

CUYAHOGA COUNTY CONVENTION FACILITIES DEVELOPMENT CORPORATION  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
October 23, 2020  
CLEVELAND, OHIO

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**Attendees at the Meeting:**

Directors: Matt Carroll, Diane Downing, David Gilbert, Majeed Makhoul, Trevor McAleer, Michael Obi, Timothy Offtermatt, Joe Roman and Mayor Bradley Sellers.

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

Guests of the Board: David O'Neal of Conventional Wisdom Corp., Ron King, General Manager 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"), Mike Campo, Assistant General Manager of the Facility, Dave Johnson, Director of PR & Marketing of the Facility, Travis Poppell, Director of Sales for the Facility, Teri Agosta, General Manager of the Hilton® Downtown Cleveland Hotel (the "Hilton Hotel"), Larry Trabulsi of CHMWarnick, Steve Wells, Director of Finance for ASM Global, the Facility's management firm ("ASM"), Craig Liston, Regional Vice President of ASM, Anastasia Volsko, Director of Operations for the Convention Center, Lauren Federico, Director of Event Services for the Convention Center, Ana-Licia Allen, Human Resources Manager for the Convention Center, Alexa Beeler, Assistant Law Director for the Cuyahoga County Department of Law, Dan Gibel, CPA, of Card, Palmer, Sibbison & Co., and Jeff Appelbaum and Emily Farinacci of Thompson Hine LLP.

**Regular Meeting of the Board of Directors.** At 8:02 a.m. on Friday, October 23, 2020, a Regular Meeting (the "October Regular Meeting") of the Board of Directors (the "Board") of the Cuyahoga County Convention Facilities Development Corporation (the "CCCFDC") commenced. Mr. Carroll presided as President of the Board.

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

**Review and Approval of Minutes.**

Mr. Carroll made a motion to approve the minutes from the Regular Meeting of the Board on April 24, 2020, which were distributed to the Board prior to the October Regular Meeting. The Board unanimously voted to approve the April 24, 2020 minutes.

**Board Nomination – Michel Obi.**

Mr. Carroll introduced Michael Obi, who was recently nominated to the Board by the Cuyahoga County Executive. Mr. Carroll made a motion to approve the election of Mr. Obi as a new Board member, which was seconded and unanimously approved by the Board. Mr. Carroll welcomed Mr. Obi to the Board.

**COVID-19 Fund & Reserve.**

Mr. Hillow presented the report of an engineering firm which performed an assessment of the Facility in connection with protocols and improvements related to the COVID-19 pandemic. Mr. Hillow and Mr. Campo jointly reviewed the recommendations by the engineering firm in order to ensure safety for guests, relating to cleaner air and the reduction of germs in high volume areas. Mr. Hillow commented that these recommendations are expected to be implemented on a long-term basis at the Facility. The

Board discussed the recommendations generally, including the timing for completion of the proposed projects.

Mr. Hillow asked for Board approval of the COVID-19 pandemic-related Facility expenditures, which as of October 6, 2020 were expected to be in the amount of \$2,344,710. A motion was made to approve the COVID-19 related expenditures, which was seconded. The Board unanimously approved the COVID-19 pandemic-related expenditures.

Mr. McAleer asked if the CCCFDC could provide the Board with an update on the status of these projects in November 2020.

#### 2021 Annual Plan and Budget.

Mr. King presented the 2021 Annual Plan and Budget for the Facility, stating that the main focus of 2021 is the reopening of the Facility, with the safety for team members, clients and guests being a priority. Mr. King discussed the financial outlook for 2021, commenting that alternative uses for the Facility are also being considered. Mr. King discussed the capital plan and budget for 2021, which currently estimate a capital budget equal to \$1.3 million and net income equal to \$(4,668,592). A motion was made to approve the 2021 Annual Plan and Budget, which was seconded. The Board unanimously approved the 2021 Annual Plan and Budget.

#### Highest and Best Use Study / Global Center Renovation.

Mr. Appelbaum provided an overview of the highest and best use study that was conducted by Conventions, Sports and Leisure International ("CSL"). The results of study reflected that the best use for the Facility is to support the needs of the Convention Center in attracting conventions and trade shows to Cleveland. Mr. Appelbaum discussed the impact of the COVID-19 pandemic on the assessment that was performed, stating that the industry in general may change as a result of the pandemic, including an increase in the use of hybrid meetings. Mr. Appelbaum commented that as the demand for space returns, the CSL report indicated the need for improvements in infrastructure in order to make the Global Center space ready, such as: (i) increased meeting space on the second and third floors, (ii) improved exiting, (iii) vertical transportation (i.e., escalators) and (iv) increased restroom capacity.

Mr. Appelbaum then reviewed CSL's assessment of estimated costs for the previously discussed infrastructure improvements. CSL estimated that the improvements to the second and third floors could be completed for approximately \$10 million, with a subsequent build-out being completed for an additional \$20 million. Mr. Appelbaum also discussed the proposed funding plan for these improvements, with \$5 million coming from the Facility's current capital repair and improvement fund, and the additional \$5 million being matched by the County (which match proposal is currently pending).

Mr. Appelbaum then discussed the project delivery and schedule for the proposed improvements and projected economic impact for the improvements. The Board discussed the CSL report generally. A motion was made to move forward with the RFP process for the Global Center improvements, which was seconded and unanimously approved by the Board.

#### I-X Center.

Mr. King discussed the pending closure of the I-X Center and the potential movement of events (approximately 19 shows) traditionally held at the I-X Center to the Convention Center. The Board generally discussed the consumer shows traditionally held at the I-X Center versus the holding of city-wide conventions conducted at the Facility.

### Hilton Hotel Update.

Mr. Trabulsi discussed the COVID-19 pandemic's impact on metropolitan hotel space in the City of Cleveland, compared to national averages.

### Appointment of Officers and Approval of Proposed Resolutions.

Mr. Appelbaum introduced the election of Board officers. Mr. Appelbaum suggested future elections of officers be presented by a nominating committee, however for this election process the nomination and election of officers would be made at the October Meeting.

Mr. McAleer nominated Mayor Sellers as President of the Board, which motion was seconded. The Board unanimously approved the election of Mayor Sellers as President of the Board.

Mr. Carroll nominated Mr. Makhlouf as Vice President of the Board, which motion was seconded. The Board unanimously approved the election of Mr. Makhlouf as Vice President of the Board.

Mr. Appelbaum then presented the Board with proposed resolutions for approval of the Board, which, if approved, would expand the Board from seven to nine directors and approve the election of Mr. Carroll, Mr. Obi, Mr. Oftermatt and Mr. Gilbert. A motion was made to approve the resolutions, which was seconded. The Board unanimously approved the resolutions.

### Adjournment.

There being no other items of business, a motion was made to adjourn the October Regular Meeting, which was seconded. At 9:54 a.m., the October Regular Meeting was adjourned.

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