

**PORT OF GREATER CINCINNATI DEVELOPMENT AUTHORITY**  
**February 19, 2009**  
**7:30 AM, 3CDC Conference Room, Suite 1440**

**I. CALL TO ORDER**

Mr. Rouse called the Port of Greater Cincinnati Development Authority Board of Directors meeting to order at 7:31 a.m.

**BOARD MEMBERS PRESENT:**

Bailey, Clifford  
Budig, Otto  
Hull, Betty  
Muller, Paul  
Rouse, Jack  
Siebenburgen, David

**EXCUSED:**

George, Louis  
Johnson-JioDucci, J.J.  
Love, Steve  
Otto, Charlotte  
Zimmer, Joe

**STAFF:**

Karimi, Marjorie  
Robb, Deborah  
Richardson, Connie  
Russell, Christine  
Satzger, Kim  
Schafer, Ray  
Thomas, Susan

**GUESTS:**

Bomberger, Jeff – Squire, Sanders & Dempsey LLP  
Engel, Mark – Bricker & Eckler, LLP  
Jee, Elwood – Property Owner – Former Harrison Terminal  
Norman, Mark – Vorys, Sater, Seymour and Pease LLP  
Waidner, Susan – Board of County Commissioners

**II. APPROVAL OF MINUTES**

**Motion:** Mr. Budig made a motion to adopt the minutes of the January 15, 2009 Board meeting. The motion was seconded by Mr. Bailey. The motion was approved unanimously.

### III. BROWNFIELD PROJECTS UPDATE

Ms. Russell provided the Board with the following brownfield projects update.

**5025 Carthage Avenue, Norwood, OH (Linden Pointe)** – The Port Authority has submitted the No Further Action Letter (NFA) to Ohio Environmental Protection Agency (OEPA) and is working on resolving comments received from OEPA. The last round of comments from OEPA were received on November 24, 2008. Hull & Associates has been engaged to install additional groundwater monitoring wells at the site and collect groundwater samples. This sampling will be performed on a quarterly basis with the Port Authority reporting the results to OEPA. Additionally, Hull & Associates will assist the Port Authority in resolving OEPA's remaining questions on the NFA letter.

Mr. Rouse asked if the selection of Hull & Associates was the result of a Request For Qualifications (RFQ) or a continuation of services on the part of Hull & Associates.

Ms. Russell replied that neither was the case. Due to the fact that there was no grant money remaining, a competitive procurement was not required. The Port Authority, in concert with Al. Neyer, Inc., selected a company that was qualified to assist in answering the type of questions posed by OEPA. Al. Neyer, Inc. will be paying for Hull's services.

Ms. Russell stated that there was a resolution before the Board that would authorize the Port of Greater Cincinnati Development Authority to enter into a contract with Hull & Associates to respond to the comments from OEPA.

**Motion:** Mr. Siebenburgen made a motion to adopt the resolution authorizing the Port of Greater Cincinnati Development Authority to enter into multiple agreements related to the Linden Pointe revitalization project. Mr. Budig seconded the motion. The motion was approved unanimously.

**320 South Anthony Wayne Avenue, Lockland, OH (Hamilton County Regional Business Park)** – This final demolition and construction of the infrastructure was completed last week. Samples from the new water lines that were installed have been obtained, the results of which should be back today (02/19/09). If those samples come back clean then all remediation at this site will be complete. The NFA Letter will be submitted shortly.

**4101 Spring Grove Avenue, Cincinnati, OH (American Can Building)** – The Port Authority and American Can Building, LLC have been working with OEPA and U.S. Environmental Protection Agency (USEPA) to develop a new clean-up plan for this project. Pursuant to a December 2008 Request for Qualifications and Proposal, the Port Authority entered into a contract with The Payne Firm to provide Certified Professional Services for the project. The Port Authority and the American Can Building, LLC are working with The Payne Firm to develop a Technical Memorandum that will present the remediation path forward to the OEPA for their concurrence. Following concurrence from the OEPA, the revised Remedial Action Plan will be implemented.

**Clean Ohio Assistance Fund (COAF) Application for 1220 Harrison Avenue, Cincinnati, OH (Harrison Terminal Building)** – The Port Authority submitted a \$148,122 Clean Ohio Assistance Fund application to the Ohio Department of Development (ODOD) on September 19, 2008 to fund a Phase II Environmental Assessment of the former Harrison Terminal Building. The owner has already made a significant investment of his personal money into the project and is continuing to work on converting the building into market rate apartments with first floor commercial or office space. The Ohio Controlling Board approved the grant request on January

12, 2009, and the Port Authority has received the Grant Agreement from the ODOD. The next step is to enter into a contract with an environmental consultant and begin the Phase II Environmental Assessment work.

Mr. Woody Jee, the owner, is in attendance today in order to meet the Board and present a brief overview of the project.

Mr. Jee reported that the project is in the warehouse district on Spring Grove Avenue and is one of the nicer buildings in the area. The building is 120 years old with wide storage and timber beams. The intention is to turn the warehouse into eighteen loft apartments, and 10,000 square feet of retail on the first floor. The warehouse has two and a half acres of parking which is unusual for this area. The building was condemned, but Mr. Jee could see the potential and took on the challenge.

Mr. Rouse asked about the previous uses of the warehouse.

Mr. Jee replied that the warehouse had been a trucking terminal.

Ms. Russell added that like many other hundred year old buildings, the warehouse has had a number of uses throughout its history. Ms. Russell then added that Mr. Jee has already invested a significant amount of time and money into the property already. Mr. Jee is the architect and is performing a number of other roles in the renovation of the structure. The Port Authority is happy to help out with obtaining the grant to perform the Phase II Environmental Assessment in order to assist Mr. Jee in moving forward.

Mr. Rouse asked Mr. Jee if there was a timetable for the renovation of the building.

Mr. Jee replied the timetable depends on the financing. The financing depends on the remediation.

Mr. Buding stated that the site is a little isolated and asked Mr. Jee what he contemplated for the retail side.

Mr. Jee replied his goal was for a grocery store in the 10,000 square foot area, as he understands the downtown area is in need of a grocery store.

Ms. Russell noted that behind Tab 2 of the Board book is a resolution that will authorize the Port Authority to enter into the Grant Agreement and other agreements related to the Harrison Terminal Building Phase II Environmental Site Assessment.

Mr. Rouse stated that this is a grant to perform an environmental study and that most of the Port Authority's grants have been for remediation. Therefore, this Grant Agreement poses less risk for the Port Authority.

**Motion:** Mr. Buding made a motion to adopt the resolution authorizing the Port of Greater Cincinnati Development Authority to enter into a multiple agreements related to the Harrison Terminal Building Phase II Environmental Site Assessment. Ms. Hull seconded the motion. The motion was approved unanimously.

#### IV. FINANCING PROJECTS UPDATE

Ms. Thomas provided the Board with the following project financing update.

**Pictoria Drive, Springdale, OH (Pictoria Corporate Center)** – In October 2006, the Port Authority issued ten million dollars worth of TIF and special assessment bonds (“Bonds”) on this site. The Port Authority owns the public parking garage, the plaza at the end of the roadway, and some of the related real estate improvement on the site. At the time that the Bonds were issued, the Port Authority entered into a Letter of Credit and Reimbursement Agreement with U.S. Bank to provide liquidity and credit support for the Bonds. The Bonds are variable rate. The Letter of Credit provides for semiannual principal and interest payments, as well as the purchase price if the bonds are tendered and not re-sold as part of the remarketing. All reimbursement obligations to the bank are payable only from the same sources as the Bonds, which are the special assessment and TIF payments and the reserves that are on deposit with the Trust. There is no recourse to the Port Authority.

MEPT Pictoria LLC (“MEPT”) is the owner of the adjacent office building and is responsible for the vast majority of the payments on the Bonds. U.S. Bank has informed the Port Authority and MEPT that it will extend the expiration date of the Letter of Credit from October 25, 2009, until at least February 15, 2011, if the Letter of Credit fee is increased by 0.35% and if the variable interest rates that apply on reimbursement obligations are increased by 1.0%.

Mr. Rouse asked Ms. Thomas how she felt about the change to the Letter of Credit.

Ms. Thomas replied that MEPT is responsible for paying the costs. MEPT indicated to the Port Authority that they are seriously considering the proposed increases, and they would like for the Port Authority Board to authorize such changes.

Mr. Rouse asked if there was any potential exposure for the Port Authority.

Ms. Thomas replied no.

Ms. Thomas referred the Board to the resolution in their packet. The proposed resolution authorizes the execution of the First Amendment to the Reimbursement Agreement and the First Supplemental Trust Indenture, both in substantially the form on file with the Secretary, and other related actions necessary to implement the contemplated transactions.

Mr. Siebenburgen asked Ms. Thomas if there was also a change in the Letter of Credit expiration date.

Ms. Thomas replied yes. Ms. Thomas replied that the Bonds are variable rate and reset on an annual basis. The reset date is February 1<sup>st</sup>. Adjusting the Letter of Credit to expire shortly after the Bonds reset prevents the possibility of being in a period where the Port Authority has notification of there being a Letter of Credit extension problem while trying to remarket the Bonds.

Mr. Siebenburgen stated this was more in the area of a technical correction action.

Ms. Thomas replied that extending the date on the Letter of Credit was certainly a technical correction action, but the fee increases were real.

Mr. Roused asked if there were any other comments.

**Motion:** Mr. Siebenburgen made a motion to adopt the resolution authorizing the Port of Greater Cincinnati Development Authority to amend the Reimbursement Agreement authorized by Resolution No. 2006-09 to provide for the extension of a Letter of Credit securing the payment of Port Authority revenue bonds authorized by that Resolution and to increase certain amounts payable under that reimbursement agreement, which amounts are payable from the pledged revenues under the Trust Indenture pursuant to which the Bonds were issued; authorizing a related supplement to that Trust Indenture; and authorizing and approving related actions and matters. Mr. Budig seconded the motion. The motion was approved unanimously.

## V. ECONOMIC INCLUSION UPDATE

Ms. Robb provided the Board with the following economic inclusion update.

**4000 Red Bank Road, Fairfax, OH (Red Bank Village)** – The Police Substation is complete. Regency Centers has also received bids on two of the lots for the retail portion of this project. They received bids last week and are in the process of reviewing those bids for pricing and inclusion. At this point, the Port Authority does not know which firm is the lowest bidder.

Regency has also sold a portion of the land to Miller-Valentine. Miller-Valentine just bought a third parcel, and they will be developing that third parcel into office space (but not until they have leased out the second building). The Port Authority is working with Miller-Valentine on economic inclusion. The Port Authority will not be monitoring inclusion on this portion of the project because it is not the portion the Port Authority is financing. However, the Port Authority is assisting with the on-going inclusion efforts at the site.

Mr. Budig asked if the inclusion numbers on this portion of the project, where the Port Authority is not providing the financing, will be included in the Port Authority's inclusion statistics.

Ms. Robb replied those numbers will not be included.

Mr. Rouse asked if that was consistent with past practices.

Ms. Robb replied that it is consistent with past practice.

Mr. Siebenburger asked Ms. Robb to clarify the entity we would be assisting.

Ms. Robb confirmed it is Regency Centers.

Ms. Robb reported that ground has been broken for the Wal-mart. The pad has been laid and they plan to go vertical soon. McDugal-Pierce, which is the prime contractor based out of Indianapolis, is performing the construction of that Wal-mart store. Ms. Robb has been in contact with them to assist in their inclusion efforts.

**Galbraith Road at I-71, Sycamore Township, OH (Kenwood Towne Place)** – The Port Authority continues to meet with the project manager on a consistent basis. The garage is substantially complete. There is still minor work to be performed in the garage.

**Queen City Square Tower, Cincinnati, Ohio** – This project continues to move forward. The project is "going vertical" on the garage portion. There was a community stakeholder meeting on February 10, with Ms. Robb and Ms. Thomas in attendance. This meeting provided an update to key community stakeholders on the progress of the project..

Mr. Rouse asked about the outcome of the meeting.

Ms. Robb replied the meeting went very well. Members of the Baptist Ministers Conference were in attendance, as well as the Urban League, Community Action Agency, the Minority Business Accelerator, and the African American Chamber.

Mr. Buding asked for clarification as to whether the project team was requesting assistance in achieving inclusion goals of the people who came to that meeting.

Ms. Robb replied that attendees were asked if they knew of contractors who may be able to work at the site.

Mr. Rouse asked if this meeting was a community outreach effort.

Ms. Robb confirmed that it was an outreach meeting. As community stakeholders are talking about the project in the community, they can speak to what is actually going on, and how the inclusion efforts are monitored.

Ms. Robb then reported the following to the Board in regard to economic inclusion monitoring. Starting with the "Projects in Process – Without Kenwood" report, the only project that actually has shown movement in the last month is the Queen City Square project. The Port Authority is currently tracking at 26% Minority Business Enterprise (MBE), 24% Women Business Enterprise (WBE), and 1% Small Business Enterprise (SBE). As the Board may recall, the SBE numbers would be low based on the type of contractors that are currently working on this project. The "Projects in Process – With Kenwood" report indicates that the percentages are 19% MBE, 18% WBE, and 8% SBE total project.

**Economic Inclusion Policy** – Mr. Rouse stated that before Ms. Robb began with the Economic Inclusion Policy, he wanted to express thanks to Ms. Robb for her efforts in updating the Policy.

Ms. Satzger also thanked Ms. Robb for leading the effort. She also thanked the Board Members who worked on the Policy update: Jack Rouse, Clifford Bailey, Steve Love, and Joe Zimmer.

Mr. Bailey stated that credit goes to Ms. Robb as, in addition to coordinating with Board members, she coordinated legal counsel reviews of the document. It's a good document; perhaps one of the best in the state.

Ms. Robb noted that one of the substantial differences is that The Banks portion was removed from the Policy to bring it more in line with what the Port Authority does on a daily basis. There are also additional forms that are included that were not part of the original policy. One is a Good Faith Effort form, and the other is the Economic Inclusion Subcontractor Utilization form.

Ms. Robb stated that Squire, Sanders & Dempsey provided a legal review of the revised policy in the same manner that the original policy was reviewed.

**Motion:** Mr. Bailey made a motion to authorize the Port of Greater Cincinnati Development Authority to adopt the updated Economic Inclusion Policy. Mr. Siebenburger seconded the motion. The motion was approved unanimously.

Mr. Bailey made a suggestion that a press release be communicated to the community indicating that the Policy has been revised, and that the Port Authority continues to move forward and be a progressive leader in the space of economic inclusion.

Mr. Buding also suggested the press release include statistics on completed projects.

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

There was nothing to report at this time.

## **VII. PRESIDENT'S REPORT**

Mr. Schafer reported the following financial information to the Board.

**Financial Report** – The balance sheet reflects \$1,236,835 in cash. Expenses and Revenues are within budget.

**Motion:** Ms. Hull made the following motion pursuant to Ohio Revised Code Section 121.22 G, to adjourn the meeting of the Board of Directors of the Port of Greater Cincinnati Development Authority to go into executive session for the following purposes: (I) to consider, pursuant to division (G)(1) of that section, the appointment, employment, dismissal, discipline, promotion, demotion, and/or compensation of public employee(s), and (II) for a conference, pursuant to division (G)(3) of that section, with attorneys representing the Port Authority concerning disputes involving the Port Authority that are the subject of imminent court action. Upon the conclusion of the executive session, the Board will reconvene its meeting of the Board of Directors. Mr. Budig seconded the motion. The motion was approved unanimously by roll call vote.

The Board adjourned into executive session at 8:10 a.m. The Board came out of executive session at 8:45 a.m.

## **VIII. ADJOURNMENT**

**Motion:** Mr. Budig made a motion to adjourn the meeting. Mr. Siebenburgen seconded the motion. The motion was passed unanimously.

The meeting was adjourned at 8:45 a.m.

Respectfully,

Kimberly Satzger  
Secretary