



AGENDA
CUYAHOGA COUNTY ECONOMIC DEVELOPMENT & PLANNING
COMMITTEE MEETING
MONDAY, JANUARY 22, 2018
CUYAHOGA COUNTY ADMINISTRATIVE HEADQUARTERS
C. ELLEN CONNALLY COUNCIL CHAMBERS – 4TH FLOOR
3:00 PM

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. PUBLIC COMMENT RELATED TO THE AGENDA**
- 4. APPROVAL OF MINUTES FROM THE OCTOBER 30, 2017 MEETING**
- 5. MATTERS REFERRED TO COMMITTEE**
 - a) R2018-0011: A Resolution authorizing an Economic Development Fund Place-based/Mixed-use Loan in the amount not-to-exceed \$2,000,000.00 to Cleveland Euclid Hotel Associates LLC for the benefit of the Cleveland Athletic Club Reuse Project, located at 1118-1148 Euclid Avenue, Cleveland; authorizing the County Executive and/or Director of Development to execute all documents consistent with said loan and this Resolution; and declaring the necessity that this Resolution become immediately effective.
- 6. MISCELLANEOUS BUSINESS**
- 7. OTHER PUBLIC COMMENT**
- 8. ADJOURNMENT**

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***Council Chambers is equipped with a hearing assistance system. If needed, please see the Clerk to obtain a receiver.*



MINUTES

CUYAHOGA COUNTY ECONOMIC DEVELOPMENT & PLANNING
COMMITTEE MEETING
MONDAY, OCTOBER 30, 2017
CUYAHOGA COUNTY ADMINISTRATIVE HEADQUARTERS
C. ELLEN CONNALLY COUNCIL CHAMBERS – 4TH FLOOR
3:00 PM

1. CALL TO ORDER

Mr. Schron called the meeting to order at 3:10 p.m.

2. ROLL CALL

Mr. Schron asked Assistant Deputy Clerk Johnson to call the roll. Committee members Schron, Hairston, Tuma, Baker and Simon were in attendance and a quorum was determined. Councilmember Miller was also in attendance.

3. PUBLIC COMMENT RELATED TO THE AGENDA

There were no public comments given.

4. APPROVAL OF MINUTES FROM THE SEPTEMBER 18, 2017 MEETING

A motion was made by Mr. Schron, seconded by Mr. Tuma and approved by unanimous vote to approve the minutes of the September 18, 2017 meeting.

5. MATTERS REFERRED TO COMMITTEE

- a) R2017-0188: A Resolution authorizing the issuance of not-to-exceed \$15,000,000.00 County of Cuyahoga, Ohio, Economic Development Refunding Revenue Bonds (University School Project) in two series, for the purpose of refunding the remaining outstanding principal amount of the \$15,000,000.00 County of Cuyahoga, Ohio, Economic Development Refunding Revenue Bonds, Series 2012 (University School Project), which were issued to provide funds to

assist University School in the refinancing of costs of a "Project" within the meaning of Chapter 165, Ohio Revised Code; authorizing the execution and delivery of a loan agreement pertaining to the project and an assignment of rights securing the payment of the Series 2017 Bonds; authorizing the execution and delivery of a bond purchase agreement, a tax agreement and certain other documents and actions in connection with the issuance of such Series 2017 Bonds; and declaring the necessity that this Resolution become immediately effective.

Ms. Sara Parks Jackson, Community Development Officer; Ms. Virginia Benjamin, Partner at Calfee, Halter & Griswold, LLP; and Mr. David Wright, Finance Director for University School, addressed the Committee regarding Resolution No. R2017-0188. Discussion ensued.

Committee members and Councilmembers asked questions of Ms. Jackson, Ms. Benjamin and Mr. Wright pertaining to the item, which they answered accordingly.

On a motion by Mr. Schron with a second by Ms. Simon, Resolution No. R2017-0188 was considered and approved by unanimous vote to be referred to the full Council agenda with a recommendation for passage under second reading suspension of the rules.

- b) R2017-0189: A Resolution authorizing the issuance and sale of health care and independent living facilities revenue bonds, Series 2017 (Eliza Jennings Senior Care Network Project), in an aggregate principal amount not-to-exceed \$55,000,000.00 for the purposes of currently refunding bonds issued by the County, including paying costs related to certain interest rate hedge agreements, and paying certain costs of issuance; providing for the assignment of revenues for the payment of those bonds; and authorizing the execution and delivery of a Base Lease, a Lease, a Bond Indenture, Supplemental Bond Indentures, Bond Purchase Agreements, an Assignment of Rights under Lease, an Assignment of Basic Rent and other instruments and documents in connection with the issuance of those bonds; and declaring the necessity that this Resolution become immediately effective.

Ms. Jackson and Ms. Kathy Shields, Chief Financial Officer and Vice President of Eliza Jennings, addressed the Committee regarding Resolution No. R2017-0189. Discussion ensued.

Committee members and Councilmembers asked questions of Ms. Jackson and Ms. Shields pertaining to the item, which they answered accordingly.

On a motion by Mr. Tuma with a second by Ms. Simon, Resolution No. R2017-0189 was considered and approved by unanimous vote to be referred to the full Council agenda with a recommendation for passage under second reading suspension of the rules.

6. DISCUSSION

- a) Update on Outstanding Economic Development Loans

Mr. Theodore Carter, Chief Economic Development Officer; Mr. Paul Herdeg, Development Administrator; and Mr. David Douglass, representing Douglass & Associates Co., L. P. A., addressed the Committee regarding collection procedures and payments relating to the County's outstanding economic development loans. Discussion ensued.

Committee members and Councilmembers asked questions of Messrs. Carter, Herdeg and Douglass pertaining to the update, which they answered accordingly.

7. MISCELLANEOUS BUSINESS

There was no miscellaneous business.

8. OTHER PUBLIC COMMENT

There were no public comments given.

9. ADJOURNMENT

With no further business to discuss, Chairman Schron adjourned the meeting at 4:38 p.m., without objection.

County Council of Cuyahoga County, Ohio

Resolution No. R2018-0011

<p>Sponsored by: County Executive Budish/Department of Development</p>	<p>A Resolution authorizing an Economic Development Fund Place-based/Mixed-use Loan in the amount not-to-exceed \$2,000,000.00 to Cleveland Euclid Hotel Associates LLC for the benefit of the Cleveland Athletic Club Reuse Project, located at 1118-1148 Euclid Avenue, Cleveland; authorizing the County Executive and/or Director of Development to execute all documents consistent with said loan and this Resolution; and declaring the necessity that this Resolution become immediately effective.</p>
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WHEREAS, the County Executive/Department of Development has recommended an Economic Development Fund Place-based/Mixed-use Loan in the amount not-to-exceed \$2,000,000.00 to Cleveland Euclid Hotel Associates LLC for the benefit of the Cleveland Athletic Club Reuse Project, located at 1118-1148 Euclid Avenue, Cleveland; and

WHEREAS, the primary goal of this project is to assist with the redevelopment project involving restoring the currently vacant 16-story, 253,000 square foot Cleveland Athletic Club building, located at 1118-1148 Euclid Avenue, Cleveland, in Council District 7; and

WHEREAS, the project is anticipated to create approximately 275 construction jobs during the redevelopment period and 20-25 permanent jobs after completion; also, 50 existing jobs will be retained in Cuyahoga County; and

WHEREAS, the total cost of the project is \$56,279,000.00 of which the County will loan \$2,000,000.00 with a term of 24-months at an interest rate of 5% per annum; and

WHEREAS, on December 13, 2017, the Cuyahoga County Community Improvement Corporation reviewed and recommended that the County fund the project; and

WHEREAS, the proposed funding source for this loan is 100% from the Cuyahoga County Economic Development Fund (aka Job Creation Fund); and

WHEREAS, this project will be subject to the following, as applicable, and without limitation: the County's SBE Policy, adopted October 29, 2009; execution of a Workforce Development Agreement; and submission of annual job creation/retention reporting; and

WHEREAS, it is necessary that this Resolution become immediately effective in order that critical services provided by Cuyahoga County can continue.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF CUYAHOGA COUNTY, OHIO:

SECTION 1. That the Cuyahoga County Council hereby authorizes an Economic Development Fund Place-based/Mixed-use Loan in the amount not-to-exceed \$2,000,000.00 to Cleveland Euclid Hotel Associates LLC for the benefit of the Cleveland Athletic Club Reuse Project located at 1118-1148 Euclid Avenue, Cleveland.

SECTION 2. That the County Executive and/or the Director of Development are authorized to execute all documents consistent with said loan and this Resolution.

SECTION 3. That this Resolution shall sunset twelve (12) months after County Council approval should the authorized action have not occurred by that date. In the event this Resolution sunsets prior to the authorized action taking place, the Director of Development shall notify the Clerk of Council in writing. The Clerk of Council shall record the sunseting of this Resolution in the Council's journal.

SECTION 4. It is necessary that this Resolution become immediately effective for the usual daily operation of the County and the reasons set forth in the preamble. Provided that this Resolution receives the affirmative vote of at least eight members of Council, it shall take effect and be in force immediately upon the earliest occurrence of any of the following: (1) its approval by the County Executive through signature, (2) the expiration of the time during which it may be disapproved by the County Executive under Section 3.10(6) of the Cuyahoga County Charter, or (3) its passage by at least eight members of Council after disapproval pursuant to Section 3.10(7) of the Cuyahoga County Charter. Otherwise, it shall take effect and be in force from and after the earliest period allowed by law.

SECTION 5. It is found and determined that all formal actions of this Council relating to the adoption of this Resolution were adopted in an open meeting of the Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

On a motion by _____, seconded by _____, the foregoing Resolution was duly adopted.

Yeas:

Nays:

County Council President

Date

County Executive

Date

Clerk of Council

Date

First Reading/Referred to Committee: January 9, 2018

Committee(s) Assigned: Economic Development & Planning

Journal _____
_____, 20__

[PROPOSED SUBSTITUTE]

County Council of Cuyahoga County, Ohio

Resolution No. R2018-0011

<p>Sponsored by: County Executive Budish/Department of Development</p>	<p>A Resolution authorizing an Economic Development Fund Place-based/Mixed-use Loan in the amount not-to-exceed \$2,000,000.00 to Cleveland Euclid Hotel Associates LLC <u>CAC Project 2014 Developer LLC</u> for the benefit of the Cleveland Athletic Club Reuse Project, located at 1118-1148 Euclid Avenue, Cleveland; authorizing the County Executive and/or Director of Development to execute all documents consistent with said loan and this Resolution; and declaring the necessity that this Resolution become immediately effective.</p>
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WHEREAS, the County Executive/Department of Development has recommended an Economic Development Fund Place-based/Mixed-use Loan in the amount not-to-exceed \$2,000,000.00 to ~~Cleveland Euclid Hotel Associates LLC~~ **CAC Project 2014 Developer LLC** for the benefit of the Cleveland Athletic Club Reuse Project, located at 1118-1148 Euclid Avenue, Cleveland; and

WHEREAS, the primary goal of this project is to assist with the redevelopment project involving restoring the currently vacant 16-story, 253,000 square foot Cleveland Athletic Club building, located at 1118-1148 Euclid Avenue, Cleveland, in Council District 7; and

WHEREAS, the project is anticipated to create approximately 275 construction jobs during the redevelopment period and 20-25 permanent jobs after completion; also, 50 existing jobs will be retained in Cuyahoga County; and

WHEREAS, the total cost of the project is \$56,279,000.00 of which the County will loan \$2,000,000.00 with a term of 24-months at an interest rate of 5% per annum; and

WHEREAS, on December 13, 2017, the Cuyahoga County Community Improvement Corporation reviewed and recommended that the County fund the project; and

WHEREAS, the proposed funding source for this loan is 100% from the Cuyahoga County Economic Development Fund (aka Job Creation Fund); and

WHEREAS, this project will be subject to the following, as applicable, and without limitation: the County's SBE Policy, adopted October 29, 2009; execution of a Workforce Development Agreement; and submission of annual job creation/retention reporting; and

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NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF CUYAHOGA COUNTY, OHIO:

SECTION 1. That the Cuyahoga County Council hereby authorizes an Economic Development Fund Place-based/Mixed-use Loan in the amount not-to-exceed \$2,000,000.00 to ~~Cleveland Euclid Hotel Associates LLC~~ **CAC Project 2014 Developer LLC** for the benefit of the Cleveland Athletic Club Reuse Project located at 1118-1148 Euclid Avenue, Cleveland.

SECTION 2. That the County Executive and/or the Director of Development are authorized to execute all documents consistent with said loan and this Resolution.

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On a motion by _____, seconded by _____, the foregoing Resolution was duly adopted.

Yeas:

Nays:

County Council President

Date

County Executive

Date

Clerk of Council

Date

First Reading/Referred to Committee: January 9, 2018
Committee(s) Assigned: Economic Development & Planning

Legislation Substituted in Committee: January 22, 2018

Journal _____
_____, 20__