

FRANKLIN COUNTY BOARD OF COMMISSIONERS

Briefing Session Minutes
Thursday, June 27, 2024

President Boyce
Commissioner Crawley

The purpose of the meeting was to review resolutions submitted for the July 2, 2024, General Session, and to discuss other matters pertaining to the programs of the agencies.

The meeting was convened in the Commissioners Briefing Room, while also hosting guests via Zoom conference call, by dialing (929) 436-2866; Meeting ID: 978 8790 2896; Passcode: 628826, or by visiting: <https://franklincountyohio.zoom.us/j/97887902896>

Commissioner Boyce convened the meeting at 9:03 A.M.

Joy Bivens, Deputy County Administrator, announced that if an agency's resolution is not discussed during the Briefing Session, it will still move forward at General Session, on July 2, 2024.

AUDITOR

Steve Jarrell, Deputy Chief of Staff, Auditor's Office, offered a resolution authorizing a consultant contract with Argus Growth Consultants, Ltd. for the provision of tax incentive program consulting services (\$30,000.00) (Auditor).

Mr. Jarrell reviewed information found in documents submitted with the proposed resolution.

CORONER

Rebecca DeRienz, Assistant Chief of Toxicology, Coroner's Office, offered a resolution authorizing the acceptance of a Coverdell Forensic Science Improvement Grant "Franklin Cty. Coroner Forensic Science Improvement" to purchase laboratory supplies, offset increased opioid-related testing costs, reduce the forensic toxicology backlog, and expand the testing scope (\$52,276.51) (Coroner).

Ms. DeRienz reviewed information found in documents submitted with the proposed resolution.

BOARD OF ELECTIONS

Zachary Talarek, Director, Office of Management and Budget, offered a resolution authorizing the purchase of additional new voting equipment from Election Systems and Software (\$1,307,320.00) (Board of Elections).

Mr. Talarek reviewed information found in documents submitted with the proposed resolution.

ENGINEER

William “Fritz” Crosier, Chief Deputy of Engineering, Engineer’s Office, offered a resolution establishing, altering, and widening of Fisher Road, County Road No. 22, from Wilson Road, County Road No. 25, to Hague Avenue, County Road No. 66, Franklin Township, Franklin County, Ohio, viewed – Engineer to file plans, as necessary (Engineer).

Mr. Crosier reviewed information found in documents submitted with the proposed resolution.

William “Fritz” Crosier offered a resolution Final hearing for establishing, altering, and widening of Frank Road, County Road No. 125, at Brown Road, County Road No. 142/Hardy Parkway Street and Frank Road, County Road No. 125, at Brown Road, Township Road No. 142, Franklin Township, Franklin County, Ohio (Engineer).

Mr. Crosier reviewed information found in documents submitted with the proposed resolution.

William “Fritz” Crosier offered a resolution approving a contract modification with CAP-STONE & Associates, Inc. for the Elmore Avenue Sidewalk Improvement project, an increase of \$57,682.24, for a revised contract amount of \$623,228.24 (\$57,682.24) (Engineer).

Mr. Crosier reviewed information found in documents submitted with the proposed resolution.

William “Fritz” Crosier offered a resolution approving a contract modification with Double Z Construction Company for the 2023 General Bridge Maintenance Project, an increase of \$427,136.13, for a revised contract amount of \$1,216,617.93 (\$427,136.13) (Engineer).

Mr. Crosier reviewed information found in documents submitted with the proposed resolution.

William “Fritz” Crosier offered a resolution for report (1st) of the Franklin County Engineer, establishing sums of compensation for a portion of the owners of property abutting the Haughn Road 1.25 over Grant Run (JAC-CR136-1.25) Improvement project, Jackson Township, Franklin County, Ohio (\$1,322.00) (Engineer).

Mr. Crosier reviewed information found in documents submitted with the proposed resolution.

William “Fritz” Crosier offered a resolution Ravello accepted for public maintenance and shall become part of the Perry Township Road System, Franklin County, Ohio (Engineer).

Mr. Crosier reviewed information found in documents submitted with the proposed resolution.

William “Fritz” Crosier offered a resolution pursuant to Ohio Revised Code Section 5543.06, setting Thursday, November 21, 2024, at 5:30 P.M. at the Villa Milano Banquet & Conference Center for the Annual Meeting of the Franklin County Engineer between Township and County authorities (Engineer).

Mr. Crosier reviewed information found in documents submitted with the proposed resolution.

SHERIFF

Joy Bivens, Deputy County Administrator, advised the next resolution will appear on the Tuesday, July 2, 2024, General Session agenda, noting that it will not be briefed today.

Resolution authorizing a one-year agreement with Ohio Health Corporation to provide employee health program services (\$4,680.00) (Sheriff).

Albert J. Smith III, Assistant Finance Director, Sheriff’s Office offered a resolution authorizing a consulting contract with The Center for Resilience and Wellness for psychological assessment services (\$300,000.00) (Sheriff).

Mr. Smith reviewed information found in documents submitted with the proposed resolution.

OFFICE ON AGING

Laurice Cohens, Assistant Director-Chief Financial Officer, Office on Aging, offered a resolution authorizing a Contract extension #1 with Lorraine Surgical Supply Company, Inc. dba Shield Healthcare OH, Inc. for Nutritional Supplements (\$1,188,447.35) (Office on Aging).

Ms. Cohens reviewed information found in documents submitted with the proposed resolution.

Commissioner Boyce asked if this resolution was for vitamins.

Ms. Cohens advised it was for nutritional drinks, supplements, protein drinks, and juices and it does include a protein bar, however, not vitamins that are taken by mouth.

CHILD SUPPORT ENFORCMENT

Susan Brown, Director, Child Support Enforcement, offered a resolution authorizing a IV-D contract with Powers Investigations, Inc., for providing process service services (\$329,845.00) (Child Support Enforcement).

Ms. Brown reviewed information found in documents submitted with the proposed resolution.

Ms. Brown advised that she sent the links out today, for the "Get Creative" videos that the Commissioners participated in for review.

FRANKLIN COUNTY CHILDREN SERVICES

Zachary Talarek, Director, Office of Management and Budget, offered a resolution declaring it necessary to levy a tax in excess of the ten-mill limitation and requesting the Auditor to certify the total current tax valuation of the County and the dollar amount of revenue generated by the tax levy (Franklin County Children Services).

Mr. Talarek reviewed information found in documents submitted with the proposed resolution.

Kenneth Wilson, County Administrator, noted his support of the recommendation of Health and Human Services and the Levy Review Committee.

FRANKLIN COUNTY DATA CENTER

Julie Lust, Chief Financial Officer, Data Center, offered a resolution authorizing an amendment to the Service Agreement with AT&T for Switched Ethernet with Network on Demand services (\$1,815,768.00) (Franklin County Data Center).

Ms. Lust reviewed information found in documents submitted with the proposed resolution.

OFFICE OF DIVERSITY EQUITY & INCLUSION

Damika Withers, Director, Office of Diversity Equity & Inclusion, offered a resolution authorizing a grant agreement with Tech Corps Ohio for support of the Tech Corps hackathon (\$100,000.00) (Office of Diversity Equity & Inclusion).

Ms. Withers reviewed information found in documents submitted with the proposed resolution.

Damika Withers offered a resolution authorizing a grant agreement with The City of Whitehall for support of The Whitehall Food Truck & Fun Fest (\$150,000.00) (Office of Diversity Equity & Inclusion).

Ms. Withers reviewed information found in documents submitted with the proposed resolution.

JUSTICE POLICY AND PROGRAMS

Caitlin Looney, Grants Coordinator, Justice Policy and Programs, offered a resolution authorizing two subgrant awards and contracts for services with Alvis, Inc. to support prevention, treatment, and recovery from addiction including opioids or any other co-occurring substance use or mental health conditions through the FY 2024 Local Opioid Settlement Government Fund (LOSGF) grant program (\$381,241.00) (Justice Policy and Programs).

Ms. Looney reviewed information found in documents submitted with the proposed resolution.

PURCHASING

Megan Perry-Balonier, Director, Purchasing, and Damika Withers, Director, Office of Diversity Equity & Inclusion, offered a resolution approving purchases for various Franklin County Agencies (\$1,353,579.16) (Purchasing).

Ms. Perry-Balonier and Ms. Withers reviewed information found in documents submitted with the proposed resolution.

Megan Perry-Balonier and Damika Withers offered a resolution approving purchases for various Franklin County agencies (\$3,132,261.66) (Purchasing).

Ms. Perry-Balonier and Ms. Withers reviewed information found in documents submitted with the proposed resolution.

Joy Bivens, Deputy County Administrator, advised the next two (2) resolutions will appear on the Tuesday, July 2, 2024, General Session agenda, noting that it will not be briefed today.

Resolution approving purchases for various Franklin County Agencies (\$7,100.00) (Purchasing).

Resolution approving two purchase orders for the Franklin County Domestic Relations Court (\$1,700.00) (Purchasing).

BOARD OF COMMISSIONERS

Patty Huddle, President, Columbus-Franklin County Finance Authority, offered a resolution approving, solely for the purpose of Section 147(F) of the Internal Revenue Code of 1986, the issuance by the Columbus-Franklin County Finance Authority of Multifamily Housing Revenue Bonds in one or more series in a total aggregate amount not to exceed \$49,500,000 for The Moors at Countryview Apartments

Ms. Huddle reviewed information found in documents submitted with the proposed resolution.

Commissioner Boyce: I want to be clear on this, the bank is separate from the broker-dealer, so this is a bank question. I have a series of questions. First, tell me about the role of Nuveen in this structure.

Ms. Huddle: Nuveen Real Estate, several different organizations are under the Nuveen umbrella, which is owned by T.I.A.A. Nuveen Real Estate is the borrower, and they have established a special purpose entity to own this particular property, CIX Crossridge Lane Apartments, LLC.

Commissioner Boyce: Tell me about a deal like this. Tell me about the last deal the Finance Authority did with this structure. Do you have something to compare this to?

Ms. Huddle: We have been asked to serve as a conduit issuer for affordable projects that qualify for tax-exempt bonds. We have several in the queue right now.

Commissioner Boyce: Is this the first we have taken where we issue bonds on behalf of the private sector entity?

Ms. Huddle: No, I think the last one brought before you dealt with a community school, not an affordable housing project but it was a private activity bond situation.

Commissioner Boyce: I remember that one, but I mean for affordable housing.

Ms. Huddle: This may be the first affordable project that we are bringing forward. I would have to go back and check my records.

Commissioner Boyce: If you could, that would be great. So, I understood you correctly; you said Bank of America would be purchasing the bonds. Are they the only underwriters for the transaction?

Ms. Huddle: They are the purchasers, and the other portion of the project cost will be funded through equity. There will be a Series A and Series B issuance. Series A is the \$49.5 that Bank of America is purchasing, and Series B will be the equity group from the Casa series. Yes, they are the single purchaser of the tax-exempt bonds.

Commissioner Boyce: You then mentioned State Volume Cap. Do we know if Volume Cap is available?

Ms. Huddle: Yes.

Commissioner Boyce: It is late in the year for Volume Cap and how much Volume Cap are we seeking in the deal?

Ms. Huddle: I believe it is the entire \$49.5. They are in the process of applying now and working with Veronica Daniels at the Ohio Department of Development, and it is my understanding that we expect that to be approved and awarded.

Jeanine Hummer, First Assistant Prosecuting Attorney and Chief Counsel: Patty, this is Jeanine Hummer from the Prosecutor's Office. I think explaining section 2 to Commissioner Boyce would be helpful, so we have it on the record for the resolution.

Ms. Huddle: I'm sorry, I don't have the resolution in front of me. Can you direct me further?

Jeanine Hummer: No Finding of Legal Compliance. This resolution does not constitute a finding of this Board as to the compliance or noncompliance by the Authority or the Borrower with respect to any legal requirements imposed upon them in connection with the issuance of the Bonds.

Ms. Huddle: I apologize, Ms. Hummer. I do not have that. The obligation of qualifying the project for tax-exempt issuance is the burden of bond counsel, and that is qualified through a bond counsel opinion letter. I believe the concern is the liability of the county commissioners to act in that regard, and that is not the case.

Commissioner Boyce: Nuveen Real Estate, do they have any other projects in Central Ohio, or are they new to the community?

Ms. Huddle: It is our first transaction with them, and it has gone very well. We are incredibly impressed with the organization. I have a possibility of other projects, but I am

unaware of any. I should offer that different divisions of Nuveen could be active in the marketplace. This investment strategy, CASA Series, is specific to acquiring and rehabilitating workforce housing. They are ideally targeting properties that can increase in value if they reposition rehabilitation and markets that are seen as strong or growing.

Commissioner Boyce: Have you seen other properties?

Ms. Huddle: No, I have not. I have not traveled to see any of their projects. My recollection is that since the inception of this strategy in 1993, they have acquired 172 properties and sold 122 of those properties. The affirmation that they have been successful would be the investors who are purchasing investments in this strategy, which is really the purpose of owning these assets. That is what I would point to in success in accountability.

Commissioner Boyce: You are confirming what I know too. Their model is a money-making structure because they provide equity. I find it interesting when they get into this affordable housing space, but you said something that triggered a thought for me and a concern. You said they acquired 172 properties but sold 122 of them. So, do they intend to rehabilitate and sell this property at some point? To be clear, that is where they make their money: the sale of the property. They buy properties that are undervalued. It is flipping, just a more complex format. Have they indicated what their intentions are with this property?

Ms. Huddle: Commissioner, let me confirm before Tuesday. I am relatively certain—I recall my contact at Nuveen—that this is expected to be a long-term hold, but I will confirm that for you. I would offer in response to your statement that Nuveen, at the top of the organization chart, is an investment company. Yes, their goal is to be successful in investing in assets that will realize returns for their investors. I cannot disagree, and I don't know if I consider this a bad thing.

Commissioner Boyce: You would not be at the Finance Authority, but at Franklin County, I feel differently about it. We will have to deal with this on July 2. It concerns me that you have not seen their properties. I think that due diligence should be used in evaluating properties that are similar in scope to this property, as well as complaints that may come from the management companies. Equity funds, when doing real estate, we should have a special lens of reviewing their management history because they may be different than local developers. It will be harder to get access to them if something goes wrong.

Ms. Huddle: I appreciate that, but it is not within the scope of our performance review on behalf of the county commissioners. It includes two things: the public purpose to the letter of the law and the market response to the investment.

Commissioner Boyce: I get that on your side, but my side is different. My lens is different, and I do get to consider those things. You are looking at it from a transaction point of view. I am a licensed transaction banker so these are transactions that I am familiar with, and on this side of things, I can worry about that because we deal with the outcome when those properties have problems; it is Franklin County dealing with the bailout of the residents

that live there and try to help them on Christmas Eve or during wintertime. I do not like private equity funds owning property in Central Ohio. They do not have a good history. I want to know about Nuveen's history, any complaints they might have, and the management of properties. I know we have had groups see other properties, but the valuation of those properties becomes the issue.

Jeanine Hummer: Commissioner, I can add because I think you raised a good point. We discussed this with Ms. Huddle as we prepared for this meeting and looked at Nuveen as a whole. What we have done is what I call a focused process on these affordable housing projects is to look back at and take a lesson-learned approach in our agreements. One of those clauses that we will require to be part of affordable housing funding now will have a clause that we call the "Sawyer Clause" that will run with the land that requires no matter who owns it, the clause will require the property be maintained, actions of nuisance will kick in a claw-back provision. Those types of lessons learned that we turn into words are exactly what we are trying to do now with any affordable housing project.

Commissioner Boyce: What could you claw back on this because they are not getting tax abatements?

Jeanine Hummer: Not on this one but our own projects.

Ms. Huddle: Commissioner, if I may, I would like to invite Tom from Nuveen to join me on Tuesday, so you may ask questions directly to the organization. I will be happy to research the questions you have posed to me and continue to research on your behalf.

Commissioner Boyce: OK. What is your timeline for getting this done?

Ms. Huddle: They want to close on July 9, 2024, so this is necessary before closing.

Brittany Razek, Clerk to the Board of Commissioners: Commissioner Crawley, I see you are on. Are you wanting to provide any questions or comments?

Commissioner Crawley: Yes, I do, thank you. What was asked of the Finance Authority prior to this resolution? What did we ask about doing our due diligence?

Ms. Huddle: Before I came to the Board Authority under Don Brown, Jean, my predecessor, entered a contract with the county to perform the tax equity and fairness review. In the performance of that review, we were asked to perform the hearing, receive public input, and observe the qualification for the public purpose for the use of those tax-exempt bonds for private development and the market's response to the project. It is those two things, plus the public hearing. Under the private activity bond, they must have an elected official approve the issuance of the tax-exempt bonds for that public purpose.

Commissioner Crawley: Thank you. Jeanine, when you were talking about the "Sawyer Clause," what did you say about the claw back?

Jeanine Hummer: Commission Boyce mentioned concerns with affordable housing projects and what has happened in the county in the past. I wanted to ensure the commissioners that we are addressing that for our own projects.

Commissioner Crawley: You talk about the claw back provision. Do you have draft language of what that would look like prior to having deals come forward? Can you distribute that to the commissioners?

Jeanine Hummer: Yes, I will.

Commissioner Boyce: You cannot claw back the issuance of a bond.

Jeanine Hummer: Correct, it is not applicable to this deal.

Ms. Huddle: This is the acquisition of a property that a PE [private equity] firm does not currently own. It was built in 1990. The current state is not good, and this represents a 65-million-dollar investment in that property. The outcome of this will be positive for the community and Canal Winchester.

Commissioner Boyce: You must know the entity well. My questions to you about seeing the other properties, getting management complaint history, and due diligence as to their performance. Private Equity funds do not have a good record when it comes to managing properties. You said it early on; their purpose is to give investors a return. The structure for affordable housing and using tax-exempt bonds is not how it is set up. If you are going to do affordable housing, the two do not go together in what you are obligated to provide to investors and serve a public-purpose, affordable housing project. They do not coordinate. That is why they sell those properties to get that equity, and then they are out of that deal. I agree that is not always bad, but it is also not always good. I get more concerned when the property gets neglected over time because it sets in a portfolio, and they are not managing it. You have Sawyer Tower, Colonial Village, Galloway, and Wedgewood. They do not have a good track record. I have concerns and have expressed this along the way. I will not be supporting this, but I would still like to have those questions answered because I want to know if there is a structure in what Nuveen Real Estate will do, regardless of the long-term management of this property. I am also skeptical about using our tax-exempt bonding capacity, not the county, but we make appointments to the board, but they are a subsidiary of Franklin County. I am very protective of that authority. I do not like the transaction.

Ms. Huddle: It does not affect our capacity; it is a conduit issuance.

Commissioner Crawley: Is this located off Winchester Pike? Is it in Canal Winchester?

Ms. Huddle: Yes, correct.

Commissioner Boyce: What was the address?

Ms. Huddle: 3705 and 3675 Center Ridge Drive, as well as 6363 Upper Ridge Drive, and I will go and take pictures.

Joy Bivens, Deputy County Administrator: I believe our county administrator has comments.

Kenneth Wilson, County Administrator: I have a few questions. We are the Franklin County Board of Commissioners' elected representatives, so the claw back would not be applicable. There is no obligation to Franklin County except that the commissioners are being asked to approve this investment for a property that is in severe disrepair and could be the next Colonial Village or Sawyer Tower, impacting senior citizens. Next question, what are the past subsidiaries involved in the project?

Ms. Huddle: What are the past subsidiaries of Nuveen? I do not know.

Commissioner Boyce: They probably have no history. Central Ohio is a great place to invest and grow. That is why I said you must know Nuveen Real Estate and its history elsewhere. Do they have any Sawyer Towers? When they sold the 122 properties, what condition were they in? Were any taken into receivership? Do they have complaints on the property? I want to see where they are doing deals like this, and hopefully, that can be worked out.

Ms. Huddle: I think the need for the tax-exempt bonds is to help with the ability to maintain, that 100% percent of the units will be 30-80% AMI.

Commissioner Boyce: The tax-exempt bonds are instruments for people to tax shelter for wealthy people. That is what it is, and that is a fact.

Joy Bivens: With the County Administrator's approval, I will reach out to Nuveen and Commissioner Crawley if she did not hear. They acquired 170 properties and sold 122 and get information on the 122. There has been a previous request for maintenance of some of the other properties. Unfortunately, I did not get to see some of their other properties around the country, but I did see the one they recently acquired. If we could get that information and the actual entities managing and companies, the 122 are under.

Commissioner Crawley: I would say we want to see this on all projects. We are not going to single out Nuveen. I want to see this on all projects. Administrator Wilson and I had lunch with the Affordable Housing Trust about a project that was funded through affordable housing and had issues, and that is from a developer who is from here. Let's be consistent across the board.

Commissioner Boyce: I think that is a good point, Commissioner Crawley, but my only issue with that is at least we have access to the developers here. Projects go wrong, I want to be able to pick up the phone and place blame. We could not do that with any of the properties we have dealt with over the past year. Our only course of action is through the courts. That is slow, tedious, and costly. I am okay applying that across the board, but I

will be public about this. I take special issue against private equity companies that do development, and it is part of their investment portfolio. It is not a mission but a financial structure, and I am opposed to that. When I chaired the Affordable Housing Taskforce at NaCO, that was one of the core findings; when companies come into counties across the country, their philosophy was that counties are less sophisticated than cities when it comes to affordable housing. They were targeting counties to try to have relationships. Nuveen is a very sophisticated company. They are a big institution with talent and resources, but I am okay applying this across the board.

Commissioner Crawley: I think that is fair, and I will continue to be outspoken about this; we have an issue with outside investors, whether we are talking about housing projects or single-family homes. Single-family homes continue to be a problem, especially in minority communities where you have predatory investors who buy several homes. This is why there is legislation in the Senate to crack down on it. We want to ensure projects are maintained in a certain way. I think the difference with Nuveen, is that they have a market housing and social impact. Social impact is different from the market. When you think about impact [to the] investing arm, they are here and ingrained in the community, and directors and staff are here and hire staff that is in the community. So, you can pick up the phone when there are problems or issues and talk to someone. When we do our due diligence on Nuveen, I want to be clear whether it is the prosecutor's office, Finance Authority, or DCA Bivens; when we look at its history, we make a separation of the market arm and social impact arm. I want to see both, but I want to keep the two separate.

Commissioner Boyce: I see it differently, but we can deal with this when it is on the floor. Everyone can have their opinion, and we can agree to disagree. I am frustrated because I have made it very clear that I am opposed to this, but if this is the will of the majority of the board, we will vote, and I will be a dissension.

Commissioner Crawley: I don't think that is fair; I think what you said is valid. We can talk about this offline. I think what is coming to the board on Tuesday is separate and apart from any other discussions we have had. I want to be clear to those listening. This is separate from what we discussed or have the prosecutor try to work out in working with outside companies or public-private partnerships. I do not know the will of the board.

Zachary Talarek, Director, Office of Management and Budget, offered a resolution authorizing the adoption of the Fiscal Year 2025 Tax Budget for Franklin County (Board of Commissioners).

Mr. Talarek reviewed information found in documents submitted with the proposed resolution.

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The Clerk noted that there will be one (1) journalization expected at General Session on Tuesday, July 2, 2024.


There being no further business before the Board, the meeting was adjourned at 10:06 A.M.


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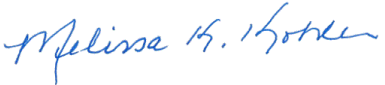
These minutes are a general summary of the Commissioners' Briefing Session for Thursday, June 27, 2024.


9/24/2024
KEVIN L. BOYCE, PRESIDENT


9/19/2024
JOHN O'GRADY


9/26/2024
**ERICA C. CRAWLEY
BOARD OF COUNTY COMMISSIONERS
FRANKLIN COUNTY, OHIO**

Submitted by:


9/19/2024
**Melissa K. Kohler,
Deputy Clerk to the Board of Commissioners**