

Chairman Snodgrass called the meeting to order at 5 p.m.

Present: Messrs. Snodgrass, Fallis, Drwal, Given, Howard.

*I. Presentation on status of St. Joseph Facility.*

CHAIRMAN SNODGRASS: This has been an on-going project. The Administration, Council have partnered with others on this project and it has been some time since we have received an update. Some members have voiced concerns and that is the reason for the meeting tonight. We will get an update.

SERVICE DIRECTOR GILCHRIST: Some of the board members are here and wish to speak. We talked in detail over several months ago about St. Joe's. It is a project that we feel is moving forward. We would love to update you, not necessary on the specifics of the pending deals of the tenants, but to give an overall picture. We do have a presentation. I would like to bring some board members up, Lee Berger is here. We also have some members of our Community Development staff to talk about pending loan issues. There was a concern about utilities, we are there to answer as many questions as we can. I can also give you updates on trips to Columbus as well as our law director to give some updates and chime in.

LEE BERGER, Ohio Realty Advisors: I am a member of the South Shore Community Development Corporation team working on the St. Joseph Community Center redevelopment. I am joined tonight by Greg Hipp

GREG HIPPE: I am also with Ohio Realty Advisors and I run the property management division of our company.

MIKE CHALLANDER: I am serving on behalf of Commissioner Ted Kalo.

MR. BERGER: We wish to respect Council's time and will provide an overview and follow up with questions and answers. Some of this may be repetitive to Council but we thought we should share where we have been and where we are headed. When we stepped into this project several months ago, we started with a few basic questions. One was, "What do we have?" The second was, "What do we need to be successful on a go-forward basis?" Answering the first question, we have a landmark property that is a corner stone of the downtown revitalization project for the City of Lorain. We followed that up with asking ourselves if we have "buy-in" from our partners. Partners mean those with a very vested interest in the success of this project. We thank council and other city officials, the county, state, and other corporate citizens surrounding this project, all who have devoted their time and energy to make this a success. When you look at the building, its systems and the overall footprint in the capital needs of the project; this certainly has its challenges. Converting a hospital that ran 24 -7, 365 days a year into a community center does create challenges. We thank Mercy for their donations and we were able to look at not only having a footprint of the St. Joe's Hospital but we are able to look at this with the adjacent property that Mercy donated in allowing us to have more of a campus feel around the center. We thank council for our success in getting the CORF application approved recently with the State of Ohio. I brought some boards because I thought they might be helpful but are hard for you to see. If you look at the St. Joe's Community Center footprint and the outlying properties, CORF will allow us to demo what we affectionately refer to as the old "D" building. It is the building that fronts on Broadway. It also allows us to take some of the adjacent property down to the Reidy Scanlan Bldg., the Thrift Shop as well as the building we refer to the \_\_\_\_\_.

MR. SNODGRASS: What is the timeline now that it has been approved?

FINANCE & CLAIMS COMMITTEE

July 18, 2011

MR. BERGER: It will go to the controlling board in August with funds expected to flow in September. In gearing up for that, we have some work we must do. We must get some certified professionals on board and we also have to get some background work done, such as bidding, etc. with expectations we would start physically doing the demolition work this fall. It also allows us to right-size the project in doing those selective demolitions around the project, we will end up with a footprint of about 200,000 square feet. It feels right, sits right and presents itself well to Broadway. We actually have concept plans when we finish the demolition what the building would present itself to along Broadway. You will have some green space right on Broadway and a new presentation of what the front will look like.

From a marketing perspective, we have been focused on the community center concept. What does that mean? It means tenant within the building, a community center that has synergies that play off of one another. There were some existing tenants that worked well, our prospects and people like that that we have been working with also tie into that synergy. We have been working on stabilizing the Veterans Administration part of the building. We have completed a deal in renewing and expanding Lorain County Community College. They have doubled their footprint and recommitted to a two year lease. They also have renewal options and expansion options, all of those centered around the fact that they would like a sense of presence. They want to be known as LCCC and not just a tenant within St. Joe's Community Center. We have been working hard to come up with a concept plan that would allow them to have that sense of presence and entrance feel coming into the building. We have also been working with other tenants in the building. We moved and expanded Congresswoman Sutton's office. We renewed Senator Brown's offices and put the Lorain Sports Hall of Fame in the ground floor. We did renew the Lorain County Title Agency in the building. We leased 8,000 sq. feet to an adult daycare. We just completed a transaction leasing about 4,500 to a child daycare center. We have an agreement to sell the 5<sup>th</sup> Floor for about 15,000 square feet. I want to pause on that. We looked at the building and the project and people we were talking to from a prospect standpoint. A lot of them being funded by grants. Those grants require those users own their space, who had been working hard on coming up with a condominium plan for the building. As it stands now, we have it set up by floor and we have it set up in chunks of space around the first floor albeit still a work in progress, we are actually able to sell those floors, which hits those agencies needs to own their building or space. We do have an agreement to sell the 5<sup>th</sup> floor, 15,000 sq. ft. I am sure many of you are familiar with who that is. I am a little non-specific because of the sensitivity of dealing with prospects. Until there is a signed deal; I cannot really talk about it.

GREG: On the sale of the 5<sup>th</sup> Floor, we are also looking at a condo-type situation where they will be paying a fee annually to offset our operating costs. There is an initial injection of cash that helps us in the short-term and then long-term, that condo fee will help go against our operating costs.

MR. SNODGRASS: What percentage is committed of the entire available space?

MR. BERGER: Of a 200,000 square footprint, we have 52,000 sq. ft. leased today. The 15,000 sq. ft. on the 5<sup>th</sup> floor would be in addition to that. The day care lease is an additional 4,500 sq. ft.

MR. SNODGRASS: That is about 30%.

MR. BERGER: I can walk you around and show you occupied space on a floor plan if that will help. From a prospecting standpoint, the prospects we have been talking to are feeding into the whole "community center" concept. They do feed from one another. As an example, LCCC had a need because of their adult education programs. They were actually turning students away

FINANCE & CLAIMS COMMITTEE

July 18, 2011

because there was not a child care facility. When we were out looking for a child care facility, we actually went to someone who could supply those needs on an after-hour basis. We were successful in finding that person willing to offer after hours child care for students of LCCC. The group we are talking about taking the 5<sup>th</sup> floor, there are a number of reasons they came there but one is obviously the VA. That has been a great selling tool for other prospects in the building. It is as much selling the commitment of our partners as it is selling the actual project. We have had many people standing back and waiting to see what will happen with St. Joe's. Right now, we feel we are at the point that we are turning the corner again.

MR. SNODGRASS: I realize there are certain things you can disclose this evening. You mentioned the 5<sup>th</sup> floor and the Veterans Group. Are there plans to actually house their administrative offices there as well so it is one-stop shopping?

Mr. BERGER: Their administrative offices are served out of Ravenna right now. There is not really a need for them to have them in the building but there will be some administration there to oversee what is going on and it will be housed on the fifth floor.

SERVICE DIRECTOR GILCHRIST: I would like to yield to Atty. Riley to give you and update of myself and Mr. Riley and a few other members of the board went to Columbus to meet with the Dept. of Taxation and Dept. of Development.

LAW DIRECTOR RILEY: For two reasons primarily, a contingent from the City, South Shore and our various Veteran's Groups made our way to Columbus last Thursday. Those reasons were two-fold; several days ago I had the pleasure of attending, after being invited, to a board meeting at SSCDC where it was explained and discussed that there were matters they wished to present to the Dept. of Development. Those matters were directed to a need to change in concept, certain parts of a development agreement that was negotiated by the Administration, County of Lorain through the Commissioner's office, by IRG, by Mercy Hospital Group and by the State of Ohio several months ago when we finalized the development agreement. The reason why South Shore wished to approach the State of Ohio regarding the development agreement, I believe, was to build more flexibility into the project so they could take this property and move it in different directions. You heard a bit about that tonight from Mr. Berger who explained the need to take different approaches in the use of that space, primarily, if necessary, to allow portions of it to be sold. As you have heard, this is a community center, the organizations that are taking space there are community organizations and their funding sources require different forms of use or occupancy to the extent they require that they be a purchaser of property. South Shore has deemed it appropriate and necessary to seek permission from the State of Ohio to cause that to happen. One reason for going down to Columbus last Thursday was to meet with those State Officials who are responsible for this from the state loan standpoint. With regard to their willingness to consider allowing us to use that space, in terms of its lease or sale, in ways that are different than what the original development agreement provided. To put that in some context, to understand it better perhaps, if you were to think of this in terms of the State of Ohio being our lender and those having a substantial lien on the premises because they made us a very substantial loan, our ability to sell land could not be accomplished without the state's approval. To put it in its most basic form; we went there to ask them to consider modifying the loan agreement so we might be able to sell off property to community organizations that are in a position to occupy space there but only if permitted to purchase. That was one reason and probably the most important reason from South Shore's end in going down.

In addition to that, you may know at this point because I do believe I asked my staff assistant to circulate to all of you a letter we received from the State of Ohio which indicated the CORF

grant, although granted in the City of Lorain was also conditioned upon two things. I don't know the fact that the grant was conditioned on things was well-understood by people. I think caught up in the euphoria, so to speak, of getting a \$1.61M loan to tear down and remediate portions of that building, some of the details were lost. I felt compelled when I received the confirmation of the conditions imposed upon that grant, to advise the city officials that in fact that was the case. Those conditions are, at least as originally presented to me, concerning and I want to be sure and went to Columbus myself to address those persons who have control over those matters so we would understand them well and to the extent that we needed to do more things to actually do them. Those two conditions were essentially these; think back to how this deal came down, it came down under a prior governor's administration. It came down at the end of the last governor's administration. Because this deal was so complicated and there were so many moving parts and so many parties involved, not all the paperwork that was contemplated by the development agreement (those detailed documents that actually set forth the transaction as expressed in the development agreement) were not finalized. Those prior administrators at the Dept. of Development, because the prior governor is gone and the new governor is there, are all new administrators. In fact, even more complicated the situation because there is an initiative by the current governor to eliminate the Dept. of Development altogether and replace it with a organization that would essentially be "job-growth related." We were in a state of flux. One reason for me to go down there as expressed in these conditions attached to the CORF grant, was to deal with the finalization of the transactional documents, which were otherwise contemplated and recited in the development agreement.

In addition to that condition, the State of Ohio wanted to be very sure that things that had been promised by the development agreement had actually been accomplished or were being accomplished. So we had a grocery list; I went through the development agreement myself before going down and made my own little list about things I thought they would be asking as to whether or not they were completed. When we sat down with them and I compared my notes with the lead counsel for the department. The first issue from our end to go down was to be sure that we understood exactly what the Dept. of Development was expecting from us in order to confirm the CORF grant was final, binding and available to us. The other problem that arose was one which was not directly the city's problem, more South Shore's problem but because we are so inter-dependent here, our well-being is conditioned upon the success this group has. I felt compelled to join with their counsel to do what I could to address this second problem, which was also a condition of the CORF grant. That was a resolution to a tax issue that has arisen regarding St. Joe's. That tax issue being a decision by the State of Ohio that some portion of this building is otherwise no longer exempt from real estate taxes. The reason why that is so critical is because the rents, which are in my mind subsidized by that, I mean lower than market so these community organizations can come to roost there based upon their own internal budgets. If it came to pass that the building were deemed to be no longer tax exempt but rather had to pay real estate taxes, the leases would have to be reflected in terms of monthly rents or the per square foot rents adjusted upward to pay those real estate taxes, thereby making it possibly impossible for community organizations who cannot pay higher rents to come to occupy that space.

The CORF grant was conditioned upon two things; one, the transactional documents underlying the development agreement being finalized and, secondly, some progress being made on the issue of tax exempt or non-exempt status of the building. In order to otherwise be persuasive, which is something I felt we should all be very focused on, we worked hard, the Administration, South Shore and the law department's office, to take down a group of people

## FINANCE & CLAIMS COMMITTEE

July 18, 2011

who might otherwise have the ability to persuade or cause the Dept. of Development or the Dept. of Taxation to understand how important this project is to the well-being of the city, it's history, etc. to make it a more viable and successful project for the future. In that contingent of people who went down, were first and foremost the administration, board members, the technical people from South Shore, Senator Manning's office agreed to participate and supported us in both regards and was present. Although she could not make it, she sent her number one staffer there. Representative Ramos was there, he allowed us to prep and organize in his office before we went down for our meetings and he participated and followed us and made his pitch to the extent of how important it was for us to get these things accomplished. We had our Veterans Groups representative with Messrs. Sam Felton and Don Attey, who we owe a debt of gratitude to because they are probably our biggest salesmen and promoters and carry a lot of weight. They made it very clear to the Dept. of Development and Dept. of Taxation, that their Veteran Organization Groups represent presently, 25,000+ Veterans here residing in Lorain County and through their auxiliary group, perhaps another 50,000 to 100,000 who are veteran-related. In addition Robert Gilchrist was there with us and I would say you did a fine job leading our contingent. Mike Challander was there as a board member from South Shore, Lee Berger was there and Dave Gulden from Community Development, who aided us in a very important way about some of the underlying loan obligations and component parts of the loan itself. We met starting at 11 a.m. and finished around 4 p.m. and did not break for lunch. We met with the Dept. of Development's new director, his lawyer and another person who I cannot recall but a lead staffer. We also met with the Dept. of Taxation's two top internal lawyers. I don't want to give this particular color because of my affection for this project; I think it is well understood that I feel this is a critically important project for Lorain but taking off my "citizen hat" and putting on my "lawyer hat" I think it is fair to say that we had a very positive discussion in Columbus. I think it is fair to say that the Dept. of Development was receptive to our ideas that were in the nature of how we might make this project more flexible and how they needed to deal with their loan in such a way as to allow us to make these things happen. The new development director, who had just come on a day or two before we went down there, was a very positive in his support for our ability to make this project grow. I think, as we finalize the transactional documents, our request that we be able to condominiumize this property and sell it off, I think we will be able to get that accomplished. I cannot say enough about how important that is to make this thing work and I think it will happen. During our discussions, we received a very good sign that they would be willing to do that. I don't think we will have any problem getting the transactional documents done; I have already met with David since we returned, I spoke with him on Friday. My checklist and that of the lead counsel for the Dept. of Development was identical. He and I agreed on exactly what we needed to do to make this issue go away. David has already prepared our response going through that checklist and has assembled the documents. He has either sent them off to Columbus or will in the next day or two. Our meeting with the Dept. of Development went well. I think the two issues we went down there with, being sure the deal is wrapped up, is well under way and I think the overtures and request of South Shore which were in the nature of making this project more viable and more flexible in terms of how we get space to the market, was receive well. We then went on to meetings at the Department of Taxation with their two lead people, one from the Department of Taxation and one from the Ohio Attorney General's Office. We came away with the impression that they want to be positive in dealing with this dilemma of whether this space will be exempt from taxation. There has been a ruling made by the Dept. of Taxation that a portion of the space is not

FINANCE & CLAIMS COMMITTEE

July 18, 2011

tax exempt. At this point in time, it is not for me to speak for South Shore or its attorney, but I think that issue will resolve itself. I think we will be given time to work through the issue of whether the remainder of the space is going to be deemed exempt or non-exempt from taxation. To sort of paraphrase the words from the lead counsel from the Dept. of Taxation, she knows Lorain and she knows how much this project may mean to maintain the central corridor and keeping it alive and well. I think she will give us time to work through that issue. In the ultimate analysis, I think whatever is appropriate under the law will actually happen there. I think they are giving us an opportunity to make our arguments. Hopefully, we can persuade them that the balance of that property should not be deemed taxable. That was the sum and substance of our meetings there on Thursday. I would stand to have David come up and give us comments on where we are at on assembling the documents and getting them down there.

DAVE GULDEN, COMMUNITY DEVELOPMENT: The grocery list that Law Director Riley referred to is what I am working on now. I will get that out tomorrow. It will have various ordinances that we have already passed regarding the project, it will have grant agreements, loan agreements, etc., anything the development agreement discussed and proof of that will be going down this week and putting that issue to end.

MR. FALLIS: On the documents going down to the State this week, is there anything Council will need to take action on post-review signature of the State of Ohio?

LAW DIRECTOR RILEY: There will be no more legislative action needed. You have already approved the development agreement and all these matters are contained in that agreement and need to be finalized administratively.

MR. LUCENTE: You mentioned property tax issues. Is South Shore responsible for the property tax?

LAW DIRECTOR RILEY: They are the property owners and they are responsible.

MR. GIVEN: I have a number of questions on the day-to-day running of that facility. What is the status on the change of utility bills from the City of Lorain to the property owner?

MR. BERGER: The utilities have all been transferred into South Shore's name with the exception of the electric bill. The reason for it staying in the city's name was two-fold. The major reason being that the city has some authority with a third party to purchase utilities at a lower rate. We are leaving it there to explore those rates and see if the city can help us get a better rate than we could on our own. The other reason is we had a significant past due amount sitting on that electric bill that the city wanted to get clean up before it transferred over. That just happened in the last thirty or sixty days. The electric bill is still in the city's name.

MR. GIVEN: Is there an agreement through legal outlining that the organization is responsible for the cost of the electric even though it is in our name?

LAW DIRECTOR RILEY: I will defer to the administration. There is but I don't have the development agreement in front of me and I don't recall the specifics.

SERVICE DIRECTOR GILCHRIST: I would have to look at the agreement. We brought down a presentation to Council from Palmer Energy who approached the city about going out for bid for a lower rate, collectively for city-owned buildings. I believe it was for electric and gas. At that time, St. Joe's electric bill was and still is in the city's name and we thought it would be best served to leave that in the city's name in addition to the reasons talked about to see if we could pool that building with our other city-owned buildings and get a better rate. We are still in the process of doing that and preparing legislation to be able to bring down to Council, based on the presentation they already gave, to see if we could get better rates not only for the city but for South Shore. It is only offered to municipalities. We wanted to see if we could realize some

FINANCE & CLAIMS COMMITTEE

July 18, 2011

savings by piggy-backing St. Joe's with the rest of the city-owned municipal buildings. There was an outstanding balance and part of that \$250,000 loan that we loaned to South Shore went to pay down a substantial portion of that electric bill. I do not have that balance. All the other utility bills that used to be in the city's name have been transferred to South Shore.

GIVEN: Who is responsible for the continuing negotiations with regards to that outside organization? You say you are in the midst of negotiating to get better electric rates for city-owned buildings. Who is responsible for those negotiations and bringing that through fruition?

GILCHRIST: That third party would go out to the open market...It would be me, the Service Director or the administration would be

GIVEN: There are many questions with long-term stability of the building and group, etc. What kind of cash reserves do we have on hand for repair and maintenance, etc? What if the basement floods or sewer breaks, etc.?

BERGER: Financially, I am happy to say that we are projecting to be stable by the end of this year with the sale of the 5<sup>th</sup> Floor. We have done a lot of work internally to get the operating costs down to something we can handle and obviously leasing the building is our way out. Our projections into 2012, which we are working on now, we will start the year at zero and hope with new leasing that we will be in good shape in 2012 and forward.

GIVEN: Out of the 200,000 square feet you will have, how much of that is net rentable and how much is just open space?

BERGER: The full 200,000 is the net rentable.

GIVEN: How much is common area on top of the 200,000?

BERGER: Ten percent is common area. You have a 200,000 square foot net rentable building in of which ten percent is common area.

GIVEN: You have 20,000 square foot of common area.

BERGER: We are capturing all 200,000 square feet as part of

GIVEN: You trying to entice these new groups and trying to entice them to come into the facility, where is the money coming from for that build-out?

BERGER: It has been self-funded thus far. Recently, the last two deals we brought in, LCCC & the day care I referenced earlier, we are actually using money from the HUD EDI grant.

GIVEN: Going forward, how is it going to be funded?

BERGER: We can do it a number of ways; it is really all transactionally related. You can set it up where tenants are leasing it on an as-is basis and are paying their own improvements. We can self-fund those improvements; it all depends upon the deal structure. One tenant we are talking to now that could be a condo user is actually buying this space in an as-is condition and paying for the improvements.

GIVEN: Out of the people you have been talking to, I would assume most would want it in build-out condition already.

BERGER: Depending upon their ability to use their own grants, for instance the fifth floor sale. It is a sale situation where they are purchasing the building and also having us build it out on their dollar. They are funding the ETI as well.

GIVEN: You are trying to get more community groups in there because it is not exactly enticing to private sector groups with regards to the cost and expenses.

BERGER: In most cases in the private sector, many tenants will look for you to fund the money. What we are hoping as we stabilize this property and have these core tenants in place, is that we may be able to have a situation where we can go to a private lender and get them to lend us

FINANCE & CLAIMS COMMITTEE

July 18, 2011

money to do the improvements and amortize the cost back into the lease and pay the loan off with their lease.

GIVEN: Based upon your current business plan and the rates you are trying to market to the public, what is the ratio of build-out that you feel you need out of that \$200,000 to turn the corner? You have 200,000 sq. ft. of net rentable space, how much do you think you need to have rented to cover all your costs and after that the pressure is off.

BERGER: I have that in my performa and I do not have that with me but it will be presented to our board during the next board meeting. That will then be presented to Council

GIVEN: Please forward that to our clerk and she will distribute it to us.

BERGER: That will show a 2011 forecast as well as a 2012.

GIVEN: What is the status of the loan guarantees with the city and county?

LAW DIRECTOR RILEY: The development agreement which you all have sets forth the way by which the loan guarantee would otherwise kick in. The initial balance of the loan was reduced by way of the agreement from \$2m+ down to \$1.35m. The guarantees remain in place by the city and county but the obligation does not occur if you are a guarantor until there is a default and the default cannot occur here until the state is entitled to its payment. The agreement spells out clearly when it is that the state's entitlement to payment arises and it does not arise until everyone else gets paid. They are the last ones to be paid. That was all necessary to make this project viable and all expenses were put in a priority position before the state's entitlement to repayment. That is one of the most critically important negotiations that took place and one of the greatest achievements in this thing.

GIVEN: If someone were to say they were interested in coming to the center today. How long does it take the group to get the lease together and get something authorized to get them in?

BERGER: The short answer is that we can work as quickly as the deal needs to work. We do have outside council representing SS leases or templates; we can turn a lease around within a matter of 48 – 72 hours. Much will be contingent on the build out requirements of that tenant and how the deal is structured.

AUDITOR MANTINI: I wish to respond to Mr. Given's question regarding the electric. It is my understanding that all the electric as far as the city's responsibilities were all cleaned up back in January. We paid off all of our portions we were responsible for and at that time the electric was turned over to St. Joe's Center. We are not getting the bills anymore, they are sent to your office in N. Ridgeville. There are no open balances as far as what we owe.

MOLNAR: You said you had 15,000 sq. ft. on the fifth floor. Can you share with us what your plans are?

BERGER: As much as I would love to answer that question; I cannot. It is still a pending deal.

MOLNAR: Are you pretty positive it could be occupied?

BERGER: Yes.

MOLNAR: On your demolition; are you using the Brownfields funds?

BERGER: It is actually the Clean Ohio Revitalization Fund.

MOLNAR: You will sell some land? The owner of the funeral home, the old Reidy Scanlan, wants to buy that and increase his parking area. I would hope you would give him the first choice if you are selling that.

BERGER: It is news to me, we do not have any vacant property or vacant land for sale. We are only selling space within the building. The building you refer too will be turned into parking spaces to satisfy some of LCCC needs.



FINANCE & CLAIMS COMMITTEE

July 18, 2011

MOLNAR: Did I understand that when you were in Columbus you went to the Dept. of Taxation and they will not exempt the taxes?

RILEY: The current status of the taxability of that property is there are two parcels there and a small portion has been deemed non-exempt, the larger with great substantial value still remains exempt. There may be efforts to change that and I anticipate they will but we are prepared to work on that. As Mr. Berger indicated, they have their own independent Counsel. We are both working together to make that issue one that is manageable. What the outcome will be; we do not know.

MOLNAR: We would all like to see you be successful; but I am tired of hearing in the community that it is nothing but a white elephant. I hope you can prove the community wrong. How much are you marketing and who is doing that?

BERGER: It is a collaborative effort. I thank you for your comments. It is as much selling our partners as selling the longevity of St. Joe's as it is actually selling the building. There has been so much talk and history that goes with this project. We are turning the corner. Many prospects have been sitting back waiting to see what will happen.

SCHUSTER: When we begin to do the demo and remodeling of the building, who will award those contracts?

BERGER: As the grants are given, there will be a public bid situation.

SCHUSTER: Will we have PLA's attached to this?

MAYOR KRASIENKO: There are certain funds out there where it is permissible and others where it is not able to be done. We will have to find out if the State CORF funds are available to be done under a PLA because those rules are changing daily.

SCHUSTER: I would like to see local labor and that tax dollar stay home – union or non-union it doesn't matter.

FALLIS: Do you have a timeline on the tax exempt status and when that decision will be made?

LAW DIRECTOR RILEY: I will forward the information as I receive it. The tax issue, depending upon how it gets resolved could be in the short term or long term. If resolved by agreement, that we can persuade the Dept. of Taxation that they should view this project in a certain way would be a short term resolution. If it goes through normal paces as would any other legal matter, that could be months or years. The city is currently in before the Bd. of Tax Appeals in before the Supreme Court on issues that affect the city's ability to receive certain tax dollars. That litigation has been pending for six or seven years (LGF tax appeal). Hopefully, we can resolve this by agreement. It may or may not happen.

FALLIS: I applaud the Ohio Realty Group for explaining the recent synergies you are getting as far as acquiring tenants, etc. I am interested in hearing your short term operating plan for 2011/12.

There being no further comments, the meeting adjourned at 6:50 p.m.