

MINUTES

CLEVELAND-CUYAHOGA COUNTY PORT AUTHORITY BOARD OF DIRECTORS MEETING Thursday, April 12, 2018

The regular Meeting of the Cleveland-Cuyahoga County Port Authority Board of Directors was held at the Cleveland Metroparks Lakefront Office, 8701 Lakeshore Blvd., Cleveland, Ohio on Thursday, April 12, 2018. The meeting was called to order by Chairman Darrell McNair at 8:33 a.m. Attendance by roll call showed the following:

PRESENT

Darrell McNair, Chairman
Jan Roller, Vice-Chair
Patricia Ramsey, Secretary
Harriett Applegate
Paul Hoogenboom
Chris Ronayne (8:42 a.m. arrival)

VIA TELEPHONE

Anthony Moore

ABSENT & EXCUSED

Robert Smith

ALSO PRESENT

W. Friedman, President & CEO
D. Gutheil, VP, Maritime & Logistics
C. Naso, Chief Financial Officer
M. Rivalsky, Controller
N. LaPointe, Director, Planning & Capital Development
L. Bohinc, Finance Coordinator
L. Sternheimer, Director, Urban Planning & Engagement
M. Freilino, Manager, Executive & Administrative Operations
R. Bever, Director of Finance
G. Woodson, Director, Development Finance & Inclusion
J. Davis, VP, External Affairs
D. Wilcox, Climaco, Wilcox, Peca, & Garofoli Co., L.P.A
I. MacDougall, Walter Haverfield
J. Roth, Tucker Ellis
G. Killeen, Tucker Ellis
A. Amato, Shark & Minnow
J. Cho Salaff Shark & Minnow
R. Kozak, Huntington
K. Barry, Huntington
P. Angelo, Huntington
John D. Baker, Sr., ILA
John D. Baker, Jr., ILA
R. Sommers, PWC
M. Armagno, PNC
K. Paganini, K&D Group
D. Price, K&D Group

During the President's Report, at approximately 9:05 a.m., Director Anthony Moore joined the meeting from a remote location by teleconference pursuant to Article III, Section 11 of the Port Authority's Rules and Regulations, Director Moore having given notice of his remote attendance and having been provided relevant Board materials prior to the meeting. Director Moore provided the correct password given prior to the meeting, verified he was more than ¼ mile from the primary meeting location and was clearly heard and was able to hear other Board members.

APPROVAL OF MINUTES

The minutes of the Board of Directors meetings of March 8, 2018 were presented for approval by the Board, copies having been delivered in advance to all Directors. On motion by Director Ramsey, seconded by Director Hoogenboom and unanimously carried by roll call vote, the Board minutes of March 8, 2018 were approved.

PUBLIC COMMENT PERIOD

Chairman McNair then opened the floor for public comment related to agenda items. There being no public comment, Chairman McNair proceeded with the agenda.

CHAIR'S COMMENTS

Chairman McNair congratulated Mr. Friedman on being nominated as chairman of the board of the American Association of Port Authorities (AAPA) for 2018-19. Director Roller stated that she was pleased with the positive tone of the State of the County address and is hopeful Cleveland will see continued success.

PRESIDENT'S COMMENTS

Mr. Friedman addressed the Board and thanked Chairman McNair for his congratulations. At the next meeting, Mr. Friedman plans to present information on each of the organizations to which he belongs and/or serves. Construction has started on the first floor of the Port office for the conference center and new tenant. The shipping season is underway and off to a good start. Mr. Friedman stated that the State legislature completed the State's capital budget process and the Port was able to pick up an additional \$2 million for Irishtown Bend stabilization and bulkhead construction. Staff continues to work on grants and funding for the project.

Chairman McNair asked Director Roller to proceed with the Real Estate and Development Finance Committee agenda items.

REAL ESTATE & DEVELOPMENT FINANCE COMMITTEE

Agenda Item 4(C)(1)(a) – Terminal Tower Redevelopment – Taxable Lease Revenue Bonds

Ms. Rhonda Bever addressed the Board of Directors and introduced Ms. Karen Paganini, President at K&D Group and Mr. Doug Price, Principal at K&D Group. Ms. Paganini and Mr. Price referred to a presentation attached hereto as "**Exhibit A**." Ms. Bever the addressed the Board and referred to a presentation attached hereto as "**Exhibit B**." Director Ronayne asked who will hold the ownership title of the building. Mr. Friedman replied that the Port shows as owner on the County records. Mr. Price added that it is a defined piece of real estate with its own parcel number. Director Ramsey stated she likes that the project is mixed use. She asked how many bedrooms are in the units what the market rate is for rent. Mr. Price replied the units are 2/3 one bedrooms and

1/3 are two bedrooms and they're priced at approximately \$1.90 - \$2.00 per square foot. Rent will likely be \$1100 - \$1200 to start. Director Roller asked about the anticipated vibrancy of the mall now that residential units are being introduced. Mr. Price stated that Bedrock plans to present a plan by the end of 2018. Likely it will be entertainment and retail related to the casino. Chairman McNair whether the funds would be used for residential and office. Ms. Bever replied yes, funds will be used toward both. Director Roller asked when the project will be finished. Mr. Price replied the first quarter of 2020.

On motion by Director Ronayne, seconded by Director Ramsey, and unanimously carried,

RESOLUTION NO. 2018-09

A RESOLUTION AUTHORIZING AND APPROVING THE ISSUANCE AND SALE OF CLEVELAND-CUYAHOGA COUNTY PORT AUTHORITY TAXABLE LEASE REVENUE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$74,500,000 FOR THE PURPOSE OF FINANCING "PORT AUTHORITY FACILITIES" WITHIN THE MEANING OF SECTION 4582.01, OHIO REVISED CODE, INCLUDING PAYING OR REIMBURSING THE COSTS OF ACQUIRING, CONSTRUCTING, RECONSTRUCTING, INSTALLING, EQUIPPING AND IMPROVING OFFICE SPACE AND FOR-RENT APARTMENT UNITS AND VARIOUS SITE IMPROVEMENTS (THE "PROJECT FACILITIES"), LOCATED IN THE CITY OF CLEVELAND, OHIO; AUTHORIZING THE ACQUISITION OF A LEASEHOLD INTEREST IN THE PROJECT SITE (THE "PROJECT SITE"); AUTHORIZING A LEASE TO PROVIDE FOR THE LEASING OF THE PROJECT FACILITIES AND THE PROJECT SITE BY THE ISSUER TO THE DEVELOPER OR ITS DESIGNEE TO PROVIDE FOR THE PAYMENT OF BOND SERVICE CHARGES ON THE SERIES 2018 BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A TRUST INDENTURE TO SECURE THE SERIES 2018 BONDS, AN ASSIGNMENT OF LEASES AND RENTS, A CONSTRUCTION MANAGER AGREEMENT, AND OTHER INSTRUMENTS, STATEMENTS AND DOCUMENTS NECESSARY IN CONNECTION WITH THE ISSUANCE AND SECURING OF THE SERIES 2018 BONDS; AND AUTHORIZING AND APPROVING RELATED MATTERS

was approved. The resolution in its full text is incorporated into the Resolution Journal of the Port Authority.

REAL ESTATE & DEVELOPMENT FINANCE COMMITTEE

Agenda Item 4(C)(1)(b) – Mercy Medical

Ms. Bever addressed the Board and referred to page 19 of the Board Agenda.

On motion by Director Roller, seconded by Director Ronayne, and unanimously carried,

RESOLUTION NO. 2018-10

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST AMENDMENT TO LOAN AGREEMENT, SUPPLEMENTAL TAX COMPLIANCE AGREEMENTS AND OTHER INSTRUMENTS, STATEMENTS AND DOCUMENTS IN CONNECTION WITH AMENDMENTS TO TERMS OF TAX-EXEMPT REVENUE REFUNDING BONDS, SERIES 2016A (MERCY MEDICAL CENTER, INC.) PREVIOUSLY ISSUED BY THE ISSUER; AUTHORIZING AND APPROVING RELATED MATTERS

was approved. The resolution in its full text is incorporated into the Resolution Journal of the Port Authority.

BUDGET & ADMINISTRATION COMMITTEE

Agenda Item 4(C)(2)(A) – 2017 Financial Statements

Mr. Naso addressed the Board of Directors and referred to pages 23 and 24 of the Board Agenda. Director Roller asked whether the operating revenues will continue to increase at the current pace. Mr. Naso replied no, not at the current pace, but it is expected that the Port will have a good year.

EXECUTIVE SESSION

Agenda Item 4(C)(4)(a) – For the purposes of discussing matters as permitted under Ohio Revised Code 121.21(G)(I) to consider compensation of a public employee

On motion by Chairman McNair, seconded by Director Roller and unanimously carried by roll call vote, the Board of Directors entered into Executive Session at 9:14 a.m. The Board of Directors ended Executive Session at 10:11 a.m. A motion to accept Mr. Friedman's performance goals for 2018 was made by Director Ronayne, seconded by Director Ramsey and passed unanimously by roll call vote.

On motion by Director Roller, seconded by Director Hoogenboom, and unanimously carried by roll call vote, the Board of Directors meeting was adjourned at 10:14 a.m.



VICECHAIR


ASST. SECRETARY