

## MINUTES

### CLEVELAND-CUYAHOGA COUNTY PORT AUTHORITY BOARD OF DIRECTORS MEETING Thursday, September 8, 2022

The Meeting of the Cleveland-Cuyahoga County Port Authority Board of Directors was held at the Port Offices (1100 W. 9<sup>th</sup> Street) on Thursday, September 8, 2022 with notice of the meeting information provided to the public in advance. The meeting was called to order by Chairman Holmes at 8:34 a.m.

Having given notice at least two days prior to the meeting and not having previously attended remotely more than 3 times during the past 12 months, Directors Copeland and Thomas attended the meeting remotely by teleconference and each gave the proper password. Prior to the meeting, Directors Copeland and Thomas were provided with all meeting-related materials. Directors Copeland and Thomas confirmed they were more than 1/4 mile from the primary meeting location at 1100 West Ninth Street, Cleveland, OH and had internet access to receive any material distributed at the meeting, then verified that all Board members could hear and be heard by all other members in attendance. Attendance by roll call showed the following:

#### PRESENT

J. Stefan Holmes  
Darrell McNair  
Andrew Jackson  
Margot Copeland (via telephone)  
Peggy Zone Fisher  
Teleangé Thomas (via telephone; arrived in person 9:16 a.m.)  
David Wondolowski

#### ABSENT & EXCUSED

Daniel O'Malley

#### ALSO PRESENT

W. Friedman, President & Chief Executive Officer  
D. Gutheil, Chief Commercial Officer  
C. Naso, Chief Financial Officer  
M. Freilino, Manager  
L. Sternheimer, Director, Urban Planning & Engagement  
G. Woodson, Director, Development Finance & Inclusion  
J. Dugan, Senior Accountant  
N. LaPointe, Director, Planning & Capital Development  
R. Snipes, Senior Accountant  
J. Baker, ILA  
B. Ames, NuovoRE  
M. Everett, NuovoRE (via telephone)  
I. MacDougall, Walter Haverfield  
T. Metcalf Beasley, Walter Haverfield  
C. Middlebrook, GLS  
M. Jarboe, Crains Cleveland Business  
S. Konst, Spliethoff  
J. Ice, Squire Patton Boggs  
V. Lee, Arup Development  
D. Wilcox, Climaco, Wilcox, Peca, & Garofoli Co., L.P.A  
S. Simpkins, Climaco, Wilcox, Peca, & Garofoli Co., L.P.A

**APPROVAL OF MINUTES**

The minutes of the Board of Directors meetings of July 14, 2022 and August 8, 2022 were presented for approval by the Board, copies having been delivered in advance to all Directors. On motion by Director Zone Fisher, seconded by Director McNair, and unanimously carried by roll call vote, the Minutes of July 14, 2022 and August 8, 2022 were approved.

**PUBLIC COMMENT PERIOD/CHAIR COMMENTS**

There being no public comment, Chairman Holmes addressed the Board and audience.

**CHAIR'S COMMENTS**

Chairman Holmes reminded the Board of the orientation session scheduled for September 28, 2022 and referred to a document attached hereto as "**Exhibit A**". Chairman Holmes then referred to the 2023 Board of Directors Meeting Draft Calendar and noted that all meetings in 2023 will begin at 9:00 a.m.

**PRESIDENTS COMMENTS**

Mr. Friedman addressed the Board and introduced and welcomed the Port's newest employee, Ms. Maria Bocanegra, Chief Legal Counsel for the Port of Cleveland, and Mr. Sten Konst with Spliethoff.

**REAL ESTATE & DEVELOPMENT FINANCE COMMITTEE**

***Agenda Item 4(C)(1)(a) – Baker (Fidelity) Building Rehabilitation Project Taxable Lease Revenue Bonds***

Mr. Naso introduced Mr. Brendan Ames and Mr. Mike Everett. Mr. Ames addressed the Board and referred to a presentation attached hereto as "**Exhibit C**". Director Wondolowski asked whether they've chosen a general contractor. Mr. Ames replied yes, Whiting-Turner.

Mr. Naso addressed the Board and referred to a presentation attached hereto as "**Exhibit D**". Director McNair asked whether there were any concerns with the City of Cleveland working through the TIF. Mr. Ames replied no, there have been no concerns.

On motion by Director Wondolowski, seconded by Director McNair, and unanimously approved by roll call vote,

RESOLUTION NO. 2022-23

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF ONE OR MORE SERIES OF CLEVELAND-CUYAHOGA COUNTY PORT AUTHORITY TAXABLE DEVELOPMENT LEASE REVENUE BONDS, SERIES 2022 (BAKER (FIDELITY) BUILDING RENOVATION PROJECT) IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$40,000,000 FOR THE PURPOSE OF PAYING OR REIMBURSING THE COSTS OF ACQUIRING, CONSTRUCTING, EQUIPPING, RENOVATING, REMODELING, INSTALLING AND IMPROVING CERTAIN PORT AUTHORITY FACILITIES CONSISTING OF THE REDEVELOPMENT OF THE BUILDING FORMERLY KNOWN AS THE BAKER BUILDING LOCATED IN THE CITY OF CLEVELAND, OHIO; AUTHORIZING THE ACQUISITION OF LEASEHOLD INTERESTS IN ONE OR MORE REAL ESTATE PARCELS BY GROUND LEASE EVIDENCING LEASEHOLD OWNERSHIP OF THE PROJECT SITE;

AUTHORIZING A LEASE TO PROVIDE FOR THE LEASING OF THOSE FACILITIES BY THE PORT AUTHORITY TO 1900 EAST 6<sup>TH</sup> STREET, LLC; AUTHORIZING THE EXECUTION AND DELIVERY OF AN ASSIGNMENT OF A CONSTRUCTION MANAGER AGREEMENT, A BOND PURCHASE AGREEMENT, AN ASSIGNMENT OF LEASE AND RENTS, AN ASSIGNMENT OF GROUND LEASE AND RENTS, 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 adopted. 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)(2)(b) – The Centennial Project – Additional Bond Inducement***

Mr. Naso addressed the Board and referred to a presentation attached hereto as “**Exhibit E**”.

On motion by Director Wondolowski, seconded by Director Zone Fisher, and unanimously approved by roll call vote,

RESOLUTION NO. 2022-24

A RESOLUTION AUTHORIZING THE INITIAL APPROVAL OF THE ISSUANCE OF BONDS FOR THE ACQUISITION, RENOVATION, EQUIPPING AND IMPROVING OF AN AFFORDABLE MULTIFAMILY RENTAL HOUSING PROJECT (CENTENNIAL APARTMENTS)

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

**BUDGET & ADMINISTRATION COMMITTEE**

***Agenda Item 4(C)(3)(a) – Tax Amounts & Rates***

On motion by Director McNair, seconded by Director Thomas, and unanimously carried (6-0) by roll call vote,

RESOLUTION NO. 2022-26

A RESOLUTION ACCEPTING THE AMOUNTS AND RATES AS DETERMINED BY THE BUDGET COMMISSION AND AUTHORIZING THE NECESSARY TAX LEVIES AND CERTIFYING THEM TO THE COUNTY FISCAL OFFICER

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

**BUDGET & ADMINISTRATION COMMITTEE**

***Agenda Item 4(C)(3)(b) – Tax Advances***

On motion by Director Zone Fisher, seconded by Director McNair, and unanimously carried (6-0) by roll call vote,

RESOLUTION NO. 2022-27

A RESOLUTION REQUESTING ADVANCES FROM THE CUYAHOGA COUNTY FISCAL OFFICER FROM THE COLLECTION OF THE FIRST AND SECOND HALF 2022 REAL PROPERTY TAXES AND ALL 2023 PERSONAL PROPERTY TAXES

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

**MARITIME COMMITTEE**

***Agenda Item 4(C)(2)(a) – Great Lakes St. Lawrence Seaway Development Corporation (GLS) Pacesetter Award***

Mr. Will Friedman introduced and welcomed Mr. Craig Middlebrook, Deputy Administrator of GLS. Mr. Middlebrook stated that Cleveland has truly positioned itself as a leadership port on the Great Lakes. The Pacesetter Award was created 30 years ago and is awarded to port's who have increased tonnage over the preceding year. The Port of Cleveland has received the award 16 times. The Port of Cleveland has had increased tonnage for the last decade, despite the disruptions that were caused by Covid. The numbers in Cleveland are impressive with an 87% increase over the preceding year, which equates to a 351,000 ton increase. Chairman Holmes thanked Mr. Middlebrook and stated that the award is a testament to the work put in by Port staff, Board and its partners.

**MARITIME COMMITTEE**

***Agenda Item 4(C)(2)(b) – Dredge Material Management Update***

Mr. Nick LaPointe addressed the Board and referred to a presentation attached hereto as "**Exhibit F**" (slides 1-16). Mr. Friedman noted that before the CDF's were created, dredge material was dumped into the open waters of Lake Erie until the Clean Water Act was created and ended the practice. Director Wondolowski asked whether the dredge material is being re-used. Mr. LaPointe replied yes, the Port has a contract with Kurtz Bros. Inc. where the material is tested and 40-60% of the material is reused in the community.

**MARITIME COMMITTEE**

***Agenda Item 4(C)(2)(c) – Cleveland Harbor Eastern Embayment Resilience Study (CHEERS)***

Ms. Linda Sternheimer addressed the Board and referred to a presentation attached hereto as "**Exhibit F**" (slides 17-31). Mr. Vincent Lee, Associate Principal at Arup, joined the meeting by phone and presented "**Exhibit F**" slides 24-29. Director McNair asked about the cost of the project. Ms. Sternheimer replied yes, the initial study estimated \$300 million for just the

groundwork and land development, not including the park amenities. The next phase of the project will hone in on costs as the team looks further into the construction process. Director McNair asked whether Arup would be the lead designers. Ms. Sternheimer replied yes, the Arup team carried some components that developed the initial master plan, and they have an extensive bench of innovative projects. The team liked Arup's ability to look beyond the region but to also integrate local areas of expertise. Director McNair stated that he's concerned about so much money – potentially over \$7 million – leaving the Cleveland area since Arup isn't local. Referring to Slide 28, Director McNair stated another concern is that looking at the project team there is very little diversity. There are women, but no other diversity on the leadership team. Arup did put goals out there but stated he did have a concern with diversity. Ms. Sternheimer noted that both KS Associates and ASC Group are MBE/FBE owned, and a sizeable piece of the \$3.7 million is KS Associates and a chunk of those funds are staying local. Director Wondolowski asked whether the project team pictured in Slide 28 will be the team working on the project. Ms. Sternheimer replied they will be the project team for the first phase. Mr. Friedman stated that due to the scale and scope of the project it wouldn't be possible to assemble an all-local design team. Director McNair stated he understands that, but the concern is the leadership team on page 28 shows little diversity. Director Wondolowski added that he sees it as problematic as well and noted that diversity is important in construction teams as well as leadership teams. Mr. Friedman noted for clarity that the Port's existing policies have been met with the contract and exceeded the Port's own requirement at 37%.

On motion by Director Copeland, seconded by Director Thomas and with Directors McNair and Jackson abstaining from the vote, and Director Wondolowski voting no, Chairman Holmes stated that Resolution 2022-25 ~~will be tabled.~~ *WAS VOTED DOWN. J.F.H. 10-13-22*

**PUBLIC COMMENT PERIOD – Non-Agenda Items**

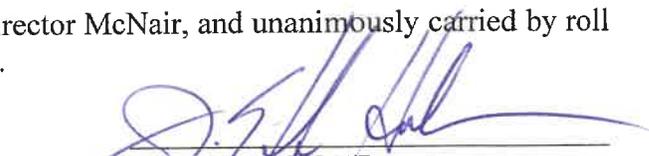
No public comment regarding non-agenda items.

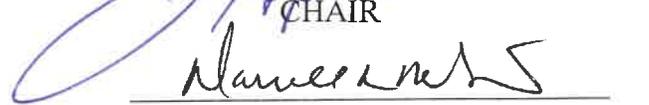
**EXECUTIVE SESSION**

Director Zone Fisher stated the Board would be entering Executive Session for the purposes of: (1) to consider the purchase of property for a public purpose pursuant to R.C. 121.22(G)(2); and (2) to confer with the Port Authority's attorneys to discuss pending court action pursuant to R.C. 121.22(G)(3). On motion by Director McNair, seconded by Director Jackson, and unanimously carried by roll call vote, the Board entered into Executive Session at 10:03 a.m.

The Board exited Executive Session at 11:05 a.m. and reconvened the meeting.

On motion by Director Copeland, seconded by Director McNair, and unanimously carried by roll call vote, the meeting was adjourned at 11:08 a.m.

  
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CHAIR

  
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SECRETARY