

2024

THE PORT'S ECONOMIC EQUITY AND INCLUSION

PLAYBOOK

WHAT CAN WE DO TO

BOOST MBE UTILIZATION?

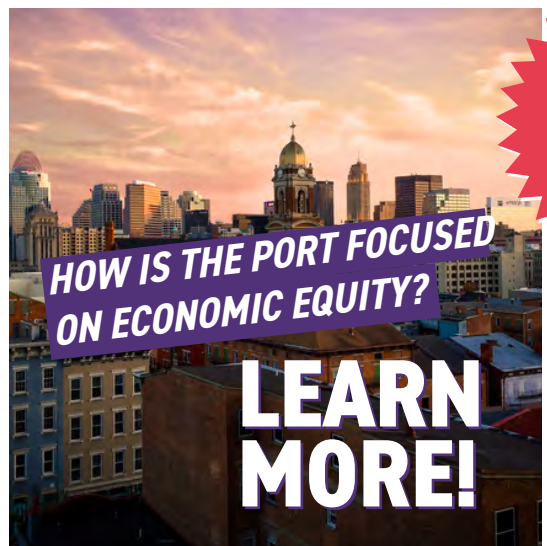


**EMERGING LEADERS
DEVELOPING
DEVELOPERS!**



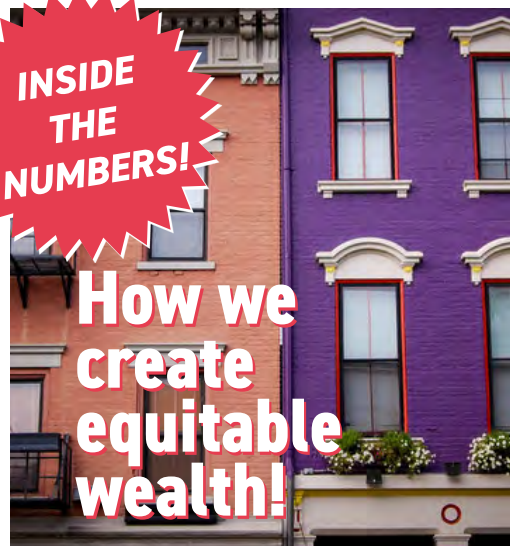
**HOW IS THE PORT FOCUSED
ON ECONOMIC EQUITY?**

**LEARN
MORE!**



**INSIDE
THE
NUMBERS!**

**How we
create
equitable
wealth!**



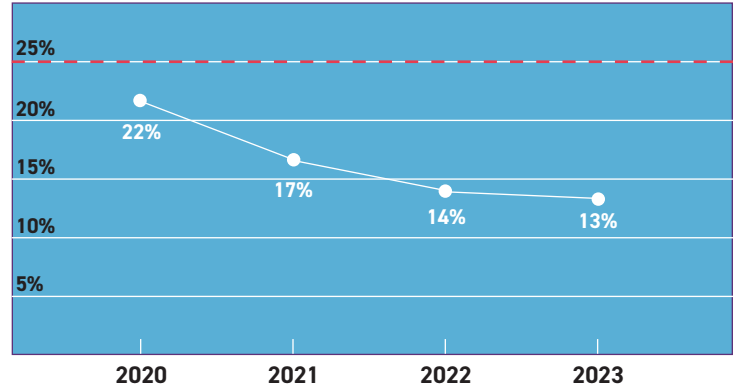
BOOSTING MBE UTILIZATION: A TEAM EFFORT

We kicked off a series of conversations in 2022 bringing together stakeholders to discuss the root causes of low Minority Business Enterprise (MBE) utilization in the construction industry and develop actionable next steps to address these challenges and build a stronger, more inclusive contractor ecosystem for our region.

THE BACKGROUND

Since 2020, we have seen a decline in MBE utilization on projects in Hamilton County. In response to this trend, The Port, Ohio Minority Supplier Development Council (OMSDC), African American Chamber of Commerce, Turner Construction, and HGC brought together general contractors (GCs) and MBEs for a series of conversations facilitated by Hannibal Consulting, Make it Plain Consulting, and Mary Stagaman LLC, to open up the dialogue around this challenge and determine root causes.

MBE Utilization Since 2020



FINDINGS & RECOMMENDATIONS

We identified **three root causes & recommendations** contributing to the underutilization of MBEs in the construction industry that recurred in individual discussions with MBEs and GCs:

ROOT CAUSE 1:
Limited Administrative Capacity

RECOMMENDATIONS:

- Shared resources
- Focused technical assistance
- Smaller scopes & bid packages
- Central and standardized access to bid postings

ROOT CAUSE 2:
Lack of Key Relationships

RECOMMENDATIONS:

- Build pool of prime & tier 1 advocates
- Increased outreach
- Mentorships
- Industry-wide initiatives

ROOT CAUSE 3:
Lack of Strategic Alliances

RECOMMENDATIONS:

- Promote growth through JVs, strategic alliances, and mergers & acquisitions
- Create prime-level strategic alliances
- Leverage accelerators with technical assistance resources & growth funds

NEXT STEPS

Following these conversations, stakeholders are collectively challenged to immediately adopt two or more of the recommendations.

Future study groups will share outcomes and new initiatives for this ongoing regional focus.

READ MORE:

To read more about this ongoing initiative, including next steps for The Port, please visit CincinnatiPort.org/MBE-Utilization/ or scan the QR Code:



STRATEGY SPOTLIGHT:

THE PORT'S ECONOMIC EQUITY STRATEGY

Touching all parts of The Port's work, our economic equity strategy focuses on four key areas:



NEIGHBORHOOD DEVELOPMENT

The Port works across Hamilton County to create cleaner, greener, safer neighborhoods, developing properties that hold communities back and turning them into opportunities for small businesses, emerging developers, and economic opportunity.

HOUSING

Homeownership is key to building wealth, but for many, this pathway was blocked for generations. The Port is focused on creating homeownership opportunities for everyone to access the benefits of wealth creation.

REAL ESTATE OWNERSHIP

Real estate ownership, whether through investment, development, or a small business, is another key pathway to building generational wealth. We're working across our strategic focus areas to expand access to these avenues here in Hamilton County.

CONTRACTING

The Port is focused on economic inclusion in our contracting and works with developers we support through our Public Finance tools to also follow inclusive contracting practices. The outcome? Job creation, a stronger regional contracting ecosystem, and local reinvestment.

PROGRAM SPOTLIGHT:

DEVELOPING EMERGING REAL ESTATE DEVELOPERS

Empowering and investing in emerging real estate professionals creates wide-ranging regional benefits, from job creation to regional GDP growth.

Since its founding in 2001, The Port has focused on closing the racial wealth gap through equitable development promoting job creation, improving property value, increasing homeownership, and achieving the highest and best use of real estate. More recently, The Port has begun playing a more integral role in building up emerging real estate professionals, particularly minority-owned, women-owned, and small business enterprises (M/W/SBEs). The Port's goal is to empower these businesses by providing the necessary tools and connections to scale their projects and succeed in a competitive market.

By empowering emerging developers, The Port hopes to create a strong inventory of capable professionals who can re-invest in local, disinvested communities and tackle projects with greater rates of return.

A thriving inventory of developers is beneficial in many ways:

- Increases capacity for development and creates a more competitive market, increasing both local and regional GDP.
- As developers scale up their businesses, they create additional jobs in Hamilton County.
- Promotes economic inclusion, ensuring everyone gets a slice of the pie.

The Port excels in guiding developers by connecting them to critical resources, such as bankers, funders, lenders, mentors, and other essential contacts. The launch of Queen City Developers (QCD) in 2022 exemplifies this approach, providing emerging developers with access to mentors, training programs like ULI's Real Estate Accelerator Lab (REAL), Queen City Pitch, and a network of business and real estate experts across the region. This support is crucial given the disparities in real estate ownership and development, particularly for people of color. Historically, these disparities have been exacerbated by government-sanctioned programs, making it even more vital for The Port to help level the playing field.

The broader impact of this work is undeniable. The Port stands as a model for the city and county, demonstrating the power of inclusive development and the importance of ownership in building generational wealth. As emerging developers succeed, they not only build wealth for themselves, but also serve as role models for future generations and can pass on wealth to their children and families.

Want to help pave the way for a future based in economic prosperity for all? Reach out to The Port's Senior Vice President of Economic Equity, Jilson Daniels, to see how you can play a role in creating equitable economic development today.

BY THE NUMBERS:

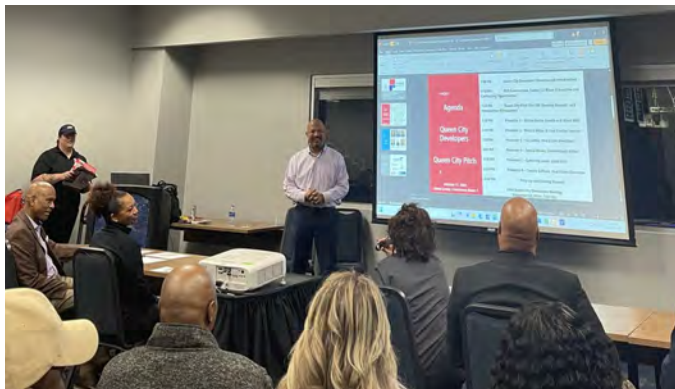
THE PORT & PUBLICLY FINANCED PROJECTS CALENDAR YEAR 2023

BY THE NUMBERS:

THE PORT

Business Spend	MBE	WBE	SBE
Goal	25%	7%	30%
The Port	\$1,967,000	\$1,453,000	\$2,090,000
HURC	\$11,000	\$0	\$0
Landbank	\$1,583,000	\$2,313,000	\$1,744,000
TOTAL	26.65%	28.18%	28.69%

Numbers rounded to nearest thousand



Inaugural Queen City Pitch event held at the Cintas Center October 11, 2024.

BY THE NUMBERS:

CARE HOMES

In 2022, The Port purchased 194 single-family homes from an out-of-town investor. CARE Homes Renovations totals included in Port and managed entities controllable business spend.

Business Spend	MBE	WBE	SBE
Goal	25%	7%	30%
CARE	54.99%	4.28%	69.00%

Numbers rounded to nearest thousand



Earlier this summer, we held walk throughs for prospective contractors at multiple CARE Homes slated to be rehabbed.

BY THE NUMBERS:

PUBLICLY FINANCED PROJECTS

	MBE	WBE	SBE
Goal	25%	7%	30%
Total \$	\$342,603,000	\$502,049,000	\$554,792,000
Total External %	13.17%	19.30%	21.33%

Note: Some projects are still in progress; therefore, inclusion spend by category may be higher by project completion. Numbers are as of end of year 2023
Numbers rounded to nearest thousand



Thatcher Flats in Walnut Hills. The project, developed by Pennrose and Walnut Hills Redevelopment Foundation, brings 50 affordable apartments.



Renderings of a new office tower at the MedPace campus. The company plans to add 1,500 new jobs in Madisonville.