

**September 11, 2013 Board of Directors Meeting**

The Taft Center at Fountain Square, 425 Walnut Street, Cincinnati, OH 45202

**1. CALL TO ORDER**

Mr. Budig called the Port of Greater Cincinnati Development Authority Board of Directors meeting to order at 8:21 a.m.

**Board Members Present:**

Budig, Otto	Dunn, Marty
Greiwe, Rick	Marmer, Lynn
Robertson, Scott	Smith, David

**Board Members Excused:**

Jackson, Ed	Jacobs-Horton, Lydia
Williams, Tom	Wright, Shane

**Staff Present:**

Brunner, Laura	Hall, Darin
Karimi, Marjorie	Paul, Gail
Robb, Deborah	Thomas, Susan

**Guests:**

Barrett, Maria – Port Financial Consultant	Hill, Brooke – Senator Sherrod Brown
Kane, Scott – Squire Sanders Dempsey	Lawson, Mark – CAA Board Chair
Schulte, Skip – private citizen	Stephens, Samuel – City of Cincinnati
Wallace, Jeff – Parsons Brinkerhoff	Wetterich, Chris – Cincinnati Business Courier
Williams, Jason – Cincinnati Enquirer	

**2. WELCOME AND INTRODUCTIONS**

Mr. Budig welcomed and introduced guests.

**3. STRATEGIC PLANNING UPDATE**

*Laura Brunner, President/CEO*

On November 14, 2012, the Board of Directors adopted the 2013-14 Strategic Plan, which the Port of Greater Cincinnati Development Authority (Port Authority) has been working on throughout the year.

The Port Authority is working on three white papers to include in the Strategic Plan at the end of 2013 that will be used as part of its strategic planning process for 2014.

Queensgate/Camp Washington White Paper

This area of redevelopment is consistent with what has been under discussion since the Cargo Assessment study has been completed. The study provides guidance and logistics and infrastructure aspects of that redevelopment plan. A final report from Martin Associates will be forthcoming that will include real estate and transportation.

Bond Hill White Paper

The Bond Hill case study, which will be discussed later during this meeting on the specific aspects of projects the Port Authority is working on currently, is the basis for a broader Bond Hill plan that will move into the Port Authority's strategic planning process.

Community Revitalization White Paper

The focus is on the work being done across the 14 focus neighborhoods throughout Hamilton County and work with the landbank.

The Board engaged in discussion on other aspects of the longer term strategic plan of the Port Authority.

**4. PUBLIC FINANCE REPORT**

*Susan Thomas, VP of Public Finance*

Parking Lease and Modernization Plan Update

The Port Authority is continuing its documentation stage of the parking transaction, including focusing on the completion of the major deal documents and the drafting of the supplemental documents.

Parsons Brinkerhoff has been engaged to conduct an independent analysis of the physical condition of the parking garages. The review is in process and a report will be completed and provided to the Port Authority prior to going to the rating agencies to consider for the bond ratings.

The Port Authority anticipates bringing before the Board in the fall final approval on the issuance of the debt and closing the deal in October.

**5. APPROVAL OF MINUTES**

Mr. Budig asked Board members if there were any additions or modifications to the August 1, 2013 Special Board of Directors meeting minutes. Hearing none, he asked for a motion to adopt the meeting minutes.

**Motion:** Scott Robertson moved to adopt the minutes of the August 1, 2013 Special Board of Directors meeting. The motion was seconded by Lynn Marmer and was approved unanimously.

6. **FINANCIAL REPORT**

*Maria Barrett, Financial Consultant*

**July Financial Statements**

▪ **Operating Revenue**

In July, the Port Authority billed the city for \$700,000 in annual operating funds. This was not reflected in the July financial statements pending further information from the city. City officials informed us this week that the funds have been appropriated and payment will be processed within the week.

Development fees and capital contributions are being accrued monthly based on development activity and are submitted at planned intervals to the city for payment based on the development services agreement.

▪ **Operating Expenses**

Operating expenses for July and year-to-date were approximately \$183,000 and \$1,504,000, respectively, for a monthly average of \$215,000. Compared to the total appropriations budget of \$2,719,000, there is \$1,215,000 remaining in the budget for fiscal 2013. An updated forecast based on actual expenses through July has been prepared, and as a result we have identified some areas where an adjustment will be necessary. We plan on presenting a budget amendment at the October board meeting to allow another month to analyze the budget impact from the revenue side.

▪ **Balance Sheet**

Unrestricted cash totaled \$1,247,000 at the end of the month, compared to \$1,834,000 at the end of April, a decrease of \$587,000. However, accounts receivable includes approximately \$493,000 due from the city to cover development costs. The total amount of development in progress at July 31 was \$3,450,000, including \$84,000 of pre-acquisition costs.

**Audit Update**

Board members received a copy of the 2012 financial report and Federal awards supplement over the summer. The Port Authority received a letter dated August 28 from the Auditor of State stating that a desk review of the audit report had been performed and that the report is acceptable and requires no modifications.

Four accounting firms bid on the land bank's audit contract, and their proposals have been reviewed and scored by the Auditor of State. We are in the process of reviewing the proposals in order to assign our preference points.

**Accounting Software**

After a thorough needs analysis and demonstrations of several accounting software products, Blackbaud's Financial Edge was selected. Blackbaud is based in Charleston, SC and provides fund accounting software to non-profit and government organizations. The software meets all of our needs and gives us room to grow, while providing flexible financial reporting. Planning,

training and implementation would start immediately after the contract is signed, with a target conversion date of January 1, 2014.

Formal Action Requested – Before the Board today is proposed resolution 2013-13 entitled:

**RESOLUTION AUTHORIZING A CONTRACT BETWEEN THE PORT OF GREATER CINCINNATI DEVELOPMENT AUTHORITY AND BLACKBAUD, INC., FOR THE PURCHASE OF ACCOUNTING SOFTWARE AND PROFESSIONAL SERVICES.**

After some discussion on this matter, Mr. Budig asked for a motion to approve Resolution No. 2013-13.

**Motion:** Marty Dunn moved to approve Resolution No. 2013-13 authorizing a contract between the Port Authority and Blackbaud, Inc. for the purchase of accounting software and professional service. The motion was seconded by Scott Robertson and was approved.

**7. REAL ESTATE DEVELOPMENT**

*Darin Hall, VP of Real Estate Development*

**Bond Hill**

Former Jordan Crossing Site

- Demolition work is moving forward. Working with Burgess and Niple the scope of work and RFP for demolition of the mall was issued on 8/5. The expectation is to award the contract and begin demolition mid-September.
- Community meetings will be held for Allen Temple, the Community Action Agency, and the Village of Daybreak's Homeowner's Association to update them on the progress and timetable.
- A pre-demolition press conference is planned for mid-September.
- Kolar Design was engaged in the branding process to develop a name, marketing materials, and a logo for the former Jordan Crossing site. Going forward, the site will be called **MidPointe Crossing**. The logo will be placed on construction fence when demolition starts to generate interest.
- St. Aloysius will donate three bells cast in the 1850's by The Verdin Company to the Bond Hill Community. The largest of the bells will be placed in a carillon at the corner of Reading and Seymour to create a sense of place for the new development. A fundraiser is planned to raise the necessary funds for the carillon.

- On 9/3 a \$60,000 grant request was submitted to The Greater Cincinnati Foundation to support the Port Authority's economic development activities in Bond Hill. The grant will be used to engage the Community Building Institute to develop a neighborhood based capacity building program for the Bond Hill/ Roselawn corridor. Currently, the Bond Hill/ Roselawn corridor lacks a cohesive community-based organization capable of leading change, and a high performing, lead organization is critical to leveraging ongoing public and private investment. The long term goal of the grant is to create that organization.

#### Seymour Plaza

- This project consists of five parcels of which two are acquired, two are under contract to close shortly, and one is seriously tax delinquent. The Port Authority plans to acquire the tax delinquent property via the Land Bank. There have been also advanced negotiations with the U.S. Army Reserve to acquire the approximately 15 acre base that is adjacent to the Seymour Plaza site. The Army has been asked to consider using their "sole-source" method of property disposition which would allow the Port Authority to enter into an exclusive negotiating period for the property and eliminate the federal requirement to list the property publicly prior to sale. Discussions are ongoing.
- The additional \$2.3 MM, that was approved by City of Cincinnati council in 2012 for Bond Hill, is needed to complete the demolition and site work for Seymour Plaza. The City will accommodate this request with an administrative amendment to the development agreement. A meeting will be scheduled within two weeks to finalize the timetable to move this forward.
- In April, the Port Authority applied to Duke Energy's Site Readiness Program, but was not approved because the site was less than 50 acres. Duke agreed that the site is important, and given the plans for the corridor, paired the Port Authority with Bayer Becker and Insite Consulting to develop a site plan and marketing strategy. On 8/14 the Port Authority met with Insite for a site tour and gain their perspective on how the site can best be marketed to industrial users. On 9/5 the Port Authority received the final site assessment report from Insite based on their evaluation of the site and surrounding community. The report is consistent with the Port Authority's strategy and suggests that the property should be rezoned and marketed as an extension of the successful Techsolve Business Park.
- Given the feedback received from Insite Consulting and industrial brokers, the Port Authority is anxious to leverage the success of the TechSolve Business Park. At the request of Gary Conley, an MOU was submitted that would allow the Port Authority to market the Seymour site as an extension of the TechSolve Business Park. It was received positively and a response is expected within the next two weeks.

- On 8/22 the Port Authority met with its industrial broker to discuss listing the “newest” phase of TechSolve, as well as the functional building on Seymour Plaza (1862 Seymour). The Port Authority has received interest in the building already.

Darin Hall did a presentation on the Bond Hill project of which the Board engaged in in-depth conversation about the project, including another review of the UC Market study.

### **Queensgate/Camp Washington**

- The Port Authority is refining its strategy to create business parks in Queensgate and Camp Washington using the insights from the Martin & Associates study.
- Approximately 110 acres have been identified in Queensgate that could serve as the basis for a branded, properly marketed industrial park. A parcel by parcel database is being developed that provides structures, vacant lots, tax delinquent properties, and key stakeholders for the area. Remediation costs are also being compiled using resources from the City of Cincinnati, Clean Ohio, and other publically available data.
- A visit of the 1,000 acre intermodal logistics park in Kansas City is planned for early September to conduct a benchmarking study.
- A similar strategy is planned for Camp Washington focusing on tech businesses that have grown beyond their initial startup facilities.

### **Hamilton County**

#### **Springdale**

The Port Authority continues to work with the City of Springdale officials on the old Sheraton Hotel site. Since the property has delinquent taxes of approximately \$630,000, the plan is to use the land bank to acquire the property. This will be closely monitored.

#### **Sharonville**

The Port Authority has teamed with St. Francis Group, Bayer Becker, and Sperry Van Ness to respond to an RFP issued by the City of Sharonville to identify a preferred developer of the 20 acre ODOT Sharonville Maintenance Outpost site located at the northwestern corner of the I-275 /I-75 intersection. If selected the Port would work collaboratively to create a comprehensive development plan, review financing options, and leverage its economic development tools to support the project. A decision is expected in the next 30 days.

#### **Evendale**

The Port Authority has teamed with St. Francis Group, and Cresa Partners to respond to an RFQ issued by The Community Improvement Corporation (CIC) of Evendale. If selected, the team will

provide strategic development, marketing, and ultimately sales services for the land bank properties owned by the City of Evendale.

On 8/26, the Port Authority presented its proposal to the Evendale CIC and it was well received. The team was invited back to Evendale on 9/5 for additional clarification and a decision will be made on 9/15.

## **8. PRESIDENT'S REPORT**

*Laura Brunner*

### Board of Directors Orientation Manual

The Board of Directors Orientation Manual is being updated from its last iteration of 2009. The plan is to have it updated and distributed at the November Board meeting.

Beginning with the December Board meeting, there will be section reviews, specifically open meetings, public records, communication strategies and answer questions.

In 2014, as the Port Authority goes through its strategic planning, the orientation manual will be reviewed in sections during the 2014 Board of Directors meetings.

### Organization Updates

- Staff reviews were performed and completed for all staff members.
- Deborah Robb is moving into the Community Revitalization (Landbank) team and will report to Paula Boggs Muething. Deborah will report directly to Laura Brunner in the role of Director of Inclusion.
- Will Basil, Planning Associate, will also move to the Community Revitalization (Landbank) team reporting to Deborah Robb.
- An employment offer has been extended to Billy Weber, part time law clerk. The Port Authority plans to have Billy join the team full time next summer.
- The Port Authority is planning to add additional resources in the Communications Strategy area to include writing, marketing and community relations.
- In 2014, the Port Authority also plans to add additional resources in the Real Estate Development area. In addition, there is an external development team to work in a consulting capacity meeting with Darin Hall twice per month as an additional resource. These meetings begin September 13, 2013.
- The Port Authority is looking at the impact of staffing as parking comes onboard. Most likely more in the accounting management area. However, parking will remain under the Public Finance umbrella.
- Darin Hall is inducted into the 2013 Leadership Cincinnati Class of XXXVII.

- Paula Boggs Muething is a recent recipient of the 2013 Forty Under Forty Cincinnati Business Courier award.

Rick Greiwe extended congratulations to the leadership of Laura Brunner, Susan Thomas and Gail Paul and the rest of the staff as they have done an exemplary job on the parking lease and communication of that plan.

## 9. CHAIRMAN'S REPORT

*Otto Budig*

### Staff Advisory Working Groups

The Board of Directors' working groups will be reorganized and expanded to incorporate all of the business lines the Port Authority is involved. Mr. Budig will be providing Board members information that will be helpful and looks forward to Board members assistance in this endeavor.

### Executive Session

Mr. Budig stated that the Board would go into Executive Session.

**Motion:** Rick Greiwe made a Motion pursuant to Ohio Revised code 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 for the sole purpose to consider 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. The motion was approved unanimously by roll call vote.

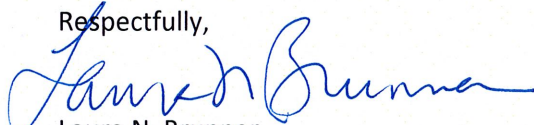
The Board adjourned into executive session at 9:15 a.m. The Board came out of executive session and reconvened its Board of Directors meeting at 9:44 a.m.

## 10. ADJOURNMENT

**Motion:** Rick Greiwe moved to adjourn the Port of Greater Cincinnati Development Authority September 11, 2013 Board of Directors meeting. The motion was seconded by David Smith and was approved unanimously.

The September 11, 2013 Board of Directors meeting adjourned at 9:44 a.m.

Respectfully,

  
Laura N. Brunner  
Secretary