

MINUTES

CLEVELAND-CUYAHOGA COUNTY PORT AUTHORITY BOARD OF DIRECTORS MEETING

Thursday, March 11, 2021

The Special Meeting of the Cleveland-Cuyahoga County Port Authority Board of Directors was held via teleconference on Thursday, March 11, 2021 with notice of the call in number having been given to the public in advance. The meeting was called to order by Chair Roller at 8:40 a.m. Attendance by roll call showed the following:

PRESENT VIA TELEPHONE

Jan Roller, Chair
Pat Ramsey, Vice Chair
Harriett Applegate, Secretary
Margot Copeland
J. Stefan Holmes

ABSENT & EXCUSED

Paul Hoogenboom
Darrel McNair
A. Jackson
D. Wondolowski

ALSO PRESENT VIA TELEPHONE

W. Friedman, President & CEO
D. Gutheil, Chief Commercial Officer
C. Naso, Chief Financial Officer
M. Rivalsky, Controller
R. Snipes, Staff Accountant
G. Woodson, Director, Development Finance & Inclusion
R. Winslow, Finance Director
M. Freilino, Manager
J. Davis, Vice President, External Affairs
D. Wilcox, Climaco, Wilcox, Peca, & Garofoli Co., L.P.A.
P. Ritzert, Climaco, Wilcox, Peca & Garofoli Co., L.P.A.
A. Knight, Shark & Minnow
D. Bemer, Shark & Minnow
P. Jeffrey, League of Women Voters
M. Jarboe, Crain's Cleveland Business
C. Lynch, Circle Square
S. Rubin, Midwest Development
N. Walsh, Project Management Consultants
Deangelo, PGA Capitol
Swanson, PGA Capitol
K. Gore, CGA Capital
R. Kaplan, DiPerna Advisors
J. Markey, Roetzel & Andress
R. Sommers, Project Management Consultants

APPROVAL OF MINUTES

The minutes of the Board of Directors meeting of February 11, 2021 were presented for approval by the Board, copies having been delivered in advance to all Directors. On motion by Director Ramsey, seconded by Director Copeland and unanimously carried by roll call vote, the Board minutes of February 11, 2021 were approved.

PUBLIC COMMENT PERIOD

Chair Roller then opened the floor for public comment related to agenda items. There being no public comment Chair Roller moved to the President's Comments.

CHAIR'S COMMENTS

Chair Roller addressed the Board and noted it's her last meeting as Board Chair. She thanked Board and staff for their support during her time as Chair, and she's looking forward to continuing to serve on the Port Board. Chair Roller then asked that Mr. Friedman provide an overview of the current container shortage effecting maritime trade.

PRESIDENT'S COMMENTS

Mr. Friedman addressed the Board and thanked Chair Roller for her dedication, diligence & leadership throughout her tenure as Board Chair. He noted that Chair Roller served as the first female chair of the Port Board, and the first ever all female slate of officers.

Mr. Friedman then addressed Chair Roller's question regarding container trade. He stated container shipping has been in the media as a result of the pandemic. Many global carriers took container ships out of service in an attempt to cut cost during the production lull that was created by COVID. However, the demand actually spiked quickly later in the year due to PPE demands, home gyms, etc. The most damaging aspect was that there was a container shortage to begin with. There is an effort underway to increase container fabrication. Meanwhile, once things got moving there was increased congestion at all the major coastal ports which further slowed things down. During this time we were able to market the Port of Cleveland in a small way, since we have the capacity to handle additional containers. The Port could serve as a back door relief valve into the Midwest for cargo arriving from Europe and Asia. Staff is optimistic and making progress with parties looking to begin a new connection into the Port of Cleveland.

Chair Roller asked whether the Port of Cleveland has been negatively impacted by the shortage. Mr. Friedman replied no, because we don't experience the severe congestion as coastal ports, and also because the Seaway shipping season doesn't begin until April.

REAL ESTATE & DEVELOPMENT FINANCE COMMITTEE

Agenda Item 4(C)(1)(a) – Artisan Circle Square Apartments Project Taxable Lease Revenue Bonds

Ms. Rhonda Winslow addressed the Board of Directors and introduced Mr. Christopher Lynch, White Oak Realty Partners and Mr. Steve Rubin with Midwest Development Partners. Mr. Rubin addressed the Board of Directors and referred to a presentation attached hereto as "**Exhibit A**". Director Copeland noted that two Cleveland public high schools, Cleveland School of the Arts and John Hay, are located nearby. She asked whether there are plans to provide student internships in

the development process. Mr. Rubin replied, yes, that opportunities are being provided. The program includes internships related to construction and development. In the Centric project 6 students were given paid internships. The agreement included only 4 students and that the internship be unpaid. Mentoring students isn't an obligation, it's a pleasure engaging them. Therefore we exceeded the obligated requirements and provided an enhanced program, including providing the students with marketing assignments and attending and participating in planning meetings, and opportunities for employment following graduation. Director Ramsey encouraged Mr. Rubin to tap into local resources that provide training for the trades and minority owned businesses. Mr. Rubin fully intends to exceed the requirements for the Artisan project. Director Ramsey asked about the price points of the housing units. Mr. Lynch replied the entry level price for a studio is approximately \$1,600/month; a one bedroom is approximately \$1,850/month; and the few penthouses that are available are approximately \$4,000 - \$5,000/month.

Director Applegate asked whether any studies have been conducted regarding housing saturation and/or population density in the area. Ms. Rhonda Winslow stated that yes, the lender requires a market study. In this case the University Circle area is the fourth largest employment center in Ohio, and the study showed a significant need for housing.

Ms. Rhonda Winslow then addressed the Board and referred to a presentation attached hereto as "Exhibit B".

On motion by Director Ramsey, seconded by Director Holmes, and unanimously carried by roll call vote,

RESOLUTION 2021-02

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$75,000,000 IN THE AGGREGATE PRINCIPAL AMOUNT OF CLEVELAND-CUYAHOGA COUNTY PORT AUTHORITY TAXABLE DEVELOPMENT LEASE REVENUE BONDS, SERIES 2021 (ARTISAN CIRCLE SQUARE APARTMENTS PROJECT) FOR THE PURPOSE OF PAYING OR REIMBURSING THE COSTS OF ACQUIRING, CONSTRUCTING, EQUIPPING, INSTALLING AND IMPROVIN CERTAIN PORT AUTHORITY FACILITIES LOCATED IN THE CITY OF CLEVELAND, OHIO; AUTHORIZING THE ACQUISITION OF LEASEHOLD INTERESTS IN ONE OR MORE REAL ESTATE PARCELS BY GROUND LEASE; AUTHORIZING ONE OR MORE LEASES TO PROVIDE FOR THE LEASING OF THOSE FACILITIES BY THE PORT AUTHORITY; AUTHORIZING THE EXECUTION AND DELIVERY OF AN ASSIGNMENT OF A CONSTRUCTION MANAGER AGREEMENT, A BOND PURCHASE AGREEMENT, A MORTGAGE AND OTHER INSTRUMENTS, STATEMENTS AND DOCUMENTS IN CONNECTION WITH THE ISSUANCE AND SECURING OF THE 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) – VA Cleveland Health Care Project Taxable Lease Revenue Bonds

Ms. Rhonda Winslow addressed the Board of Directors and referred to a presentation attached hereto as “**Exhibit C**”. Director Holmes asked whether there was any discussion as to what savings the Port can provide. Ms. Winslow replied that the VA has a conventional loan, fixed over 11 years and is likely a better rate than they’re receiving now. Director Ramsey asked whether the bondholder has been identified. Ms. Winslow replied that the bondholder will be determined when it goes to market.

On motion by Director Copeland, seconded by Director Ramsey, and unanimously carried by roll call vote,

RESOLUTION NO. 2021-03

AUTHORIZING THE ISSUANCE AND SALE OF A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$300,000,000 OF REVENUE BONDS FOR THE PURPOSE OF ACQUIRING AND FINANCING AND REFINANCING COSTS OF PORT AUTHORITY FACILITIES WITHIN THE MEANING OF SECTION 4582.01, OHIO REVISED CODE CONSISTING OF AN OFFICE BUILDING, A PARKING GARAGE AND A RESIDENTIAL FACILITY ADJACENT TO THE LOUIS V. STOKES VETERANS MEDICAL CENTER; AUTHORIZING PLEDGED REVENUES TO SECURE PAYMENT OF SUCH BONDS; AUTHORIZING THE EXECUTION OF A TRUST AGREEMENT, A FOURTH SUPPLEMENTAL TRUST INDENTURE, ONE OR MORE LEASES, ONE OR MORE MORTGAGES, A BOND PURCHASE AGREEMENT, AND OTHER RELATED AGREEMENTS AND INSTRUMENTS IN CONNECTION WITH THE FOREGOING; AND AUTHORIZING AND APPROVING RELATED MATTERS

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

PUBLIC COMMENT/EXECUTIVE SESSION

There being no public comment, at 9:37 a.m. on motion by Director Ramsey, seconded by Director Copeland and unanimously carried by roll-call vote, the Board entered into Executive Session at 9:38 a.m. to consider appointment and compensation of a public employee. Executive Session was adjourned at 10:04 a.m. by unanimous roll-call vote.

On motion by Director Applegate, seconded by Director Copeland, and unanimously carried by roll call vote,

RESOLUTION NO. 2021-04

A RESOLUTION PROVIDING FOR ESTABLISHMENT OF PERFORMANCE BENCHMARKS FOR 2021 UNDER THE THIRD AMENDED AND RESTATED PERSONAL SERVICES AGREEMENT FOR WILLIAM D. FRIEDMAN, PRESIDENT AND CHIEF EXECUTIVE OFFICER OF THE CLEVELAND-CUYAHOGA COUNTY PORT AUTHORITY

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

On motion by Director Copeland, seconded by Director Holmes, and unanimously carried by roll call vote,

RESOLUTION NO. 2021-05

A RESOLUTION REGARDING THE ELECTION OF OFFICERS FOR 2021

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

On motion by Chair Roller, and unanimously carried by roll call vote the meeting was adjourned at 10:09 a.m.


CHAIR

SECRETARY

Yeas : 8

Nays : 0

Abstentions : 1 (Zone Fisher)