

MINUTES

CLEVELAND-CUYAHOGA COUNTY PORT AUTHORITY BOARD OF DIRECTORS MEETING Thursday, July 20, 2017

The regular Meeting of the Cleveland-Cuyahoga County Port Authority Board of Directors was held at the Ernst & Young Office Tower, 950 Main Avenue, Offices of Tucker Ellis (11th Floor), Cleveland, Ohio on Thursday, July 20, 2017. The meeting was called to order by Chairman McNair at 8:38 a.m. Attendance by roll call showed the following:

PRESENT

Darrell McNair, Chair
Patricia Ramsey, Secretary
Harriett Applegate
Paul Hoogenboom
Robert Smith

ABSENT AND EXCUSED

Jan Roller, Vice-Chair
Chris Ronayne
Anthony Moore

ALSO PRESENT

W. Friedman, President & CEO
D. Gutheil, VP, Maritime & Logistics
C. Naso, Chief Financial Officer
R. Bever, Director of Finance
G. Woodson, Director, Development Finance & Inclusion
L. Bohinc, Finance Coordinator
J. White, Director, Sustainable Infrastructure Programs
L. Sternheimer, Director, Urban Planning & Engagement
R. Snipes, Staff Accountant
M. Rivalsky, Controller
N. LaPointe, Director, Planning & Capital Development
D. Wilcox, Climaco, Wilcox, Peca, & Garofoli Co., L.P.A
J. Roth, Tucker Ellis
B. Eckart, Zions Bank
H. Yee, Washington Enterprises
G. Killeen, Tucker Ellis
T. Conlon, Consultant
D. Smith, Mayor, North Randall
H. Homae, KS Associates, Inc.
R. Kozak, Huntington
P. Angelo, Huntington
R. Flanagan, Langan Engineering
L. Gleason, Trustee
J. Lander, Bondholder
M. Fisher, PNC
M. Armagno, PNC
M. Baker, ILA
B. Duton, GLCS
E. Murray, AMZIY
V. Adamus, GCP
J. Miller, Crain's
B. Beachler, Vorys
J. Farling, GCP

APPROVAL OF MINUTES

The minutes of the Board of Directors meeting of Thursday, June 8, 2017 were presented for approval by the Board, copies having been delivered in advance to all Directors. On motion by Director Hoogenboom, seconded by Director Ramsey and unanimously carried, the Board minutes of June 8, 2017 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 stated that the Budget and Administration Agenda item would be presented first, before the Real Estate and Development Finance Committee. He then requested that Mr. Friedman proceed with the President's comments.

PRESIDENT'S COMMENTS

Mr. Friedman addressed the Board and introduced and welcomed Mr. Carl Naso, Chief Financial Officer.

BUDGET & ADMINISTRATION COMMITTEE

Agenda Item 4(C)(2)(a) – Consideration of Amending Rules and Regulations for Remote Attendance & Participation at Board Meetings

Mr. Dennis Wilcox addressed the Board of Directors and referred to pages 35-38 of the Agenda. When discussing Article III, Section II, Section "F" of the proposed changes to the Rules and Regulations in Resolution 2017-25, the Board decided that .25 miles was a reasonable distance to permit remote attendance and otherwise agreed on the other items bracketed for discussion.

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

RESOLUTION NO. 2017-25

A RESOLUTION AMENDING THE RULES AND REGULATIONS OF THE CLEVELAND-CUYAHOGA COUNTY PORT AUTHORITY AND PERMITTING REMOTE ATTENDANCE AT BOARD MEETINGS BY MEMBERS OF THE BOARD OF DIRECTORS OF THE AUTHORITY UPON CERTAIN CONDITIONS

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)(a) – AZ Randall OH Landlord, LLC Project – Taxable Lease Revenue Bonds

Ms. Rhonda Bever addressed the Board and welcomed Mr. Eric Murray, Senior Manager for Economic Development with Amazon and Mr. Dave Riefe with Seefried Properties, the developer for the project. Mr. Riefe and Mr. Murray addressed the Board and referred to a presentation attached hereto as “**Exhibit A.**” Director Ramsey asked whether other sites were being considered and if they were located in Northeast Ohio. Mr. Murray replied yes, there are other national locations being considered. Director Ramsey asked whether there would be any part-time positions. Mr. Murray replied there may be an opportunity for part-time and/or seasonal down the road. Director Applegate asked whether the project was prevailing wage. Mr. Murray replied it is not prevailing wage, but the company is open to bidding on a competitive basis. He expects that the bidders would be able to handle the scope and size of the project. Mr. Friedman asked whether the building was designed to be expandable. Mr. Reife replied no.

Ms. Bever addressed the Board and referred to a presentation attached hereto as “**Exhibit B.**” Director Ramsey stated that since there are other sites being considered, she wanted to ensure that the Randall location is being considered at the highest level. She requested that if other necessary steps need to be taken to ensure that Randall is the top location that the Board is willing to consider necessary needs. Mr. Murray stated that all parties have been collaborating to ensure that the project is highlighted at the highest level of the company.

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

RESOLUTION 2017-22

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 \$123,000,000 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 A FULFILLMENT CENTER AND VARIOUS SITE IMPROVEMENTS, LOCATED IN THE VILLAGE OF NORTH RANDALL, OHIO; AUTHORIZING THE ACQUISITION OF A LEASEHOLD INTEREST IN THE PROJECT SITE; AUTHORIZING A LEASE TO PROVIDE FOR THE LEASING OF THE PROJECT FACILITIES AND THE PROJECT SITE BY THE ISSUER TO AZ RANDALL OH LANDLORD, LLC OR ITS DESIGNEE TO PROVIDE FOR THE PAYMENT OF BOND SERVICE CHARGES ON THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A GROUND LEASE, A LEASE, A CONSTRUCTION MANAGER AGREEMENT, A BOND PLACEMENT AGREEMENT, A COMMUNITY REINVESTMENT AREA AGREEMENT AND OTHER INSTRUMENTS, STATEMENTS AND DOCUMENTS NECESSARY 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) – Great Lakes Cold Storage – Taxable Lease Revenue Bonds

Ms. Rhonda Bever introduced Mr. Bill Duton, a financial consultant representing Great Lakes Cold Storage (GLCS), and Mr. John Grill, Controller at GLCS. Mr. Duton addressed the Board and referred to a presentation attached hereto as “**Exhibit C.**” Chairman McNair asked how many jobs would be added. Mr. Duton replied that this project will add ten mostly full-time jobs. Director Ramsey asked whether the Giant Eagle contract renews every five years. Mr. Duton replied that it’s anticipated that Giant Eagle will sign on again. Ms. Bever addressed the Board and referred to a presentation attached hereto as “**Exhibit D.**”

On motion by Director Hoogenboom, seconded by Director Smith, and unanimously carried,

RESOLUTION NO. 2017-23

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 \$9,000,000 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, INSTALLING, EQUIPPING AND IMPROVING AN APPROXIMATELY 56,333 SQUARE FOOT ADDITION TO A COLD STORAGE FACILITY TO INCLUDE WAREHOUSE, DOCK AND OFFICE SPACE AND VARIOUS SITE IMPROVEMENTS (THE “PROJECT FACILITIES”), LOCATED IN THE CITY OF SOLON, 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, AND TO SUBLESSEE, TO PROVIDE FOR THE PAYMENT OF BOND SERVICE CHARGES ON THE SERIES 2017 BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A TRUST INDENTURE TO SECURE THE SERIES 2017 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 2017 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)(c) 2001A University Square Project

Ms. Bever addressed the Board and welcomed Ms. Lorna Gleason, Trustee for the project bonds. Ms. Bever then referred to a presentation attached hereto as “**Exhibit E.**” Chairman McNair asked whether any payments are currently being made. Ms. Bever replied yes, Target and Macy’s are still at the site and they continue to make payments. Chairman McNair asked whether any liability would fall back on the Port. Ms. Bever replied no, there would be no additional liability to the Port.

On motion by Chairman McNair, seconded by Director Smith, and unanimously carried,

RESOLUTION NO. 2017-24

A RESOLUTION AUTHORIZING AND APPROVING THE CLEVELAND-CUYAHOGA COUNTY PORT AUTHORITY'S ACCEPTANCE OF FEE TITLE, UPON SATISFACTION OF CERTAIN CONDITIONS, TO REAL PROPERTY AND TO CANCEL THE EXISTING GROUND LEASE ON SUCH REAL PROPERTY ON WHICH A PUBLIC PARKING GARAGE IS SITUATED IN UNIVERSITY HEIGHTS, OHIO

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

Chairman McNair requested to move to the Audit Committee agenda item next.

AUDIT COMMITTEE

Agenda Item 4(C)(2)(a) – 2016 Audit Acceptance

Mr. Carl Naso addressed the Board and referred to pages 42-43 of the Agenda. Mr. Naso, Mr. Friedman and members of the Board thanked and commended Ms. Margaret Rivalsky for her efforts working on the audit. The Port received the Auditor of State Award of Exemplary Financial Reporting in accordance with GAAP financials for 2016. Chairman McNair asked whether this was a typical cycle for the State. Mr. Naso replied yes, they typically come in for a two-year term. On motion by Director Smith, seconded by Director Ramsey, and unanimously carried, the 2016 Audit was accepted by the Board of Directors.

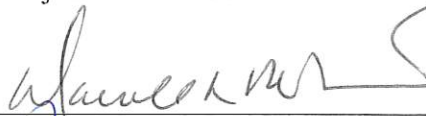
BUDGET & ADMINISTRATION COMMITTEE

Agenda Item 4(C)(2)(b) – Financial Report


Mr. Carl Naso addressed the Board of Directors and referred to pages 39-41 of the Agenda to give the Financial Report.

PUBLIC COMMENT PERIOD

Chairman McNair then opened the floor for public comment related to non-agenda items. There being no public comment, Chairman McNair requested a motion to adjourn. Seconded by Director Smith and approved unanimously by the Board, the meeting was adjourned at 9:37 a.m.



CHAIR



SECRETARY