

PORT OF GREATER CINCINNATI DEVELOPMENT AUTHORITY
BOARD MEETING MINUTES
Friday, May 14, 2010
7:30 AM, 3CDC Conference Room, 1014 Vine Street, Suite 1420, Cincinnati, OH

I. CALL TO ORDER

Mr. Budig called the Port of Greater Cincinnati Development Authority Board of Directors meeting to order at 7:32 a.m.

Mr. Budig introduced David Smith of Duke Energy to the Board of Directors. Mr. Smith has been appointed by the Hamilton County Board of County Commissioners to fill a Board vacancy.

Mr. Budig then recognized Mark Engel, Bricker & Eckler, who swore in David Smith as a newly appointed Board Member of the Port of Greater Cincinnati Development Authority.

Prior to the start of the regular agenda of the Board meeting, Ms. Satzger acknowledged special guests who participated in the Portland, Oregon economic development benchmarking trip, May 2 – 4, 2010. Participants on this trip were invited to the Board meeting to discuss what was learned on that trip and how lessons learned may have direct application to the Cincinnati/Hamilton County area. Participants acknowledged included Cincinnati Vice Mayor Roxanne Qualls, Cincinnati City Councilman Chris Bortz, Pete Langhorne from IFS Consulting, Ellen van der Horst from the Cincinnati USA Regional Chamber, Ellen Gilligan from the Greater Cincinnati Foundation, and Jason Barron from the Office of the Mayor.

Ms. Satzger also acknowledged other guests in attendance at the meeting: Hamilton County Commissioner David Pepper; Patrick Thompson, Hamilton County Administrator; Ms. Susan Waidner, Commissioner Greg Hartmann's Chief of Staff; and Sam Asmah of Volta Tax Center.

BOARD MEMBERS PRESENT:

Budig, Otto
Dunn, Marty
Greiwe, Rick
Jacobs-Horton, Lydia
Smith, David
Zimmer, Joe

EXCUSED:

Handy, Clark
Marmer, Lynn
Williams, Tom
Wright, Shane

STAFF:

Karimi, Marjorie
Laird, Tiffany
Robb, Deborah
Russell, Christine
Satzger, Kim
Schafer, Ray
Thomas, Susan

GUESTS:

Asmah, Sam R. – Volta Tax Center
Barron, Jason – City of Cincinnati
Bortz, Chris – Council Member, City of Cincinnati
Engel, Mark – Bricker & Eckler, LLP
Gilligan, Ellen – Greater Cincinnati Foundation
Langhorne, Pete – IFS Consulting
Pepper, David – Commissioner, Hamilton County
Qualls, Roxanne – Vice Mayor, City of Cincinnati
Thompson, Pat – Hamilton County
van der Horst, Ellen – Cincinnati USA Regional Chamber
Waidner, Susan – Hamilton County

II. APPROVAL OF MINUTES

Motion: Marty Dunn moved to adopt the minutes of the April 9, 2010 Board of Directors meeting. The motion was seconded by Rick Greiwe, and was approved unanimously.

III. BROWNFIELD PROJECTS UPDATE

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

5025 Carthage Avenue, Norwood, OH (Linden Pointe) – All comments on the No Further Action (NFA) Letter and Operations and Maintenance (O&M) Plan have been resolved and documented to the Ohio EPA on March 12, 2010. We are continuing to work with Ohio EPA to complete the Covenant Not to Sue (CNS) for the property.

320 South Anthony Wayne Avenue, Lockland, OH (Hamilton County Regional Business Park) – Remediation of this site is complete and the No Further Action Letter was submitted to Ohio EPA on February 26, 2009. On March 10, 2010, the Port Authority responded to additional comments from Ohio EPA. We continue to work with Ohio EPA to complete the Covenant Not to Sue (CNS) for the property.

4101 Spring Grove Avenue, Cincinnati, OH (American Can Building) – The property owner continues to pursue two sources of financing – New Markets Tax Credits with a conventional bank loan and a U.S. Department of Housing and Urban Development (HUD)-insured loan. They met with HUD on April 7, 2010, and have been invited to submit a loan application. While this application is being completed, the owner is proceeding with plans to remove the above-ground and underground storage tanks from the site.

3241 Spring Grove Avenue, Cincinnati, OH (Former Kahn's/Sara Lee Site) – The Integrating Committee reviewed the two applications from our district and sent project ranking recommendations to the Ohio Department of Development and the Clean Ohio Council. The Clean Ohio Council will make their final award decisions at a meeting now scheduled for May 27, 2010.

105 West Fourth Street, Cincinnati, OH (Former Federal Reserve Building) – The Port Authority has been asked to submit a Clean Ohio Assistance Fund application to assist in the cleanup of the Former Federal Reserve Building at the corner of Fourth and Main. This mostly vacant office building will be converted into residential apartments, while the basements and first three floors will remain commercial space. The

developer received final approval from HUD for the project financing. We are working with the developer and the environmental consultant to prepare the application for submittal to the Ohio Department of Development.

U.S. EPA Brownfield Assessment Grant – In October 2009, the Port Authority formed a partnership with the City of Cincinnati and Hamilton County and submitted an application to U.S. EPA for \$1 million in brownfield assessment funding. On April 19, 2010, U.S. EPA announced that the partnership’s application was selected to receive the \$1 million grant. Over the next several months, the Port Authority will work closely with the City of Cincinnati and Hamilton County to draft and approve the required documents, and then to take the first steps to implement the grant. The U.S. EPA and Port Authority press releases regarding this funding award are enclosed in the Board packet.

Mr. Greiwe inquired whether the Port Authority can use the U.S. EPA funds to clean up properties proactively, instead of waiting for applicants to approach the Port Authority requesting these funds.

Ms. Satzger clarified that these funds are for environmental assessment and not cleanup activities.

Ms. Russell stated that, while there will be an application process, it is likely the Port Authority and other Coalition members will also suggest identified sites for funding under this assessment program.

IV. FINANCING PROJECTS UPDATE

Susan Thomas provided the Board with the following financing projects update.

Cincinnati Mills Mall, Forest Park and Fairfield, OH – In February 2004, the Port Authority issued \$18 million in Tax Increment Financing (TIF) and Special Assessment backed revenue bonds to acquire, construct, equip, and improve public infrastructure improvements to meet additional demands at the Cincinnati Mills Mall. The facilities owned by the Port Authority include a public parking garage, a public parking lot, a public ring road, and two detention ponds.

The Cities (Forest Park and Fairfield) began collecting TIF service payments resulting from increases in the assessed valuation of the Mall in 2006. However, because the incremental value did not fully support the payments on the Bonds, the Cities have also certified Special Assessments for collection by the Counties in each of the last four years. The Special Assessments carry a tax lien and generally cannot be “primed” by a mortgage lender. The TIF service payments and Special Assessments through tax year 2007 (collection year 2008) were paid.

The amount of TIF service payments due in 2009 and 2010 has been virtually eliminated as a result of the property owner’s challenges to valuation. The Special Assessments certified, if paid, should be sufficient to support required payments on the Bonds.

Status – Cincinnati Holding, Co., the owner of the property, has retained new local counsel who has been in communication with the Port Authority, counsel to the Port Authority, and counsel to the Trustee.

The owner had previously advised the Trustee, in writing, that it intended to provide funds by May 1st to make the unpaid principal payment (and related interest), pay Administrative Expenses, and reinstate the Bond Reserve Fund. The owner did not provide funds to the trust by May 1st, but representatives of the owner have indicated that the owner anticipates making a partial payment by Friday, May 14, 2010. These representatives also reiterated the owner’s commitment to the Mall.

The Port Authority's approval of a proposed subcontract under the Management Agreement relating to the operation of the Port Authority property remains under discussion. Consistent with the existing Management Agreement, Port Authority staff intends to approve that subcontract upon receiving evidence of the required insurance and proof that the delinquent taxes and service payments relating to the Port Authority property have been paid. A representative of the owner has indicated that the owner is working on both of these matters.

As of April 30, 2010, taxes, service payments, and special assessments, including taxes owed as manager on the Port Authority property, remain delinquent. The Port Authority continues to work with its partners, including the cities of Forest Park and Fairfield, the Trustee, and the Administrator for the Bonds.

Mr. Budig asked if the owner is more than one month in arrears of payment.

Ms. Thomas stated that the 2008 (payable in 2009) Taxes, Special Assessments and TIF Service Payments due to Hamilton County and Butler County have not been paid. The first half 2009 (payable in February 2010) Taxes, Special Assessments and TIF Service Payments have also not been paid.

The TIF Service Payments and Special Assessments paid to the County are eventually forwarded to the Trustee and are available to pay debt service and other expenses of the Trust. Interest payments on the Bonds have been made using the debt service reserve fund in the Trust.

The new owners have indicated their intention to work out a payment arrangement with Hamilton County for the past due and current Taxes, Special Assessments and TIF Service Payments. The new owners have also indicated their intention to make a payment to the Trust, as the Trustee offered an opportunity to cure the event of default. These payments have not been paid as of today. The Port Authority has been told that a significant partial payment will be paid, and it will continue to actively monitor the situation.

Mr. Budig asked if there is a point whereby the Trust will be in financial difficulty, and if so, when.

Ms. Thomas responded that there is sufficient money in the Reserve Fund to make the August 2010 interest payment.

Mr. Budig inquired if there was any recourse.

Ms. Thomas stated that the procedure would be to move against the property. The Port Authority is working with its public-sector partners, the City of Forest Park and the City of Fairfield, to look at this process.

V. ECONOMIC INCLUSION UPDATE

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

Queen City Square Tower, Cincinnati, OH – The overall project continues to progress at a steady pace. The curtain wall erection is complete through level 38, and is progressing at the pace of one floor per week. The stone and glass work is now at the Fourth Street elevation. The promenade glazing along Sycamore Street will begin around mid-May 2010. Cladding of the Fourth Street elevation and the Rotunda will continue through August 2010. The tiara fabrication is currently 95% complete. Erection of the tiara began on April 21, 2010, and is approximately 30% complete. The current forecast for the tiara completion is July 1, 2010.

The north luffing boom crane, which was located on the Fourth Street side, has been removed. The interior temporary hoist has been removed from the building leaving the contractors with just the two exterior cars until service cars one and two become operational around August 1, 2010. This will also allow for the construction of the two executive elevator cars to begin. Complete transfer from temporary to permanent power is 50% complete, and will continue through the end of May 2010.

The contract for stone in the interior lobby of the building has been awarded. Visual signs of progress in the lobby area, including partition and ceiling framing, should be seen by the end of May 2010.

The Project Team (Eagle Realty, Ellington Management Service, Turner Construction, and the Port Authority) continue to meet on a monthly basis to receive project updates, and to insure that companies are following the contracting guidelines that were established by the team.

Progress on the project may be viewed at: www.queencitysquare.com/construction.htm. There is a webcam at the site that captures photos of the site on a daily basis.

Ms. Robb directed the Board to the Economic Inclusion Reports. The Completed Projects Report reflects an increase of \$670,000 for Minority Business Enterprise (MBE) participation; \$454,000 for Women Business Enterprise (WBE) participation; and \$537,000 for Small Business Enterprise (SBE). The goal for MBE inclusion is 25%, WBE is 7%, and SBE is 30%.

The current project, Queen City Square, is ahead of MBE and WBE participation goals. Due to the project's large size and the size of the resulting contracts, SBE participation is 14%, which is below the targeted goal of 30%. It has been anticipated, since the beginning of the project, that the MBE and WBE participation would be greater than the SBE participation on this project.

VI. CHAIRMAN'S REPORT

Mr. Budig indicated that the Chairman's Report would focus on the Portland, Oregon economic development benchmarking trip that occurred May 2-4, 2010.

Mr. Budig stated that the packet of information that was provided to trip attendees is provided, at this meeting, to Board members that could not be in attendance on the trip. He shared that the agenda for the day of meetings was exceptional. A contingent comprised of Port Authority Board members and staff, local elected officials and staff, as well as community leaders participated in meetings with the following persons/groups in Portland:

- City of Portland Bureau of Planning and Sustainability,
- Portland Development Commission (PDC),
- Port of Portland, and
- Portland Economic Development Groups including the City of Portland Planning, Oregon Business Development Department, Portland Vancouver Regional Partners Council for Economic Development, and Metro.

Mr. Budig further described that the trip included a bus tour of the Port of Portland including Terminal 6 (Container Terminal) and Terminal 5 (Bulk Terminal), and culminated in dinner with the Mayor of Portland.

Mr. Budig asked trip attendees to provide their perspectives of this trip. He asked that elected officials provide their perspectives and expectation as to the Port Authority's potential future role in economic development. He asked that they discuss the method for the Port Authority's involvement in recommended initiatives, together with identifying sources of necessary funding.

Mr. Budig said that it appeared that Portland was set on a path to become one of the most ecologically-friendly cities in the U.S. The region has made significant strides with regard to public transportation. Passenger transportation is free in the downtown area; the region has focused on controlled growth, as well as on the health and welfare of their constituency; and there is a focus on cycling and foot transportation. In fact, the City has created some very innovative arrangements for cyclers who may come into the city and have the use of a vehicle (referred to as a "Zip Car") that can be reserved for a few hours a day. Although, Mr. Budig indicated that Portland Mayor, Sam Adams, was candid with regard to the challenges Portland faces with respect to unemployment, high school education, and other areas of concern.

Councilman Chris Bortz said that he believed that the most compelling conversations on the trip were with the Portland Development Commission (PDC). They have a large staff and a broad mission, and it appears that the bulk of the real estate-centered economic development activity is under their umbrella. The PDC has a large amount of funds available to them, provided primarily through the bonding of Portland's consolidated TIF districts. This could be a source of funding for the Port Authority locally.

Mr. Bortz indicated that Portland has pushed its economic development efforts out of the confines of government and consolidated it into the PDC. Mr. Bortz believes that Cincinnati is behind in creating a properly-funded, fully-staffed agency that can be proactive about development. He said that there is a need for an aggressive, active regional land banking authority that is actively engaged in repositioning property for redevelopment. He stated that he believes that the Port Authority is the right vehicle for this type of activity, and he is willing to work on the appropriate funding sources. There may be an opportunity for funds being made available through casino funds, consolidation of TIF districts, selling one or two parking funds, or there may also be an opportunity for funds from the water district.

Vice Mayor Roxanne Qualls stated that for the past 30 years Portland has focused on building a good quality of life through strong urban planning. Portland intentionally created plans for a certain type of physical form, and then developed the organizations that had the capacity to implement those plans. The PDC is one such organization. Further, Ms. Qualls indicated that there is a culture of collaboration between the Portland Development Commission, the Port of Portland, the Metro government, and Tri-Met (transportation organization).

Ms. Qualls stated that from the very beginning Portland set up the PDC to be the recipient and in control of all TIF funds. This is one of the reasons that the PDC has been able to build capacity internally, and effectively partner with other organizations. With regard to the Port Authority, it is important to find a predictable, locked-in source of revenue by which to operate.

Ellen Gilligan thanked the Port Authority for a very well-planned trip. She echoed what has been communicated by those before her, and added that she was very impressed with the quality of staff of the various Portland organizations, in particular the PDC. She believes that the PDC is focused on planning for strategic economic development, and executing against adopted strategies.

Jason Barron, with his second visit to the City of Portland, stated that although Portland has a "great story to tell," there are things Cincinnati does well and assets Cincinnati has that Portland does not. Mr. Barron said that the Mayor of Portland stated numerous times how Portland wished it had one more Fortune 500 company. Mr. Barron stated that Cincinnati needs to strike the right balance of going from a very

business-friendly culture to one that includes a quality of life-friendly culture. Mr. Barron said that Mayor Mallory felt this was a good first step, and he is interested in seeing and learning from other similarly situated cities.

Ellen van der Horst commented that the focus on planning was evident. The urban growth boundary, initiated 30 years ago, has made an enormous impact on the community. The capacity of the organizations with which the group met (most notably the PDC and the Port of Portland), in terms of resources and staffing, demonstrates that they are prepared to implement economic development activities. In addition to the quality of life issues on which Portland economic development organizations focused, it is clear that these organizations worked with the values of equity and inclusion in mind.

Pete Langhorne commented that he noted a mature organization in the PDC. It started with resources that grew and developed, and they were able to put these resources to great use. He said that the strategy is to have a plan and the plan is to implement the strategy. Mr. Langhorne stated that Portland is focused on quality of life issues.

Joe Zimmer was enthused to see that Portland was doing something with the workforce in terms of mandating that there be an apprenticeship program for construction projects generated by the PDC. Mr. Zimmer said that he believes that the Cincinnati Port Authority does a great job of MBE, WBE, and SBE inclusion. Portland has another category that they include, which is emerging small business. He believes this is a category the Port Authority may want to explore. Mr. Zimmer conveyed that from the research that he has conducted since the trip, he learned that this program is based upon their Croson study. Cincinnati had a Croson study, but one has not been done regionally. Mr. Zimmer stated that the true way to increase minority participation in the construction industry is to do it at the workforce level because most construction companies grow out of the workforce.

Lydia Jacobs-Horton asked if the apprentice is an individual or a small company.

Mr. Zimmer indicated that the apprentice is the individual and clarified it is an apprenticeship program that helps develop emerging small businesses.

Rick Greiwe stated that he was very energized by this trip. He said that since his last visit to Portland 18 years ago, the Pearl District was, at that time, an abandoned field and rail yards. Now, there are approximately 7,000 people living in the revitalized District. The variety of development includes high- and low-rise structures, with singles and families living in these building. It is a very vibrant area. Mr. Greiwe likened the Pearl District to the Oakley area "on steroids."

Mr. Greiwe indicated that he believes that the vote on the streetcar, and the potential for economic development in Cincinnati along the streetcar line, is the first step toward high quality-of-life planning. He continued that there were four tangible examples of how the Cincinnati Port Authority can more effectively be utilized. The Cincinnati Port Authority could act as the manager of the TIF districts and associated funding initiatives, as well as lead freight transportation, land banking, and development initiatives. Mr. Greiwe agreed with Mr. Barron that Cincinnati is fortunate to have wonderful assets; however, the "dots" need to be connected between Cincinnati's advantages. He believes that the Port Authority is the right entity to do this, with the proper amount of funding.

David Smith stated that one of the reasons Portland has been able to execute their projects so well is the fact they share a common vision. They understand the core values and culture of their community, which allowed everyone to move forward. Although this may not have come about easily, once everyone was aboard they were able to execute their plans. The Portland Development Commission appears to be the organization that coalesced along with those visions. Mr. Smith stated that Agenda 360 and GO Cincinnati

reflect Cincinnati's vision. He believes there is an opportunity for the Port Authority to coalesce these visions, and get the buy-in from all involved.

Ms. Satzger acknowledged the time and efforts of staff members Christine Russell and Marjorie Karimi for coordinating this well-executed trip. After many discussions with representatives from various Portland entities, the Cincinnati Port Authority worked to understand the architecture for economic development, and assemble a day of meetings which reflected the economic development delivery system for the Portland area.

With regard to the trip, Ms. Satzger said that Portland operates off of a framework for large projects that has been agreed upon by those involved within the region, and this approach has been essential to Portland's many successes. Ms. Satzger stated that the underlying key is that once plans are approved, these plans are handed-off to the Portland Development Commission for long-term execution.

Ms. Satzger continued, with regard to the Port of Portland, their role in the three-county community is focused around traditional port facilities and industrial development. The City of Portland indicated that when they are reserving property for industrial development within their urban designation, they reserve at least 20%. They ensure the 20% industrial property is along key transportation corridors. There is a river located there with terminals that handle bulk shipments of commodities, which is what the Cincinnati Port Authority is anticipating undertaking here. They also have rail service with several Class I railroads in their area. Portland ensures that they site development next to these freight assets, they work to leverage each mode of freight transportation fully, as well as encourage multi-modal freight movements. Both the City of Portland and the Port of Portland indicated that their port and industrial development activities were their largest economic development driver. Rail service and rail-served property was their strategy, and they believed that in both the near- and long-term this would continue to be one of their central strategies.

Mr. Bortz noted that Portland is trying to direct their development demand while Cincinnati is trying to create demand. Locally, there are some good plans in place, and the City is working on a comprehensive plan. Therefore, he does not believe the extensive additional planning is required. He believes that our energy needs to be directed towards how we continue to stimulate the market side of developments so that we create some demand. Mr. Bortz said that this is a big and expensive challenge.

Ms. Van der horst said that there is a role here for industrial development along key freight corridors. It would be helpful to land bank industrial property up the I-75 corridor.

Ms. Jacobs-Horton pointed out that what struck her about Portland's Strategic Plan 2008-2012 was the simplicity of the five goals. Listening to everyone, it seems like we probably came up with the five goals around the table. The first is to "connect the dots" between our assets; the second, invest in neighborhoods and transportation; the third, Center City and Industry or corridor growth; the fourth, support the outdoors; and, the fifth, cherish diversity and inclusion. This is what I just heard among the comments being made.

Commissioner David Pepper offered his perspective on Portland based on his visit to the City several years ago. Mr. Pepper reiterated that Portland's projects are funded through bonded TIF funds that are dedicated to the PDC for implementation of local plans. Without this pool of funds, Portland would not have been able to implement the broad range of economic development activities. This speaks to the need for identified staple revenue streams in order to do this type of work.

Mr. Pepper said that there is a need to figure out whether or not casino revenues can be dedicated to economic development. Further, funds budgeted to the Port Authority must get beyond an annual City-

County budget decision. At the end of the day, without a dedicated revenue stream, it is much harder to plan for economic development activities and execute against an identified plan. We need to get our arms around identifying the revenue stream.

Ms. Qualls noted that the PDC receives all the TIF, and wondered why this model is not adopted locally.

Mr. Greiwe suggested that perhaps Ms. Qualls could request that the City Manager work with a taskforce that would begin to answer that question.

Mr. Bortz said that the City has not used the TIF revenues very effectively. He said that he believes that there is need to bond one or several of the TIF districts, which would create a very large pool of funds. Then, the Port Authority, could quickly go out and start to do transformative development. It is important to note that the consolidated funds would still stay in the TIF district. The idea is worth looking into.

Mr. Greiwe asked for the follow-up steps.

Mr. Pepper indicated that the TIF discussion is really a discussion with the City of Cincinnati, as the County does not have any TIF districts. TIF districts throughout the County are located in and controlled by the various communities within the County. He said that if there is a willingness to explore a conversation regarding the TIF districts, he would proceed in that direction. He said that he would recommend reaching out to County jurisdictions as well.

Mr. Bortz said that from the discussion today it seems that two studies may be required. Those studies or taskforce work can begin soon, and he believes that some resources from the City and County may be required to support these activities. He said that a study of the north-south freight rail corridor and port facility opportunities should be explored. This will assist the region in understanding how to better leverage the infrastructure that we have.

Mr. Bortz said that the other study that may be required is to conduct an in-depth review of the potential for bonding the TIF districts, and providing those funds to the Port Authority for strategic economic development. He believes that there is a need to determine if there are sufficient TIF revenues to support the identified activities, and to determine other potential sources of funds.

Mr. Greiwe concurs that a consultant needs to be hired to conduct a market assessment for the potential for an inland port. He believes that the TIF study needs to be completed in partnership with the City.

Ms. Qualls said that she thinks that if we can make a strong case for the benefits for the discussed approaches to economic development, then the approaches will gain support.

Mr. Budig expressed that the exchanges among the group were meaningful and also expressed his gratitude to the representatives of the City and County for their participation. The trip to Portland, from a variety of perspectives, has furthered the discussion around the local economic development delivery system, and focused our discussion.

Mr. Budig said that, as others have said today, prior planning efforts, including the remarkable work of GO Cincinnati and Agenda 360, should be coalesced and made actionable. The Port Authority Board is anxious to move forward in a role that fulfills the economic development needs for both the City and County. To do this, the challenge remains sources of revenue for the Port Authority's near term operations, as well as for the future role that the Port Authority may play within the community.

Mr. Budig stated that the Port Authority would implement discussions on this topic within the next ten days. At the conclusion of the discussion, the group decided to establish a group to work with City and County government to move forward in determining the our role, and obtaining a dedicated stream of funds for the Port Authority.

Mr. Budig thanked the guests for their participation in the discussion as to the Port Authority's role in the community.

Ms. Thomas commented that there was precedence nationally regarding taking TIF districts, and placing the management of these districts into development authorities; this is not unique to Portland. The national story is very compelling, and there are a number of case studies to examine and from which we can learn.

Ms. Thomas attended a recent Council of Development Finance Agencies annual meeting, which was held in Portland. The Bond Deal of the Year was a project of the Atlanta Development Authority (ADA). The ADA administers all of the Atlanta TIF districts. The ADA is a leading example in the country today of consolidating TIF districts in an economic development authority, and using that entity to drive economic development. The Atlanta TIF districts were deliberate and intentional, and these have seen a significant increase in the value of the properties by virtue of the fact the city has put the TIF district in place and declared where the investment was going to take place. This incentivized private-sector developers to come in, acquire sites, and invest private sector dollars.

Mr. Dunn asked if there were any concerns about the districts and underrepresentation.

Ms. Thomas responded that TIF money for a designated neighborhood would generally have to be used in that designated neighborhood. The success comes from having an overall strategy.

Ms. Satzger reiterated that an invitation was extended to both City and County elected officials, as well as the City Manager and County Administrator, to be a part of this meeting's discussion.

VII. PRESIDENT'S REPORT

Financial Report

Mr. Schafer provided the Board with the following financial report update.

The balance sheet reflects \$1,280,000 in cash at the end of April. Expenditures for the month of April are \$105,000, which is below budget. Year-to-date revenues and expenses are in line with the budget through April.

Ms. Satzger stated that with regard to the costs for the Portland trip, costs were borne by individuals who attended. Additionally, there were corporate contributions for meals and transportation. The impact to the budget included the cost for two staff persons to attend and other minor costs.

TRAC Application

Ms. Satzger provided a status update on the Port Authority's application to the Transportation Review Advisory Council (TRAC) at the Ohio Department of Transportation (ODOT). On May 13th, the Port Authority was notified that the application had been approved for funding by ODOT. The Port Authority had been working with the Ohio Department of Transportation (ODOT) to get approval to manage the

project locally (through the Port Authority) versus having ODOT manage the project. ODOT has preliminarily agreed that the Port Authority may proceed with an LPA (Local Project Administration). The next steps are to meet with the state and work through the LPA process, and meet with the railroads to discuss their participation in the design of the resolution for rail congestion in the corridor.

Mr. Budig inquired who has been selected for the design stage.

Ms. Satzger stated that there will be an RFQ process for Professional Engineering Services. The Port Authority will work with ODOT and the railroad on a Scope of Services for the selection of a consultant.

Ohio Logistics and Distribution Stimulus Program

Ms. Satzger shared with the Board that the State of Ohio has provided the region with an opportunity for Ohio Logistics and Distribution Stimulus Program dollars. The Port Authority has been working with the City, County, railroads, and various terminal operators on the river to respond to this offer from the State that is essentially a low-interest loan that can be converted to a grant in the future if program requirements are met. A Letter of Intent, which described a river-rail project, was submitted on April 16th and a presentation was made to three state entities on April 29th. Subsequently, the project was invited to make full application by May 16th.

Mr. Greiwe acknowledged Ms. Satzger's efforts and persistence in getting this accomplished.

VIII. ADJOURNMENT

Mr. Budig asked for a motion to adjourn the meeting.

Motion: David Smith made a motion to adjourn the meeting of the Board meeting at 8:59 AM. The motion was seconded by Rick Greiwe, and was approved unanimously.

Respectfully,

Kimberly Satzger
Secretary