

**THE PORT OF GREATER CINCINNATI DEVELOPMENT AUTHORITY  
BOARD MEETING MINUTES**

**Thursday, January 13, 2005  
7:30 AM at the Port Authority Offices**

**I. CALL TO ORDER**

Jack Rouse called the meeting to order at 7:35 am. Regarding the vacant board position, he thought that Roberto Peraza should be made official effective on Wednesday (1/20/05). We will wait on approving the November Board Meeting Minutes until after the Banks report.

**II. BOARD MEMBERS PRESENT:**

Rouse, Jack  
Siebenburgen, David  
Hull, Betty  
Love, Steve  
Budig, Otto  
Hale, Joe  
Johnson-JioDucci, J.J.  
Vehr, Nick  
Kull, Ron

**EXCUSED:**

Bailey, Clifford  
George, Louis  
Humes, Tom  
Kearney, Eric  
Muller, Paul  
Otto, Charlotte  
Reid, Janet  
Zimmer, Joe

**STAFF:**

Satzger, Kim  
Robb, Deborah  
Ciampone, Kathy

**GUESTS:**

Jones, Bruce -Squire, Sanders & Dempsey LLP  
Cheney, Mike - Financial Consultant  
Leeper, Steve - 3CDC  
Williams, John - Gonzalez, Saggio & Harlan, LLP  
Ratterman, Ed - City of Cincinnati  
Phillips, Bonnie - City of Cincinnati

### III. BANKS PROJECT UPDATE

Steve Leeper discussed the challenges facing the development of the Banks. The garages are needed to raise it above 60 ft. taking it out of the flood plain. Trying to get phase I completed using current available funds will cost \$40M and we only have \$24.5M in Federal Grants. The question is, can we use the \$24.5M just to do the work on the garage. Steve gave the scenario of what if we only build the parking structure and nothing above. Everything must be for public use and benefit. In discussions with ODOT, they view our plan as a slight modification to the original plan and they only want their money to only go towards public facility. He then gave an example of a Pittsburgh road built using Federal funds as verification that our plan is on point with what they want.

They also want to know what will happen with the revenues from the facility. Steve has met with both franchises to see if we can work out agreements for parking on game days. Both meetings went well. He also needs to talk to Hamilton County regarding parking revenues.

If ODOT approves the plan, we can get moving. The challenge is on how to build the deck. We are looking for funds from CDF and other private organizations to assist in the funding. Jack states that this as a radical change on how the parking revenues will be used. It will not go to the teams and the county like they wanted previously. In Pittsburgh Steve worked out a similar agreement on this and hopefully can with Hamilton County.

Nick Vehr wanted to know if there is a way to segregate cost in order to do the development. It is a challenge because we need to know where the overbuild is going to occur. We need to make sure that we don't overbuild too much or not enough. He explained that the thickness of the columns holding up the garage are dependent on the amount of structures put on top of the garage. The more weight on top the wider the columns and greater frequency of columns will start to eat into the number of parking spaces. Right now, there are 4 spaces between columns, if we widen the columns too much that can go down to 3 spaces between columns, limiting parking.

Jack Rouse gave an example of the Mall of America garage and some of the assumptions that were made there.

Otto asked if there is a timeline on using the \$24.5M. Steve said we need to give them a timeline and convince them that we have the money segregated from the private use. Land value can be used as a local match. Also, utilize private funds.

Kim Satzger said the Port Authority (Port) has been working closely with Steve Leeper and Mary Lynn Boorn at 3CDC and that they have been extremely helpful. She thanked them for their help. Jack thanked them for their help as well but noted the public policy issues. Steve feels that a special meeting needs to occur regarding this issue.

Jack noted that the meeting with ODOT to discuss keeping the \$24.5M is scheduled for January 24, 2005. Steve asked Kim to talk about the \$2.5M grant from Economic Development Administration (EDA). The grant was originally to be used for Freedom Way, the stretch of road in front of the National Underground Freedom Center. Kim was successful in getting the EDA to agree to the switch.

Nick Vehr wanted to know if when Steve and Kim go to Columbus did they will have the support from the County and City. Jack said we will be going on behalf of the Port but with 2 or 3 of the commissioners.

#### **IV. APPROVAL OF MINUTES**

**MOTION:** Jack Rouse made a motion that the minutes of the November 11, 2004 Board Meeting be approved. Nick Vehr seconded the motion. The motion was passed unanimously.

#### **V. BROWNFIELD PROJECT UPDATE**

**3603 East Kemper Road** – The RCRA is complete and approved so we can now file the No Further Action letter.

**Other Projects** - We are also finished with the Zoo project, the Polk Bldg. and the Center Hill Landfill.

**4000 Red Bank Road** – The building remediation began last week. The Demolition event is scheduled for January 28<sup>th</sup> at 10 am.

**5025 Carthage Ave.** – We have not heard anything on the Clean Ohio grant yet.

#### **VI. CHAIRMAN'S REPORT**

##### **Strategic Plan**

The Port to date has generated \$6M in grant money for Brownfields. He noted the public good for doing brownfields – we do not make any money doing brownfields. Otto wanted to know if the City and County is aware of what is going on. Jack said no, but that there is a communication plan. With the financings and Banks, there are ways to get fees. We need support from County and City in order to do the public good. He also noted that we need to deal with issues of having an Interim President.

With regards to jurisdiction and funding, we will work with the City and County to make sure that it happens. There has to be a funding commitment that does not go year to year but is ongoing. One step is to aggressively identify target brownfields to go after. The main reason that has not been done is our lack of staffing due to our lack of funding and the uncertainty if we were going to get the funds. Another step is to have traditional Port funding, a working Port with a solid revenue stream. Nick Vehr wanted to know how The Port Group (TPG) of Indianapolis relates to us. Kim explained that we have easement rights from the river to land that would have kicked in this year but TPG is in financial trouble so it is very unlikely that will be forthcoming.

As for the Banks, the lessons learned from Pittsburgh are staggering and will require public policy and the County/City governments in order to move forward. For this, the Port should be the responsible

party. Since blocks 4 & 8 will be developed first we will have a discussion with the Parks Department in regards to the need for greenspace.

3CDC and the Port have a Memorandum of Understanding in place and I commend the staff of both for working together well.

Uptown Corp. may be an area that we can assist in moving their projects forward. However, this will require more staff and a full-time president.

J.J. asked why this is taking so long and Jack noted that the lack of funding has been an issue. Dave Siebenburgen said we need to get out of the annual commitment and into a multi-year commitment from both leadership groups. Nick Vehr pointed out that public bodies cannot obligate other public bodies and a 2-year commitment is the most we can get. Maybe we could work it out on a contract basis.

We need to be the developer and develop fees in order to be self funded. Dave said we should put things in place to make it happen. Jack said that 3CDC is a private party and they cannot do things the Port can do. The two have to go hand in hand.

Otto Budig asked why we cannot get a financial stream from brownfields. Kim said that properties can only be recycled when there is public/private funds. If we own the property then we can generate a revenue stream. Otto asked if we can suggest that we get revenues when it is developed and Kim said no, based on grant funding we can only get out of pocket expenses.

Dave Siebenburgen asked how long would it take us to become self sustaining and Nick said 3+ years.

Jack has asked 3CDC to list expenses that they incurred on behalf of the Port Authority.

We will need people to step up to help work through the Strategic Plan.

Dave Siebenburgen brought up the issue of double counting in the economic inclusion of MBE, SBE and WBE and asked if we, as yet had an answer to that. Deborah Robb our Economic Inclusion Director said that the answer is yes, we can double count and would address the issue more fully, later in her report .

J.J. brought up that we need to toot our own horn so that City Council knows what we have done. She suggested working with a working group and a consultant to develop a timeline. She commended Kim on the job she has done and said we need to look at all of the brownfields around the city in order for us to have work. We need to search for the deal. The City has some brownfield areas identified and we may need to go after some of them.

Jack stated that he and Kim have had conversations with Tim Riordan regarding consulting. We need to get some funding in order to get someone under contract in order to help with the strategic plan. Nick Vehr pointed out that the person that knows the most about Ports in Ohio is here, Bruce Jones. He suggested taking Bruce Jones 2002 document of Roles of a Port Authority and marrying it with the strategic plan. He also suggested we check w/ Tim Riordan to see if there are any restrictions with him working with the City.

**MOTION:** Jack Rouse made a motion to pursue discussions with Tim Riordan on help with the strategic plan. Dave Siebenburgen seconded the motion. The motion was passed unanimously.

Jack said that with this mandate he would get with Tim Riordan. J.J. said she would like to be in the working group for the strategic plan. She thinks we should look at other avenues other than 3CDC like LISC and CDFI.

Jack Rouse will talk with KMK and Tim Riourdan. Jack has been asked to chair a group to look at economic development for Cincinnati.

## **VII. PRESIDENTS REPORT**

None given, reviewed Balance Sheet – Kim noted that Mike Cheney was available to answer any questions.

Kim said we have received funding from City and County. City has approved this year for \$175 which is half. Chad Munitz is trying to our money to us by the end of the month. The County has put in their budget \$285K but it has not been approved yet.

Bruce Jones thinks it will be helpful for us (the Port Authority) to have a financial advisor who can help us evaluate and find projects. Some options to use for pay would be, pay for service or underwrite certain kinds of deals. He gave an example of county who is represented by Ted Ricci who has been helpful. It will increase the number of projects. Mike Cheney concurs with Bruce. Last year the budget had \$30K in legal fees.

Mike Cheney was asked why our legal fees were 3 times higher than the budget and Mike said we had high fees due to brownfield projects.

In the past we were not charging developers a fee, but we are now having the developers sign reimbursement agreements that will offset the legal fees. The River Road Fuel Depot will generate fees if we get it from the Air Force.

Betty Hull said that we need to have some communication fees in the budget. Otto Budig suggested that maybe it could be in the tier 2 line item.

Deborah Robb presented a brief update on Economic Inclusion since she began. She has put together an Economic Inclusion work group consisting of Board members Steve Love and Clifford Bailey along with Eugene Ellington of Ellington Management Services and Kitt Strauss of the Greater Cincinnati Chamber of Commerce. Their group has been working with Deborah on finalizing the strategy for implementing the Economic Inclusion Policy. Once the strategy has been finalized – it will be sent to Fred Nance of Squire, Sanders & Dempsey for legal review

Deborah also reported on the current results for economic inclusion. She stated that we are doing great in the area of brownfields with the numbers being 28% for MBEs, 15% for WBEs and 48% for SBEs. However, the financing numbers which are shown separately in the report do not have as great results.

The numbers for financings are 12% MBEs, 7% WBEs, and 44% for SBEs. This brings the total combined results to be 13% for MBEs, 7% WBEs and 44% for SBEs. Deborah noted that there are still opportunities to bring the numbers up for MBEs based on the Queen City Square project and the Red Bank Road project. All of the other projects are complete.

Dave Siebenburgen asked if it was correct that some of the numbers are counted twice in the area of SBEs. Deborah replied that she has been instructed to include MBE's & WBEs (if they are small businesses in the SBEs numbers).

Deborah noted that since these numbers date back to January 2001, future reports will show numbers from current projects and new projects from 2005 and on.

Jack Rouse asked who would volunteer on the Strategic Plan working group and Nick Vehr and Dave Siebenburgen volunteered along with J.J. and Steve Love.

## **VIII. ADJOURNMENT**

**MOTION:** Jack Rouse made a motion to adjourn the Board of Directors meeting. Joe Hale seconded the motion. The motion was passed unanimously.

The meeting was adjourned at 8:50 A.M.

Respectfully,

Kimberly Satzger  
Secretary