 Board of Directors meeting. The motion was seconded by Otto Budig, Jr. and was approved unanimously.

APPROVAL OF MINUTES – June 23, 2015

Ms. Jacobs-Horton asked the Board members if there were any additions or modifications to the June 23, 2015 Special Board of Directors meeting minutes. Hearing none, she asked for a motion to adopt the meeting minutes.

Motion: Otto Budig, Jr. moved to adopt the minutes of the June 23, 2015 Special Board of Directors meeting. The motion was seconded by Ed Jackson and was approved unanimously.

APPROVAL OF MINUTES – July 22, 2015

Ms. Jacobs-Horton asked the Board members if there were any additions or modifications to the July 22, 2015 Special Board of Directors meeting minutes. Hearing none, she asked for a motion to adopt the meeting minutes.

Motion: Ed Jackson moved to adopt the minutes of the July 22, 2015 Special Board of Directors meeting. The motion was seconded by Charlie Luken and was approved unanimously.

APPROVAL OF MINUTES – August 17, 2015

Ms. Jacobs-Horton asked the Board members if there were any additions or modifications to the August 17, 2015 Special Board of Directors meeting minutes. Hearing none, she asked for a motion to adopt the meeting minutes.

Motion: Charlie Luken moved to adopt the minutes of the August 17, 2015 Special Board of Directors meeting. The motion was seconded by Bobby Fisher and was approved unanimously.

4. *PRESIDENT'S REPORT*

Laura Brunner

Ms. Brunner introduced Lesley Koth, a new addition to the Port Authority staff as Senior Real Estate Counsel. Ms. Brunner also gave an update on staff absent from the meeting and the conferences they were attending.

Ms. Brunner presented the board with the strategic planning score cards for the top three teams, teams A, B & C. These teams were voted on in the last strategic planning session, as the items that needed to be done first.

Ms. Brunner gave an update on Team A, the communications strategy, explaining where the process started and how it's evolved over the summer.

Mr. Fisher asked if there could be a board member liaison included in each of the groups. Ms. Brunner said board involvement would be welcome, and was decided there would be follow up to determine which board members would be interested in which groups.

Ms. Thomas gave an update on Team B, a cross functional team across the organization who's task is to align the resources of the organization. To date the focus has been on skill identification and inventory among the Port Authority staff, integrating new hires, increasing role clarity across the organization and working on procedures to create efficiency internally and consistency externally.

Ms. Brunner gave an update on Team C, beginning implantation of a funding plan for both capital investment and ongoing revenue. The UC Economic Center has been engaged to create a study of quantitative data. TechSolve has agreed to pay one third of the study. Over the recent months, it was realized that outside consulting was needed at a high level for the funding strategy and Scott Provancher and his company, Lewis & Clark has been informally retained.

Ms. Brunner stated there would be a meeting that week to begin work on Team D, to establish a master plan for the industrial initiative.

Ms. Jacobs-Horton asked if group leaders would report to the board about the 30, 60, 90 day plans, or how would they learn about them.

Ms. Brunner stated the updates would be provided in scorecard format, prior to the board meetings.

5. PUBLIC FINANCE

Susan Thomas

Ms. Thomas stated out of an abundance of caution, an item from the August 17th meeting was being brought before the board. Ms. Thomas stated the Port Authority had previously entered into an agreement with the Dayton Port Authority to create the Southwest Ohio Regional Bond Fund. Both Port Authorities have the right to issue from the fund, but the consent of the non-issuing port is required, as the reserves are common, and all the common reserves are pledged to each deal.

This resolution consents to two bond transactions where the Dayton Port Authority will be the issuer, and will repeal Resolution 2015-10. Both of the transactions are PACE transactions. The first transaction is for Kettering Tower in downtown Dayton, Ohio, the second for a Banquet Hall called Top of the Market. Both transactions are in partnership with the Toledo Port Authority, which is helping to do the deals on an unrated basis.

The board asked questions about the resolution and the transactions, all of which were answered to the board's satisfaction.

Formal Action Requested – Before the Board today is proposed Resolution 2015-11 entitled:

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 SPECIAL ENERGY 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: Shane Wright moved to approve Resolution No. 2015-11. The motion was seconded by Charlie Luken and was approved.

Ms. Thomas called attention the Resolution 2015-12, also related to a bond fund to be issued by the Dayton Port Authority out of the Southwest Ohio Regional Bond Fund; and is a tax increment financing transaction. Ms. Thomas explained the transaction as a municipality; The City of Union bought property necessary for a logistics park located adjacent to the Dayton airport. A cross docking facility was built on the property, which is 100% leased. To complete the transaction, the County advanced funds to the city, generating TIF payments. City would like

debt issued to repay the County. This transaction would be covered 16 times through non-tax revenue, and considered a very secure deal.

The board discussed the resolution and asked questions about the transaction, all of which were answered to the board's satisfaction.

Formal Action Requested – Before the Board today is proposed Resolution 2015-12 entitled:

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 LAND ACQUISITION COSTS AS A PUBLIC INCENTIVE WITH RESPECT TO A DEVELOPMENT AGREEMENT EXECUTED BY PROLOGIS LOGISTICS SERVICES INCORPORATED REGARDING A CROSS DOCK FACILITY LOCATED IN THE CITY OF UNION, OHIO, WHICH LAND CONSTITUTES "PORT AUTHORITY FACILITIES" TO BE LOCATED 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: Bobby Fisher moved to approve Resolution No. 2015-12. The motion was seconded by Ed Jackson and was approved.

Ms. Thomas gave an update on the Public Finance section of the Scorecard, and the status of the transactions and pipeline.

Ms. Thomas called attention to the job posting for a Director of Public Finance and explained to the board the need for this position and what its responsibilities would be. Ms. Thomas stated that the response and applicants had been extremely good.

6. LANDBANK
Susan Thomas

Ms. Thomas stated an excerpt from the HCLRC board packet was included in the Port Authority board materials. This excerpt was an overview of the programs of the HCLRC, and Ms. Thomas gave brief updates of these programs and the information included. The board asked some questions about the HCLRC demolitions and the programs, all of which were answered by Ms. Thomas to the board's satisfaction.

Ms. Brunner gave an update on the REACH Program, and its property sales. The Port Authority is also transferring titles to approximately 18 properties to Walnut Hills High School.

7. INDUSTRIALIZATION
Laura Brunner

Ms. Brunner gave an update on the Foreign Trade Zone. One year had passed since the Port Authority took over management of the Foreign Trade Zone, and its management fee will increase for the coming year.

8. FINANCIAL REPORT
Shane Wright & Rick Hudson

Budget Update

Mr. Wright stated the July 2015 year to date; operating income was \$200,000, 34% favorable to plan. Expenditures were 162 K lighter driven by lower expenses on the Cincinnati Mall admin fees and well as lower payroll.

Capital grants were 1.4 million unfavorable due to Fountain Square South garage being accounted for as a loan, not a grant.

The balance sheet reflected two big transactions, payment of 1.2 million to Philips Edison, related to the Kenwood Collection and assets held for resale related to the Fountain Square South bond fund.

Mr. Hudson gave an update on the Fountain Square South financials, stating for the first month they would be listed separate, but going forward they would be combined. Mr. Hudson reviewed the current revenues, operating and non-operating expenses and the balance sheet related to the garage.

The board asked questions about the repairs made and the management of the garage going forward, which were answered to their satisfaction.

Mr. Wright stated Resolution 2015-13 was to authorize incremental for 40k in payroll, 290K in professional services and 5k in equipment.

Formal Action Requested – Before the Board today is proposed Resolution 2015-13 entitled:

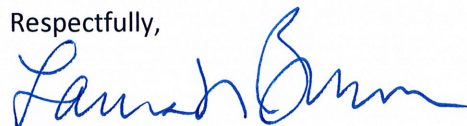
SUPPLEMENT TO APPROPRIATIONS RESOLUTION ADOPTED ON JANUARY 22, 2015 BY THE BOARD OF DIRECTORS OF THE PORT OF GREATER CINCINNATI DEVELOPMENT AUTHORITY FOR THE FISCAL YEAR JANUARY 1, 2015 THROUGH DECEMBER 31, 2015.

Motion: Charlie Luken moved to approve Resolution No. 2015-13. The motion was seconded by Bobby Fisher and was approved.

9. ADJOURNMENT

The September 16, 2015 Board of Directors meeting adjourned at 9:11 a.m.

Respectfully,



Laura N. Brunner
Secretary