

RESOLUTION NO. 2024-18

AUTHORIZING THE EXECUTION AND DELIVERY OF A PRELIMINARY AGREEMENT IN CONNECTION WITH THE CAREW TOWER REDEVELOPMENT AND THE PROVISION OF OHIO SALES AND USE TAX EXEMPTION CERTIFICATES FOR THE PURCHASES OF CERTAIN BUILDING AND CONSTRUCTION MATERIALS INCORPORATED INTO THAT SITE.

WHEREAS, the Port of Greater Cincinnati Development Authority (the "Port"), by virtue of the laws of the State of Ohio, particularly Sections 4582.21 through 4582.60, Ohio Revised Code (the "Act"), and the authorities therein mentioned, is authorized to enter into lease-leaseback transactions with private entities for the development, construction and use of "projects" and a "port authority facilities" within the meaning of those terms as defined in Section 4582.21 of the Ohio Revised Code provided that those projects and port authority facilities are consistent with the purposes of both (i) Article VIII, Sections 13 and 16 of the Ohio Constitution, in that they create or preserve jobs and employment opportunities and to improve the economic welfare of, and provide housing opportunities for, the people of the State of Ohio, and (ii) Section 4582.21(B)(1) of the Ohio Revised Code, in that they enhance, foster, aid, provide, or promote economic development and housing within the City of Cincinnati and Hamilton County; and

WHEREAS, Victrix Development LLC, an Ohio limited liability company (the "Company"), desires to restore and renovate the historic Carew Tower in the City of Cincinnati, Hamilton County, Ohio (the "Site"), which is a 574 foot tall Art Deco skyscraper, to include approximately 385 apartments and as well as retail/commercial spaces on the lower three floors (collectively, the "Project"), all of which will create new jobs and employment and housing opportunities at the Site and within the City of Cincinnati and Hamilton County, and the Company desires to enter into cooperative arrangements with the Port to enable the further development of the Site and the creation of those jobs and employment opportunities; and

WHEREAS, the Port expects to enter into one or more transactions for the Project whereby the Port will acquire fee or leasehold title to all or a portion of the Site and lease such property to the Company or its affiliates in connection with one or more public financing transactions in support of the Project, as will be further described in the Preliminary Financing Term Sheet for the Project (the "Proposed Transactions"); and

WHEREAS, the Project is expected (i) to create jobs and employment opportunities, as well as housing opportunities, and thereby to enhance the economic welfare of the people of the City of Cincinnati and Hamilton County and within the jurisdiction of the Port and (ii) to enhance, foster, aid, provide, or promote economic development and housing within the City of Cincinnati and Hamilton County; and

WHEREAS, the Company expects to begin soliciting contracts for the construction of the Project and bids for building and construction materials prior to closing the Proposed Transactions; and

WHEREAS, in anticipation of the Port's acquisition of fee or leasehold interests in the Site and construction by the Company of the Project as part of the Proposed Transactions, the Company has requested that the Port provide certificates evidencing the exemption from State and local sales and use taxes of purchases of building and construction materials for incorporation into the Project;

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

Section 1. This Board does hereby find and determine, based upon the representations of the Company and materials regarding the Project submitted to the Port, that, upon transfer of fee title to the Port or execution of ground leases between the Port and the Company and the acceptance of title to the Project by the Port as part of the Proposed Transactions:

(a) The Project will be a "project" and a "port authority facility" within the meaning of those terms as defined in Section 4582.21 of the Ohio Revised Code; and

(b) The development, construction and use of the Project is and will be consistent with the purposes of both (i) Article VIII, Sections 13 and 16 of the Ohio Constitution, to create or preserve jobs and employment opportunities, provide housing opportunities and to improve the economic welfare of the people of the State of Ohio, and (ii) Section 4582.21(B)(1) of the Ohio Revised Code, to enhance, foster, aid, provide, or promote economic development and housing within the City of Cincinnati and Hamilton County.

Section 2. The participation by the Port in one or more of the Proposed Transactions will be subject to approval by this Board of one or more additional resolutions approving those Proposed Transactions and the documents related thereto.

Section 3. This Board hereby approves a Preliminary Agreement with the Company providing for issuance of sales and use tax exemption certificate on a temporary basis in anticipation of consummation of the Proposed Transactions. The Preliminary Agreement shall be in substantially the form of the Preliminary Agreement as the standard form thereof used for other capital lease transactions of the Port. The President and Chief Executive Officer of the Port is hereby authorized to execute and deliver, for and in the name of, and on behalf of, the Port, the Preliminary Agreement in that form, together with any changes or amendments thereto that are not substantially adverse to the Port. The execution of the Preliminary Agreement and any amendments thereto by the President and Chief Executive Officer shall evidence conclusively that any such changes or amendments are not substantially adverse to the Port.

Section 4. This Board hereby authorizes the President and Chief Executive Officer of the Port, upon the execution of the Preliminary Agreement by the parties thereto and in anticipation of the Proposed Transactions, to provide the Company or its nominees with appropriate certificates to support the claims of exemption from Ohio and Hamilton County sales and uses taxes that might otherwise apply with respect to the purchases of building and construction materials incorporated into structures or improvements to real property, within the meaning of Section 5739.02(B)(13), Ohio Revised Code, that constitute the Project improvements.

Section 5. 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 6. This resolution shall be in full force and effect upon its adoption.

Adopted: 9-11, 2024

Yeas: 8

Nays: 0

Abstentions: 0



Chair



Secretary