



Hamilton County

BOARD OF COMMISSIONERS

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ADMINISTRATOR

Jeff Aluotto

Phone (513) 946-4436

April 13, 2018

Ms. Elizabeth Pierce, President and CEO
Cincinnati Museum Center/National Underground Railroad Freedom Center
250 W. Court Street, Suite 300E
Cincinnati, OH 45202

Dear Elizabeth,

I am in receipt of the Cincinnati Museum Center's (CMC) written request for consideration of an early release of excess sales tax proceeds, generated by the increased 0.25% sales tax collected and specifically earmarked for the Museum Center restoration project.

Based on a consistent opinion from the Hamilton County Prosecutor's Office, opined similarly for CMC's 2017 early draw request, the County can honor CMC's current request and early release of \$6.7 million in eligible funding. The Project Funding and Development Agreement, executed by the parties on August 12, 2015, contemplated this scenario and authorized the County Administrator to administratively approve early draws.

Please accept this correspondence as acceptance of the CMC's request for early release of eligible sales tax proceeds in the recently requested amount of approximately \$6.7 million as explained in your attached letter.

The County is pleased to assist in this financial endeavor for it is my understanding the early release of available funding will allow the CMC to save approximately \$340,000 in debt payments and interest costs through the life of the borrowing.

Thank you for the opportunity to partner on this significant County project.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jeffrey W. Aluotto".

Jeffrey W. Aluotto
County Administrator

Enclosures

cc: Board of County Commissioners
Judi Boyko, Assistant County Administrator
John Bruggen, Budget Director



Cincinnati
Museum
Center

March 25, 2018

Mr. Jeffrey Aluotto
Hamilton County Administrator
138 E. Court Street, Room 603
Cincinnati, OH 45202

Dear Jeff,

The Union Terminal Renovation and Restoration project continues to move forward smoothly. The structural steel repairs are complete and Duke Energy Children's Museum will reopen on May 4th, 2018. We are pleased to report that the project continues to be on time and on budget. Hamilton County's continued support has been a critical piece in the success of the project, and we are very thankful for the County's on-going support.

As you know, sales tax revenue has been exceeding initial projections. Through March 2018, proceeds for Union Terminal are favorable by \$14,762,542 from when the Development Agreement was originally drafted. The County previously released \$8,000,000 of these funds for earlier funding of the \$175,700,000, saving approximately \$898,000 in interest expense for the project.

We can further reduce interest expense to the project by minimizing borrowing through our lending facilities by receiving advanced funding on the already available sales tax proceeds. This would offer an additional cost savings of \$341,000 in interest expense and allow us to spend more money restoring our historic icon. I am writing to ask the County to authorize the early remittance of \$6,700,000 of the sales tax proceeds to Cincinnati Museum Center to accommodate this savings.

Thank you for your consideration of this request and your continued support.

Sincerely,

Elizabeth Pierce
President and CEO
Cincinnati Museum Center

Cincinnati Union Terminal Restoration		Hamilton County Sales Tax Revenue Projection & Distribution										
PHASE	Period	Column A	Column B	Column C	Column D	Column E	Column F	Column F	Column G	Column H	Column I	Column J
		UT Project Monthly % Completed	Monthly Value of Project Completed	Cumulative Project Cost	Monthly Draw - Based on % Completion - but no higher than cumulative receipts	Cumulative Project Draw	Cumulative Project Draw as % of Projected Cumulative ST Receipts	Monthly ST Receipts Projected	Cumulative Receipts	Projected Monthly Balance	Projected Cumulative Balance	County Annual Fee for Levy Admin.
Construction Underway	March-18	66.79%	\$ 149,850,191	\$ 149,850,191	\$ 103,365,570.23	\$ 103,365,570	54.29%	\$ 110,128,112	\$ 110,128,112	\$ 6,762,542	\$ (40,000)	
	April-18	0.00%	\$ -	\$ 149,850,191	\$ 6,700,000.00	\$ 110,065,570		\$ 110,128,112	\$ -	\$ 62,542	\$ -	
	May-18	3.78%	\$ 8,500,000	\$ 158,350,191	\$ 2,657,751.63	\$ 112,723,322	59.21%	\$ 2,672,085	\$ 112,785,864	\$ -	\$ -	
	June-18	3.78%	\$ 8,500,000	\$ 166,850,191	\$ 2,672,085.43	\$ 115,395,407	60.61%	\$ 3,104,312	\$ 115,457,949	\$ -	\$ -	
	July-18	3.78%	\$ 8,500,000	\$ 175,350,191	\$ 3,104,312.38	\$ 118,499,720	62.24%	\$ 2,929,650	\$ 121,491,911	\$ -	\$ -	
	August-18	3.78%	\$ 8,500,000	\$ 183,850,191	\$ 2,929,649.83	\$ 121,429,369	63.78%	\$ 2,993,012	\$ 124,484,924	\$ -	\$ -	
	September-18	3.78%	\$ 8,500,000	\$ 192,350,191	\$ 2,993,012.33	\$ 124,422,382	65.35%	\$ 3,329,482	\$ 127,814,406	\$ -	\$ -	
	October-18	3.34%	\$ 7,500,000	\$ 200,850,191	\$ 3,329,482.00	\$ 127,751,864	67.10%	\$ 2,577,178	\$ 130,391,583	\$ -	\$ -	
Complete Construction	November-18	1.70%	\$ 3,826,437	\$ 212,176,628	\$ 2,884,052.88	\$ 133,213,094	69.97%	\$ 2,884,053	\$ 133,275,636	\$ -	\$ -	
Move-in	December-18	1.34%	\$ 3,000,000	\$ 215,176,628	\$ 3,004,093.83	\$ 136,217,188	71.55%	\$ 3,004,094	\$ 136,279,730	\$ -	\$ -	
	January-19	0.67%	\$ 1,500,000	\$ 216,676,628	\$ 2,772,502.50	\$ 138,989,691	73.00%	\$ 2,772,503	\$ 139,032,232	\$ -	\$ -	
	February-19	1.34%	\$ 3,000,000	\$ 219,676,628	\$ 2,879,215.13	\$ 141,868,906	74.52%	\$ 2,879,215	\$ 141,911,448	\$ -	\$ -	
Close Out	March-19	0.56%	\$ 1,250,000	\$ 220,926,628	\$ 3,713,511.48	\$ 145,582,417	76.47%	\$ 2,697,618	\$ 145,644,959	\$ -	\$ -	
	April-19	0.56%	\$ 1,250,000	\$ 222,176,628	\$ 2,697,618.20	\$ 148,280,035	77.88%	\$ 2,712,167	\$ 145,999,448	\$ -	\$ -	
	May-19	0.56%	\$ 1,250,000	\$ 223,426,628	\$ 2,712,166.60	\$ 150,992,202	79.31%	\$ 3,151,177	\$ 148,342,577	\$ -	\$ -	
Tax Credit Certificate	June-19	0.00%	\$ -	\$ 224,676,628	\$ 3,151,176.58	\$ 154,143,379	80.96%	\$ 2,973,595	\$ 151,054,744	\$ -	\$ -	
	July-19	0.00%	\$ -	\$ 224,676,628	\$ 2,973,594.73	\$ 157,116,973	82.53%	\$ 3,037,908	\$ 151,054,744	\$ -	\$ -	
	August-19	0.00%	\$ -	\$ 224,676,628	\$ 3,037,908.13	\$ 160,154,881	84.12%	\$ 3,379,424	\$ 160,217,423	\$ -	\$ -	
	September-19	0.00%	\$ -	\$ 224,676,628	\$ 3,379,423.68	\$ 163,534,305	85.90%	\$ 2,615,835	\$ 163,596,847	\$ -	\$ -	
	October-19	0.00%	\$ -	\$ 224,676,628	\$ 2,615,835.25	\$ 166,150,140	87.27%	\$ 2,927,313	\$ 166,212,682	\$ -	\$ -	
	November-19	0.00%	\$ -	\$ 224,676,628	\$ 2,927,313.28	\$ 169,077,454	88.81%	\$ 3,049,155	\$ 169,139,995	\$ -	\$ -	
	December-19	0.00%	\$ -	\$ 224,676,628	\$ 3,049,155.20	\$ 172,126,609	90.41%	\$ 2,814,090	\$ 172,189,151	\$ -	\$ -	
	January-20	0.00%	\$ -	\$ 224,676,628	\$ 2,814,089.58	\$ 174,940,698	91.89%	\$ 2,922,403	\$ 175,003,240	\$ -	\$ -	
	February-20	0.00%	\$ -	\$ 224,676,628	\$ 759,301.55	\$ 175,700,000	92.29%	\$ 3,769,214	\$ 177,925,644	\$ 2,163,102	\$ -	
Sales Tax Expires	March-20	0.00%	\$ -	\$ 224,676,628	\$ -	\$ 175,700,000	92.29%	\$ 2,738,082	\$ 181,694,858	\$ 3,769,214	\$ -	
	April-20	0.00%	\$ -	\$ 224,676,628	\$ -	\$ 175,700,000	92.29%	\$ 2,732,849	\$ 184,432,940	\$ 2,738,082	\$ -	
	May-20	0.00%	\$ -	\$ 224,676,628	\$ -	\$ 175,700,000	92.29%	\$ 3,198,745	\$ 187,185,789	\$ 2,732,849	\$ -	
Last Tax Distributions	June-20	0.00%	\$ -	\$ 224,676,628	\$ -	\$ 175,700,000	92.29%	\$ 3,198,745	\$ 190,384,534	\$ 3,198,745	\$ -	
TOTAL		100.10%	\$224,676,628	\$ 175,700,000	\$ 175,700,000	\$ 175,700,000	\$ 190,384,534	\$ 14,624,534	\$ 7.7%			

NOTES:

Project costs updated to reflect the revised budget of \$224,676,628 (Column B)
Sales tax proceeds DRAWS for the project remain at \$175,700,000 (Column D)
Monthly sales tax reflect actual received through March 2018 and original development contract estimates for remaining months; netting \$15M at the end of the project for future care & maintenance (Column F)
UT Monthly % Project Completion updated to reflect revised budget (Column A)
March 2018 row represents actual results from inception through June 2017
Additional funding of \$8M in sales tax receipts in August 2017, is estimated to yield an interest savings of \$898k.
Additional funding of \$6.7M in sales tax receipts in April 2018, is estimated to yield an interest savings of \$341k.
Aligned with the Development Agreement, at no time will CMC ask, nor County be in a position to fund cash for the project without cash available.