



**BOARD MEETING MINUTES**  
**Wednesday, April 11, 2012, 8:00 AM**  
**DCI Conference Room**  
**35 E. Seventh Street, Room 209, Cincinnati, OH 45202**

**1. CALL TO ORDER**

Mr. Budig called the Port of Greater Cincinnati Development Authority Board of Directors meeting to order at 8:04 a.m.

**BOARD MEMBERS PRESENT:**

Budig, Otto  
Dunn, Marty  
Greive, Rick  
Marmer, Lynn  
Smith, David  
Wright, Shane  
Zimmer, Joe

**EXCUSED:**

Handy, Clark  
Jacobs-Horton, Lydia  
Williams, Tom

**STAFF:**

Brunner, Laura  
Boggs Muething, Paula  
Chamlee, Jason  
Johnson, Melissa  
Karimi, Marjorie  
Laird, Tiffany  
Schafer, Ray

**GUESTS:**

Hankinson, Holly – City of Cincinnati, Councilmember Yvette Simpson  
Mitchell, Brian – Thermal Tech Engineers  
Patrick, Ashley – City of Cincinnati, Councilmember Quinlivan  
Paul, Gail – Media Consultant  
Quinlivan, Laure – City of Cincinnati Councilmember  
Ventre, Nick – Thermal Tech Engineers

Mr. Budig acknowledged and welcomed guests.

**2. APPROVAL OF MINUTES**

Mr. Budig asked Board members if there were any additions or modifications to the February 8, 2012 Board of Directors meeting minutes. Hearing none, he asked for a motion to adopt the meeting minutes.

**Motion:** Shane Wright moved to adopt the minutes of the February 8, 2012 Board of Directors meeting. The motion was seconded by Marty Dunn and was approved unanimously.

### 3. Introduction of New Staff

Laura Brunner introduced Jason Chamlee, Development Associate. Mr. Chamlee started at the Port Authority April 2 and holds a Master's Degree in Urban Planning from the University of Cincinnati DAAP, and also had a high concentration of classes in the Finance and Real Estate Program. Mr. Chamlee previously worked part-time at Cincinnati Development Fund (CDF). Mr. Chamlee will play a very unique role as he has enough experience and will put real estate proforma templates in place, of which Susan Thomas will have oversight and management. Mr. Chamlee has experience in real estate development as well. These skillsets will be valuable to the Port Authority in a number of ways.

Ms. Brunner introduced Paula Boggs Muething, who began with the Port Authority March 19 as Director to manage the HCLRC. Ms. Boggs Muething was a former Assistant Solicitor with the City of Cincinnati and has unique expertise in the area of land banking. As of last week, Ms. Boggs Muething was appointed as the Port Authority general counsel. Bringing this function in-house will provide for a significant cost-savings and readily available expertise.

Ms. Boggs Muething was a presenter at the conference for the Ohio Land Redevelopment Institute, hosted by the Greater Ohio Policy Center, which focused on land banking activities throughout the State of Ohio. Ms. Brunner said that the Port Authority is in a unique position as most landbanks are operated from a neighborhood perspective.

Ms. Boggs Muething's relationships with the various Cincinnati communities are at a grassroots-level will help put the Port Authority in good positioning.

#### Hamilton County Land Reutilization Corporation (HCLRC)

Ms. Boggs Muething said she was very happy to be a part of the Port Authority and provided the following information:

Ms. Boggs Muething has been involved in the establishment of a landbank in Hamilton County since 2008 when the mortgage foreclosure crisis started having devastating impacts in neighborhoods around the urban core and suburbs. She has also been involved in property reutilization and redevelopment, in particular with blighted, nuisance, remediation and abatement efforts. She attended a program, Community Land Reform Initiative, at the Kennedy School in 2009, at which time there was an Ohio contingent that coalesced around the idea of amending legislature to amend the landbank ordinance, which at the time only allowed Cuyahoga County to have landbanks. This is the group that helped push the legislature to open up to counties with populations over 60,000.

Once the legislation was amended and the local decision to create a landbank and to have it managed by the Port Authority, this opened up some great opportunities to couple the Port Authorities tools and expertise with the statutorily granted powers of landbanks. Some of these tools are that tax foreclosed properties can go directly into the landbank tax-free and with clean, marketable-title. The landbank can hold properties tax-exempt for as long as the landbank has the title.

Another important tool is that the landbank has a liability shield on nuisance conditions of properties that exist on the property when the landbank takes title; this is particularly important with dealing with

commercial properties. These combined powers can be a catalytic investment in vulnerable neighborhoods.

Landbanks are stand-alone entities and residentially focused; by housing the landbank within the Port Authority, this provides for great opportunity to drive economic development through blight remediation, which is where the Port Authority will make a positive impact in neighborhoods. The Port Authority will serve as a strategic repository for land assembly from large developments, as well as a conduit for private developers, CDCs, local governments, and any responsible property owner that has a development plan.

Although there is five percent of Delinquent Tax Assessment Collection (DTAC) Fund dedicated to the landbank, which is approximately \$2.4 million annually, this is not enough to take all blighted property and stabilize it. The property acquisition strategy the landbank will employ is to take properties where there is a responsible end-user with a development plan.

Within the next 90 days, the landbank will establish processes and protocols for property acquisition and disposition. Some things that will likely be in place are that the end-use must be consistent with local zoning laws and the end-user must demonstrate that they are responsible in terms of not having been in criminal court or housing court.

The landbank will not have to refund the county's DTAC allocation when a property is back in reuse; any money generated from reuse will be reinvested. The goal is to grow the landbank activities going forward and the \$2.4 million becomes more which will allow the landbank to do more reutilization/remediation type work. Properties will typically be obtained through the tax-foreclosure process.

Also within the next 90 days system-wide protocols will be developed with County officials to establish a pipeline for those properties, including a plan with CAGIS, upgrade information systems, and establish Memorandums of Understanding with different neighborhoods that have strong planning communities and have an interest in how the Port Authority is going to work with these properties. The assurance is that these properties will be consistent with respective neighborhood zoning, etc. The first commercial property will likely be obtained within the next 90 days as well.

There will also be funding from the Attorney General, which is the "Moving Ohio Forward Fund." The Port Authority is hopeful to influence the parameters of the use of these funds as some of this money will be allocated to landbanks on a matching basis. Currently, it appears the funds will be solely dedicated to residential demolition. The hope is that the Port Authority can influence the inclusion of commercial properties and rehabilitation and stabilization. In contrast with the rest of the state, Cincinnati has a great stock of historic properties whereby demolition is not appropriate.

There was discussion regarding how the tax foreclosure process works and how the Port Authority as manager of the landbank will select properties, have agreements with banks and other types of entities that hold property that tend to not be the best property owners, and also deal with nuisance properties whereby and end-user can be found.

The Board will be apprised of the status of the landbank strategic process at the end of 90 days.

#### **4. REAL ESTATE**

Jason Chamlee said he was happy to be at the Port Authority and provided additional background on his education and experience. He attended graduate school to focus on revitalization work and the planning

program was the best way to get to that focus. Mr. Chamlee's skillset fits best with this the Port Authority's catalytic development efforts.

Mr. Chamlee's early involvement has been with the Bond Hill corridor of the GO Cincinnati projects, in particular the Corinthian site. Mr. Chamlee is focused on the development efforts of this project, including development prospects, assumptions of the proforma, financial modeling, etc. to ensure this is a financially viable site.

The next phase will include working with Susan Thomas to determine how the Port Authority can leverage its resources in the early stages to both catalyze and have some return on investment for the Port Authority.

The Bond Hill Corridor has been selected as one of the City's Form Based-Code Neighborhoods, and the Corinthian site will be part of the charrette scheduled for the end of April. This is an opportunity to get community engagement and ultimately a master-plan vision for the site.

Strategic questions will be addressed through this project. The Port Authority will need to determine what role it will play early on as it moves forward with working with future developer or developers as the case may be.

The Port Authority is working on multiple levels including meeting with the Port Authority's counterpart at the City and continued discussion on what this looks like as the Port Authority starts to draw money from the \$2 million commitment from the City for 2011-12 for this site.

There are scheduled meetings with the City Manager, Milton Dohoney, the acting Economic Development Director and the Community Development Director. The discussion will be updates on what the Port Authority is doing across the board and continued discussion on future funding. The Port Authority is actively identifying multiple opportunities; however, the Port Authority will not be in the position to pursue these unless additional funding sources are identified. The Board as well as Ms. Brunner has also had discussions with City Council members about the potential bonding of the long-term payment stream. There were discussions with Ross Sinclair to discuss what this could look like and whether or not it's the City or the Port Authority bonding it. The City Manager has this on his agenda to actively resolve as he realizes the Port Authority is working and doing the right things, and does not want the City be the constraint for more of these opportunities to happen.

At some point the Port Authority will need to be self-sustaining; this will be a benchmarking focus for the Finance Working Group (FWG). In order for this to happen, however, the Port Authority will need to retain property.

#### Seymour/Reading Roads Corridor

The Port Authority met with the Corinthian Baptist Church Planning Committee and signed a 90-day exclusive negotiating agreement. Having this site be a part of the charrette, it is also a great opportunity for the church community to participate, as well as the Bond Hill Community Council. The Port Authority needs to have the financial proforma done in advance because the Port Authority needs to be able to state what the economic realities are. There are many members of the City who would be happy to see a high-visibility, early successful form-based code project. Although there are a number of developers who are interested in assisting the Port Authority on this project, the Port Authority will be proactive in reaching

out to the larger developer community to attend the charrette and participate in the development of this project.

There will be an evaluation of this project done by the Board Working Groups, including the Finance Working Group and Risk Management Working Group, to determine what the Port Authority's long-term role will be. The Port Authority's proposal will be the developer of the entire site and to buy the acreage that Corinthian Baptist Church (Church) doesn't need.

There will be further analysis done to determine if the Port Authority will assist the Church with new market tax credits and possibly assist in the construction of their new facility.

#### Queensgate/South Mill Creek

Melissa Johnson reported that the Port Authority continues to focus in the Queensgate/Camp Washington area. The approach continues to be more long-term strategy with a capacity evaluation in terms of rail and underutilization of transportation infrastructure. The Port Authority is also evaluating the availability of land and underutilized parcels for the possibility of repositioning for better use.

The Port Authority will work strategically with the commercial brokerage development community to identify properties that would be strategic to have on hand.

#### Hamilton County Sites

The Port Authority met with the HCLRC and are focused on the sites in the County that are in excess of 100 acres, of which four or five have been identified. Through process of elimination, there is one site that the Port Authority thinks is most attractive for development. The role of the Port Authority in this instance won't necessarily be acquisition, but more to utilize the Port Authority's development tools.

There have been multiple meetings with the County to determine what their needs are and the role of the Port Authority. The County is in the process of evaluating over the next few months all of their owned and leased property of which there could be some future opportunity.

The Port Authority met with officials in Anderson Township, as well as a number of other communities that are interested in learning how the Port Authority can assist. Currently, there is nothing in the pipeline on this front. The current focus in the County is the land bank.

There continues to be favorable reaction from both the City and County with regard to the work the Port Authority is doing and there is feeling of true partnership.

## **5. TRANSPORTATION**

The Port Authority has been actively engaged in meetings with organization such as OKI, Hamilton County Transportation Improvement District (HCTID), the City's Transportation Department, Riverfront Advisory Council (RAC), Central Ohio River Business Association (CORBA), which is group of for-profit terminal operators on the river, and attendance to the Inland Rivers Port Transportation (IRPT) annual meeting, etc.

The Port Authority is evaluating what our inland port should look like and the Port Authority role. The Port Authority is seeking to be complimentary to what is already in place. The focus will be following issues that were identified in the OKI Freight Study conducted last year, and develop a strategy.

One activity that will be taken on is the expansion of the definition of what our actual port is; from 20 miles distance to perhaps 200 miles (from Madison, IN to Huntington, WV). Eric Doepke with the RAC has been working on this effort at a very grassroots level. This is largely a marketing effort that can be taken on by the Port Authority that will take effort in the form of letters of support from governors and senators down to the community levels to get their agreement. A meeting with the Army Corps of Engineers is scheduled to launch this activity. This effort will increase marketing of the Port of Cincinnati.

## **6. PROJECT MANAGEMENT**

### Former Federal Reserve Building

Ms. Johnson reported that the asbestos abatement on floors 7 and 8 will be completed in approximately two weeks with will conclude the Port Authority's involvement. On the residential floors, the flooring and cabinetry have been installed and the expectation is to have these floors open and marketed in August.

### U.S. EPA Brownfeild Assessment Coalition Grant

Ms. Johnson reported that this program started with \$1 million and there is approximately \$330,000 remaining. This money will be applied to a couple more application rounds. To date, there have been approximately 25 projects assisted throughout the City and County.

Currently, the Brownfield Assessment Advisory Group is assessing whether or not the program should be scaled back and if the USEPA will have some flexibility so the remaining funds can be maximized.

### Congestion Mitigation and Air Quality (CMAQ)

Ms. Johnson reported that the CMAQ applications are open at OKI. The application eligibility must be a governmental agency, which has resulted in the Port Authority being approached by a rail consultant on behalf of Rail America to potentially be the applicant for the CMAQ funds. The Port Authority is currently in discussions with Rail America and their consultant to act on their behalf in this capacity.

There is a change in perspective with regard to the role the Port Authority will play as there will be a fee for service for the Port Authority's assistance.

## **7. CHAIRMAN'S REPORT**

### Board Working Groups

Mr. Budig reported Board members have been placed on one or two of the respective working groups, Risk Management (RMG), Finance (FWG), Real Estate Development (REDWG) and Transportation (TWG), based upon their respective expertise and skillsets. Ms. Brunner will be seeking the Board's counsel and urged the Board to review the charters and role of each working group. To date, all groups with the exception of the TWG have met. The TWG meeting has been delayed so that the staff has more time to prepare and make the meeting meaningful.

Mr. Budig is hopeful this process will work well and asks that the Board embrace this elevated process.

## **8. FINANCIAL REPORT**

Mr. Budig reported that revenues and expenses are below budget for the month of March. Cash on hand is approximately \$1,800,000 which provides for some working months. Funding from the City and County for the year have been provided.

There will be an amended appropriations budget brought before the Board for approval in May.

### **Ray Schafer's Retirement**

Ray Schafer will be retiring from the Port Authority effective May 31, 2012. The Board is thankful for the leadership and support Mr. Schafer provided during the period before the appointment of Ms. Brunner.

An event is planned to recognize Mr. Schafer's dedication to the Port Authority.

## **9. PRESIDENT'S REPORT**

### **Transition of Sr. Vice President Duties**

Ms. Brunner reported that Maria Barrett, CPA has accepted the offer of providing part-time CFO support to the Port Authority. Ms. Barrett has worked as a CPA for over 20+ years formerly with Arthur Andersen and has been a part-time CFO for a number of businesses for the past 15 years. Ms. Barrett will be a part-time CFO, but will ultimately help the Port Authority decide what may be needed for the future.

The funds provided for recruitment of Mr. Schafer's position will be used to pay for the part-time CFO for the remainder of the year, and most of Mr. Schafer's compensation after he retires will be reallocated to real estate development.

Ms. Barrett will be meeting with Mr. Schafer once per week during the transition period, along with Tiffany Laird, who will provide day-to-day accounting responsibilities. Ms. Laird has been supporting Mr. Schafer and also has previous experience from prior employment in full-service bookkeeping. Marjorie Karimi will take on additional responsibilities as Office Manager.

The Port Authority will have an intern who is a graduate student at the University of Cincinnati. DAAP and will start June 1, in addition to a law clerk starting May 31 who will provide assistance with the landbank activities. There is a second round of interviews scheduled next week with a new potential Real Estate Developer.

### **Office Space**

As staffing continues to grow, the current office space is insufficient. Therefore, the Port Authority is actively seeking new space to accommodate its growing staff, as there is no available space within The Kroger building that meets the Port Authority's needs. Negotiations with the current lease at The Kroger Building will allow for vacating without penalty.

### Nashville Form-Based Code Expedition

Ms. Brunner reported that there were over 70 people, including Board members, who attended the Nashville Form-Based Code expedition headed by Vice Mayor Roxanne Qualls. This was the fifth year that this expedition has taken place. Ms. Brunner stated that she left Nashville feeling very good about Cincinnati and that the “bones” of our City are stronger than Nashville’s.

This was a great relationship-building opportunity to spend time with City of Cincinnati employees and elected officials.

### Job Site Development Fund

Ms. Brunner followed-up with Kristy Turner, JobsOhio, regarding the pending grant request in the amount of \$2.5 million. This would be a low-interest note/principal payment loan to add to the Job Site Development Fund. The request is being looked upon favorably; however, there won’t be any action taken until early summer.

### Meetings/Speaking Engagements

Ms. Brunner met with a number of significant community leaders at the beginning of the year, and is doing a second round of meetings for more substantive discussions.

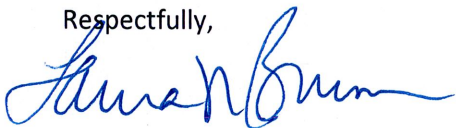
Ms. Brunner has presented at a number of speaking engagements with future engagements scheduled. One of the larger speaking opportunities is the Business Courier Commercial Real Estate Broker Power Breakfast scheduled May 1. Along with Ms. Brunner, who will deliver the keynote, panelists are Otto Budig, Susan Thomas and Paula Boggs Muething. Gail Paul is working on the messaging for this event. There will be a Q&A session driven by Dan Monk, Business Courier followed by the keynote.

This event is high visibility as there will be approximately 600 – 1,000 people in the developer/broker industry attending this event. This will be the opportunity to educate who and what the Port Authority is and why they should be a partner. Board Members are invited and urged to attend if possible.

## **10. ADJOURNMENT**

**Motion:** David Smith moved to adjourn the Board of Directors meeting at 9:25 a.m. The motion was seconded by Lynn Marmer, and was approved unanimously.

Respectfully,



Laura N. Brunner  
Secretary