



2005-06

PORT OF GREATER CINCINNATI DEVELOPMENT AUTHORITY

BI-ANNUAL REPORT

*lasting impacts*

*lasting impacts*

▣ COLLABORATION

▣ INNOVATION

▣ DEDICATION

# Collaboration, Innovation, and Dedication



## Achieving a Shared Vision through Public-Private Partnerships

The Port of Greater Cincinnati Development Authority has partnered with local communities to reclaim lost land and put it to productive use. In the course of this important work we have helped generate additional tax revenues and new jobs. Partnering with property owners, developers, end-users, and non-profits, we have launched a variety of development projects within Hamilton County. These projects benefit from significant private sector investment, which we can facilitate because, as an Ohio port authority, we have access to a unique assortment of management and financing tools aimed at attracting significant private sector investment in large-scale development projects.

Our successes in brownfield redevelopment and bond financing – our two core functions – result from collaboration, innovation, and dedication. We respond to requests for public support of local private and non-profit development projects by assembling the right team, defining clear project goals, building consensus among team members, and blending project management with political leadership. Addressing the complexities of individual projects, we regularly devise project-specific development strategies to be executed through strong public-private partnerships.

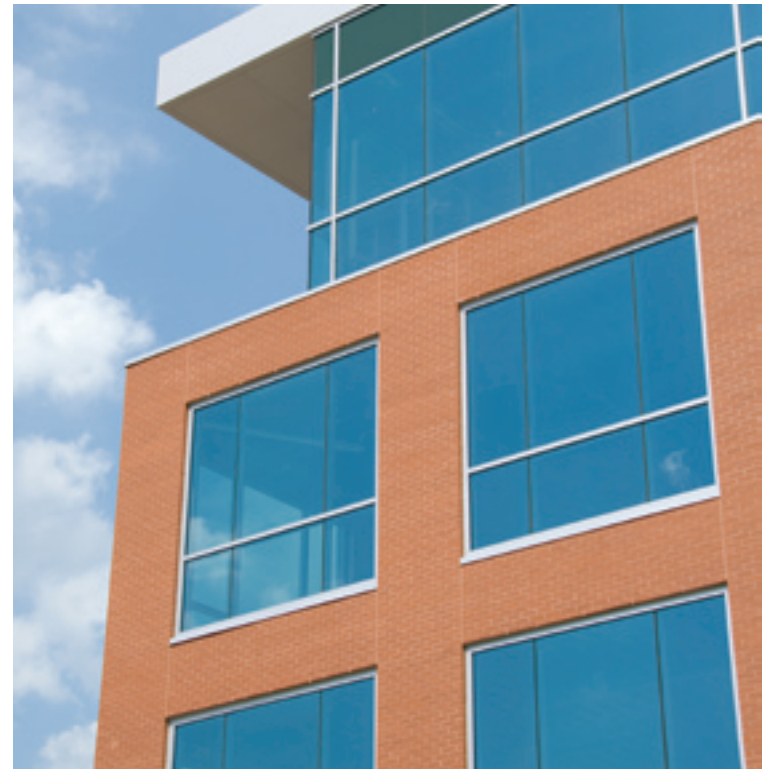
In our role as the public-sector partner in these collaborations we have been able to deliver vehicles for financing structures, obtain grants, serve as property owner, assist in regulatory approvals, and provide technical assistance. We believe that the right public-private partnership can leverage the resources of each to achieve a shared vision.

**Our projects result in an annual economic impact of \$1.396 billion, and \$18.5 million annually in local tax revenue.**

## Building Trust, Delivering Results

Public-private partnerships are the foundation of the Port Authority's project work. We meet project goals by building collaborative relationships with a variety of regional public and private sector partners and stakeholders. We deliver results through these collaborative relationships by providing coordinated, capable leadership and establishing trust as a core value. Working in this way has enabled us to make a lasting impact on the City of Cincinnati and Hamilton County.

A December 2005 study by the University of Cincinnati titled, *The Economic Impact on Greater Cincinnati of Projects Assisted by the Port Authority*, concluded that our work has leveraged \$575.7 million in additional investments in the area's economic development, most of which was private investment attracted from outside the Cincinnati area. In addition to a significant one-time development economic impact of \$1.324 billion, the estimated annual economic impact of the projects studied was \$1.396 billion, with a fiscal impact of \$18.5 million in local tax revenue. Of the \$1.396 billion in overall annual economic impact, \$484.3 million will directly enter local households as wages and salaries from the 15,861 newly created jobs.



**W**e seek to *inspire trust as a core value* in our relationships with project partners and stakeholders. We achieve project goals through our commitment to provide consistent and coordinated project leadership, transparent processes and decision points, and an atmosphere that encourages honest communication.

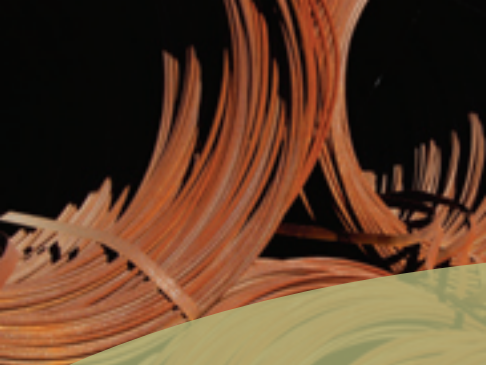
## *lasting impacts*

This approach will result in the remediation and redevelopment of more than **150 acres** of brownfield property and the provision of more than **\$133 million** in economic development revenue bonds.

Together, at build-out, these projects will provide an estimated regional economic impact of **\$1.324 billion** and nearly **12,000 jobs**.

INSPIRATION





**124,827**  
**TONS**  
 OF CONCRETE  
 RECYCLED

Enough to fill  
 the football field of  
 Paul Brown Stadium  
 to a depth of  
**31 feet**

# BROWNFIELD

## Remediation and Redevelopment

**1,721,860**  
**TONS**  
 OF STEEL RECYCLED

Enough to build  
**85** Paul Brown  
 Stadiums



### Remediate, Recycle, Renew

Redevelopment of abandoned, idled, or underutilized industrial and commercial sites – also known as brownfields – can be both a challenge and an opportunity. The challenge is to overcome the legal, financial, and environmental risks, while the opportunity lies in the access to densely populated areas, utilities, roadways, mass transit, and a workforce. Brownfield redevelopment is a chance to make an enduring contribution to the environment, the economy, and the community. At the Port Authority, we are finding ways to manage the challenge in order to provide lasting benefits to communities throughout Hamilton County.

At the end of 2006, crews working on Port Authority projects had excavated 73,605 tons of contaminated soil, captured over 380,000 gallons of contaminated water, as well as recycled 1,721,860 tons of steel and 124,827 tons of concrete. For perspective, the amount of recycled steel is equivalent to what would be required to build 85 Paul Brown Stadiums, and if the recycled concrete was dumped onto the Bengal's playing field, the pile would cover the entire field to a depth of 31 feet.

### From Performance to Long-term Impact

Brownfield cleanup and redevelopment has a significant economic impact on Greater Cincinnati. A study completed by the University of Cincinnati in December 2005 evaluated the impact of six brownfield projects either completed or underway at the time of the study. The study's authors projected that by completion, for the initial \$13.6 million investment primarily from public and non-local private sources, the public received in return a total economic impact of \$472.4 million, including \$148.6 million in earnings from 4,343 construction and cleanup jobs. This represents an economic impact of \$34.6 million for every \$1 million invested in brownfield cleanup.

University of Cincinnati study reports that there is an economic impact of **\$34.6 million for every \$1 million** invested in brownfield cleanup.



Once these projects are fully developed and reach a stable level of economic activity, annual business activity is expected to reach \$357.5 million, which will ripple through the local economy and produce even greater economic impacts. At full development, these six projects will produce an average annual economic impact of \$738.5 million, including \$278.5 million in household earnings and 9,021 jobs.

These impacts will increase further with the inclusion of 320 South Anthony Wayne Avenue and 4101 Spring Grove Avenue, two additional Port Authority projects initiated after the study was completed.

In addition to delivering a cleaner environment and a pronounced economic impact, the Port Authority's projects help the region by removing community eyesores, public safety hazards, and underutilized facilities that were daily reminders of jobs lost to local residents. The Port Authority has contributed to the redevelopment and revitalization of 108 acres within the Cincinnati-Hamilton County area, with an additional 47 acres currently being cleaned up, for a total of 155 acres. To residents of Cincinnati, Sharonville, Fairfax, Norwood, and Lockland, these projects mean no longer having to look at empty buildings and worry about the abandoned structures' drag on property values or fret over health risks lurking in the soil beneath those abandoned buildings.

We are committed to continue making these kinds of lasting and meaningful environmental, economic, and community impacts in the City of Cincinnati and Hamilton County.

During 2005-2006, the Port Authority completed one brownfield project, received three grants from the Clean Ohio Fund, and initiated cleanup on three additional projects. Including the four projects completed during 2003-2004, we have created public-private partnerships on eight projects, using Clean Ohio Funding to leverage private capital and make lasting impacts in eight different Cincinnati and Hamilton County neighborhoods.

All told, the Port Authority was awarded \$10,573,281 in Clean Ohio Funds – \$7,382,130 in Clean Ohio Revitalization Funds (CORF) and \$3,191,151 in Clean Ohio Assistance Funds (COAF) – to pay for the environmental assessment, cleanup, and demolition activities on the properties detailed on the following pages.

## Recycling Greater Cincinnati's Land Resources Cleanups Completed or Underway

**Cleanups Completed During 2004**

Project Name	Clean Ohio Funds
3603 East Kemper Road, Sharonville, Ohio (CORF)	\$1,500,000
5700 Center Hill Road, Cincinnati, Ohio (COAF)	349,500
3333 Vine Street, Cincinnati, Ohio (COAF)	496,151
400 Pike Street, Cincinnati, Ohio (COAF)	845,500
<b>Subtotal</b>	<b>\$3,191,151</b>

**Cleanup Completed During 2006**

Project Name	Clean Ohio Funds
4000 Red Bank Road, Fairfax, Ohio (CORF)	\$3,000,000
<b>Subtotal</b>	<b>\$3,000,000</b>

**Cleanups Underway**

Project Name	Clean Ohio Funds
5025 Carthage Avenue, Norwood, Ohio (COAF)	\$ 750,000
320 South Anthony Wayne Avenue, Lockland, Ohio (CORF)	2,882,130
4101 Spring Grove Avenue, Cincinnati, Ohio (COAF)	750,000
<b>Subtotal</b>	<b>\$4,382,130</b>

**Total \$10,573,281**

**W**e strive to **encourage collaboration**. By building strong teams to respond to the presented project challenges, we establish an atmosphere that fosters public and private partnerships, team work, creativity and innovation, as well as leadership and accountability.

## *lasting impacts*

Our public-private collaborative process has resulted in the remediation and redevelopment of more than 150 acres to new uses, while recycling **1,721,860 tons of steel** and **124,827 tons of concrete**, as well as removing and safely disposing of asbestos, contaminated soil, and other hazardous substances.

COLLABORATION





# COLLABORATION

## Public-Private Partnerships Drive Brownfield Redevelopment



The cleanup activities at the properties listed below required the cooperation of many stakeholders and would not have been successfully accomplished without the commitment of the public and private partners involved with each project. Please visit the Port Authority's web site, [www.cincinnatiport.org](http://www.cincinnatiport.org), for details about the public-private partnerships and the contributions of all those involved on each of our projects.

We are committed to continue making these kinds of lasting and meaningful environmental, economic, and community impacts in the City of Cincinnati and Hamilton County.

### Impacts Delivered

#### 3603 East Kemper Road, Sharonville, Ohio

Cleanup at the former nine-acre Green Industries site located in the City of Sharonville was completed in October 2004. In 2005, the property was purchased by Kemper Crossings, LLC, which also owns the adjacent 26-acre property. The company is implementing a renovation and redevelopment approach for the combined properties that will result in an integrated office/flex space campus. During the 2006-2007 time period, Kemper Crossings will renovate its existing building on the adjacent property, taking advantage of the increased visibility and improved conditions as a result of the remediation of the Kemper Road property.

#### 5700 Center Hill Road, Cincinnati, Ohio

On behalf of the City of Cincinnati, the Port Authority performed a Phase II environmental assessment of a 60-acre landfill owned by the City of Cincinnati. The Phase II assessment of Center Hill Landfill was completed in October 2004. The results of this assessment were combined with results of a subsequent assessment of the adjacent Elmwood Place landfill and submitted to Ohio EPA, which approved the combined Phase II Investigations Report in October 2006. The City of Cincinnati is currently performing environmental remediation after which redevelopment is planned.

#### 3333 Vine Street, Cincinnati, Ohio

Demolition and remediation of the Cincinnati Zoo and Botanical Garden owned seven-story, vacant building located in the City of Cincinnati at 3333 Vine Street was completed in August 2004. Afterwards, the Uptown Crossings Community Urban Redevelopment Corporation created a parking lot, including the subject property and adjacent properties, with 1,100 parking spaces that is currently in use and shared by the Cincinnati Zoo, the Cincinnati Children's Medical Center, and the VA Medical Center. This allowed the VA Medical Center to eliminate 300 parking spaces on their property and construct a dry-lab facility, which brought 25 new jobs to the City of Cincinnati.

The Cincinnati Zoo was able to move its parking from its current campus to this new parking lot, which will enable it to implement its plans to construct and expand Zoo facilities to fully utilize the 11 acres of former parking on its campus. The Cincinnati Zoo is also continuing construction at 3333 Vine Street and adjacent property to fully implement the design of the Vine Street parking area, including the construction of a pedestrian bridge to the entrance of the Zoo.



#### 400 Pike Street, Cincinnati, Ohio

Remediation of the 370,000 square foot former R.L. Polk Building located in the City of Cincinnati was completed in October 2004. During 2005-2006, Miller-Valentine Group and Greiwe Development Group renovated the property, now referred to as Park Place at Lytle, to include 114 high-end residential condominiums, a community room, library, fitness center, and indoor atrium. Upon completion, Park Place at Lytle increased the number of condominiums in the Cincinnati Central Business District by 200 percent and will provide approximately \$1.1 million in annual property tax. In addition, development of Park Place at Lytle resulted in the creation of 410 construction jobs, retention of 10 jobs through the integration of an existing office tenant into the building's design, and creation of six new building operation and maintenance jobs.

#### 4000 Red Bank Road, Fairfax, Ohio

Remediation of the former 35-acre Ford Transmission Plant located in the Village of Fairfax was approved by the Ohio EPA in September 2006. This enabled the site owner and developer, Regency Centers, to move forward with its redevelopment plans. The \$60 million mixed-use development will be called Red Bank Village and will be anchored by a 200,000 square-foot Wal-Mart Supercenter, with an additional 29,000 square feet of retail, 70,400 square feet of office space, and three available lots totaling four acres. The office component will be developed by Miller-Valentine Group. Construction will begin in 2007. The Wal-Mart alone is predicted to bring 450 new jobs and \$500,000 in tax revenue to the Village of Fairfax. Those benefits will increase as construction and leasing continue. The successful cleanup of the former Ford Transmission Plant was essential to the economic health of the Village of Fairfax as the site represents seven percent of the Village's total land area.

The Port Authority has been awarded more than \$10.5 million in Clean Ohio Funds.



## Impacts in Progress

With 47 acres currently being cleaned up, the Port Authority has facilitated the remediation and recycling of 155 acres within the Cincinnati-Hamilton County area.



### 5025 Carthage Avenue, Norwood, Ohio

In July 2005, the Port Authority, together with the City of Norwood as a co-applicant, was awarded \$750,000 in Clean Ohio Assistance Funds for the cleanup of the 15-acre former General Motors Corporation property located at 5025 Carthage Avenue in the City of Norwood. The site owner and developer, Al. Neyer, Inc., intends to redevelop the property and an adjacent property into Linden Pointe on the Lateral, an approximately \$65 million master development of approximately 600,000 square feet of office space in six buildings, 24,000 square feet of retail space, and two stand-alone restaurant sites. It is anticipated that this development will bring over 1,750 jobs to the City of Norwood and an estimated \$3 million in tax revenue to local governments.

Because prior owners had partially remediated the site, construction of the development was able to begin in one area of the property, while cleanup of remaining soil and groundwater contamination was conducted in other areas. This enabled Neyer to proceed with the construction of a 95,000 square foot four-story, mixed-use retail and office building, which is scheduled for completion in 2007. Final cleanup activities are also scheduled to be completed in 2007.

### 320 South Anthony Wayne Avenue, Lockland, Ohio

The Port Authority, and the Village of Lockland as co-applicant, applied for Clean Ohio Revitalization Funds. The Port Authority was awarded \$2,882,130 in June 2006 for the demolition and cleanup of a 28-acre property adjacent to Interstate-75 in the Village of Lockland. The property had been used for industrial purposes for over 100 years, and had been operated most recently by the Celotex roofing company.

The site will be redeveloped into the Hamilton County Regional Business Park by Hamilton County Regional Business Park, LLC and is planned to include 230,000 square feet of office, industrial, and warehousing space with an additional two acres available for commercial or retail use. Demolition of all but one of the buildings was completed between October and December 2006. The remaining building is less than 10 years old and will be marketed for office space. Environmental cleanup of the property will begin in 2007.





### 4101 Spring Grove Avenue, Cincinnati, Ohio

The five-story, 180,000 square-foot American Can Building is one of the largest buildings in Cincinnati's Northside neighborhood and was used as a manufacturing facility for tin-can-making machinery from 1921 to 1961 and, subsequently, as a machine shop until recently. The Port Authority secured a \$750,000 Clean Ohio Assistance Fund grant in August 2006 to remediate asbestos and PCB contamination in the building.

This historic building is planned for conversion into 93 market-rate apartments and 30,000 square feet of commercial space by Bloomfield/Schon Partners. Cleanup work began in December 2006 and will be completed in early 2008. This project will remediate and enable the renovation of an underutilized building that has a blighting influence on the surrounding neighborhood. The apartments will result in additional residents in the neighborhood of Northside that will support local businesses and add to the tax base of the City of Cincinnati.



# THE LATEST IN OHIO'S BROWNFIELDS

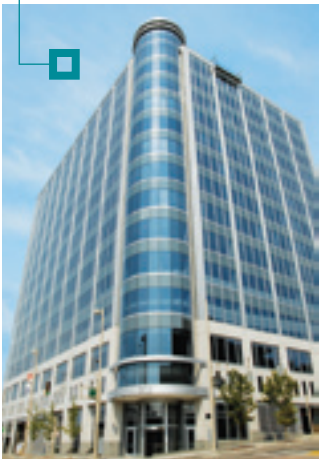
## MANAGING THE REDEVELOPMENT OF ENVIRONMENTALLY IMPAIRED PROPERTY

### Educating Potential Partners

In June 2006, the Port Authority co-hosted the annual meeting for the Ohio Chapter of the National Brownfield Association in Cincinnati. This event was attended by approximately 150 persons including representatives from local developers, municipalities, environmental consultants, construction companies, environmental attorneys, and other brownfield and real estate related professionals. The Port Authority assisted the National Brownfield Association in assembling recognized brownfield redevelopment experts to provide the latest information on addressing the challenges associated with recycling brownfield properties, including funding, regulatory, and industry updates, as well as a bus tour of local brownfield redevelopment sites.

# Economic Development FINANCINGS

303 Broadway at  
Queen City Square:  
Financed in 2004,  
construction  
completed in 2006



## Leveraging Innovation and Information

The Port Authority is able to provide innovative financing options tailored to the distinct needs of a project and its development entity. Sometimes the options available to us are not open to other organizations. Among our available options are revenue bonds – common bond fund programs and lease financing options. We can also serve as the central point of contact, investigating and procuring local, state, and federal business-retention and expansion incentives, and have access to local, state, and federal grant funds. When combined, our broad range of funding capabilities position us to play a unique role in support of local economic development efforts.

## Providing Bond Financing Solutions

During the 2005-2006 time period, the Port Authority closed on three financing projects totaling \$16.53 million. Additionally, we continued our outreach to the region's municipalities and developers to introduce the financing tools available to the Port Authority, and to discuss how we can partner to help with development projects.



*Courtesy of Cincinnati Zoo and Botanical Garden*

### Cincinnati Zoo and Botanical Garden

In January 2006, the Cincinnati Zoo and Botanical Garden received a \$750,000 loan from the Port Authority through the issuance of a revenue bond. These funds are being used to complete the construction of a parking facility previously funded through Port Authority bonds in November 2003. The new facility provides much-needed extra parking and allows an existing 11-acre parking lot within the Zoo's campus to be redeveloped into additional exhibit space and animal care facilities.



### Sisters of Mercy

In March 2006, the Port Authority issued \$5.78 million in economic development revenue bonds for use by the Cincinnati Regional Community of the Sisters of Mercy of the Americas, an Ohio non-profit organization. The Sisters of Mercy are an international community of women religious vowed to serve people who suffer from poverty, sickness, and lack of education, with a special concern for women and children. The bonds will be used to further the purposes of the Sisters of Mercy, including long-term residential care of the sisters and secondary education of young women at McAuley and Mother of Mercy high schools in Cincinnati's College Hill and Westwood neighborhoods, respectively.



### Pictoria Corporate Center

In October 2006, \$10 million of Port Authority special obligation development revenue bonds were issued to finance the operation of an existing parking garage at the Pictoria Corporate Center in Springdale, Ohio. The 1,132-space garage, which is owned by the Port Authority, will serve the general public as well as support Pictoria Tower I, a 253,353 square foot office building on a campus setting with restaurants, walking trails, a lake, and a courtyard.

Issuance Date	Project Name	Bond Amount
April 2003	National Underground Railroad Freedom Center	\$ 50.00 million
November 2003	Cincinnati Zoo and Botanical Garden	\$ 4.00 million
February 2004	Cincinnati Mills	\$ 18.00 million
June 2004	303 Broadway at Queen City Square	\$ 45.00 million
January 2006	Cincinnati Zoo and Botanical Garden	\$ 0.75 million
March 2006	Sisters of Mercy	\$ 5.78 million
October 2006	Pictoria Corporate Center	\$ 10.00 million

**Total**

**\$133.53 million**

**T**hrough a collaborative team approach, we **embrace creativity and innovation**. Each financing project could be considered a “first of its kind” because we seek the necessary expertise and take the time required to tailor our financing structures to meet the unique and specific needs of each project.

## *lasting impacts*

Thinking creatively on complex financing projects has enabled developers and end-users to meet their financial needs and realize their vision for the built environment. This approach will result in an estimated **\$852 million** economic impact and the employment of more than **7,600 workers**.

INNOVATION





### Energizing Regional Economic Expansion

From 2003 through 2006, the Port Authority completed a total of seven financing projects that are having lasting impacts on the Greater Cincinnati-Hamilton County area. Bond financing solutions developed by the Port Authority enabled developers to proceed with their plans and contribute to the economic growth of the region. A 2005 Economic Impact Study performed by the University of Cincinnati Economics Center for Education and Research evaluated the impact of just three of these seven projects (National Underground Railroad Freedom Center, Cincinnati Mills, and 303 Broadway at Queen City Square) and calculated that the development of these three projects resulted in direct economic activity totaling \$371.5 million.

The developers of these projects employed 3,452 workers who earned \$126.1 million. The total economic impact of the development stage of these projects is \$852 million, including earnings of \$264.4 million for 7,600 workers. Once all three of these projects are completed and fully operational, \$288.3 million in annual new business activity will be generated and will account for 3,857 permanent employees with annual earnings of \$110.7 million. The broader annual economic impact of these projects will be \$612.6 million, creating 6,840 new jobs, and contributing \$205.9 million to household earnings each year.

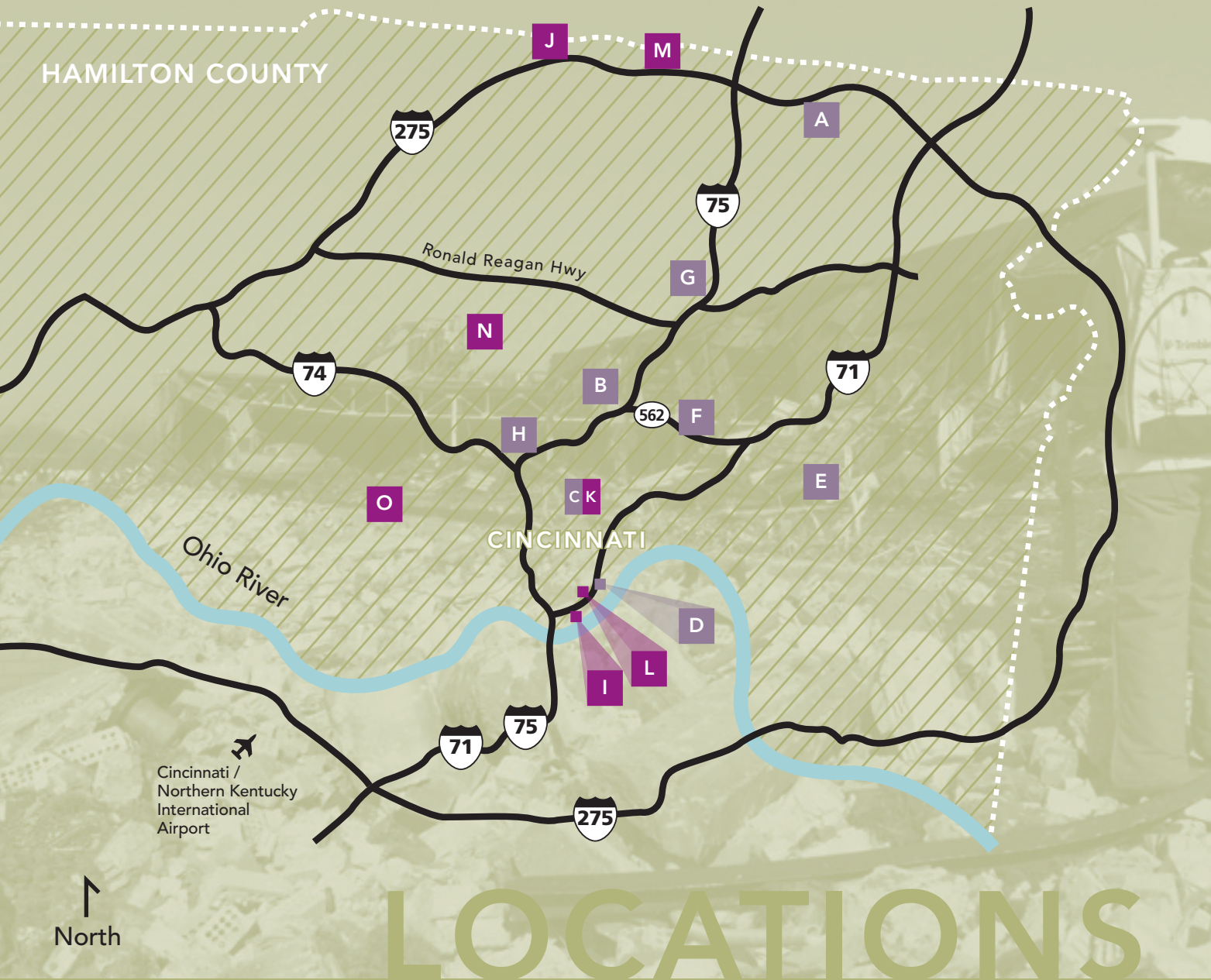
The broader annual economic impact of these projects will be **\$612.6 million**, creating **6,840 new jobs**, and contributing **\$205.9 million** to household earnings each year.

### Embracing Public-Private Partnerships for Growth

Our ability to respond quickly coupled with the powers of an Ohio port authority enable us to forge partnerships with local, state, and federal governments, as well as with the private sector, to promote economic development. Through these innovative public-private partnerships, we can fully leverage potential economic benefits by meeting the development needs of all partners and maximizing all available resources.

For details about the types of financial tools available to Ohio port authorities, please visit the Port Authority's web site, [www.cincinnatiport.org](http://www.cincinnatiport.org).





## Brownfields

- A 3603 East Kemper Road
- B 5700 Center Hill Road
- C 3333 Vine Street
- D 400 Pike Street
- E 4000 Red Bank Road
- F 5025 Carthage Avenue
- G 320 S. Anthony Wayne Avenue
- H 4101 Spring Grove Avenue

## Financings

- I National Underground Railroad Freedom Center
  - J Cincinnati Mills Mall
  - K Cincinnati Zoo and Botanical Garden
  - L 303 Broadway at Queen City Square
  - M Pictoria Corporate Center
- Sisters of Mercy:
- N 6000 Oakwood Avenue
  - O 3036 Werk Road

# LOCATIONS



# Economic INCLUSION

## Commitment, Accountability, Leadership

Economic inclusion is a core value at the Port Authority. We welcome all prospective vendors without regard to the business owner's race, gender, or company size. This commitment is embedded in our Economic Inclusion Policy, which aims to empower Minority Business Enterprises (MBEs), Women Business Enterprises (WBEs), and Small Business Enterprises (SBEs). To sharpen our focus on inclusion, the Port Authority established a Director of Economic Inclusion position, and charged the person in that role with implementing the inclusion policy across our organization, monitoring our activities to identify opportunities for improvement, and incorporating best practices to meet our established goals.

## Working Together to Win

By empowering entrepreneurs, the Port Authority helps generate jobs, build our tax base, and provide opportunities for wealth creation in every segment of our society. We are committed to making our region's diversity a source of economic strength. We regularly communicate this vision to all of our partners, including staff, project teams and stakeholders, real estate and development professionals, economic development professionals, and public officials. To facilitate the work of these partners toward that vision, we have developed an Economic Inclusion Database with nearly 500 MBE, WBE, and SBE companies. This database can be sorted by a company's core competency or areas of professional expertise, and is a proven tool for identifying diverse

suppliers to help meet business needs on our administrative, brownfield or financing projects.

Combining this database and our market knowledge, we have helped our brownfield and financing project teams identify qualified MBE, WBE, and SBE suppliers. Our database has been requested by and repeatedly made available to various organizations including local developers and contractors. In addition to developing the database and offering it as a project tool, we benchmark our processes with regional and national best practices. We also network and collaborate with several local, like-minded organizations such as South Central Ohio Minority Business Council, Commercial Real Estate Women, Greater Cincinnati & Northern Kentucky African American Chamber of Commerce, and Cincinnati USA Hispanic Chamber.

## Delivering Results

Thanks to a dedicated Board of Directors and a committed staff, and measured against our target participation rates of 25% for MBEs, 7% for WBEs, and 30% for SBEs, the Port Authority continues to demonstrate leadership by providing lasting impacts in the area of economic inclusion. During the 2005-2006 time period, our completed brownfield projects realized participation rates of 24%, 20%, and 34% for MBEs, WBEs, and SBEs, respectively. On the financing side of our business, during that same time period we reached participation rates of 50%, 14%, and 70% for MBEs, WBEs, and SBEs, respectively.



Cincinnati USA  
Regional Chamber  
2005 Supplier  
Diversity Award  
recognizing the Port  
Authority for "going  
above and beyond"

Our economic inclusion for internal operations over the past two years has been quite strong as well, achieving participation rates of 31%, 7%, and 53% for MBEs, WBEs, and SBEs. Supported and encouraged by the Board, our staff simply incorporates economic inclusion into all of our day-to-day activities. Through collaboration with our brownfield and financing project teams, we have achieved unprecedented regional success within the real estate and development industry sector. What are the keys to our success? We begin early in the project planning phase of development; we identify the core competencies required of suppliers; and we identify MBE, WBE, and SBE firms with these capabilities through extensive community outreach.

As shown in the table, we achieved increases in MBE, WBE, and SBE participation over the previous 2003-2004 reporting period. As we continue to build our knowledge base and refine our practices, we are confident about continued improvement across the complete range of these important measures. From internal operations to external project management, we work diligently to incorporate inclusion initiatives in all aspects of our work.

### Establishing an Award-Winning Program

The Port Authority was recognized in October 2005 by the Cincinnati USA Regional Chamber for “Going Above and Beyond” in our commitment to supplier diversity. This award was designed to recognize organizations that have an outstanding, long-term supplier diversity program with a proven track-record of success.

### Focusing on Growth

Believing that a diverse and inclusive economic engine is essential to meet future economic challenges to our region, the Port Authority will continue to be a reliable partner in the effort to ensure sustainable participation of MBEs, WBEs, and SBEs. Through targeted outreach efforts and the sharing of our Economic Inclusion Database, we will extend our collaborative efforts in this important area.

We are proud of our tradition of valuing and respecting diversity – and we believe this attitude, which is a major tenet of our organization, has contributed much to our success. We anticipate an even brighter future as we further refine and improve our economic inclusion practices.



For information relating to the Port Authority’s economic inclusion efforts, please visit our web site, [www.cincinnatiport.org](http://www.cincinnatiport.org).

	2003-2004 Accomplishments	2005-2006 Accomplishments	Improvement	Target Participation
<b>Brownfield Projects</b>				
MBE	19.0%	24.0%	5.0%	25.0%
WBE	.5%	20.0%	19.5%	7.0%
SBE	25.0%	34.0%	9.0%	30.0%
<b>Financing Projects</b>				
MBE	25.0%	50.0%	25.0%	25.0%
WBE	.5%	14.0%	13.5%	7.0%
SBE	31.0%	70.0%	39.0%	30.0%
<b>Internal Operations</b>				
MBE	25.0%	31.0%	6.0%	25.0%
WBE	6.0%	7.0%	1.0%	7.0%
SBE	50.0%	53.0%	3.0%	30.0%

*W*e are **committed to inclusion** on all of our projects. We work proactively with our brownfield and financing project teams to assess project needs and identify the Minority Business Enterprise (MBE), Women Business Enterprise (WBE), and Small Business Enterprise (SBE) companies to meet those needs.

## *lasting impacts*

This proactive approach has resulted in **24% MBE, 20% WBE, and 34% SBE** participation on our brownfield projects, and **50% MBE, 14% WBE, and 70% SBE** participation on our financing projects.

DEDICATION



# Financials

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

Years Ended December 31, 2006 and 2005

	2006 Unaudited	2005 Audited
<b>Operating Revenues</b>		
Public funding	\$350,000	\$460,000
Charges for services	536,941	224,825
Other income	27,862	1,975
<b>Total operating revenues</b>	<b>914,803</b>	<b>686,800</b>
<b>Operating Expenses</b>		
Salaries and benefits	332,183	335,823
Professional services	410,445	572,595
Occupancy	31,337	29,472
Travel	9,683	8,995
Equipment and supplies	17,662	15,607
Depreciation and amortization	459,451	395,160
Interest	1,210,618	1,144,536
Other operating expenses	283,202	120,128
<b>Total operating expenses</b>	<b>2,754,581</b>	<b>2,622,316</b>
<b>Operating Loss</b>	<b>(1,839,778)</b>	<b>(1,935,516)</b>
<b>Non-operating Income</b>		
Grant receipts	3,262,663	2,596,518
Less grant expenditures	(3,262,663)	(2,596,518)
Bond service payments	4,647,756	-
Investment income	93,135	61,345
<b>Total non-operating income</b>	<b>4,740,891</b>	<b>61,345</b>
<b>Increase (Decrease) in Net Assets, See Note</b>	<b>2,901,113</b>	<b>(1,874,171)</b>
<b>Net Assets, Beginning of Year</b>	<b>(1,111,174)</b>	<b>762,997</b>
<b>Net Assets, End of Year</b>	<b>\$1,789,939</b>	<b>\$(1,111,174)</b>

**Note:** Revenues and expenses result primarily from property ownership related to bond financings and the related bond trust transactions. If the impact of this property ownership and related transactions were excluded, the increase (decrease) in net assets from operations would be \$71,620 in 2006 and (\$333,197) in 2005.



# 2005-2006 Board Members

The Port of Greater Cincinnati Development Authority is governed by a volunteer Board of Directors appointed by the City of Cincinnati and Hamilton County and representing a broad mix of business expertise including development, design, finance, and marketing. Board members bring to the organization a wealth of experience and knowledge, as well as sensitivity to business needs and market forces.

We would like to recognize and thank the following Board members for their commitment and sound counsel during the 2005-2006 time period:

## Chairman:

**Jack Rouse**  
CEO, Jack Rouse Associates

## Vice-Chairman:

**Steve Love**  
President and CEO, Greater Cincinnati & Northern Kentucky African American Chamber of Commerce

## Board Members:

**Clifford A. Bailey**  
President and CEO,  
TechSoft Systems, Inc.

**Otto M. Budig**  
President, Budco Group, Inc.

**Louis D. George**  
Director, Taft, Stettinius &  
Hollister LLP

**J. Joseph Hale, Jr.**  
President, Cinery Foundation

**Betty Hull**  
Director of Statewide Advocacy,  
Ohio Secretary of State Office

**Thomas Humes, Jr.**  
President, Great Traditions Land  
& Development Co.

**J.J. Johnson-JioDucci**  
Vice President, Madisonville  
Revitalization Alliance, Inc.

**Eric H. Kearney**  
President, Afterwords Advertising

**Ronald B. Kull**  
Associate VP University Architect,  
University of Cincinnati

**Paul Muller**  
Principal, Muller Architects

**Charlotte R. Otto**  
Global External Relations Officer,  
The Procter & Gamble Co.

**Robert Peraza**  
Retired President, Hispanic  
Chamber of Commerce

**Janet B. Reid**  
Managing Partner, Global Lead  
Management Consulting

**David Siebenburgen**  
Chairman, Delta AirElite

**Nicholas J. Vehr**  
Vice President, Economic  
Development, Cincinnati USA  
Regional Chamber

**Joe Zimmer**  
Executive Secretary, Greater  
Cincinnati Building &  
Construction Trades Council



## Pride in brownfield redevelopment, bond financing, and economic inclusion

The only constant is change. This was certainly true for the Port of Greater Cincinnati Development Authority during 2005-2006 as we grew, welcomed new staff members, and achieved the significant economic development accomplishments detailed in this bi-annual report.

The strength of Ohio port authorities is the ability to marshal the expertise, tools, and resources to respond to change. In fact, everything we do is achieved through a unique assortment of management and financing development tools available to Ohio port authorities. With these tools in hand, we have tackled some of our region's most persistent economic development challenges.

Our successes in brownfield redevelopment and bond financing – our two core functions – result from collaboration, innovation, and dedication. Since 2001, we assessed, remediated, and recycled 155 acres of environmentally contaminated properties to new uses; and we provided creative financing options through the issuance of more than \$133 million in revenue bonds.

The lasting impacts included in this report have attracted significant private sector investment, along with increased local tax revenues and

job opportunities. A December 2005 study prepared by the University of Cincinnati concluded that our work had leveraged more than \$575 million in additional investments in the area's economy. The estimated annual economic impact of the projects was nearly \$1.4 billion with a fiscal impact of \$18.5 million in local tax revenue, and \$484 million directly entering local households as wages and salaries from 15,861 newly created jobs. We are proud of the lasting impacts realized by our projects.

All aspects of Port Authority activities foster economic inclusion. We are proud of our tradition of valuing and respecting diversity – and we believe that this attitude has contributed much to our success.

We look forward to serving our region and providing future lasting impacts through the consistent application of effective approach to the ever-changing landscape of regional economic development challenges.

Kim Satzger  
President  
Port of Greater Cincinnati Development Authority

# Continued accomplishments with lasting regional impacts

Once again it has been my pleasure to serve as Chair of the Board of Directors for the Port of Greater Cincinnati Development Authority. Steve Love, Board Vice Chair, and I look back with satisfaction on a successful 2005-2006. We believe that the Port Authority's continued accomplishments will have positive and lasting regional impacts, and are the result of the contributions of many. Therefore, we want to take this opportunity to recognize those that have guided us to our many successes.

Most importantly, we thank the City of Cincinnati and Hamilton County as without their annual funding support we could not undertake our work.

We thank the members of our Board of Directors for the generous commitment of their time, as well as their sound counsel. They have created a shared vision for the Port Authority while providing consistent and coordinated leadership, which has resulted in a strong and effective template for the projects detailed in this report, as well as future community impacts.

It is through the vision of the developer community that economic development opportunities are identified and through their perseverance that those opportunities are realized. We appreciate their contribution and look forward to growing this relationship.


During the 2005-2006 time period, we were able to attract new staff members whose skill, talent, and commitment helped us to grow our presence within the community as we took on a greater number of difficult economic development challenges. The staff's commitment to economic development and economic inclusion is reflected in our achievements.

We are pleased to have made a lasting impact in our region through the application of the unique powers of Ohio port authorities. We look forward to still greater success in the future as we provide leadership in the pursuit of innovative public-private partnerships to restore brownfield properties to new uses and provide bond financings for regional economic development activities.



Jack Rouse  
Chairman of the Board  
Port of Greater Cincinnati Development Authority





*lasting impacts...  
for a better tomorrow*



Port of Greater Cincinnati  
Development Authority

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