

## MINUTES

### CLEVELAND-CUYAHOGA COUNTY PORT AUTHORITY BOARD OF DIRECTORS MEETING Thursday, November 9, 2023

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, November 9, 2023 with notice of the meeting information provided to the public in advance. 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, Director McNair attended the meeting remotely via Zoom and gave the proper password. Prior to the meeting, Director McNair was provided with all meeting-related materials. Director McNair confirmed he was 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. It was then verified that all Board members could hear and be heard by all other members in attendance. The meeting was called to order by Chairman Holmes at 9:05 a.m. Attendance by roll call showed the following:

#### PRESENT

Margot Copeland  
J. Stefan Holmes  
Andrew Jackson  
Darrell McNair (via Zoom)  
Daniel O'Malley (9:26 a.m. arrival)  
Teleangé Thomas  
Dave Wondolowski  
Peggy Zone Fisher

#### ABSENT & EXCUSED

#### ALSO PRESENT

C. Beck, GIS/Environmental Specialist  
M. Bocanegra, Chief Legal Officer  
M. Freilino, Manager, Exec. & Admin Operations  
W. Friedman, President & CEO  
D. Gutheil, Chief Commercial Officer  
C. Naso, Chief Financial Officer  
L. Sternheimer, Vice President, Urban Planning & Engagement  
R. Winslow, Vice President, Development Finance  
G. Woodson, Director, Development Finance & Inclusion (via zoom)  
D. Wilcox, Climaco, Wilcox, Peca, & Garofoli Co., L.P.A  
S. Simpkins, Climaco, Wilcox, Peca, & Garofoli Co., L.P.A  
Please refer to "Exhibit A" for a complete list of attendees.

### **APPROVAL OF MINUTES**

The minutes of the Board of Directors meeting of October 12, 2023 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 Copeland, and unanimously carried by roll call vote, the Minutes of October 12, 2023 were unanimously approved.

### **PUBLIC COMMENT PERIOD**

Mr. Tim Linville, CEO of the Construction Employees Association addressed the Board of Directors and read a letter sent to the Port of Cleveland in October 2017. The letter is attached hereto as "**Exhibit B**". Mr. Linville urged the Board of Directors to maintain 100% support of prevailing wage. Chairman Holmes Thanked Mr. Linville for his comments and for his longstanding work on behalf of the Cleveland community. There being no further comment, Chairman Holmes proceeded with the Agenda.

### **REAL ESTATE & DEVELOPMENT FINANCE COMMITTEE**

#### ***Agenda Item 4(C)(1)(a) – Amended & Restated Policies Pertaining to prevailing Wage & Inclusion***

Mr. William Friedman addressed the Board and referred to a presentation attached hereto as "**Exhibit C**". Referring to Slide 3, Director Zone Fisher asked whether projects are going to other port authorities since they don't require prevailing wage. Mr. Friedman replied that is correct, to his knowledge the Port of Cleveland is the only port in Ohio with a prevailing wage policy of any kind. Director Wondolowski stated that is an assumption, not a fact. He also noted that the list of projects Mr. Friedman sent to the Directors for today's meeting looks quite a bit different compared to the one that was shared on August 11. Director Jackson asked whether Director Wondolowski was implying that the list was inaccurate. Director Wondolowski stated there is insufficient information since no developer names are listed. Chairman Holmes stated that there will be time for robust discussion following Mr. Friedman's presentation.

Referring to Slide 5, Director Wondolowski asked for clarification that if less than 100% prevailing wage could indicate no prevailing wage. Mr. Friedman replied that it could, though it seems highly unlikely. Director Wondolowski disagreed and stated that it would not be highly unlikely. Director Copeland asked should this policy be adopted, what is the likelihood that it would come in at 100%. Mr. Naso replied that looking at the deals closed vs. lost deals, it's a 60/40 split and there would still be plenty of deals at 100%. Director Jackson asked for some examples of large projects in the area that haven't complied with prevailing wage at 100%. Director Wondolowski stated Peninsula on the River, Breakwater Bluffs and the Snavely apartment project on Cedar Avenue to name a few and they're anywhere from \$10 million - \$90 million. Director Copeland asked whether the referenced projects were getting State or Federal dollars. Director Wondolowski replied that the Ohio Water Development Authority provided a Brownfield loan to NRP for the Peninsula project which requires prevailing wage. He then noted that all private projects in Lucas County that get government assistance are required to use a project labor agreement. Chairman Holmes asked about the project labor agreement. Director Wondolowski stated the agreement requires not only prevailing wage, but the use of all union contractors 100%. He added that the question is whether we're putting ourselves at a competitive disadvantage with the current prevailing wage policy. By curtailing the current policy, do developers believe that

paying less is going to produce skilled workers? Referring to Page 7 of the Agenda, the information listed by staff appears to be opinion rather than material fact. He noted the statement on Page 9 "Staff is also certain that some developers are no longer even engaging the Port to discuss financing because they know 100% PW is not viable for their project". Director Wondolowski questioned how this statement could be accurate if developers are not engaging in discussion with the Port. Developers will always seek better rates, but this is not exclusive to prevailing wage. Director Wondolowski stated that the positive impacts are missing from the staff report and he then provided examples. Chairman Holmes then requested that Mr. Friedman proceed with slide 7 of "**Exhibit C**".

Director McNair stated the Board of Directors still reserves the right to approve or disapprove any deal that is presented. What is being provided by the staff is another tool to be able to participate in the growth of the community. It is not about walking away from prevailing wage. Director O'Malley recalled that on April 28 he asked staff if the prevailing wage policy had an impact on interest in the Port's financing programs. He stated his recollection was that their reply was that the program remained robust. Chairman Holmes stated that prevailing wage is not being eliminated. It's an enhancement to the policy so it becomes an incentive. The overarching question is why the Port of Cleveland isn't receiving deals in numbers compared to our other competitive ports. The developers mentioned that the 100% prevailing wage requirement was a deterrent. The Port is not eliminating prevailing wage. It is being repositioned as an incentive.

Director Jackson stated that the argument of whether Port of Cleveland being the only port to require prevailing wage keeps coming up as a discrepancy and asked whether that is factual. Mr. Friedman stated that of the five financing authorities with bond funds, the Port of Cleveland is the only one with a prevailing wage policy. Director O'Malley stated that it's a theory that the downturn in interest is based on prevailing wage. Mr. Friedman replied that it is not a theory, and we are convinced it is why the Port is seeing less deal flow.

Director Wondolowski proposed hosting a summit where prevailing wage can be discussed in depth with the appropriate parties including developers, none of whom are present today. Labor, the Port, the City, the County and developers should all be in the same room having the discussion. Director McNair reiterated that this is not about eliminating prevailing wage. This will empower the Board to add another tool to its toolbox to be a part of its economic development mission and allows for more flexibility.

Director Wondolowski made a motion to table the pending further discussion. Director O'Malley seconded the motion. Director Wondolowski then amended the motion to table the vote until March 1, 2024. Chairman Holmes vetoed the motion to put a specific date on the vote. Director Wondolowski then withdrew his amended motion. Chairman Holmes called for a roll call vote on Director Wondolowski's original motion and requested a reading of the vote. Mr. Wilcox stated there is one abstention (Director Zone Fisher), two yes votes (Directors Wondolowski & O'Malley), and five no votes (Directors Copeland; Holmes; Jackson; McNair; Thomas). The motion did not pass.

Director Wondolowski stated he wanted to make it clear that a yes vote will result in the opening of the floodgates at the Board's hand for low wage construction workers, and that women and people of color will be paid less money and it's a sad day in Cleveland.

On motion by Director McNair, seconded by Director Jackson, and approved by roll call vote (5-2; 1 abstention),

RESOLUTION NO. 2023-39

A RESOLUTION ADOPTING AND APPROVING AMENDED AND RESTATED POLICIES PERTAINING TO PREVAILING WAGE AND INCLUSION IN RESOLUTIONS 2018-28 AND 2019-07

was adopted (5-2; 1 abstention). The resolution in its full text is incorporated into the Resolution Journal of the Port Authority.

Director McNair then exited the meeting at 10:45 a.m.

**REAL ESTATE & DEVELOPMENT FINANCE COMMITTEE**

***Agenda Item 4(C)(1)(b) – St. Ignatius High School of Cleveland Tax Exempt Adjustable Rate Educational Facilities Revenue and Refunding Bonds***

Ms. Rhonda Winslow addressed the Board and referred to a presentation attached hereto as "**Exhibit D**". On motion by Director Copeland, seconded by Director Wondolowski, and unanimously carried by roll call vote (7-0),

RESOLUTION 2023-37

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$50,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF CLEVELAND-CUYAHOGA COUNTY PORT AUTHORITY ADJUSTABLE RATE EDUCATIONAL FACILITIES REVENUE AND REFUNDING BONDS, SERIES 2023 (ST. IGNATIUS HIGH SCHOOL OF CLEVELAND) FOR THE PURPOSE OF MAKING A LOAN TO ASSIST ST. IGNATIUS HIGH SCHOOL OF CLEVELAND IN THE FINANCING AND REFINANCING OF COSTS OF "PORT AUTHORITY FACILITIES" WITHIN THE MEANING OF CHAPTER 4582, OHIO REVISED CODE; AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT PERTAINING TO THE PROJECT AND A TRUST INDENTURE SECURING THE PAYMENT OF THE BONDS; AND AUTHORIZING THE EXECUTION AND DELIVERY OF CERTAIN OTHER DOCUMENTS 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)(1)(c) – Crocker Park Development Revenue Refunding Bond Fund Bonds, Series 2024A***

Ms. Rhonda Winslow addressed the Board and referred to a presentation attached hereto as “**Exhibit E**”. On motion by Director Copeland, seconded by Director Thomas, and unanimously carried by roll call vote (7-0),

**RESOLUTION 2023-38**

A RESOLUTION AUTHORIZING AND APPROVING THE ISSUANCE AND SALE OF A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$6,000,000 OF DEVELOPMENT REVENUE REFUNDING BONDS OF THE CLEVELAND-CUYAHOGA COUNTY PORT AUTHORITY (“AUTHORITY”) UNDER THE PORT OF CLEVELAND BOND FUND PROGRAM (THE “SERIES 2024A BONDS”) FOR THE PURPOSE OF REFINANCING PORT AUTHORITY BONDS ISSUED IN 2014 AS SERIES 2014 TAX INCREMENT FINANCING BONDS (THE “PRIOR BONDS”) TO PAY COSTS OF “PORT AUTHORITY FACILITIES” WITHIN THE MEANING OF SECTION 4582.01, OHIO REVISED CODE, FOR THE BENEFIT OF THE CITY OF WESTLAKE, OHIO CONSISTING OF UNDERGROUND UTILITIES, VEHICULAR RIGHTS-OF-WAY, DRIVEWAYS, SURFACE PARKING AREAS, PUBLIC SIDEWALKS, STREETSCAPE AND OTHER LANDSCAPE IMPROVEMENTS AND OTHER RELATED AMENITIES ON THE PROJECT SITE (THE “PUBLIC IMPROVEMENT PROJECT”); AUTHORIZING THE EXECUTION AND DELIVERY OF A COOPERATIVE AGREEMENT, TIF DECLARATIONS, A SUPPLEMENTAL TRUST INDENTURE, BOND PURCHASE AGREEMENT AND CERTAIN OTHER AGREEMENTS AND DOCUMENTS IN CONNECTION WITH THE FOREGOING; AUTHORIZING THE EXECUTION AND DISTRIBUTION OF A DISCLOSURE STATEMENT IN CONNECTION WITH THE SERIES 2024A 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.

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

No public comment regarding non-agenda items.

**EXECUTIVE SESSION**

On motion by Director Wondolowski, seconded by Director O’Malley and unanimously carried by roll call vote the Board of Directors entered into Executive Session at 11:14 a.m. for the following purpose: to consider the compensation of a public employee pursuant to R.C. 121.22(G)(1). Prior to the Board exiting from Executive Session, Director Wondolowski and Director O’Malley left the meeting. The Board exited Executive Session at 11:47 and reconvened the meeting.

On motion by Director Copeland, seconded by Director Jackson, and unanimously carried by roll call vote (5-0), the meeting was adjourned at 11:51 a.m.



CHAIR



ASST. SECRETARY