

**THE PORT OF GREATER CINCINNATI DEVELOPMENT AUTHORITY  
BOARD MEETING MINUTES  
Thursday, March 9, 2006  
7:30 AM at the Port Authority Offices**

**I. CALL TO ORDER**

Jack Rouse called the Port of Greater Cincinnati Development Authority Board of Directors meeting to order at 7:40 a.m.

**BOARD MEMBERS PRESENT:**

Bailey, Clifford  
Budig, Otto  
George, Lou  
Hull, Betty  
Humes, Tom  
Johnson-JioDucci, J.J  
Kull, Ron  
Love, Steve  
Muller, Paul  
Rouse, Jack  
Siebenburgen, David  
Vehr, Nick  
Zimmer, Joe

**EXCUSED:**

Hale, Joe  
Otto, Charlotte

**STAFF:**

Robb, Deborah  
Satzger, Kim  
Schafer, Ray  
Zanders, Char

**GUESTS:**

Bomberger, Jeff – Squire, Sanders & Dempsey, LLP  
Phillips, Bonnie – City of Cincinnati  
Ratterman, Ed – City of Cincinnati  
Williams, John – Gonzalez, Saggio, & Harlan

**II. APPROVAL OF MINUTES**

**MOTION:** David Siebenburgen made a motion that the minutes of the February 9, 2006 Board Meeting be approved. Otto Budig seconded the motion. The motion was passed unanimously.

**III. BROWNFIELD PROJECTS UPDATE**

Kim Satzger provided updates on the following projects.

**4101 Spring Grove Avenue Project** – Ms. Satzger reported that the Port Authority has completed the Clean Ohio Assistance Fund application for the American Can Building property located at 4101 Spring Grove Avenue. She said that, per the required grant application process, the application will be placed on-file at the Northside Branch of the Public Library of Cincinnati/Hamilton County on Friday, March 10, 2006. The application will remain at the library for public review and comment through April 24, 2006. On April 24, 2006, at noon, the Port Authority will host a public meeting regarding the project at the office of the Port Authority. Once the comments received during the public comment period have been incorporated into the grant application, the application will be forwarded to the Ohio Department of Development and the Ohio EPA.

**4000 Red Bank Road Project** – Ms. Satzger stated that the draft No Further Action letter has been forwarded by the Certified Professional, Hull & Associates, to the Port Authority and Red Bank Road LLC (property owner) for review and comment. Once reviewed by the Port Authority and Red Bank Road LLC, the draft NFA will be forwarded to the end-user for review and comment.

**5025 Carthage Avenue Project** – Ms. Satzger advised that since December 2005, three major tasks have been performed. The first was the stabilization of approximately 200 tons of soil which contained hazardous levels of lead. This was accomplished by mixing the soil with triple super phosphate (TSP). Once the stabilization process was verified, approval for off-property disposal at Rumpke was obtained. The second major activity completed was the excavation, transportation, and off-property disposal of approximately 1500 tons of lead-impacted soil. Confirmation samples have been collected and submitted to the contract laboratory to verify residual levels of lead. Results should be received on or around March 17, 2006. The third major activity completed was the verification of potassium permanganate fracture placement and distribution. This was accomplished by drilling and continuously sampling approximately 40 additional soil borings in Restricted Area #3. All recovered soil was classified and screened at 1-foot intervals. Several soil samples were also sent to the contract laboratory for volatile organic compound (VOC) analysis. This represents the first soil performance monitoring period. Also, since the injection, there have been two rounds of groundwater monitoring. A performance monitoring report will be produced in the second quarter 2006.

**320 South Anthony Wayne Avenue Project** – Ms. Satzger reported that the Port Authority received final approval of this project from the State Controlling Board in January. The Port Authority is currently waiting on grant agreements from the Ohio Department of Development in order to proceed with work at the site as, per the grant regulations, no activities may begin at the project site until the grant agreement is executed by the State of Ohio. The State signs the grant agreement after the Port Authority signs and returns the agreement.

#### **IV. Financing Projects Update**

Jack Rouse asked Kim Satzger to give the status of current project financing.

**Sisters of Mercy of the Americas Project** – Ms. Satzger reported that the Board approved the resolution for the Sisters of Mercy of the Americas at last month's Board meeting. The due diligence required, per the resolution, is complete. Mercy received an A- rating credit rating. Further, per the Port Authority's formative agreement, financings that do not fall within the Port Authority's two mission areas (Brownfields and Banks) require the approval of the City of Cincinnati and Hamilton County. Hamilton County has already approved the financing. The City of Cincinnati has preliminarily indicated a willingness to approve the Port Authority's request for authorization to issue the bonds. It is anticipated that the City will provide approval in time for Mercy to price and close the bonds during the week of March 13, 2006.

**225 Pictoria Drive Project** – Ms. Satzger stated that, as previously discussed, this project will involve a tax increment financing (TIF) financing backed by special assessments and a letter of credit. It is currently contemplated that this will be an issue of approximately \$10 million. This is down from the previous estimated of approximately \$12 million. The Port Authority has distributed all preliminary documentation, including comments on the Letter of Credit Commitment from US Bank. US Bank has advised us that it is fine with all changes relating

to its Commitment. Preliminary drafts of the schedule call for submission of a bond resolution at the May 11 Board meeting and closing around the end of May/early June.

**4000 Red Bank Road Project** – Ms. Satzger reported that this financing will be an approximately \$9 million TIF transaction, and is still at a fairly early stage. It is likely that a preliminary "inducement" resolution will be submitted at the April Board meeting, with final bond resolution approval sought at the June Board meeting, with a projected closing date in July. The Village of Fairfax is undertaking the preliminary steps necessary to lay the legal foundation for proceeding with the transaction as currently contemplated and outlined in a Preliminary Financing Term Sheet distributed to parties and discussed on a conference call with parties last week. There is a follow-up meeting scheduled for March 23, 2006.

Nick Vehr asked for an explanation of the term Preliminary Inducement Resolution.

Jeff Bomberger said that the Preliminary Inducement Resolution will enable the Port Authority to enter into a preliminary agreement pertaining to the participation of the Port Authority in the financing of the project, including authorizing any preliminary steps by the Port Authority in connection with the issuance of the bonds, in order to assist in the financing of the project. The Board has provided this type of approval in the past for previous project financings. Port Authority staff will return to the Board at a future Board meeting for final approval of the bonds and the transaction.

Nick Vehr asked what types of public improvements will be funded with the bond proceeds and if the developer has tenants for the site.

Mr. Bomberger said that the Planned Unit Development permitting a mixed use development (office, retail, entertainment) was approved by the Village of Fairfax in December 2005. The TIF financing will provide funds for such public improvements as: street and road improvements, related utility and landscaping improvements, storm water drainage system improvements, storm water detention facilities, public safety facilities and other improvements.

Ms. Satzger said that the developer, Regency Centers, plans to construct approximately 240,000 square feet of retail space, approximately 40,000 square feet of office space, and several restaurant outlots. She indicated that Miller Valentine has been selected by Regency as the office developer. Regency has indicated that it has strong tenant interest; however, tenant commitments are expected to be finalized after the No Further Action Letter has been submitted and/or the Covenant Not to Sue is received, from Ohio EPA, for the environmental cleanup activities.

J.J. Johnson-JioDucci if there was an indication as to the "big-box" tenant.

Ms. Satzger replied Wal-Mart had been suggested as a potential tenant.

Jack Rouse asked if there were any more questions regarding financing.

There were no further questions.

## **V. Chairman's Report**

Jack Rouse reported that Cincinnati City Councilmember Chris Bortz (as Chair of the Economic Development Committee of City Council) is working on the reformation of the Port Authority. The December 2005 recommendation for the reformation of the Port Authority, prepared by the Port Authority and forwarded to the City and the County, recommended nine Board members. The Economic Development Committee recommended to City Council last week that the new Port Authority Board consist of seven Board members. Mr. Rouse said that he met with County Commissioner Pat Dewine yesterday to discuss the status of Hamilton County's response to the

Port Authority's recommendation for reformation. The County has taken no action as to the reformation of the Port Authority.

**Executive Session**

At 7:45 a.m., Lou George made a motion to move into executive session as follows:

“Motion pursuant to O.R.C. 121.22 G (1) to adjourn the meeting of the Board of Directors of the Port of Greater Cincinnati Development Authority and to go into executive session to discuss personnel matters relating to the appointment, employment, dismissal, promotion, and/or compensation of public employees. Upon conclusion of the executive session, the Board will reconvene its meeting of the Board of Directors.”

Nick Vehr seconded the motion. The motion passed unanimously by a roll call vote.

The Board of Directors came out of executive session at 9:00 a.m. and reconvened the meeting.

**VI. ADJOURNMENT**

**MOTION:** Otto Budig made a motion to adjourn the Board of Directors meeting. David Siebenburgen seconded the motion. The motion was passed unanimously.

The meeting was adjourned at 9:01 a.m.

Respectfully,

Kimberly Satzger  
Secretary