

CUYAHOGA COUNTY CONVENTION FACILITIES DEVELOPMENT CORPORATION
SPECIAL MEETING OF THE BOARD OF DIRECTORS
August 17, 2018
CLEVELAND, OHIO

Attendees at the Meeting:

Directors: Matt Carroll, Trevor McAleer, Bradley Sellers, Michael Siegal (present by phone), Diane Downing (present by phone), Timothy Offtermatt and Joe Roman.

Staff: George A. Hillow, Executive Director, and Julie Fatur, Financial Analyst.

Guests of the Board: David O'Neal of Conventional Wisdom Corp., Steve Wells and Mike Campo of SMG, Travis Poppell, Director of Sales of the Huntington Convention Center, Dave Johnson, Director of Public Relations and Communication, Aram Nerpouni of BioEnterprise Corp. ("BioEnterprise"), Ron King, General Manager of the Huntington Convention Center and Global Center for Health Innovation, Craig Liston, Regional Vice President of SMG, Anastasia Volsko, Director of Operations of SMG, Kathleen Matsumoto, Executive Assistant at the Huntington Convention Center and Global Center for Health Innovation, Larry Trabulsi of CHMWarnick, and Jeff Appelbaum, Patrick Sweeney and Emily Farinacci of Thompson Hine LLP.

Special Meeting of the Board of Directors. At 8:04 a.m. on Friday, August 17, 2018, a Special Meeting of the Board of Directors (the "Special Meeting") commenced. Mr. Carroll presided as President of the Board.

Mr. Carroll called the meeting to order and declared a quorum of the Directors present.

Board Nomination.

Mr. Carroll announced the nomination of Timothy Offtermatt, Vice President of Finance of the Rock and Roll Hall of Fame, as a new Director of the CCCFDC. Mr. Offtermatt was nominated by Cuyahoga County Council President Dan Brady. In accordance with the CCCFDC's Code of Regulations, Mr. Carroll asked the current Board for a motion to approve the election of Mr. Offtermatt as a Director. After a motion was made and seconded, the Board unanimously voted to elect Mr. Offtermatt as a Director.

Employee Recognition.

Mr. King recognized the following employees of the Huntington Convention Center (the "Convention Center") and the Global Center for Health Innovation (the "Global Center" and, together with the Convention Center, collectively, the "Facility"), in connection with the Facility's employee recognition program implemented in January 2018: Monique Mock, Africa Johnson, Andy Didytch and Blandin Metani.

Review and Approval of Minutes.

Mr. Carroll made a motion to approve the minutes from the Special Meeting of the Board on April 27, 2018, which were distributed to the Directors prior to the Special Meeting. The Directors unanimously voted to approve the April 27, 2018 Special Meeting minutes.

Executive Session.

At 8:11 a.m., a motion was made to move the Board into an executive session to discuss a legal matter, the renewal of a material agreement and certain real estate matters, which motion was approved by a vote of a majority of the Directors present. At 9:39 a.m., the Board voted to move out of the executive session.

SMG Report.

Mr. King gave an update on the Facility's consolidated financial performance, noting a positive variance to budget of \$232,282 in Net Loss from Operations, equal to \$(1,022,360) for the six months ended June 30, 2018, and a positive variance to budget of \$285,418 in Adjusted Net Loss from Operations, equal to \$(1,249,224) for the six months ended June 30, 2018. Mr. King also provided a few highlights of upcoming events for the Facility through 2019.

Mr. Johnson then presented the Board with a series of video presentations marketing the Convention Center.

BioEnterprise Agreement.

Mr. Carroll then asked the Board to vote on the Agreement between CCCFDC and BioEnterprise (the "BioEnterprise Agreement"), which was discussed by the Board during Executive Session. The BioEnterprise Agreement includes a lease agreement with BioEnterprise, pursuant to which BioEnterprise will lease space within the Global Center. The BioEnterprise Agreement is subject to an initial two-year term, commencing January 1, 2018 and ending December 31, 2019, and provides BioEnterprise with an option to extend the term for an additional five years. Upon a motion to approve, which was seconded, the Board unanimously approved the BioEnterprise Agreement. Mr. Roman abstained from voting on the approval of the BioEnterprise Agreement due to his current position as a member of the BioEnterprise board of directors.

Capital Expenditure Approval.

Mr. O'Neal then asked the Board to approve aggregate capital expenditures in the amount of \$192,000, in accordance with the current Expenditure Approval Guidelines requiring Board approval of annual capital expenditures that are in the aggregate greater than \$15,000. New capital expenditures include the installation of new locks for the Facility which will help improve security and save on labor costs. After a motion was seconded, the capital expenditures were unanimously approved by the Board. Mr. McAleer asked which contractor was engaged to provide previously described services for the Facility, and Mr. Campo responded that Zenith would be installing the new security measures.

Hilton Hotel Report.

Mr. Trabulsi gave a performance update for the Hilton hotel, stating that total revenue for the hotel was 4% above budget year to date (and 7% above total revenue for the prior year), with food and beverage revenue 3% above budget (but 1% below the food and beverage revenue for the prior year). Gross operating profit was 10% above budget (and 24% above gross operating profit for the prior year).

Conventional Wisdom Report.

Mr. O'Neal stated that an asset management review is scheduled to be performed during the week of October 22, 2018.

Adjournment.

There being no other items of business, a motion was made to adjourn the Special Meeting, which was seconded. At 9:56 a.m., the meeting was adjourned.

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