



# 2009-10

PORT OF GREATER CINCINNATI  
DEVELOPMENT AUTHORITY  
BIENNIAL REPORT

*Advancing  
Development.*

*Redefining the  
Future.*



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**Port of Greater Cincinnati  
Development Authority**

In 2009 and 2010, the Port of Greater Cincinnati Development Authority achieved significant progress with the City of Cincinnati and Hamilton County to advance the Port Authority's role in economic development with a goal toward redefining our region's future.

In a period of significantly reduced economic development activity and during which the Port Authority realized limited opportunities for new projects, progress was realized for projects already in-process. In addition, significant progress was made to more fully utilize the powers, flexibility, and creativity of port authorities as envisioned with the reformation of the Port Authority in August 2008.

The future will bring greater focus on key initiatives to maximize job creation and enhance our region's economic competitiveness. With funding support from, and continued collaboration with, the City of Cincinnati and Hamilton County, new tools are being developed to support long-term economic growth in the region.

We thank the City of Cincinnati and Hamilton County for their past support on projects in which we have partnered. Such projects are anticipated to deliver more than **\$3.75 billion in annual economic impact and create or retain 30,162 jobs**. We thank all our project partners.

This report highlights:

- Our issuance of more than **\$456 million in bond financings** for six different local municipalities;
- Our role in **cleaning up more than 155 acres of land**; and,
- Our success at **establishing and meeting aggressive and appropriate goals for economic inclusion**.

Most recognized of the 2009-2010 projects in which the Port Authority participated is the Great American Tower at Queen City Square. This historic project clearly advanced the Port Authority's role in regional economic development and redefined our region's future.

We encourage you to visit our website ([www.cincinnatiport.org](http://www.cincinnatiport.org)) to learn more about the Port Authority. With expanded fiscal resources, continued collaboration, and new tools for economic development, we look forward to having a significant positive impact on the region's economic growth and development.

Otto M. Budig, Jr.  
Chair of the Board

Raymond E. Schafer  
Interim President



## BROWNFIELDS

The Port Authority remains dedicated to the redevelopment of abandoned, idled, or underutilized industrial and commercial sites – also known as brownfields. We are uniquely positioned to form public-private partnerships to leverage private capital and experience. Through 2010, the Port Authority has created public-private partnerships on eleven projects, using Clean Ohio Funding to leverage private investments and make lasting impacts in nine different Cincinnati and Hamilton County neighborhoods.



- 8 Clean Ohio grants received totaling \$10,573,281
- 80,661 tons of contaminated soil excavated
- 155 acres of contaminated property being cleaned up and returned to productive reuse
- 383,638 gallons of contaminated water captured
- 164,231 tons of concrete recycled
- 1,724,034 tons of metal recycled
- \$1.35 billion annual economic impact and 13,793 jobs



In 2010, the Port Authority, in partnership with coalition members Hamilton County and the City of Cincinnati, received a U.S. EPA Brownfield \$1,000,000 grant to assess properties with economic development potential where redevelopment is hindered by existing or potential environmental contamination. Brownfield sites in Hamilton County, including in the City of Cincinnati, are eligible to apply.

## FINANCING

The Port Authority provides innovative financing options tailored to the distinct needs of each project. We specialize in finding solutions to complex development financing challenges through the issuance of lease bonds and revenue bonds, including those backed by tax increment financing (TIF) and special assessments. These tools can be combined with other state and local programs to move a project forward.

Through 2010, we completed ten financing projects totaling approximately \$456 million. These projects leveraged significant private investment to achieve development growth and progress in Cincinnati and Hamilton County.

Ten bonds totaling \$456,035,000, including \$76.93 million for local 501(c)(3) nonprofit organizations

Worked cooperatively with six local municipalities

\$2.4 billion anticipated annual economic impact and 16,369 jobs created or retained

Expected development impact of more than 1.3 million square feet of office, nearly 538,000 square feet of retail, and 6,136 parking spaces



2009 and 2010 saw Great American Tower at Queen City Square rise over the Cincinnati skyline. The development represents a cooperative effort among the Port Authority, the City of Cincinnati, Eagle Realty Group as developer, and its parent Western & Southern Financial Group (Western & Southern). The Port Authority issued TIF revenue bonds and lease revenue bonds to finance the construction of the development. The tower is owned by the Port Authority and leased to an affiliate of Western & Southern with an option to buy.

## ECONOMIC INCLUSION

Since the Port Authority's inception, Economic Inclusion has been an important aspect in all that we do. We have been diligent in our efforts to insure equal opportunities for increased participation in all of our projects for Minority Business Enterprises (MBEs), Women Business Enterprises (WBEs), and Small Business Enterprises (SBEs).

- We revised our Economic Inclusion Policy to be in line with the mission and goals of the Port Authority
- We worked diligently with various project development teams to assist them with economic inclusion outcomes



The Port Authority systematically tracks performance in meeting our established aspirational economic inclusion goals in all of our projects. Our economic inclusion results through 2010 are as follows:

AREA/GOALS:	MBE (25%)
Brownfields:	\$1,664,431 (18.3%)
Financings:	\$66,897,306 (23.6%)
<b>Total Projects:</b>	<b>\$68,561,737 (23.5%)</b>

AREA/GOALS:	WBE (7%)
Brownfields:	\$1,330,876 (14.6%)
Financings:	\$31,478,448 (11.1%)
<b>Total Projects:</b>	<b>\$32,809,324 (11.2%)</b>

AREA/GOALS:	SBE (30%)
Brownfields:	\$3,382,329 (37.1%)
Financings:	\$52,942,421 (18.7%)
<b>Total Projects:</b>	<b>\$56,324,750 (19.3%)</b>

# FINANCIALS

## Statements of Revenues, Expenses, and Changes in Net Assets

Years ended December 31, 2009 and 2010

	2010 Audited	2009 Audited
<b>Operating Revenues</b>		
Public funding	\$700,000	\$700,000
Charges for services	340,242	332,061
<b>Total operating revenue</b>	<b>1,040,242</b>	<b>1,032,061</b>
<b>Operating Expenses</b>		
Salaries and benefits	924,916	843,521
Professional services	421,872	1,086,007
Occupancy	48,968	47,090
Travel	17,905	15,820
Equipment and supplies	17,193	17,921
Depreciation and amortization	1,559,029	1,559,703
Interest	1,474,454	1,524,593
Other operating expenses	700,162	780,287
<b>Total operating expenses</b>	<b>5,164,499</b>	<b>5,874,942</b>
<b>Operating Loss</b>	<b>(4,124,257)</b>	<b>(4,842,881)</b>
<b>Non-operating Income</b>		
Grant receipts	41,987	582,870
Less grant expenditures	(41,987)	(582,870)
Bond service payments	1,155,070	910,328
Investment income	28,499	76,033
<b>Total non-operating income</b>	<b>1,183,569</b>	<b>986,361</b>
<b>Decrease in Net Assets, See Note</b>	<b>(2,940,688)</b>	<b>(3,856,520)</b>
<b>Net Assets, Beginning of Year</b>	<b>14,024,436</b>	<b>17,880,956</b>
<b>Net Assets, End of Year</b>	<b>\$11,083,748</b>	<b>\$14,024,436</b>

*Note: Revenues and expenses result primarily from property ownership related to bond financing, and the related bond trust transactions. If the impact of property ownership and related transactions were excluded, the decrease in net assets from operations would be (\$293,184) in 2010 and (\$340,888) in 2009.*



**Port of Greater Cincinnati  
Development Authority**

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