

OPPORTUNITY



THE **PORT**

Making Real Estate Work

2018 ANNUAL REPORT





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Since 2012, The Port has positively affected nearly 1,000 acres of vacant or abandoned property in Hamilton County; redeveloped 75 acres of industrial land; and issued more than \$784MM in bonds for development projects that include housing, corporate headquarters, urban mixed use, parking, and the MLS soccer stadium under way in the West End.

In 2018, we continued to deliver on our mission of spurring investment and managing and investing public and private resources to strengthen economic and community development throughout Hamilton County.

Notable highlights of 2018 include:

- The Port completed the redevelopment of the former Cincinnati Gardens site in Bond Hill and worked throughout the year with a private developer on a plan to build on the first parcel of the 19-acre site;
- We participated in an Urban Manufacturing Alliance study that was released in June, expanding insight into the growth potential of smaller-scale manufacturing in the city of Cincinnati;
- We added three new Cincinnati neighborhoods for focused investment within new funding partnerships to accomplish the work;
- Real estate property sales were \$2.1MM in 2018, and 100% of the proceeds are being recycled into new neighborhood redevelopment projects;
- We acquired a surface parking lot downtown located near the Duke Energy Convention Center and are participating in the public-private partnership assessing the region's needs around a modern convention facility;
- We closed on the financing for FC Cincinnati's new stadium and issued \$480,000 in bonds to date for its construction;
- We held three Real Estate Forums with the African American Chamber;

- We rebranded to clarify our mission and business line operations;
- We created two revolving loan funds to accelerate the stabilization and rehab of vacant homes;
- We broke ground on a retail renovation in the Bond Hill business district along Reading Road;
- We conducted mobile tours showcasing our neighborhood and industrial revitalization work and public finance developments;
- We joined Ohiocheckbook.com to share our expenditure information with the public in an online report.

Within this report are updates from organizations managed by The Port, including Greater Cincinnati Foreign Trade Zones, Inc., the Hamilton County Land Reutilization Corporation (Landbank); and Homesteading & Urban Redevelopment Corporation (HURC).

In this report, you will see the numbers behind our output, as well as key financial updates, but of course this just tells a small part of our impact. We are honored to share how people benefit from our work — how they have been able to acquire and redevelop a house or lot from Landbank inventory; how they were able to hire more employees; or how their community is better because of our governmental grant funding. These stories are what fuel our passion and commitment to improving our community through expanded local ownership of opportunity.



**Laura N. Brunner is President & CEO of
The Port**



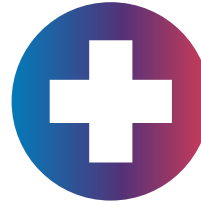
THE PORT'S PRINCIPLES OF REDEVELOPMENT

The Port improves Hamilton County by strengthening economic and community development. Its mission is to rebuild communities in a way that delivers equitable development, attracts high-wage jobs, improves property value, adds residents and achieves highest and best use of property via redevelopment. Real estate is a key driver of both economic outcomes and quality of life. The Port serves as a bridge between private-sector and neighborhood-level interests to achieve winning outcomes for both. We evaluate our success on metrics that reflect The Port's principles of redevelopment.



JOB CREATION

Practices align land use with the yield of number of quality jobs created or small businesses assisted.



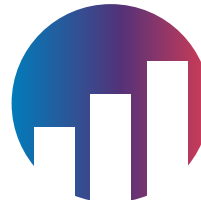
HEALTH & SAFETY

Practices prioritize redevelopment that eliminates crime hot spots and restore safe environments.



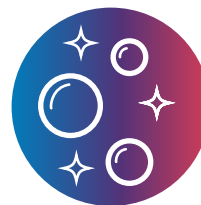
EQUITABLE DEVELOPMENT

Practices require that the overall vision, plan and implementation include local communities' assets and aspirations as well as residents most affected in the redevelopment project.



PROPERTY APPRECIATION

Practices invest intentionally in places where the market has failed and help restore value in properties.



BLIGHT REMOVAL

Practices acquire vacant, abandoned and underutilized properties and repurpose them as community assets.

OUR REVENUE AND CAPITAL FUNDING SOURCES:

In 2018, The Port and its managed entities raised and earned \$20 million. Our percentage of revenue coming from property sales and earned fees increased over the previous years.

2018 REVENUE AND CAPITAL BY ORGANIZATION		
	2018	2012-2018
The Port	\$11,231,440	\$66,575,477
Landbank	\$8,283,777	\$41,929,309
HURC	\$507,010	\$9,831,065
TOTAL	\$20,022,227	\$118,335,851

2018 REVENUE AND CAPITAL BY SOURCE OF FUNDS

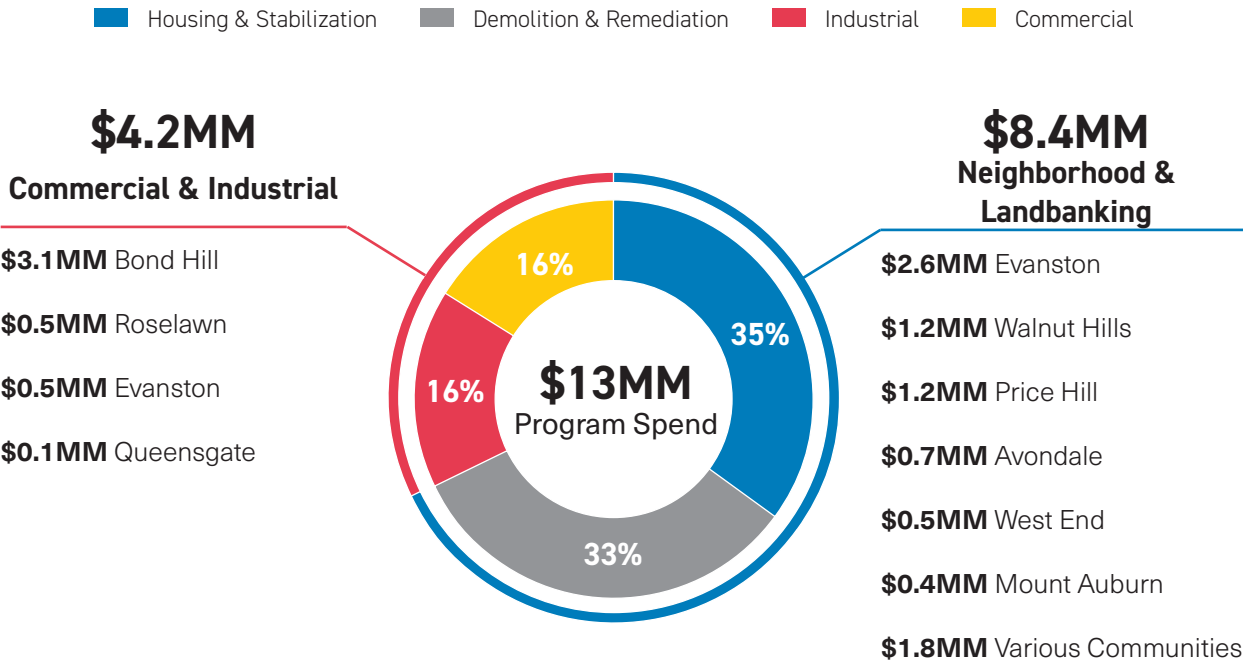
\$20,022,227

	2018	2012-2017
County & City	30%	44%
Earned Fees	34%	19%
State & Federal	20%	16%
Private Investors	2%	11%
Property Sales	14%	10%

HOW AND WHERE WE DEPLOYED PROGRAM FUNDS:

In 2018, The Port and its managed entities made capital investments of \$13 million into Hamilton County properties and programs. While we concentrate efforts in specific focus neighborhoods to catalyze larger impact, we work throughout Hamilton County. Last year alone, our work impacted 41 neighborhoods and jurisdictions.

PORT USES OF PROGRAM FUNDS - 2018



CAPITAL FUNDRAISING:

In 2018, The Port leveraged public funds with additional grant and loan funding, raising \$3,700,000.

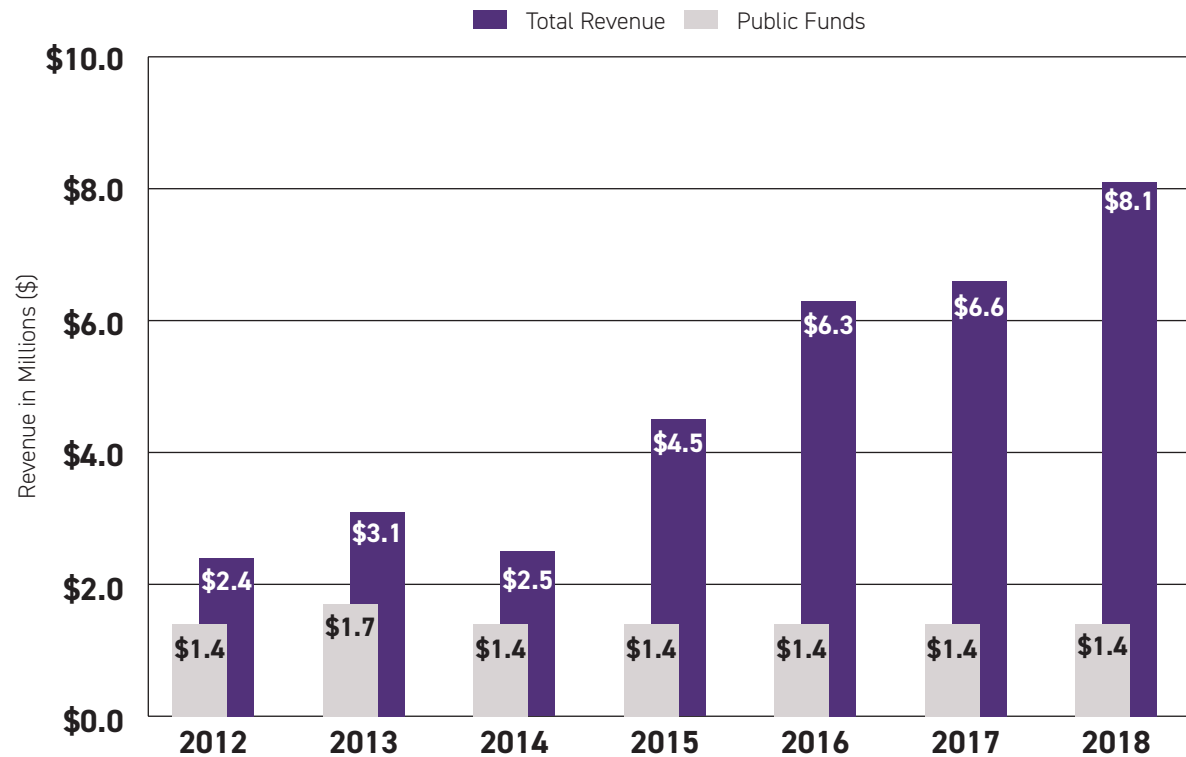
CAPITAL FUNDS RAISED: 2012-2018

SOURCE	2012-2017		2018		TOTAL
	LOAN	GRANT	LOAN	GRANT	
Government	\$2.5MM	\$62.7MM	-	\$2.6MM	\$67.8MM
Philanthropy	-	\$1.4MM	\$0.1MM	-	\$1.5MM
Impact Investment	\$15.8MM	-	\$1.0MM	-	\$16.8MM
The Port	\$2.5MM	-	-	-	\$2.5MM
TOTAL	\$20.8MM	\$64.1MM	\$1.1MM	\$2.6MM	\$88.6MM

OUR OPERATING REVENUE SOURCES:

The Port has continued to diversify its revenue sources, relying less on public operating funds. In 2018, public funding made up 17% of our total operating revenue as opposed to 21% in 2017.

PORT OPERATING REVENUE - 2018



PUBLIC FINANCE

FINANCING JOB CREATING PROJECTS: Our Public Finance practice saw another strong year in 2018, financing 14 projects and issuing over \$422 million in bonds. The Port, through generous support from local and national foundations, also expanded its offerings of revolving loan funds. These new loan funds will enable us to make a larger impact moving forward in the areas of housing - both market-rate and affordable - and stabilization of historic structures in the West End.

SUMMARY OF IMPACT Projects detailed throughout this report	1,500+ ANTICIPATED JOBS CREATED	\$422MM IN FINANCING ISSUED	\$654MM TOTAL INVESTMENT OF FINANCED PROJECTS
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In August, The Port established the **Housing Revitalization Loan Fund**. This \$1,000,000 new-to-market housing loan fund was created in partnership with the Greater Cincinnati Foundation. By the end of 2018, this fund already contributed to the redevelopment of five homes in Hamilton County.

Also in August, The Port established the **West End Historic Structure Stabilization Fund**. Seeded by a \$2,000,000 loan from nonprofit lenders IFF and the Cincinnati Development Fund, this partnership will accelerate the Hamilton County Landbank's work acquiring and stabilizing historic properties in Cincinnati's West End neighborhood. The Landbank's focus is on vacant, abandoned and tax delinquent properties.

In 2018, the statewide **Communities First Down Payment Assistance Program** provided \$3,500,000 in funding, helping 650 individuals and families purchase a new home.



PUBLIC FINANCE PROJECTS 2018

PROJECT NAME	LOCAL JURISDICTION	TOTAL PROJECT BUDGET	TOTAL PORT FINANCING	FINANCING TYPE	ADDITIONAL PORT CONTRIBUTION
Court & Walnut Apartments	City of Cincinnati	\$32,643,500	\$0	Real Estate - Lease	Lease Agreement
Northwest Street Extension Project	Village of Versailles	\$39,400,000	\$1,435,000	Taxable Development Revenue Bonds	
Poste	City of Cincinnati	\$13,680,795	\$13,680,795	Taxable Lease Revenue Bonds	Lease Agreement
Mercer Commons Garage Refinance	City of Cincinnati	\$8,408,000	\$8,408,000	Tax-Exempt Development Revenue Bonds	Lease Agreement
RBM Phase 2B	City of Cincinnati	\$113,248,873	\$65,805,000	TIF Development Revenue Bonds and Lease Revenue Bonds	Lease Agreement
Madison & Whetsel Redevelopment	City of Cincinnati	\$29,890,000	\$4,207,602	TIF, Taxable Development Revenue Bonds and Taxable Lease Revenue Bonds	Lease Agreement
Woodlawn Meadows Project	Village of Woodlawn	\$1,855,000	\$1,855,000	Special Assessment Revenue Bonds	
Springdale Commerce Park TIF Project	City of Springdale	\$41,000,000	\$6,605,000	TIF Development Revenue Bonds	
Fourth and Race Garage	City of Cincinnati	\$44,777,496	\$29,240,000	Tax-Exempt and Taxable Development Revenue Bonds	Loan Agreement
Provident Bank Building	City of Cincinnati	\$37,615,827	\$28,000,000	Taxable Lease Revenue Bonds	Lease Agreement
FC Cincinnati Stadium	City of Cincinnati	\$250,000,000	\$250,000,000	Taxable Lease Revenue Bonds	Lease Agreement
8th and Main Apartments	City of Cincinnati	\$28,106,564	\$0	Real Estate - Lease	Lease Agreement
5th and Plum Parking Lot	City of Cincinnati	\$12,590,000	\$12,590,000	Tax-Exempt Development Revenue Bonds	
Housing Revolving Loan Fund	City of Cincinnati & Hamilton County	\$1,000,000	\$1,000,000		
TOTAL 2018		\$654,216,055	\$422,826,397		
TOTAL 2012-2017		\$1,243,945,089	\$361,777,546		
TOTAL 2012-2018		\$1,898,161,144	\$784,603,943		





WEST END
FC CINCINNATI STADIUM

This public-private partnership was critical in bringing Major League Soccer to Cincinnati, and in addition to providing financing, The Port is a partner in the Community Benefits Agreement between FC Cincinnati and the West End community and is dedicated to partnering with neighborhood CDC, Seven Hills Neighborhood Houses, to ensure the current residents of the West End are included in opportunities provided by this transformative project.



\$250MM
TOTAL PROJECT COST



“This is the first time we have had our public finance practice and our neighborhood revitalization work come together in such a significant way. The West End is a neighborhood that is important to us. As a party to the community benefits agreement, we are the third-party safeguarding the interests of the community and making sure there is due process, without putting undue burden on FC Cincinnati to be involved in such a granular way.”

The Port President & CEO, Laura N. Brunner

MADISONVILLE
MADISON & WHETSEL

This catalytic project in Madisonville’s center has been 10 years in the making. The complex financing structure involves, in addition to Port financing, City, State and Federal grant funds and tax credits. The development will provide 104 new apartments, a combination of mid-priced and low-income units, as well as create new retail space for neighborhood-serving businesses. The nearly \$30,000,000 project also renovates an existing medical center and adds dental services and community meeting spaces.



45

NEW FULL-TIME JOBS

\$30MM
TOTAL PROJECT COST



SOCIAL IMPACT INVESTMENT PRACTICE

The Port, as a public, mission-driven development finance agency, focuses on reviving urban real estate that market developers and lenders will not take on for a variety of reasons – ranging from environmental contamination to cost and back taxes associated with blighted, vacant properties. In order to redevelop this real estate to its highest and best community-serving use, The Port has worked over the past five years to align impact investing and urban revitalization to fund our efforts.

The results have been positive. The Port has attracted investment from foundations, non-profits and private funders in structured products that benefit patient investors, make sense and are achievable on the ground – at the community level.

Detailed earlier in this section, in 2018, The Port established the Housing Revitalization Loan Fund and West End Historic Structure Stabilization Fund. Both help meet the need to rehab existing, often historic, residential properties which require a significant subsidy. These two residential funds are complemented by the Cincinnati Neighborhood Commercial Real Estate Loan Fund, also known as

the DREAM – Driving Real Estate by Accelerating Microenterprise – Fund, which is part of The Port's holistic neighborhood revitalization strategy and includes re-establishing commercial districts with entrepreneurial businesses to serve residents. The DREAM Fund is seeded by a \$5,000,000 Kresge Foundation Program Related Investment (PRI) as part of Kresge's Mixed-Income, Mixed-Use strategy. The Port is committed to expanding opportunities to match our community engagement and real estate expertise with investors in order to bring more homes, businesses and jobs to Hamilton County.

PUBLIC OWNERSHIP FOR FUTURE GROWTH

In 2018, we continued to work with our partners to identify key, strategic assets to acquire in alignment with larger growth and development goals. Our most recent acquisition of two parking garages and one surface lot adjacent to the Duke Energy Convention Center will provide options for expanding our region's convention business.



"We believe these investments by The Port, driven by innovative public-private partnerships, **will have a catalytic effect on future development and vibrancy** in the downtown district near the Duke Energy Convention Center and the Fourth and Race project."

The Port President & CEO, Laura N. Brunner

\$41MM
TOTAL PROJECT COST



CITY OF SPRINGDALE COMMERCE PARK

A former 135-acre golf course, Springdale Commerce Park is slated to become a \$41,000,000 mixed-use commercial and industrial business park. The Port is providing financing for infrastructure improvements. Land within Hamilton County with nearby interstate access is a scarce commodity, and this development leverages those advantages to create jobs and expand the local tax base.



NEIGHBORHOOD REVITALIZATION

NEIGHBORHOODS THAT ARE RICH WITH OPPORTUNITY: That is The Port’s goal through its efforts to revive blighted, vacant and underperforming real estate that stresses communities, devaluing real estate and detracting from residents’ quality of life. Thriving neighborhoods, with a range of housing options and vibrant small business districts with new jobs, mean that residents benefit from improved equity in their homes and have improved choices about their future. Each neighborhood has its own priorities, challenges and organizations working to improve quality of life. The Port’s role is to collaborate with community stakeholders and leverage local assets to transform real estate and achieve the community’s vision and goals.

SUMMARY OF IMPACT Projects detailed throughout this report	41 NEIGHBORHOODS & JURISDICTIONS IMPACTED (2018)	1,388 VACANT, UNDERUTILIZED PROPERTIES IMPROVED (2012-2018)	\$60.6MM INVESTED IN NEIGHBORHOOD STRATEGY (2012-2018)
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2018 SUMMARY
(projects detailed throughout this report)

In 2018, **The Port added three focus neighborhoods – Avondale, Price Hill and the West End** to the places where it makes strategic investment. We fostered community engagement in these neighborhoods in 2018 as well as new planning initiatives in Evanston, Bond Hill and Roselawn – where we have been working since 2013. The Port’s staff attended dozens of community meetings – answering questions, garnering input, providing data and sharing The Port’s role. The past year laid the groundwork for community development that will bring The Port’s neighborhood, commercial and industrial revitalization efforts together to realize customized solutions and help bring the communities’ goals to fruition.





The Port Expands to Three New Focus Neighborhoods:

Left - Avondale residents provide feedback on façades for new, infill single-family housing to be built through the REACH program. The top three elevations chosen by the community will be used for the final designs.

Center - West End residents engage in discussions led by Design Impact to discuss goals and vision for the community.

Right - Price Hill residents at the opening of Percussion Park on Warsaw Avenue, a Landbank-owned lot activated by Price Hill Will, Keep Cincinnati Beautiful and People's Liberty.



SUMMARY OF IMPACT

(Continued)

The Port is uniquely positioned to bridge the gap between private sector organizations, neighborhood-based non-profits and long-term residents to ensure there are winners on all sides, and that no one is left behind as our region experiences a renaissance. Both local and national funders have been attracted to The Port's work reviving real estate to foster safer and healthier neighborhoods. The Greater Cincinnati Foundation provided a \$1,000,000 impact investment to The Port to establish a **housing loan fund** that helps us fill the gap in financing the rehab of vacant, blighted houses into a range of market-rate to affordably priced homes. In 2018, the loan provided funding for the rehab of five houses in Evanston and Walnut Hills. As these homes are completed and sold, the funds will be reinvested in new properties.

The Port leverages many tools in restoring neighborhoods, including blight remediation, historic stabilization, land banking, residential and commercial redevelopment and small business lending. When The Port commits to reestablishing a home or property, dozens of jobs are created. **In 2018, 34 properties were stabilized or rehabbed; 144 properties were demolished and more than 30 acres of unproductive land were positively impacted by The Port, Hamilton County Landbank and HURC.** These revitalized properties will be repositioned to attract new ownership and build equity in Cincinnati's neighborhoods.



HAMILTON COUNTY LANDBANK

Putting properties back to
productive use



Hamilton County
Landbank

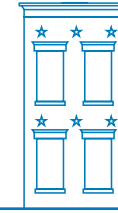
2018 HIGHLIGHTS



34 Structures Stabilized
/ Rehabbed



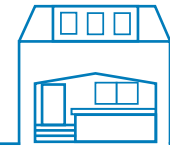
Sold **121** Properties



\$627K in Tax Revenue
Collected from Former
Landbank Properties



\$7.1MM in Surrounding
Home Values Preserved
through Demolition



\$5.5MM in Assessed
Market Value Put Back to
Productive Use

Hamilton County Treasurer Robert Goering is President of the
Hamilton County Land Reutilization Corporation.



The mission of the Hamilton County Landbank is to return vacant, blighted properties to productive assets for our neighborhoods. The Great Recession and foreclosure crisis left hundreds of homes vacant and blighted throughout the County.

Landbank tools have been deployed county-wide to take possession of troubled properties, clear title, stabilize them and work to put them back to good use. We have maintained the goal of taking only vacant and abandoned property. Whether we have been able to rehab the properties, or in some instances demolish them, we have focused on properties that can be turned around into a useful purpose, through sale or redevelopment.

In the seven years since the Landbank was established, more than 450 properties have been disposed to new, responsible end-users and 1,120 unsafe properties demolished – some becoming immediate assets to their neighbors and communities. Dozens of historic homes and buildings have been stabilized and commercial space is now home to businesses and jobs.

As the housing market has recovered and urban neighborhoods have become popular because of their history, character and access, the Landbank has worked with neighborhoods through community development corporations (CDCs) to identify and acquire property in the public's interest to ensure thoughtful, considerate development takes place in alignment with the community's vision.

Kudos to The Port for sharing the positive impact the Landbank has had on the residents and neighborhoods of Hamilton County – it's more than impressive what has been achieved by making our real estate work for all of us.

Robert Goering



THE LANDBANK'S WORK FOCUSES WITHIN THESE THREE AREAS:

Programs are highlighted on the following pages

PUTTING PROPERTIES BACK TO PRODUCTIVE USE THROUGH PARTNERSHIPS



The Landbank disposes properties to organizations, municipalities and individuals with a vision and redevelopment plan.



Students Gain Hands On Experience: A groundbreaking was held on May 25, 2018, to celebrate the new construction of two homes on Ryland Avenue in Bond Hill. Through the Hamilton County Landbank, the quarter-acre parcel on Ryland Avenue was acquired from the forfeited land list and sold at a nominal price for the construction of the new homes. The students from Woodward Career Technical High School hope to prepare the house for a veteran or senior member of the community and are working with Warsaw Federal Savings & Loan to receive applications from potential buyers.

HISTORIC STRUCTURE STABILIZATION



The Landbank preserves landmark structures throughout Cincinnati and Hamilton County for future reuse and redevelopment.



Historic Stabilization Fund making an impact in the West End: Nonprofit community lenders IFF and Cincinnati Development Fund approved a \$2,000,000 loan to the Landbank to fund the acquisition and stabilization of historic structures in the West End to reposition them for future redevelopment. Four homes and two commercial mixed-use structures that were vacant, abandoned and tax-delinquent were acquired in 2018 and stabilization is underway in order to preserve these properties for development opportunities. (Pictured: 1916 Freeman being stabilized following wind storm damage).

SINGLE-FAMILY HOME REHAB & NEW BUILD



The Landbank rehabs or constructs new-build infill housing in focus neighborhoods through REACH (Rehab Across Cincinnati & Hamilton County).

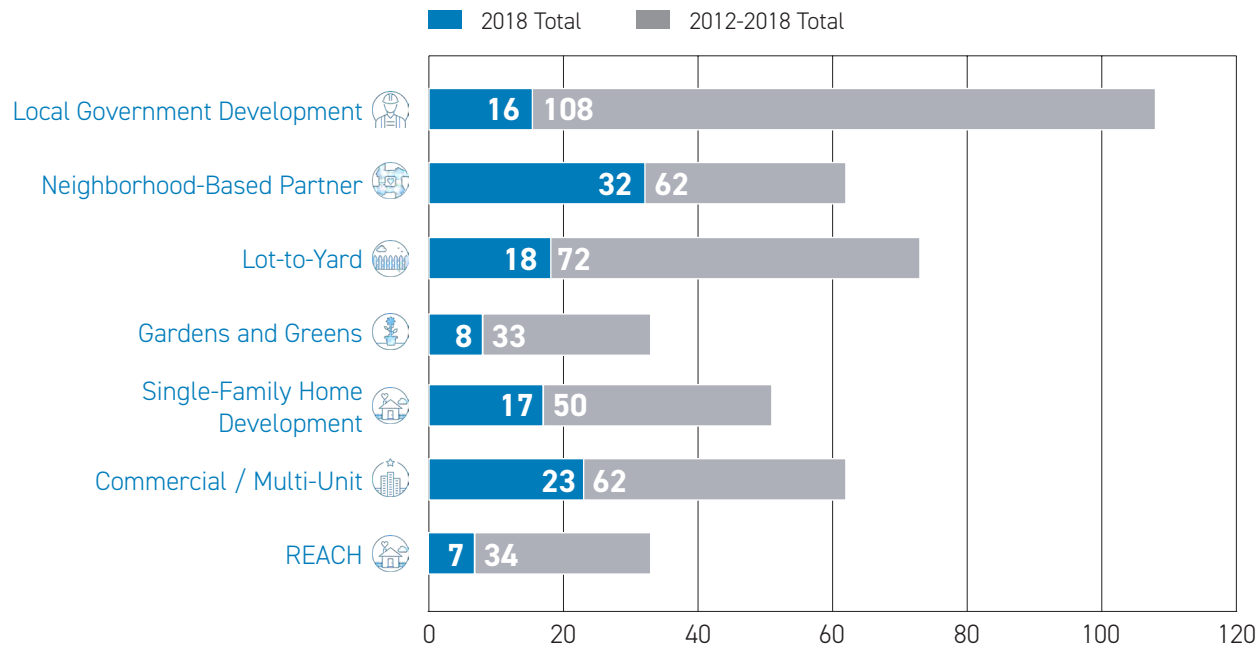


REACH Launches in Price Hill: The Port worked with Price Hill Will and the neighborhood's stakeholders to determine how the market-rate housing program REACH could best eliminate blight and create new, rehabbed housing options, and help improve a depressed real estate market. REACH Price Hill began renovation of ten homes in areas identified by Price Hill Will and The Port in 2018. Through The Port's holistic approach to neighborhood revitalization, affordably priced home rehabs are also underway by the Housing & Urban Redevelopment Corporation (HURC). Areas surrounding Elder and Seton high schools are the focus for redevelopment in phase one of a three year plan. (Pictured: 1227 Gilsey during a contractor open house).

PUTTING PROPERTIES BACK TO PRODUCTIVE USE

Each vacant, blighted property acquired by the Landbank is linked to people, whether they are neighbors, students or nonprofits. **In 2018, the Landbank sold 121 properties**, through its various disposition programs, that will be transformed by a dedicated individual or organization from abandoned safety hazards into homes, yards or community assets such as gardens, parks and orchards.

HAMILTON COUNTY LANDBANK DISPOSITION PROGRAMS



2018 SUCCESS STORIES



Evanston: *Non-profit Hopes Fulfilled* is turning 3507 Bevis into an educational garden demonstrating sustainable urban agriculture.



Springfield Township: *Habitat for Humanity Greater Cincinnati* is building infill housing at 2128 Lincoln.



Evanston: *Easterseals TriState YouthBuild* apprentices are rehabbing 1985 Kinney, learning new skills and rebuilding a future affordable home.

Read more success stories from 2018 at www.HamiltonCountyLandbank.org



CUMMINSVILLE

SINGLE-FAMILY HOME DEVELOPMENT

Long-time Cumminsville resident Milton Davis got tired of watching homes in his community deteriorate and get torn down. He funneled his energy into buying properties from the Landbank. Davis rehabs the homes at night, after working his full-time job, and rents the homes to families.

“I live on this street and I want to see this neighborhood be active again.”

Milton Davis
Cumminsville Resident and Rehabber



REMOVING BLIGHT PRESERVES PROPERTY VALUE

Demolishing the most damaged properties on a street is proven to preserve values of nearby properties. With thousands of vacant, abandoned properties in Hamilton County leftover from the recession and foreclosure crisis, the Landbank receives funding from the Neighborhood Initiative Program (NIP), through the Ohio Housing Finance Agency, to demolish unsafe, hazardous houses and buildings that often contribute to crime and vandalism.

BY THE NUMBERS:

144

Properties Demolished in 2018

\$2,937,284

Spent on Demolitions in 2018

Properties are chosen for demolition by the Landbank team and approved by the community council or community development corporation – they often contain asbestos and mold, have serious structural issues and are beyond feasible repair.

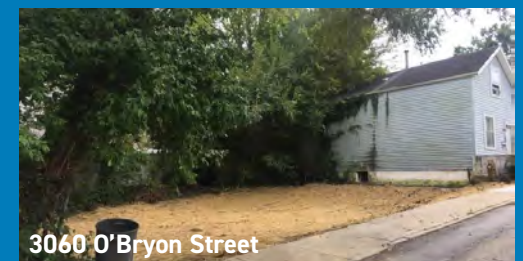
In addition to demolition, NIP funding allows the Landbank to improve blighted properties by not only removing dangerous structures but also through the installation of easy to maintain landscaping and fences to beautify the area.



City Stargazers: Evalene Harris has lived in her home at 1999 Harrison Avenue for more than 50 years. After the Landbank demolished the deteriorated home next door, installed a new fence, landscaping and trees, she purchased the property and can now enjoy seeing the stars from her home on Harrison Avenue.



Expanded Yards: A lot with a fire-damaged house, demolished by the Landbank, was split at the request of the adjoining neighbors in East Price Hill; allowing one neighbor to acquire a driveway and the other to expand his yard.



3060 O'Bryon Street

Every \$1.00 spent on demolition preserves \$2.60 of surrounding home value.

**In 2018,
\$7.13MM in
surrounding
home values
were preserved
through
demolition.**

Based on GOPC Analysis

SAVING HISTORIC STRUCTURES

Hamilton County is home to hundreds of historic, vacant structures that are not being properly maintained and are in serious disrepair. These buildings are an important part of the region's unique character. They contribute economic value and a sense of place to neighborhoods, but often are in danger of demolition through neglect. **Since 2012, the Landbank has stabilized 22 historic structures throughout Hamilton County on 25 parcels.**

BY THE NUMBERS:

7

Properties Stabilized in 2018

\$777,294

Invested in Historic Stabilizations in 2018
(Landbank + City of Cincinnati funded)



WEST END

BAYMILLER ROW HOUSES

The Landbank, in partnership with the City of Cincinnati, stabilized six row houses in the Dayton Street Local Historic District in 2018. Habitat for Humanity will rehab two of the row houses and the other four are being marketed for sale. Stabilization was funded by the City of Cincinnati and totaled \$522,132.

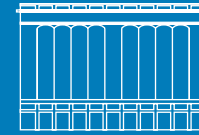


MOUNT AUBURN

FLATIRON BUILDING

Dubbed the "Flatiron Building," this circa-1875 mixed-use building was listed by local preservation enthusiasts as an impact building in the region - a marquee or historically significant structure in need of attention. Stabilization in partnership with the City of Cincinnati was completed in 2018, and a developer has plans to convert the building into a coffee shop and residences. Total stabilization costs were \$255,162.

REVIVING CINCINNATI'S ARCHITECTURAL ICONS



HARRY HAKE
PROVIDENT
BUILDING

PORT'S ROLE: PUBLIC FINANCING

A contemporary of Samuel Hannaford, Hake was followed into the profession by his son and grandson. Hake's structures include Crosley Field, the Queen City Club and Cincinnati and Suburban Telephone Company Building.



SAMUEL HANNAFORD
PRICE HILL MASONIC
LODGE

PORT'S ROLE: PUBLIC FINANCING

Perhaps Cincinnati's best known architect from the turn of the last century, Hannaford designed some of the City's most iconic structures including Cincinnati City Hall, Music Hall and the Cincinnati Times-Star Building.



ZETTEL AND RAPP
REGAL THEATER

PORT'S ROLE: STRUCTURE STABILIZATION, ABATEMENT, LAND BANKING

Responsible for the design of a number of theaters in Cincinnati including the Woodward Theater in Over-the-Rhine, the firm also designed Krohn Conservatory in Eden Park and Mariemont Inn in Mariemont.



PORT HOUSING

REACH and HURC

Through REACH (Rehab Across Cincinnati and Hamilton County) and HURC (Homesteading & Urban Redevelopment Corporation), The Port is working to provide housing options across multiple price points ranging from affordable to market-rate.

In 2018, The Port's housing programs received a boost from multiple foundations, including the Farmer Family Foundation and Greater Cincinnati Foundation, enabling us to better meet the need for housing throughout Hamilton County.

BY THE NUMBERS:

10

Homes rehabbed
or built in 2018

\$2.1MM

Value Added as a result of
REACH / HURC Sales



St. Leger Place in Evanston: A mix of infill housing and rehab of vacant structures has changed the landscape of St. Leger Place. Adjacent to Walnut Hills High School, the street was a crime hot spot in Evanston for years. The Port started working on St. Leger in 2012 with the demolition of St. Leger Apartments and rehabbed or built 8 single-family homes on the street in 2018.

REACH

The Rehab Across Cincinnati & Hamilton County (REACH) program was borne out of the idea to accelerate neighborhood reinvestment by acquiring and renovating key blighted properties that hold neighborhoods hostage. REACH helps to holistically implement residential redevelopment in focus areas of a neighborhood.

THE IMPACT OF ONE HOUSE ON A COMMUNITY

Transforming one vacant lot or structure into an occupied home positively impacts the surrounding residents, neighborhood, municipality and region in a number of ways.

THE LANDBANK INVESTS:

\$500+ on maintenance annually

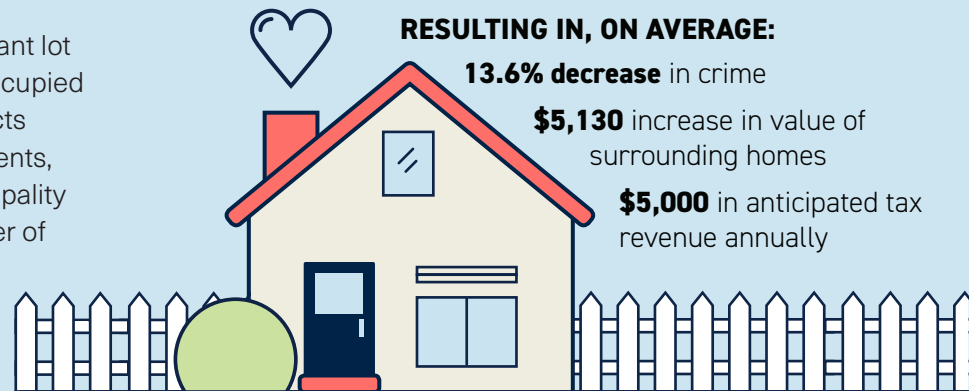
\$54K in subsidy

RESULTING IN, ON AVERAGE:

13.6% decrease in crime

\$5,130 increase in value of
surrounding homes

\$5,000 in anticipated tax
revenue annually



One new homeowner





HOMESTEADING & URBAN REDEVELOPMENT CORPORATION

Stabilizing Communities

INCREASING AFFORDABLE HOUSING OPTIONS

The Homesteading & Urban Redevelopment Corporation (HURC) is dedicated to improving the quality of housing stock and increasing affordable homeownership throughout Hamilton County by providing a quality rehab with minimal overhead.



Turning Blight to Bright: 3637 Mayfield Avenue in Price Hill before and after rehab by HURC in 2018. By taking a focused approach to streets with high vacancy rates, such as Mayfield, HURC and REACH are making big impacts on surrounding home values one street at a time. This home was sold to a first-time homebuyer for \$98,000. The HURC is decreasing the vacancy rate on Mayfield by 66 percent.

President & CEO of the Cincinnati Development Fund, Jeanne Golliher is Board Chair of the Homesteading & Urban Redevelopment Corporation.



The Homesteading & Urban Redevelopment Corporation (HURC) has focused on bringing affordable housing opportunities to Hamilton County since 1976. In 2018, we ramped up our outreach to attract new funding sources to increase the number of affordably priced homes we can bring to communities throughout Hamilton County. The Farmer Family Foundation, Hubert Foundation, Greater Cincinnati Foundation, City of Cincinnati, LISC Greater Cincinnati and First Financial Bank provided grants and investments to enhance HURC's scattered site and focus neighborhood programs.

The demand for affordable housing options is unmet in our region. HURC is

addressing the need and working to scale its redevelopment of vacant, abandoned properties. Through The Port's holistic housing strategy, HURC often complements REACH, The Port's market-rate housing program, in a focus neighborhood to provide a full range of housing options.

In Evanston, for example, REACH has completed 29 market-rate homes, sales prices are rising and the community's priority has shifted to ensuring that there are a range of homes and price points available. Six home rehabs are underway in Evanston in 2019. In 2018, HURC brought three homes to the market at affordable pricing and began construction on five homes.

HURC has a bold goal of bringing 14 affordably priced homes to the market in 2019. The Board of HURC is committed to building on the success of the program and providing home ownership opportunities to first-time buyers.



COMMERCIAL DISTRICTS

Creating Thriving Neighborhood Centers



Reviving a Business District: Construction kicked off on phase one of the Bond Hill Business District in Summer 2018 with a community block party (left). Phase one, focused on facade improvements and renovation of existing retail space at the corner of Dale and Reading, wrapped up in early 2019. Shown at right is a reception in one of the renovated storefronts as part of MORTAR's Future History Now Bus Tour.

BY THE NUMBERS:

83

Commercial Acres Impacted (2012-2018)
including 9.4 Acres in Business Districts

6

Neighborhood Serving Businesses Attracted /
Retained (2012-2018)

36

New Jobs Created through DREAM Loan Fund
(2012-2018)

The Port's neighborhood revitalization strategy encompasses rebuilding commercial corridors to complement residential development. When The Port assumes the role of developer, it acquires, assembles and remediates commercial properties and storefronts, and demolishes obsolete structures, to deliver modern, development-ready street front retail where local, independent businesses can thrive and enhance the neighborhood. The Port's neighborhood redevelopment team "champions" these developments, coordinating engagement with the community's stakeholders, private investors, and the real estate and entrepreneurial communities to market the properties.

In 2016, the Kresge Foundation made a \$5,000,000 program-related investment in The Port, enabling the establishment of Cincinnati Neighborhood Commercial Real Estate Loan Fund, which The Port markets as the DREAM Loan Fund. DREAM – Driving Real Estate by Accelerating Microenterprise – furthers The Port's mission of strengthening place-based investment by supporting thriving commercial districts. The Port has deployed \$1,035,000 in funds for the McMillan Business District in Walnut Hills.



FOCUS NEIGHBORHOODS

A Holistic Approach

The Port has developed a holistic approach to revitalizing neighborhoods as places of opportunity for residents to gain equity in their homes, where new and rehabbed homes attract new residents and revived commercial neighborhood business districts create jobs and the services that residents want.

In each of our focus neighborhoods – we bring our neighborhood, commercial and industrial revitalization efforts together to create customized solutions to work with the community toward achieving their goals. Our neighborhood team attended and participated in dozens of community resident and council meetings in 2018 in our focus neighborhoods – Price Hill, West End, Avondale, Evanston, Walnut Hills, Bond Hill and Roselawn.



PRICE HILL FOCUS NEIGHBORHOOD SINCE 2018

\$4.4MM

Total Investment Through
2018

72

Properties Sold or
Disposed

8

Single-Family Homes
Completed or Underway

\$166K

In Stabilization Funds
Utilized



852 Beech in Price Hill is one of the homes being rehabbed through **REACH Price Hill**. This formerly one-story, vacant and blighted structure is being transformed into a two-story single-family home. REACH plans to rehab more than 30 homes in Price Hill in the next five years.

Price Hill became a neighborhood of focus for The Port in 2018 after funding was secured from several public and private organizations, including the City of Cincinnati, Farmer Family Foundation and Greater Cincinnati Neighborhoods Housing Revitalization Loan Fund (Greater Cincinnati Foundation).

The Port has been working in East, West, and Lower Price Hill since 2012 with the community development corporation, Price Hill Will, Community Matters and Community Learning Center Institute. In 2018, The Port engaged with additional neighborhood stakeholders such as the East Price Hill Improvement Association, West Price Hill Community Council, Santa Maria, Seton High School, Elder High School and others.

The first phase of The Port's efforts is to create a range of safe housing options in the neighborhood. Through the

REACH (Rehab Across Cincinnati and Hamilton County) program, [more than 30 blighted, abandoned homes will be rehabbed](#) into new housing options. The first 10 homes started active construction in 2018 with a focus in the Cedar Grove area near Seton and Elder High Schools.

Through HURC, The Port plans to rehab 15 houses over a three-year period to assist in building an [affordable and revitalized housing stock](#) in the Price Hill community.

The Landbank has acquired properties in the [Glenway Neighborhood Business District](#), [Warsaw Neighborhood Business District](#) and [Lower Price Hill Business District](#) where – working with neighborhood stakeholders and organizations to identify strategies – we will work to create vibrant commercial corridors providing opportunities to entrepreneurs and microenterprise businesses.





In October 2018, The Port entered into a **Memorandum of Understanding with SHNH** that formalized guiding principles of the partnership that shapes the course of both organizations' work in the West End.



In 2018, with funding from the City of Cincinnati and Hamilton County Landbank, **six vacant rowhouses on Baymiller Street** were stabilized. The Port worked with SHNH to determine next steps and four homes were listed for sale and two donated to Habitat for Humanity Greater Cincinnati for much needed affordable housing.

In 2018, the West End became a focus neighborhood for The Port. Through our role in financing the FC Cincinnati soccer stadium, our participation in the community benefits agreement, the commission of a housing study, community engagement, and our anticipated investment in housing and stabilization, the Port is committed to equitable development in the West End.

The Port began working with the West End's community development corporation (CDC), Seven Hills Neighborhood Houses (SHNH), more than three years ago through the Hamilton County Landbank with a focus on acquisition of vacant, abandoned properties and historic stabilization. In 2013, The Port acquired the Regal Theater and funded stabilization work on the neighborhood icon.

The **community benefits agreement** between FC Cincinnati, The Port and West End Community Council was forged in Spring 2018 to help the neighborhood navigate the change expected from the \$250,000,000 soccer stadium project and leverage the civic power of the community to influence equitable development. The Port is both a financing partner of the stadium, and a community development partner with SHNH.

"Our goal at The Port is to work in partnership with SHNH to help revitalize the West End, to mitigate gentrification, to make sure that at the same time we celebrate new investment, new people and growth in the community, that **we're supporting the legacy residents that have been here for so long and not just keeping them here but providing opportunity for them, as well, to fulfill their personal dreams and share in the wealth appreciation and creation that's going to happen.**"

The Port and SHNH put **community engagement** at the center of their first initiatives in 2018: gathering community input to update the neighborhood's WE Speaks plan and commissioning an independent third-party housing study as the data platform for analyzing the risk of displacement and pathways to creating equitable development.

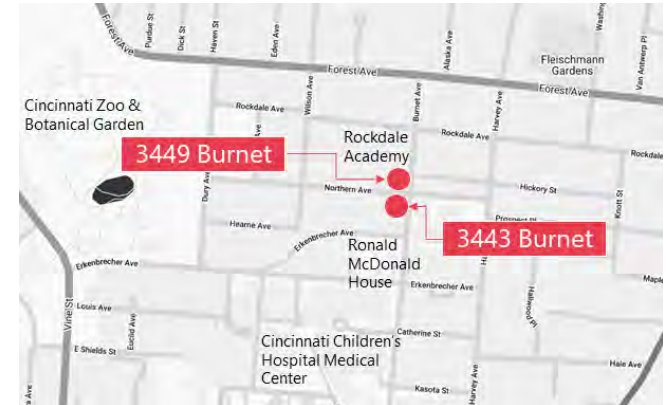
The Port's dedication to historic stabilization helped secure a \$2,000,000 loan to fund the stabilization of historic, vacant residential properties in the West End – preserving and making them safer and ready for future redevelopment. **The West End Historic Structure Stabilization Fund** is funded by national nonprofit lender IFF and the Cincinnati Development Fund. The first six structures for stabilization were identified in 2018 and stabilization work began on them in 2019.

Laura N. Brunner, President & CEO - The Port





REACH Avondale: Avondale Community Council and neighborhood residents review and provide feedback on facade options for new, infill single-family homes to be built in 2019 through REACH. Pictured is Director of Residential Development, Liz Eddy presenting.



Former Gas Station Remediation: The Port's industrial team managed the demolition and remediation of a former gas station and commercial property on two sites along Burnet Avenue. In close proximity to Rockdale Academy and the Ronald McDonald House, work at both properties is following residential clean-up standards.

Avondale became a neighborhood of focus for The Port in 2018 after receiving significant support from Cincinnati Children's Hospital Medical Center (CCHMC), the City of Cincinnati and Greater Cincinnati Neighborhoods Housing Revitalization Loan Fund (Greater Cincinnati Foundation). The Port has been working in the neighborhood for many years with the community development corporation, Avondale Development Corporation (ADC), as well as the Avondale Community Council. Our goal, in partnership with CCHMC and our community partners, is to improve children's health and housing in the neighborhood.

Because Avondale was named a pilot Place Matters neighborhood in

2007, LISC Greater Cincinnati and the Community Building Institute led engagement with ADC, as the lead organization, and residents to develop community-based goals, identify assets and challenges.

The Port's planning for new, infill and rehabbed residential housing surrounding Rockdale and South Avondale schools began in 2018 with outreach to ADC and within the community. These new housing opportunities will help to bring stability and new life to the areas surrounding the schools. Over the course of the next three years, REACH will either rehab or build 20 homes in the focus area.





Updated Neighborhood Plan: *Evanston residents provide feedback on the creation of a neighborhood plan update with the Evanston Community Council. The Hamilton County Landbank funded and assisted in the facilitation of an updated plan.*

The Port leads transformational real estate development projects in neighborhoods where the market will not invest. This was the case in Evanston in 2014, where there had not been a market home sale in over nine years. The Evanston Community Council (ECC) welcomed us in to jump start the housing market. Through focused investment in Evanston, **The Port has built or rehabbed 29 homes**, re-setting the market and attracting private capital. We are now seeing private investment and rehab of properties on the streets where The Port has invested. There are four private rehabs taking place on St. Leger – a street where The Port focused its early efforts.

In 2018, the Hamilton County Landbank funded and assisted in the **facilitation of a neighborhood plan update with the ECC**. The new plan is in its final stages. An updated plan will help inform The Port's disposition of and/or redevelopment of existing property inventory and the types of businesses to focus on attracting to commercial districts. The plan will also serve as a guide for the ECC as it reviews proposed investment by private developers.

The Port's holistic housing strategy also brings an **affordable housing product through the HURC**, which began rehabbing two homes on Jonathan in 2018. The HURC has a goal of bringing six affordably priced rehabbed homes to the neighborhood by

the end of 2019. The Port holds 112 properties in Evanston for future redevelopment and has put 75 formerly blighted and unsafe properties back to productive use.

The Port continues to make strategic acquisition of blighted commercial properties in the Five Points and Northern Business Districts in order to create a developable assemblage and **revive the community's business districts** – a clear priority identified in the planning process.

Additionally, in the **Northern Business District**, The Port's Neighborhood team partnered with the ECC and the Walnut Hills Redevelopment Foundation (WHRF) on an application for funding through the City of Cincinnati's Neighborhood Business District Improvement Program (NBDIP) in 2018. Through a competitive process, the project was awarded \$236,000 in funding for asbestos abatement and Phase I stabilization to prepare three vacant, historic properties along Montgomery Rd for future redevelopment: 3604-08 Montgomery Road & 3570 Montgomery Road, properties acquired by the Landbank, as well as 1740 Brewster, acquired by the WHRF. The Landbank has committed an additional \$40,000. A funding contract with the city is being finalized at this time – the project will be publicly bid out in the near future with hopes to commence construction in 2019.



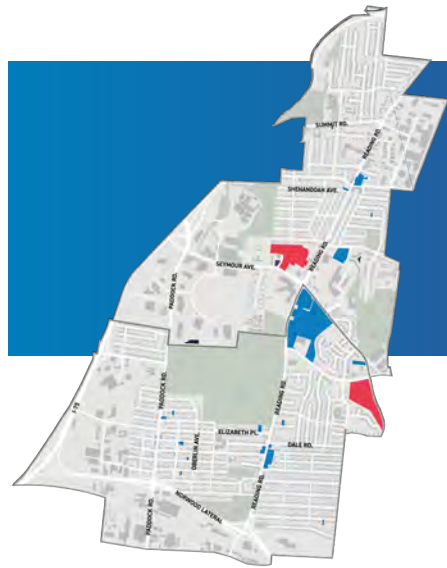


Poste: Construction is underway on this \$18 million mixed-use development in Walnut Hills. In addition to 124 market-rate apartments, the complex will bring an additional 5,000 SF of street-level retail to the McMillan Street Business District. The Port entered into a sale-leaseback agreement and issued \$14 million in taxable lease revenue bonds. The Landbank also acquired and sold three vacant, blighted properties situated within the development's footprint to the WHRF.



REACH Walnut Hills: Home on Morgan Street before and after rehab through REACH. The blue home to the right, also vacant and severely blighted, was demolished to enable the rehab of the two-story single-family home - the tenth rehab or infill new build home completed by The Port in Walnut Hills.

The Port began collaborating with the Walnut Hills Community Council and Walnut Hills Redevelopment Foundation (WHRF) with input from the City of Cincinnati in 2013. At the community's request, The Port's early investment was in the Peebles Corner area with the renovation of existing homes and construction of new infill housing totaling nine homes sold through REACH. In 2018, two homes were rehabbed and one was sold by REACH while HURC began the renovation of another home. From transformative housing development to financing redevelopment of historic landmarks, The Port has led catalytic revitalization in this vibrant neighborhood.



BOND HILL AND ROSELAWN FOCUS NEIGHBORHOODS SINCE 2012

\$18.1MM
Total Investment Through
2018

11
Properties Sold or
Disposed

80
Acres Improved

23
Acres Repositioned for
Industrial

The BH+R Plan, developed through engagement with the residents of Bond Hill and Roselawn by the Community Building Institute at Xavier University, was approved by the community councils of both neighborhoods and approved by Cincinnati City Council in 2016. The Plan has guided The Port's commercial and industrial redevelopment initiatives in both communities.

BOND HILL

The Bond Hill Business District (BHBD) was identified as a number one priority in the BH+R Plan, so The Port and its partners worked with the community to realize this goal of revitalizing the business district. In 2018, new engagement with Bond Hill residents was undertaken to update the BH+R plan and community's priorities for revitalization. Redevelopment of 5,500 square feet of retail space, including facade improvements and whiteboxing of the commercial spaces, in the Bond Hill Business District began with a community celebration in July 2018. Funding for the construction came from the City of Cincinnati, Community Economic Advancement Initiatives (CEAI) and The Port. DREAM Loan Funds, provided by the Kresge Foundation, will be used to customize the spaces for small, neighborhood-serving businesses that will create new jobs in the community and retain an existing business which has been serving the community for over five years.

As a result of The Port's investment and acquisition of properties, private sector individuals are investing and renovating properties along the Reading Road corridor.

ROSELAWN

The BH+R Plan called for a focus on creating jobs and eliminating blighted properties along commercial corridors in Roselawn. On March 28, 2018, a groundbreaking was held for the Roselawn Senior Apartments on a formerly blighted commercial property and abandoned building at 1811 Losantiville. The new \$11,000,000, 50-unit project incorporates community space on the ground level and is expected to open in 2019. The Port led the site development.

The Port purchased a key property at the corner of Section and Reading Roads, identified for redevelopment by the Roselawn Community Council, in 2018. Initial environmental remediation work was completed and further clean-up will be completed in 2019. This site is an important gateway to the community of Roselawn and is half a mile from The Port's 56-acre development-ready industrial site, 2100 Section Road, in Amberley Village.



Bond Hill Business District: Attendees of The Port's Commercial Real Estate Bus Tour in one of the newly rehabbed retail spaces.



Roselawn Senior Apartments: Senior Apartments are being constructed on a site along Losantiville where a vacant, blighted office building once stood.



INDUSTRIAL REVITALIZATION

ON SOLID GROUND: When companies search for a new facility location, we want them to be able to find a site in Hamilton County. Within the broader economic development network working to make Hamilton County a top competitive business location, The Port's specialty is assembling land and leading redevelopment to produce job-ready sites. Under our industrial revitalization strategy, The Port acquires former manufacturing / production facilities (brownfields) that are vacant, underutilized or obsolete – and prepares sites to meet the needs of today's end-users. In 2018, The Port continued to deliver on this mission and increased Hamilton County's inventory of sites suitable for manufacturing investment.

SUMMARY OF IMPACT Projects detailed throughout this report	875 ANTICIPATED JOB CREATION FROM FIRST 75 REDEVELOPED ACRES	75 ACRES MADE DEVELOPMENT- READY (2012-2018)	\$18.16MM INVESTED IN INDUSTRIAL STRATEGY (2012-2018)
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2018 SUMMARY
(projects detailed throughout this report)

In 2018, The Port completed **redevelopment of the former Cincinnati Gardens, a 19-acre site in Bond Hill**. This site is part of our portfolio of 75 acres that The Port has made job-ready for next-generation manufacturing companies. Through the \$4,200,000 acquisition and redevelopment of the Bond Hill site, formerly the Cincinnati Gardens, The Port has increased the region's inventory of clean sites ready for new investment. In early 2019, we announced the site's first investor, Messer Construction, which plans a 73,000+ square foot manufacturing spec building on five acres it purchased in early 2019. By 2018 year-end, The Port was in negotiation to acquire and had funding in place for the **next 150 acres** under this strategy.





Gardens Sign finds new home: From left, a team from O'Rourke Wrecking removes the marquee letters from the facade of the former Gardens which have since been installed at the American Sign Museum in Camp Washington.



Throughout the redevelopment of 2250 Seymour, The Port connected with the community to honor the property's past as a beloved sports and entertainment venue that hosted musical artists including The Beatles and Elvis Presley, and prominent speakers including Dr. Martin Luther King. Its heyday as a modern entertainment destination ended, but hopes that the Gardens legacy could live on were realized through The Port's **community engagement efforts**. Several significant artifacts from the venue were removed and relocated prior to the building demolition.

SUMMARY OF IMPACT (Continued)



Site Selectors Guild Annual Conference: This event provided an incredible opportunity to present our region and The Port's site revitalization strategy to 40 site selectors.

In March, The Port supported Regional Economic Development Initiative (REDI) Cincinnati in hosting the **Site Selectors Guild Annual Conference**. This provided an incredible opportunity to present our region and The Port's site revitalization strategy to 40 site selectors from around the nation. The forum united state and local elected officials, economic development and business leaders who presented a compelling business case for Greater Cincinnati as a top business location. The Port attended all networking events throughout the three-day conference, and directed Greater Cincinnati Foreign Trade Zone program sponsorship of a pre-conference event to further interact with these important decision-makers.

Throughout 2018, The Port continued to expand our connection within the economic development, commercial real estate and financing industries, in an effort to increase awareness of Port-owned manufacturing sites. REDI Cincinnati included marketing materials featuring The Port-owned 2100 Section Road site at **2018 Market Day**, in Atlanta, Georgia. At this focused site selection mission, REDI met with targeted site selectors from the Atlanta region that consider Ohio key for their clients' investments and expansions.

The Port presented on brownfield redevelopment, environmental stewardship, and industrial site assembly, marketing and financing on numerous occasions in 2018. We met with eight Hamilton County municipalities to discuss individualized plans for vacant industrial land redevelopment and environmental investigation.



Updated Industrial Pre-qualification Process: *The Port re-vamped its Industrial pre-qualifications for contractors and created a second-tier qualification category to capture contractors whose niche is of a smaller scale. This change has expanded The Port's database of diverse contractors qualifying to participate in The Port's industrial projects. We communicated the details of how to apply to African American Chamber members at our Quarterly Real Estate Forum business-building events. Pictured here is Melissa Johnson, Vice President of Industrial Development.*



U.S. EPA Brownfields Assessment Grant: *Throughout its history, The Port has been very successful at attracting and managing federal and state grant money that assists the cleanup and redevelopment of industrial brownfield sites for a range of municipal and private development partners. In April, The Port held a kickoff event opening up applications for grant funding from the U.S. EPA through a \$300,000 grant. Through the end of 2018, The Port awarded two applicants with funds for Phase I and Phase II work. Pictured here is Julie Banner, P.E., Senior Development Associate.*

SUMMARY OF IMPACT

(Continued)

Urban manufacturing — including specialized, small-batch production — continues to grow in appeal and significance to the regional economy. In 2018, The Port was a local title sponsor of **“The State of Urban Manufacturing”** study undertaken by Federal Reserve Bank of Cleveland and Urban Manufacturing Alliance, as a way to give policymakers, economic development practitioners, and workforce training providers information they can use to make strategic decisions to support urban manufacturers. Among the report's conclusions is that the community is invested in, and supportive of, local makers; that it has a good start-up culture; and that businesses can leverage local creativity. Respondents cited needs for additional connection to resources to help them grow beyond the idea stage, find space, and understand key business needs. The Port's site strategy is inclusive of urban sites that accommodate the real estate needs of small-batch makers.

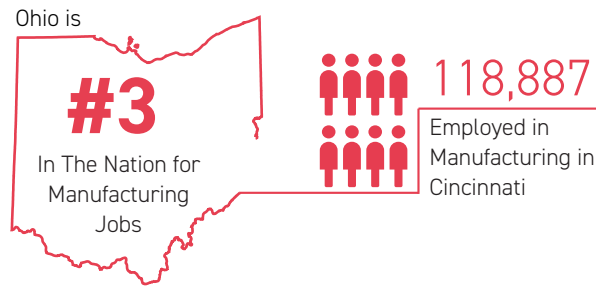
Project management, specifically in the Avondale community, continues with the **redevelopment of two former gas stations** located on Burnet Avenue. This environmentally-focused project continues to rely on the strategic relationship of funding partners at the Ohio Development Services Agency and the Bureau of Underground Storage Tank Regulations. The Port remains a trusted advisor and oversight agency for this redevelopment on behalf of the community.

In 2018, The Port won an **Ohio Success Award** for our industrial strategy, citing the program's strength in creating value and expanding ingenuity and partnership.



Manufacturing Statistics

In 2018, the demand for large, development ready sites remained high and Ohio's manufacturing sector continued to grow.



Value of Manufacturing to the Local Economy

Ohio remains third in the nation in manufacturing jobs; its manufacturing jobs pay better than average compared to the nation's, and to other industries in the state; the sector continues to see wage growth; Ohio has a large concentration of advanced manufacturing; and manufacturing jobs are recovering losses since the Great Recession. Manufacturing generates one in every six dollars and one in every eight jobs in Ohio.

Demand Remains High for Development-Ready Sites

Key demand statistics from REDI Cincinnati in 2018:

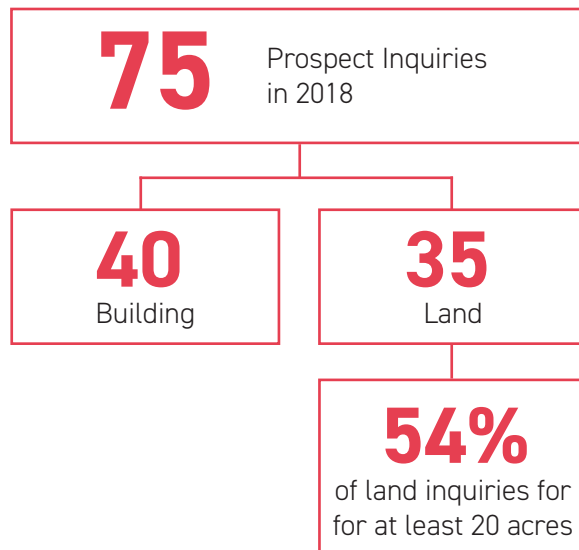
- o 75 prospect inquiries – 40 with a building and 35 for land-only.
- o 54% of the land inquiries were for at least 20 acres
- o Our region's current inventory for sites 20+ acres is: 4
- o Currently, the number of these sites that are shovel ready: 1

Companies Seek Competitive Edge Throughout Changing Landscape of International Trade

In 2018, The FTZ coordinated the analysis of zone benefits for 67 companies within Greater Cincinnati and Northern Kentucky. The purpose of the FTZ program, since its inception in 1934, is to expedite and encourage foreign commerce within the United States. FTZ No. 46 and No. 47 is a business operations focused federal program designed to help regional businesses compete in the global marketplace through the elimination, deferral or reduction of customs duties on imported and exported/re-exported merchandise.

Manufacturing Continues to Provide Living Wages, Building the Middle Class

The typical worker with a high school diploma and no college studies earns \$2.99 more per hour in manufacturing than their peers in other sectors as of 2013. Despite the fact that educational attainment is at an all-time high, a high school degree is still the highest level of completion for two thirds of the U.S. workforce, about 100 million Americans. Average wages of \$1,119 per week in manufacturing exceeded the average for all other sectors by 24.9 percent.



SITE STRATEGY

Project Updates

It takes the support of many regional partners to fund the acquisition, due diligence, demolition, remediation and sitework required to reposition sites for manufacturing. Through 2018, The Port had raised \$10.8 million in social impact investment funds to secure the redevelopment of 75-acres in Hamilton County. These funds have further leveraged \$15 million.



**Private
Patient Capital
Noteholders**

AMBERLEY VILLAGE 2100 SECTION ROAD

Redevelopment work concluded on the site in March 2018. Marketing efforts continued through a collaboration with BHDP Architecture to create a conceptual site layout and 3D video depicting a rendering of a fully revitalized site.

**700
JOBS ANTICIPATED**

**\$61.9MM
CAPITAL INVESTMENT
ANTICIPATED**



**56
ACRES**

PROJECT UPDATES

March 2018

Work Complete

Summer 2018

Conceptual Site Layout Finalized

December 2018

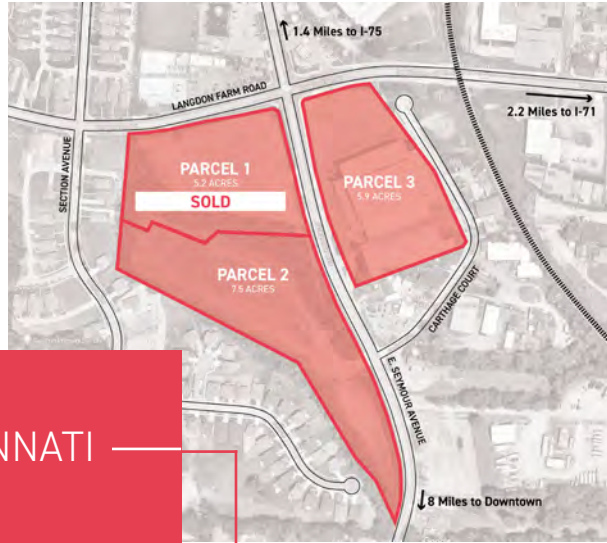
3D Video Created and Distributed

February 2019

FEMA approves floodplain and corrects maps



19
ACRES



BOND HILL

FORMER CINCINNATI GARDENS

Demolition and remediation to prepare the site for redevelopment was completed in 2018.

275
JOBS ANTICIPATED

\$20.6MM
CAPITAL INVESTMENT
ANTICIPATED



Iconic Porcelain Sign Finds a New Home:

Through a \$15,000 grant from the Haile/U.S. Bank Foundation, the "CINCINNATI GARDENS" letters were installed in Camp Washington on the exterior of the American Sign Museum. At its 54th Annual Meeting at Music Hall, the Cincinnati Preservation Association (CPA) recognized The Port with a Special Merit Award 2018 for keeping the memory of the Cincinnati Gardens alive by donating the iconic letters.



PROJECT UPDATES

- February 2018**
Remediation Complete
- June 2018**
Demolition Complete
- August 2018**
Gardens Sign Installed at American Sign Museum
- November 2018**
Grading & Site Work Complete
- January 2019**
Parcels defined and approved by Hamilton County

"Site readiness is a challenge that every region faces, and we are no different. Finding those shovel ready sites is **crucial to attracting business to the region.**"

Kimm Lauterbach
CEO, REDI Cincinnati



THE LONG GAME:

Three Brownfield Reuse Success Stories

When it comes to turning around large-scale brownfield sites, the timeline often is measured in decades, not years. The amount of time, expertise and financial investment may be larger for these sites, but so is the potential return. Here are three Hamilton County brownfield sites and their development status as of 2018 year-end. This is a look at what happened to these sites from the plant closing to The Port's assistance with environmental assessment or remediation through development / job creation. Each site faced significant challenges that kept redevelopment stalled until the right public-private partnership, financing strategy, and land use plan came together to take these sites out of limbo.



RIVERSIDE

RIVERSIDE YARD



In 2018, Neyer Properties broke ground on the first phase of the \$40MM RiverSide Yard Development with a 103,500 square foot speculative industrial building on the 46-acre site. Located along US-50 (River Road) in the Riverside community, RiverSide Yard is zoned and pad-ready for industrial and manufacturing uses.

RiverSide Yard is among the largest available industrial sites within I-275. Neyer Properties partnered with the City of Cincinnati to obtain a JobsOhio Site Redevelopment Grant to clear and level the site. Immediately following, an access road extending from US-50 was built and brought utilities to the site. After serving as a 66-acre rail yard and container port for the river industry for more than 100 years, Conrail abandoned Riverside Yard as a railroad yard in the 1980s and it was used for container storage and as a storage site for excess fill material from large construction projects. The City of Cincinnati purchased the site in 1997 and sold two-thirds of it, but efforts to redevelop it stalled until Neyer Properties acquired it and created a new development partnership. **The Port administered a U.S. EPA Brownfield Assessment Coalition Grant funding for part of the site for Phase I and Phase II assessments from its 2010 grant award of \$1,000,000.**



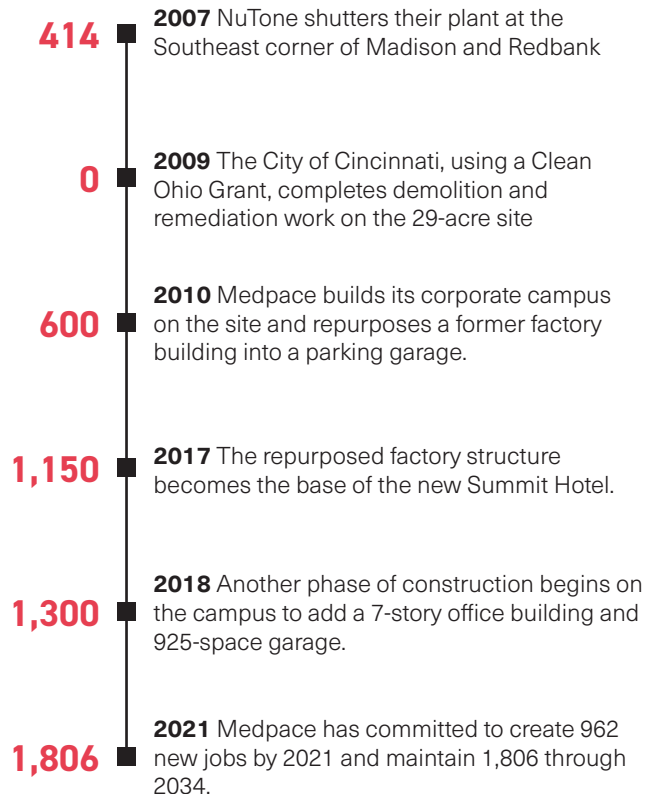
MADISONVILLE

MADISON & REDBANK



REDI Cincinnati counts the Medpace expansion as among the region's largest in terms of job creation announcements. This expansion comes at a prominent corner in Madisonville, nearly ten years after its former occupant closed up shop.

Jobs Timeline



2006



2011



2019



CAMP WASHINGTON SPRING GROVE SITE

The former site of Sara Lee / Kahn's operations, this 17-acre site was cleared and remediated by The Port and Hamilton County through a Clean Ohio Grant in 2010. The City of Cincinnati contributed demolition funds.



New Development:

In 2018, Rhinegeist builds 120,000 SF secondary brewery and cold storage at south end of the site.

In early 2019, The Port was approved to purchase 4 acres at the north end of the site for industrial development.



EPA GRANT UPDATES

Projects bolster two neighborhood business districts

After finalizing the Cooperative Agreement with the USEPA for the \$300,000 Brownfields Assessment Grant that The Port was awarded, The Port held a kick-off event in April 2018. Community-wide hazardous substances grant funds will be used to conduct eight Phase I and four Phase II environmental site assessments, and create three cleanup plans. Community wide petroleum grant funds will be used to conduct five Phase I and three Phase II environmental site assessments, and create two cleanup plans.

BY THE NUMBERS:

\$300k
Grant Awarded

The Port was
1 of 9
Grant Recipients in Ohio

EPA's brownfields program empowers states, communities and other stakeholders to work together to prevent, assess, safely cleanup and sustainably reuse brownfields. A brownfield site is real property, the expansion, redevelopment or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant or contaminant. Through the end of 2018, The Port awarded two applicants with funds for Phase I and Phase II work.

PLEASANT RIDGE BUSINESS DISTRICT INFILL



Underutilized for a decade, planning began three years ago for redevelopment of a 1.25 acre site on Montgomery Road. The Port was able to administer U.S. EPA funds for environmental assessments - a key part of the project's due diligence.



"This development is moving forward because of partnerships. PRDC received funding support from Mayor Cranley and the City of Cincinnati in addition to the brownfield assessment grant from The Port"

**Pleasant Ridge Development Corp. President,
Jason Chamlee**

LOVELAND 8.3-ACRE BROWNFIELD SITE



Redeveloping an 8.3-acre property on Chestnut Street is a priority for the City of Loveland. "With the Phase I and Phase II Environmental Site Assessments and a Remedial Action Plan, facilitated by The Port, we are beginning to see the light at the end of the tunnel to pursue development of this land," shared Loveland City Manager, Dave Kennedy.

"This property is a tremendous opportunity for infill development that complements Loveland's downtown district and industrial park."

Loveland City Manager, Dave Kennedy



GREATER CINCINNATI FOREIGN TRADE ZONE

Expanding awareness of FTZ benefits

Since 2014, the Greater Cincinnati Foreign Trade Zone, Inc. has expanded its marketing program and referral network to raise awareness of the program's benefits and participate nationally in issues that affect Foreign Trade Zones (FTZs) and foreign trade. In 2018, The Port continued to raise the profile of the regional program, which it manages and markets:

In March, when 400 economic development leaders and site selection consultants visited Cincinnati for the **2018 Site Selectors Guild Conference**, about 50 experts attended a March Madness welcome reception at a revitalized downtown landmark where they enjoyed basketball, Irish dancing and were introduced to the region's FTZ program before the conference began;

BY THE NUMBERS:

10

Companies participate as zone users

15,000+

Employment among zone users

(source: 2017 FTZ Board Annual Report)



FTZs No. 46 and No. 47 celebrates its 40th anniversary in 2019. The Port is promoting this anniversary milestone and is **debuting a video series** explaining what an FTZ is, the types of businesses that benefit from FTZs and what business functions can be performed in an FTZ;

A valuable partner since 2016, **REDI Cincinnati has co-promoted the FTZ program** by including FTZ-focused questions on its business retention questionnaire in visits with more than 200 companies annually and inviting the FTZ to join site selection market day trips to promote zone benefits;

The Port facilitates roundtables among FTZ operators in our region to share best practices and ideas;

Greater Cincinnati FTZ sponsored **Japan America Society of Greater Cincinnati's** business forum to discuss critical and timely trade issues, include tariffs on steel and aluminum and the impact on automotive parts makers and OEMs.

Marketing the FTZ program is important because of the economic benefit it provides throughout the entire Greater Cincinnati and Northern Kentucky region beyond the value realized by qualifying companies using the FTZ program. The Port has seen consistent inquiry into the use of Foreign Trade Zones (FTZ) as a measure of mitigating tariff increases on imports. In 2018, The FTZ coordinated the analysis of zone benefits for 67 companies within Greater Cincinnati and Northern Kentucky.

JOBS MADE HERE A Funding Platform for the Future

In 2018, as The Port continued to assess hundreds of blighted industrial acres for acquisition and redevelopment into job-ready sites, it also secured additional funding to advance this mission.

Jobs Made Here was developed by The Port as a call to action in the community to amass resources for the development of sites responsive to next-generation manufacturing and support The Port's policy of job creation. Without proactive commitment to industrial redevelopment, the region is unable to realize the value of hundreds of acres of industrial brownfields that now sit idle or underutilized. The economic implications are enormous. Equally important are the social implications. Manufacturing that delivers good-paying jobs to people along with skill-enhancing training programs can alleviate poverty and income inequality and build the tax base of strong communities. Jobs Made Here recommends:

- A common vision of "highest and best" land use that preserves industrial corridors and creates family-supporting jobs;
- Expanding the number of 20+ acre shovel-ready sites to attract large projects – 200,000 SF and larger single tenant buildings
- Bringing a variety of manufacturing site sizes to market;
- Engage land banking / fund public ownership & stewardship of industrial land;
- Leveraging and securing funding to develop at scale.

The City of Cincinnati has committed an allocation of \$2,000,000 to fund a future industrial development in the city.



ECONOMIC INCLUSION

**A High Priority for
The Port**

The Port / HCLRC / HURC Projects and Operations

	Total Amt. Paid	MBE Spend	%	WBE Spend	%	SBE Spend	%
The Port	\$4,480,071	\$152,080	3%	\$6,089	0%	\$341,707	8%
HCLRC	\$5,656,533	\$1,204,249	21%	\$985,796	17%	\$3,187,019	56%
HURC	\$882,965	\$804,845	91%	\$16,677	2%	\$831,722	94%
Total	\$11,019,569	\$2,161,174	20%	\$1,008,562	9%	\$4,360,448	40%
Goal			25%		7%		30%



African American Chamber Forums

CONNECTING OPPORTUNITIES

The Port and African American Chamber (AAC) hosted three Real Estate Forums in 2018 for several hundred attendees. The Forums are an opportunity for AAC members to hear about potential real estate and business opportunities from The Port's residential, commercial and industrial development teams. AAC also shared the launch of the Collective Fund, a private commercial real estate fund with the mission to provide AAC members and investors the opportunity to invest in commercial real estate.



Laurence Jones

RISKVERSITY

RiskVersity is a minority-owned bonding company and through The Port's connections and outreach, they were hired to place the bond for the Hudepohl Brewery redevelopment. They found us through our outreach and now have another contract through O'Rourke. Their president, Laurence Jones, told The Port that Hudepohl represents the first time that a minority-owned bonding company has placed a bond for a Port project or even for any project within the City of Cincinnati.

"The Port helped establish modern-day standards of project inclusion for the region. **It continues as a high priority that minority-owned, women-owned and other historically underutilized businesses have a significant seat at the table.**"

Deborah Robb, The Port

**Director of Homesteading & Urban
Redevelopment Corporation and Residential
Sales**



LOOKING AHEAD

The Port is incredibly proud of the impact we have been able to make, and the trust placed in us to make investments on behalf of the City of Cincinnati and Hamilton County to improve properties and drive growth. As we do the work of repurposing vacant properties, restoring industrial sites to productive use and financing a variety of complex capital projects, we always consider, 'Who is benefiting from this work – now and in the long-term? How can we do more within our scope to expand access to local opportunity through real estate? What are emerging unmet public needs The Port can anticipate and work to solve now?'

OPPORTUNITY MATTERS

Real estate is a key driver of both economic outcomes and quality of life. 2018 represents The Port's fourth full year under its Vision 2022 growth strategy to transform Cincinnati by repurposing properties that negatively impact opportunity, economic growth and civic life.

In this report, we share the progress The Port has made within Vision 2022. The report's theme is "Opportunity" because repurposing underutilized real estate and reinvesting in neighborhoods and in industrial sites can support sustainable redevelopment that brings jobs and creates vibrant communities. **Within The Port's strategy, Opportunity showed up in a number of ways in 2018:**

- Local individuals are buying vacant properties owned by the Hamilton County Landbank at affordable rates to rehab and sell or rent. This year we feature Milton Davis, a Cumminsville resident who has made restoring properties on his street, that he acquires through the Landbank, his second job.
- First-time homeowners Carlos Alvarado and Sharon Ford were able to purchase the first home we rehabbed in Evanston under a new funding partnership model that focuses on housing affordability.
- Minority contractors like Hunn's Construction are adding employees and building capacity

Continued on following page



LOOKING AHEAD

(Continued)

Next year, we will begin recalibrating Vision 2022 to leverage our unique skills toward the region's most pressing needs around expanding opportunity.

through The Port's predictable stream of projects and commitment to pay smaller contractors every two weeks to maintain cash flow. In Evanston, Hunn's hired a long-time Jonathan Street resident as a full-time employee to work on properties on the street and nearby.

- Acquiring and repurposing underutilized industrial land to fit modern manufacturing site specifications is a patient strategy that holds and markets the properties until we connect with an end user that commits to sustainable job growth. Our work to redevelop 19 acres in Bond Hill will culminate in a 2019 groundbreaking. When development of the entire site is completed, we anticipate 275 new jobs.

Next year, we will begin recalibrating Vision 2022 to leverage our unique tools and skills toward the region's most pressing needs around expanding opportunity. Because after decades of population loss, and targeted areas of disinvestment, Cincinnati is again a place to invest. But prosperity is not evenly distributed across the population, and as noted in the 2015 State of Black Cincinnati report, we are still a tale of two cities, with white prosperity far outpacing black prosperity.

So, The Port's strategic vision and commitment to equitable growth must expand with the challenge. We will benchmark other organizations with similar aspirations, attract new capital partners and collect ideas and energy in order to tackle the challenge. The Port will do our part through encouraging equity in commercial and residential development. **We are confident these will play a significant role in our updated strategy:**

- We will grow our efforts to improve affordable home ownership. Affordability requires subsidy, and we will explore how we can attract more investment to accelerate the supply of available homes.
- We will take on the ownership and improvement of apartments as part of our housing strategy.
- We will continue to promote education about real estate finance and development, and help structure deals with expanded opportunity for equity.
- Through patient loans, we will build commercial districts with local microenterprise.
- We will play a larger role in increasing the percentage of real estate across our City and County that is owned by African Americans.

The Port considers next year's strategic planning an opportunity to tackle an outsized challenge aligned with our mission and make decisions that will increase the impact of our work dramatically. We favor a holistic, all-in effort over an incremental approach, and consider our partnerships a critical part of every successful outcome we are able to achieve.



SOURCES & METHODOLOGIES

PUBLIC FINANCE:

Project numbers based upon projections provided by project developers, municipalities, and companies.

NEIGHBORHOOD REVITALIZATION:

Page 14: "\$7.1MM in Surrounding Home Values Preserved Through Demolition"

- GOPC Methodology adapted from a 2017 Dynamo Metric study <https://demolitionimpact.com/>
- On average, every \$1.00 spent on demolition preserves \$2.60 in surrounding home values.

Page 14: "627K in Tax Revenue Collected from Former Landbank Properties"

- Source: Hamilton County Auditor

Page 14: "\$5.5MM in Assessed Market Value Put Back to Productive Use"

- Source: Hamilton County Auditor

Page 17: "Demolishing the most damaged properties on a street is proven to preserve values of nearby properties."

- Source: 2017 Dynamo Metric study <https://demolitionimpact.com/>

Page 17: "\$2,937,284 Spent on Demolitions in 2018"

- Moving Ohio Forward 2012-2014, administered by the Ohio Attorney General's Office <https://www.ohioattorneygeneral.gov/Media/Videos/Moving-Ohio-Forward-Demolition-Program>
- Neighborhood Initiative Program 2014-2019, administered by the Ohio Housing Finance Agency <http://ohiohome.org/savethedream/neighborhoodinitiative.aspx>

Page 19: "\$2.1MM Value Added as a Result of REACH / HURC Sales"

- Source: Value of home sales for 2018

Page 19: The Impact of One House on a Community

- \$500+ Spent on Maintenance Annually - Calculated using Port finance data
- \$54K in Subsidy - Average subsidy spent on 10 HURC / REACH Rehabs in 2018
- 13.6% Decrease in Crime per house - City of Cincinnati crime data for target area

on Blair Avenue in Evanston from 2011 to 2018

- \$5,130 Average Increase in Value of surrounding homes - Based off the Hamilton County Auditor's Assessed Value in REACH Evanston Focus Area
- \$5,000 in anticipated tax revenue - Based off taxes paid according to the Hamilton County Auditor in REACH Evanston Focus Area

Page 25: "\$5,130 Increase in Average Home Values (Focus Area Only)"

- Based off the Hamilton County Auditor's Assessed Value

INDUSTRIAL REVITALIZATION:

Page 28, 32, and 33: Projected job creation and capital investment

- Job creation and real property investments are key drivers in repurposing industrial real estate. The Port's benchmarking of several other communities, nationwide, yielded a variety of practices and thresholds from which The Port has incorporated in to the aspirational targets of economic return for the community. These include: per developable acre, an average annual payroll of \$56,360, and a 50% increase of real property tax base and income tax revenue to the municipality.

Page 31: Manufacturing Statistics

- Century Foundation - Match 2018 "Manufacturing a High Wage Ohio"
- Policy Matters Ohio - January 2017 "Manufacturing: Still Vital to Ohio"
- Economic Policy Institute - January 2015 "The Manufacturing Footprint and the Importance of U.S. Manufacturing Jobs"
- Deloitte - February 2017 "Cincinnati's Urban Manufacturing Outlook from a Location Strategist's Perspective"
- REDI Cincinnati Demand Data

Page 35: Madison & Redbank Jobs

- Cincinnati Business Courier - July 2006 - "NuTone to close Cincinnati plant, lay off 414 workers"
- Fox 19 - October 2008 "Company chooses Madisonville for global headquarters"
- Cincinnati Business Courier - October 2016 "Cincinnati's newest public company plans to hire 650 employees"
- Cincinnati Enquirer - June 2018 - "Medpace speeds the advancement of safe, effective medical therapeutics"
- Project employment numbers based upon projections provided by project developers.

Page 37: Greater Cincinnati Foreign Trade Zone by the Numbers

- Source: 2017 FTZ Board Annual Report



FIVE WAYS TO GET INVOLVED



**SIGN UP FOR OUR
NEWSLETTER**

bit.ly/PortNewsletterSignUp



**MAKE AN IMPACT
INVESTMENT**

bit.ly/Port-Investment



**SPONSOR / ATTEND
OUR TOURS & EVENTS**

bit.ly/Port-Events



**PURCHASE ONE OF
OUR PROPERTIES**

bit.ly/HCLandbankProperties



**WORK WITH
THE PORT**

bit.ly/Port-WorkWithUs





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Making Real Estate Work



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