

The Board of Directors of the Cuyahoga County Land Reutilization Corporation (the “Board of Directors”) met on September 29, 2023 for a regular quarterly meeting at 10:00 o’clock, a.m., Eastern Time, in the Board Conference Room of its offices located at 812 Huron Rd. E., Suite 800, Cleveland, Ohio 44115, with the following Directors present and voting on this Resolution as indicated:

Bradley Sellers, Mayor of the City of Warrensville Heights, OH and Chair of the Board of Directors;
Pernel Jones Jr., Cuyahoga County Council President and Vice-Chair of the Board of Directors; Designated Representative Michael W. King;
Chris Ronayne, Cuyahoga County Executive; Designated Representative: Katherine Gallagher;
Anthony Biasiotta, Mayor of the City of Seven Hills, OH
Sally Martin O’Toole, Director of Building and Housing, City of Cleveland, OH
Lisa Rocco, Cuyahoga County Interim Treasurer;
Jasmin Santana, Council Member, Ward 14, City of Cleveland, OH.

Katie Gallagher moved the adoption of the following resolution (this “Resolution”):

RESOLUTION NO. 2023-2

AUTHORIZING THE PRESIDENT AND CHIEF OPERATING OFFICER OR ANY ONE OF THEM, ON BEHALF OF THE CORPORATION TO RENEW THE LINE OF CREDIT WITH HUNTINGTON NATIONAL BANK, AND APPROVING CERTAIN TERMS OF THE LINE OF CREDIT AND RELATED MATTERS

WHEREAS, Section 1724.02(A)(1) of the Ohio Revised Code (the “Revised Code”) authorizes a county land reutilization corporation to borrow money for any of the purposes of the community improvement corporation by means of loans, lines of credit, or any other financial instruments or securities, including the issuance of its bonds, debentures, notes, or other evidences of indebtedness, whether secured or unsecured, and to secure the same by mortgage, pledge, deed of trust, or other lien on its property, franchises, rights, and privileges of every kind and nature or any part thereof or interest therein; and

WHEREAS, the Cuyahoga County Land Reutilization Corporation, a county land reutilization corporation organized under Chapter 1724 of the Revised Code (the “CCLRC”) has the need to borrow money to continue to perform its mission of (a) facilitating the reclamation, rehabilitation, and reutilization of vacant, abandoned, tax-foreclosed, or other real property within the county for whose benefit the corporation is being organized; (b) efficiently holding and managing vacant, abandoned, or tax-foreclosed real property pending its reclamation, rehabilitation, and reutilization; (c) assisting governmental entities and other nonprofit or for-profit persons to assemble, clear, and clear the title of property described in this division in a coordinated manner; or (d) promoting economic and housing development in the county or region; and

WHEREAS, after meeting with the lending officers of Huntington National Bank (the “Lender”) to discuss the Lender’s providing the CCLRC with a line of credit, term loan or other loan agreement, the CCLRC entered into a line of credit facility with the Lender (the “Credit Facility”) for the purposes aforesaid in a maximum amount of \$2,000,000; and

WHEREAS, the maturity date of the Credit Facility is January 9, 2024.

WHEREAS, this Board now desires to authorize the President of the CCLRC and the Chief Operating Officer, or anyone of them, to renew the Credit Facility no later than its maturity date or to replace the Credit Facility with a similar Credit Facility within the limitations set forth in this Resolution (in either case such credit facility is hereinafter referred to as the “2024 Credit Facility”); and

WHEREAS, this Board hereby finds and determines that all formal actions relative to the adoption of this Resolution were taken in an open meeting of this Board, and that all the deliberations of this Board, and of its committees, if any, which resulted in formal actions, were taken in meetings open to the public, in full compliance with applicable legal requirements, including Section 121.22 of the Revised Code.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Cuyahoga County Land Reutilization Corporation that:

Section 1. This Board hereby authorizes and directs the President and the Chief Operating Officer of the CCLRC, or any one of them, to negotiate the final terms and provisions of the 2024 Credit Facility with the Lender for and on behalf of the Corporation subject to the limitations provided in Section 2 hereof. The 2024 Credit Facility shall be in such final form as is negotiated and agreed upon by the President and the Chief Operating Officer, or any one of them, provided that the final provisions of the 2024 Credit Facility shall be in compliance with the all the limitations established in Section 2 hereof. Subject to the provisions of this Resolution, the President and the Chief Operating Officer, or any one of them, is hereby authorized and directed for and on behalf of the CCLRC to execute the 2024 Credit Facility on behalf of the CCLRC and all other certificates and documents necessary or appropriate for the consummation of the transaction.

Section 2. The 2024 Credit Facility shall be subject to the following terms: (a) the maximum principal amount that may be drawn under the Credit Facility shall not exceed \$2 million; (b) the interest rate on the 2024 Credit Facility (the “2024 Credit Facility Interest Rate”) shall be a variable rate of interest equal to the Prime Rate of the Lender as published by the Lender from time to time; (c) commencing on dated date of the 2024 Credit Facility and continuing for as long as the 2024 Credit Facility is outstanding, the CCLRC shall maintain a Debt Service Coverage Ratio (as hereinafter defined) not less than 1.05 : 1.00 as of the end of each calendar year, beginning 1/1/2024, for the twelve-month period ending on such date where “Debt Service Coverage Ratio” means (i) the CCLRC's net income plus (to the extent deducted in computing net income) the sum of interest expense, plus depreciation and amortization expense divided by (ii) the sum of scheduled principal payments on long term debt and capital leases, if any, plus interest expense thereon; (d) the CCLRC shall maintain Liquidity (as hereinafter defined) of not less than \$2,500,000 where “Liquidity” means the sum of all unrestricted cash of the CCLRC plus the fair market value of all its readily marketable securities owned solely by or held solely in the name of the CCLRC and not subject to any transfer or other restriction or any lien or other encumbrance and (e) the CCLRC shall deliver to Lender from time to time upon Lender's reasonable request a statement signed by the President, the Director of Finance and the Chief Operating Officer, or any one of them, certifying as to CCLRC's Liquidity as of the date of such statement, along with copies of such other information and documents as the Lender may reasonably require. The President and Chief Executive Officer and the Chief Operating Officer, or any one of them, may further negotiate the final provisions of any of the terms set forth in this Section 2 as long as such final provisions are reasonable and reasonably able to be satisfied by the CCLRC.

Section 4. This Resolution shall take effect and be in force immediately upon its adoption.

Interim Treasurer Lisa Rocco seconded the motion.

Upon roll call on the adoption of this Resolution, the vote was as follows:

Ayes: 7

Nays: 0

The undersigned, Secretary of the Cuyahoga County Land Reutilization Corporation, certifies that the foregoing is a true and correct excerpt from the minutes of the meeting of September 29, 2023, of the Board of Directors of the Cuyahoga County Land Reutilization Corporation, showing the adoption of the Resolution above set forth.



Secretary
Cuyahoga County Land Reutilization Corporation

Dated: September 29, 2023

FUNDING INFORMATION FOR RESOLUTION
(CHECK AND COMPLETE APPLICABLE SELECTION)

Not Applicable to this Resolution since no
expenditure is being authorized.

Applicable to this Resolution

Fund to be charged: # _____

Account to be charged: # _____

Unencumbered Funds Available: \$ _____

Amount to be charged: \$ _____