

## PORT AUTHORITY AGREEMENT

WHEREAS, pursuant to Ohio Revised Code Sections 4582.21 through 4582.59 (as amended from time to time, the "Port Act") a city and a county may act jointly to create a port authority which shall have territorial limits co-terminus with the limits of the city and the county creating the port authority; and

WHEREAS, the City of Columbus, Ohio (the "City") by an ordinance of its Council ("Council") and the County of Franklin, Ohio (the "County") by a resolution of its Board of County Commissioners ("BOCC") have determined that it is desirable and necessary that a port authority be created pursuant to the provisions of the Port Act by the legislative action of each of the City and the County; and

WHEREAS, the City (pursuant to Ordinance No.0540-2006 passed by its Council on \_\_\_\_\_, 200\_\_) and the County (pursuant to a Resolution adopted by its BOCC on \_\_\_\_\_, 200\_\_) have each authorized the execution and delivery of this Agreement; and

WHEREAS, this Agreement is entered into for the purpose of creating the [Columbus-Franklin County Finance Authority] (the "Finance Port Authority") under the authority of the Port Act;

**NOW, THEREFORE**, in consideration of the mutual promises and agreements herein, the City and the County covenant and agree with each other as follows:

**Section 1. *Jurisdiction and Powers of the Finance Port Authority.*** The territory within which the Finance Port Authority shall have general jurisdiction shall include within its boundaries all areas which are within the boundaries of the County together with all areas within the boundaries of the City not within the boundaries of the County. The Finance Port Authority shall be a body corporate and politic and shall have and may exercise all of the powers and jurisdiction (both general and special) now or hereafter given to it by or pursuant to the Port Act or other applicable Ohio law, as the same may be expanded or limited by changes in Ohio law or by subsequent written amendment of or supplement to this Agreement. The special jurisdiction of the Finance Port Authority shall include, without limitation, the ability of the Finance Port Authority (consistent with the authorized purposes set forth in the Port Act) to exercise powers in parts of the State outside its general jurisdiction pursuant to the cooperative agreement, special designation, property transfer and any other provisions of the Port Act and Ohio law. The exercise of its powers and jurisdiction by the Finance Port Authority shall be deemed to be an essential governmental function of the State of Ohio. The port authority created by this Agreement is designated and shall be known as the "[Columbus-Franklin County Finance Authority]".

It is the intent of the parties hereto that the Columbus Regional Airport Authority ("CRAA") and the Finance Port Authority not be in competition with one another in their endeavors. The Finance Port Authority will not be engaged in the operation, management or financing of facilities owned by CRAA, unless requested by CRAA. CRAA will not engage in economic development finance other than transactions (1) for the Ohio Association of School Business Officials and the Ohio Municipal League or (2) related to the development of real

property owned or acquired by CRAA and used to enhance, foster, provide or promote transportation activities.

**Section 2. *The Finance Port Authority Board of Directors.*** The Finance Port Authority shall be governed by a nine-member Board of Directors, each of whom shall serve for a term of four years (except in the case of initial appointees who may serve shorter terms), of which four (4) shall be appointed by the Mayor of the City, with the advice and consent of Council, four (4) shall be appointed by the BOCC, and one (1) shall be a joint appointment, all as further described below. The membership of the Board shall at all times comply with Section 4582.27 of the Revised Code or any successor provision thereto. Board appointments shall be made in the following manner:

- A.** The Mayor (with the advice and consent of Council) and the BOCC shall each appoint one director to serve on the Board for a term of office expiring April 30, 2007.
- B.** The Mayor (with the advice and consent of Council) and the BOCC shall each appoint one director to serve on the Board for a term of office expiring April 30, 2008.
- C.** The Mayor (with the advice and consent of Council) and the BOCC shall each appoint two directors to serve on the Board for a term of office expiring April 30, 2009.
- D.** A ninth director shall be jointly appointed by the City and the County to serve on the Board for a term of office expiring April 30, 2010, with the initial appointment to be made by the Mayor, but only with the approval of both the Council and the BOCC, the second appointment to be made by the BOCC but only with the approval of the Mayor and the Council and with subsequent appointments to continue to alternate in this manner.

Each member of the Board of Directors shall hold office from the date of appointment until the end of the term for which the member was appointed, except as provided below. Upon the expiration of the term of any incumbent member of the Board, and if any position on the Board shall become vacant for any reason, that position on the Board shall be filled by the appointing authority that appointed the incumbent or predecessor member, and in the same manner that the incumbent or predecessor was appointed. All directors so appointed shall serve for a term of four years, except that any person appointed to fill a vacancy shall serve only for the unexpired term. Any member of the Board shall continue in office subsequent to the expiration date of the member's term until the member's successor takes office. A member of the Board is eligible for reappointment. Each member of the Board shall serve without compensation, but may receive reimbursement for the member's reasonable expenses incurred in the performance of the duties of the member. No member appointed to the Board shall hold any other public office or employment except that of Notary Public, member of the State Militia or member of a reserve component of the United States Armed Forces; provided, that employment in a public school system or other educational institution shall not be a violation of this section. No member of the Board shall be interested in the profits or emoluments of any contract, job, work or service of the Finance Port Authority, other

than as permitted by Ohio law. Any member of the Board may be removed by that member's appointing authority for misfeasance, nonfeasance or malfeasance in office.

The Board of Directors shall elect one of its members as chairperson and another as vice-chairperson, shall designate their terms of office, and shall appoint a secretary-treasurer who need not be a member of the Board of Directors. A majority of the Board of Directors shall constitute a quorum for purpose of holding a meeting of the Board. The affirmative vote of a majority of the members present and voting (which must be at least a majority of a quorum) shall be necessary for any action taken by the Finance Port Authority unless the Board of Directors determines by rule to require a greater number of affirmative votes for particular actions to be taken by the Finance Port Authority. No vacancy in the membership of the Board of Directors shall impair the rights of a quorum to exercise all the rights and perform all the duties of the Finance Port Authority.

**Section 3. *Special Powers, Restrictions and Requirements of the Finance Port Authority.***

**A.** The Finance Port Authority may appoint such community advisory committees as it deems appropriate.

**B.** The Finance Port Authority shall file a report annually with the City and the County (not later than May 1 with respect to the immediately preceding calendar year) on matters pertaining to its development and redevelopment activities, projects and programs, including information with respect to completion of projects or phases of projects, completed economic development financing activities, and the economic impact of completed projects and development financing activities, including economic inclusion results.

**C.** The Finance Port Authority may not participate in any undertaking which involves the relocation of a business within the boundaries of the Finance Port Authority from one political subdivision to another political subdivision without the written consent of the legislative body of each political subdivision affected.

**Section 4. *Termination.*** The Finance Port Authority may be dissolved at any time upon enactment of an ordinance by the Council and a resolution by the BOCC; provided that upon dissolution, any real or personal property or combination thereof which has been received from or made available by the City or the County will be returned to the subdivision from which it was received or by which it was made available. In the event of the dissolution, and after paying all expenses, debts and costs of the Finance Port Authority, any balance remaining in the Finance Port Authority's funds and any remaining real or personal property not received from or made available by the City or the County but belonging to the Finance Port Authority shall be distributed to the City and the County annually in the same proportion as the investments of the City and the County, respectively, in the Finance Port Authority.

**Section 5. *Organizational Meeting.*** The Mayor of the City and the President of the BOCC shall give written notice of the time and place of the organizational meeting of the Board of Directors of the Finance Port Authority at least five days prior to that meeting. The Mayor of the City and the President of the BOCC shall also give public notice of the time, place and purpose of

the organizational meeting of the Board of Directors to the news media at least twenty-four hours prior to the meeting. At the organizational meeting of the Board of Directors, and prior to the adoption of any rules and regulations, the initial members of the Board of Directors shall present certified copies of the documents appointing them to the Board of Directors.

**Section 6. Funding.** In order to provide funding to carry out the activities, projects and programs of the Finance Port Authority pursuant to this Agreement, the City and the County agree to provide in calendar years 2006 through 2010, subject to annual appropriation by the Council or the BOCC, as applicable, not later than May 1 of the applicable year, \$200,000 (to provide a total of \$400,000) to the Finance Port Authority in each of those years. On or before March 1 of each year beginning in 2007, the Finance Port Authority shall advise the County Administrator and the Mayor as to the amount of ongoing annual administrative fees the Finance Port Authority is entitled to receive in the applicable year pursuant to agreements made with contracting parties in economic development financing transactions after the Effective Date and before January 1 of the applicable year and any other financial resources available to support Finance Port Authority operations. The funding level to be provided (subject to annual appropriation) by each of the City and County pursuant to this Section 6 in that year shall be reduced by 25% of the amount anticipated to be so received in that year, so that in any such year the projected funding level to be provided to the Finance Port Authority by the City and County shall, in the aggregate, be reduced by 50% of the amount of such ongoing annual economic development financing administrative fees committed to, and expected to be received by, the Finance Port Authority in that year. The amounts provided to the Finance Port Authority by the City and the County pursuant to this Section 6 shall be used by the Finance Port Authority for the operating expenses of the Finance Port Authority as authorized by the Board and for any activities, projects and programs of the Finance Port Authority that the Board deems appropriate, consistent with the Port Act and this Agreement. In addition to the foregoing funding, the City and the County agree, subject to appropriation by the Council and the BOCC in the year or years to be paid, to each provide 50% of the funding for the planned bond reserve fund for the Finance Port Authority, to the extent that the funding of that bond reserve fund is not provided from other sources.

**Section 7. Severability.** In case any paragraph of this Agreement or any part thereof is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect the remainder thereof of which shall be construed or enforced as if the illegal or invalid portion were not contained therein, nor shall such illegal or invalid application thereof affect any legal or valid application thereof, and each paragraph or part thereof shall be deemed effective and valid in the manner and to the full extent permitted by law.

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**IN WITNESS WHEREOF**, the parties hereto have caused this Port Authority Agreement to be executed on the dates stated below.

**Recommended for City by:**

**CITY OF COLUMBUS, OHIO**

By: \_\_\_\_\_  
Michael Coleman, Mayor

\_\_\_\_\_  
Title:

**Approved as to Form for City:**

Date: \_\_\_\_\_

\_\_\_\_\_  
City Attorney

**Approved as to Form for County:**

**COUNTY OF FRANKLIN, OHIO**

By: \_\_\_\_\_  
Mary Jo Kilroy  
County Commissioner

\_\_\_\_\_  
Prosecuting Attorney

And by: \_\_\_\_\_  
Dewey R. Stokes  
County Commissioner

And by: \_\_\_\_\_  
Paula Brooks  
County Commissioner

And by: \_\_\_\_\_  
Don L. Brown  
County Administrator

Date: \_\_\_\_\_

Consent as to the second paragraph of Section 1 by the Columbus Regional Airport Authority:

By: \_\_\_\_\_  
Elaine Roberts, President and CEO

**COUNTY FISCAL OFFICER'S CERTIFICATE**

The undersigned, fiscal officer of Franklin County, Ohio, hereby certifies that the moneys required to meet the obligations of the County, if any, during the year 2006 under the attached Port Authority Agreement have been lawfully appropriated by the Board of County Commissioners of that County for such purpose, and are in the treasury of the County or in the process of collection to the credit of an appropriate fund, free from any previous encumbrances. This Certificate is given in compliance with Section 5705.41, Ohio Revised Code.

Dated: \_\_\_\_\_, 2006

\_\_\_\_\_  
County Auditor  
County of Franklin, Ohio

**CITY FISCAL OFFICER'S CERTIFICATE**

The undersigned, fiscal officer of the City of Columbus, Ohio, hereby certifies that the moneys required to meet the obligations of the City, if any, during the year 2006 under the attached Port Authority Agreement have been lawfully appropriated by the Council of the City for such purpose and are in the treasury of the City, or in the process of collection to the credit of an appropriate fund, free from any previous encumbrances. This Certificate is given in compliance with Section 5705.41, Ohio Revised Code.

Dated: \_\_\_\_\_, 2006

\_\_\_\_\_  
City Auditor  
City of Columbus, Ohio