

**APPENDIX H:
STAKEHOLDER INTERVIEW SUMMARY**

BERK



Stakeholder Interview Summary

STAKEHOLDER INTERVIEWS: SUMMARY OF KEY FINDINGS

Introduction and Methodology

BERK conducted interviews with a variety of stakeholders to inform the strategic business planning process being undertaken by the Cleveland-Cuyahoga County CCCPA (CCCPA). BERK worked with the CCCPA staff to identify a list of key interviewees and to develop interview questions.

Stakeholders included the CCCPA's Board members; tenants and other maritime business interests; state and local government representatives; and economic development, finance, and real estate stakeholders. Telephone interviews were conducted with more than 30 people (see Attachment A), with each interview lasting between 20 and 40 minutes. The following questions were used to structure these conversations:

- What is the optimal role for the CCCPA? How can the CCCPA best contribute to the economic development of the City, region, and state?
- What are the strengths and comparative advantages of the CCCPA?
- What are the challenges facing the CCCPA?
- In your opinion, what should the CCCPA's priorities be?
- What measures of success should the CCCPA use in assessing its performance?
- What else should we be considering as a part of this strategic planning process?

This document presents high level roll-up of themes from interviews that identify current strengths and challenges of the CCCPA and key priorities for consideration during the business planning process. A compilation of responses, organized by question is included as Attachment B.

Key Findings

Current Assessment of Strengths and Challenges

All stakeholders interviewed acknowledged that the CCCPA is in a state of transition and realignment. In assessing the current situation, stakeholders identified core strengths from which to build, and challenges that the CCCPA needs to address in the near-term. An overview of the strengths and challenges identified is presented below.

Strengths

Strategic location of the port. As one of the first major ports in the Great Lakes in close proximity to the U.S. industrial base, significant population, and intermodal transportation, the majority of stakeholders identified the port's advantageous location as an enduring asset and strategic advantage.

Key infrastructure in place. Onsite port infrastructure and close access to major interstate and rail systems position the CCCPA to be an attractive option for maritime shipping.

CCCPA's unique combination of capabilities. The CCCPA's ability to engage in economic development activities in its three core areas of maritime business, development finance, and real estate makes it unique among other ports in the country and economic development agencies in the region.

Historical reputation and longstanding presence. The CCCPA has built relationships with partners and a solid reputation in the community over the long term. Despite the setbacks of the past few years, this reputation has served the CCCPA well and can be built upon in the future.

Staff and new CEO. The leadership of President and CEO Will Friedman was identified as a new strength for the CCCPA. Stakeholders expressed goodwill towards the new administration and identified the opportunity to leverage the expertise of the new CEO and existing CCCPA staff.

Challenges

Recent loss of trust and credibility. Over the past two years, the public image and credibility of the CCCPA was damaged due to the directions taken under the previous administration. Significant effort is needed to rebuild relationships with the public, stakeholders, partners, and the media. Reestablishing the public's trust is particularly important given that the renewal of the CCCPA's levy will soon be up for a vote.

Maritime business development. Increasing maritime business was seen as necessary but challenging for a number of reasons, including: the previous administration's lack of focus on maritime industry, a lack of awareness of the Port among businesses in the region, the current economic downturn, the need for added infrastructure to enhance port-rail connectivity, and the geographic and climate constraints of operating a port on the Great Lakes.

Dredging needs. An immediate challenge is identifying a new confined disposal facility (CDF) location for dredging of the port and river with key stakeholders at the federal, state, county, and city level. This challenge threatens access to the port in the near term.

Waterfront development and port location. Several stakeholders raised the question regarding the future of the waterfront development and the CCCPA's location. Working with the City and building consensus among stakeholders is a current challenge facing the CCCPA that is exacerbated by the previous relocation plan's lack of success.

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Governance and Board appointments. Some stakeholders noted that the current system of Board appointments is not representative of the population's distribution within the City and County.

Unclear role as an economic development agency. Many stakeholders acknowledged the pivotal role the CCCPA can play in the development of the City and region, but to fulfill that role the CCCPA faces a challenge of clearly defining its role and mission within the larger context of economic development entities.

CCCPA Priorities

Building from the CCCPA's strengths and challenges, stakeholders identified key priorities for the CCCPA. These priorities reflect the core functions of the CCCPA and identify ways in which the CCCPA can solidify its role as a catalyst for economic development in the City, region, and state.

Manage and grow the maritime business

The majority of stakeholders emphasized cultivating the CCCPA's maritime business as a top priority. Working with existing customers, assessing potential market opportunities (such as container shipping), and understanding how CCCPA functions within the larger Great Lakes regional shipping infrastructure were all cited as necessary steps to developing a long-term vision and strategy. Other key suggested activities include the following:

- ***Actively marketing and engaging in business development:*** According to some stakeholders, the CCCPA has not actively been engaged in marketing the port to existing and new customers. Ways to enhance the CCCPA's business development activities include: developing marketing collateral; collaborating with existing customers to identify needs and opportunities; reaching out to potential new businesses via trade shows and targeted dialogues; filling the Maritime Director position; and engaging in other profile-raising events.
- ***Solving the dredging challenge:*** Dredging and identifying a location for a new CDF is prerequisite for future shipping in and out of the river. Some interviewees asserted that the CCCPA should be providing greater leadership to help achieve consensus among multiple stakeholders.
- ***Preparing for and investing in infrastructure enhancements:*** While infrastructure was generally cited as a strength, some stakeholders identified a need for greater connectivity between the port and rail infrastructure. Others noted that the CCCPA's warehouse capacity could be a future constraint, and therefore encouraged active management and monitoring to anticipate future needs.

Move forward on real estate development decisions

Stakeholders interviewed expressed an urgency to move forward and make decisions regarding the future of the lakefront property. Many noted that the waterfront is an asset to the Cleveland community and that the CCCPA should work in collaboration with the City and other stakeholders to reach consensus and help facilitate a successful outcome. Defining the port's footprint and configuration of port activities would also allow the CCCPA to move forward in its planning efforts.

Maintain and grow development financing

The CCCPA's unique development financing capabilities were cited as a key economic development tool for the region and a financially robust line of business for the CCCPA. Stakeholders encouraged greater use of development finance coupled with strategic project selection (projects that would benefit local economy) and disciplined portfolio management.

Build and foster partnerships

Fostering strong partnerships will help the CCCPA succeed in its three business areas of maritime industry, development finance, and real estate. Interviewees emphasized the importance of reaching out to and collaborating with a number of partners, including: government officials at the City, County, and federal levels; existing maritime customers and new potential customers; economic development entities; transit and transportation agencies; and real estate and finance organizations. The stakeholders asserted that CCCPA should develop strong partnerships to solve dredging issues and strengthen and promote the area's maritime industry. In addition, defining CCCPA's role in relation to other economic development partners could help avoid duplicative efforts and leverage economic development activities in the area.

Rebuild trust and credibility with stakeholders, partners, and the public

It was acknowledged that the CCCPA needs to proactively rebuild its reputation with stakeholders and the public. The strategic business plan presents an opportunity to refocus the CCCPA's mission and define its core functions. In addition, strong organizational management and demonstrating the CCCPA's value to the community through performance tracking and reporting were cited as ways to reestablish credibility.

Focus on performance measures and reporting

When asked about performance metrics, stakeholders identified the importance of having metrics for each of the CCCPA's lines of business (maritime, development finance, and real estate), marketing and business development activities, and agency management. Example metrics identified included: cargo volume, the number and dollar amount of finance transactions, discrete completion of real estate development projects, direct and indirect employment numbers, number of marketing activities, and measures of organizational financial health.

Attachment A List of Stakeholders Interviewed

Port Authority Board of Directors

Steven J. Williams, Chair
Robert C. Smith, Vice Chair
Robert M. Peto, Secretary/Fiscal Officer
John J. Carney
Paul Hoogenboom
Richard Knoth
Marc Krantz
Anthony R. Moore

Maritime Business

American Great Lakes Ports Association	Steve Fisher, Executive Director
ArcelorMittal	Mike Lawell Nick Pugliese Rich Zavoda
Carmeuse Natural Chemicals	Paul Tunnicliffe, Vice President of Operations
Federal Marine Terminals	Michel Tosini, Executive Vice President Tony Develli, Vice President, Commercial Development
Great Lakes Towing Company	Ronald Rasmus, President & CEO
International Longshoremen's Assoc.	John Baker, Jr.
St. Lawrence Seaway Corporation	Collister "Terry" Johnson Nancy Alcalde Tim Downey
Tata	Stephen Wilkes, Director of Government & Regulatory Affairs

Government

City of Cleveland	Ken Silliman, Office of the Mayor Chief of Staff Chris Warren, Chief of Regional Development
Cuyahoga County	James McCafferty, County Administrator, Board of Commissioners Paul Oyaski, Director of the Department of Development
Ohio Department of Transportation	Mark Locker, Multi-Modal Planning

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Economic Development and Transportation/Transit Entities

Downtown Cleveland Alliance	Joe Marinucci, President & CEO
Greater Cleveland Partnership	Joe Roman, President & CEO Deb Janik, Senior Vice President, Real Estate & Business Development
NOACA	Howard Maier, Executive Director
Regional Transit Authority	Joe Calabrese, General Manager

Finance and Real Estate

CB Richard Ellis	David Browning, Managing Director
CDFA	Tony Rittner, President & CEO
Fairmont Properties	Adam Fishman, President
Fifth Third Securities	Christopher Johnson, Vice President of Economic Development Group
Squire Sanders & Dempsey	Bob Labes, Attorney at Law

Attachment B Compilation of Interview Comments

INTRODUCTION

This document presents the comments of stakeholder interviews – conducted by BERK as a part of the Cleveland-Cuyahoga County Port Authority's strategic business planning process. Comments from interviewees have been edited for ease of reading and to ensure the anonymity of those interviewed. At the end of each comment, the type of stakeholder is identified. Telephone interviews were conducted from July to August 2010, in support of CCCPA's strategic business planning project.

COMPILATION OF INTERVIEW RESPONSES BY QUESTION

What are the strengths and comparative advantages of the Port?

Location

- Historically, the physical location has always been a strength; the Port is centrally located, within 500 miles of 65% of the U.S. population.
- Historically the CCCPA has been busy, with a good distribution network, although not quite as well connected as Toledo.
- Cleveland, in general, has an insecurity problem as a city. All too often we hear them down on their own city. But the fact is the City lies in a very large population center with quite a bit industry there. It's a nice city. They have the benefit of operating the port in a large Midwestern city with population and industry, which means that there's commerce. It's not, however, the boomtown it once was.
- The CCCPA has a strategic location with access to rail and road.
- Proximity to the industrial heartland is good for a port. Unfortunately, too often they just look at Cleveland and don't look beyond at the area, which is all about auto making. Around Lake Erie there is a tremendous amount of economic activity around auto making. The auto industry will stay there.
- Location. Cleveland is in the middle of the industrial hotbed of the U.S. From here, you have easy access to the East Coast, Midwest, and South. However, despite this advantage, the CCCPA hasn't marketed itself properly. Within 125 miles of the CCCPA, Ohio companies (in the southern part of the state) don't know about the CCCPA and use East Coast ports instead. Ohio companies export via the East Coast, and the East Coast is marketing to Ohio companies. The CCCPA recently did a "Sail Away" event with the Rotary Club; more events like that are needed. Most cargo is inbound, coming from Europe. The CCCPA hasn't marketed itself to these customers either.
- Location: the CCCPA is close to manufacturing and has a major population base. It's in Lake Erie which is closer to the East Coast than other Lakes. Also, the CCCPA has the public support in terms of public dollars.

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- An advantageous position allows the CCCPA to serve a range of customers located not just in northeastern Ohio, but also further afield. If you look at shortest shipping routes from this part of the country to parts of Europe, Cleveland is the shortest distance.
- Location; the CCCPA is the first major international port in the Great Lakes.
- Cleveland is pretty much on top for location, depth of water, ease of entry. The CCCPA is the most ice-free of the ports because it's the most southern. This means they have a better chance of working through the winter than anybody else. Ohio should have a ferry system; it would need to be federally subsidized, but it's something that should be explored.
- The CCCPA's biggest strength is its location and proximity to alternative modes of transportation. Its biggest competitor is the Port of Toledo. Both ports have major rail lines. The CCCPA has three airports and major highways, which means it has logistic prowess. The CCCPA has competitive advantage on location and price points.
- The CCCPA has two key strengths: (1) It is a gateway to the Midwest; a large portion of U.S. customers are within 500 miles of the CCCPA. (2) There is the potential for an intermodal transportation hub, including: water, rail, highway, and air traffic. The CCCPA is adjacent to an airport.
- Cleveland has the potential to surpass most of the competition because it is already an interstate highway hub. The CCCPA is a port on the water. Significant rail lines go through adjacent to the port. There are very few competing ports have airports right next to them.
- Besides Chicago, the CCCPA could be a preeminent port on the Great Lakes, if it got its stuff together. The CCCPA needs to do anything they can to increase the shipping volume.
- A big strength is the centrality to one of the world's biggest markets – being between New York and Chicago; so the location is ideal.
- The location is great; there are rail and truck connections, so the CCCPA is well positioned to be the main distributor of goods that come through maritime ways. The CCCPA's container proposal makes sense – since we are close to a lot of population.
- Location.
- Either Cleveland or Toledo is one of the biggest ports on the Lake.
- We are expecting somewhat of a shift off the West Coast regarding Asian (specifically Chinese) shipping with the opening of the third Panama Canal (expected to be built in 2014). The new canal will allow ships to go to the East Coast of the U.S. (and some will go to the Gulf). Norfolk will get most of that traffic. Most East Coast ports don't have a lot of land, and these ships will have thousands of containers. These containers will go on double-stacked trains and be sent to the Midwest. Ohio is well-located for this; containers will be in Ohio for logistics and distribution. Columbus knows how to do this, North Baltimore will be doing this. Containers will also need to be sent back out; fill them with something (can be anything), then export out. This could be huge opportunity for Cleveland.
- For the business it's in, it has no competition. The CCCPA's competition is more in the Great Lakes, not locally. There isn't a port right next door.
- It's the biggest ballgame in town.

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- Strategic location. We can never ignore that we are in a great position on the Great Lakes, positioned close to the St. Lawrence Seaway as well as access to Canada and major markets in the East and Midwest U.S. The CCCPA also has access to highway and rail. We need to be thinking not only of waterfront, but also more of a regional and national perspective.
- The CCCPA is the first major port on the Great Lakes. So location is a big asset for us.
- A comparative advantage is the location of our port in the heartland/Midwest. We are the first big port on the way in. We are a heavy manufacturing area. We're known as a "destination port," where products come in for distribution within a relatively small area (for example, iron ore going to steel plant).
- We have an interesting geographical location, which is both a strength and a weakness. On the one hand, the CCCPA has a great location, as long as the steel mill stays open. But it's also a challenge. If we located today, we wouldn't want to be at our current spot because it's taking up a lot of the waterway. The Cleveland Browns stadium is close by, but is only used 15 times a year. If we can pull together the lakefront idea, you can combine a lot of entertainment and other ideas.
- There's a good labor pool in this location.

Development Finance

- Ohio is unique among other states because its statutes allow ports to do development financing. The CCCPA has been active in offering development financing that is not port-limited and is typically conducted for broader economic development reasons. The CCCPA can use the authority and expertise they clearly have and leverage this strength to help stimulate economic development. The CCCPA can do some of this, but is not responsible for the renaissance of the whole City of Cleveland.
- On the financial side, the product the CCCPA offers (kinds of tax exempt financing) is one of a kind. It has a niche in that marketplace.
- The CCCPA's big competitive advantage is how it's constituted; it's one of the only entities in the country to do what it does: finance in the community in a wide range.
- The CCCPA could be a coordinator of activity from the airport through the eastern flats if it focused on development financing and start to look at the waterfront in a managed, master planned way.
- In terms of economic development and bond financing, the advantage the CCCPA has is that it's been less political than trying to utilize the county or city for the same types of services. The CCCPA is viewed as user-friendly and pro-business, so it's been comforting for people to work with them.

The CCCPA's Structure and Authority

- The CCCPA has the statutory authority to do a lot of different things; not many agencies have that capacity. They have that basic foundation as an organization; the challenge is whether they can execute that properly, which is based on their leadership. They have an ability to act in the best interest of the region, rather than the best interested of a neighborhood, block, business, or whatever. Therefore, they may be based more on market realities than political realities.
- The CCCPA has a unique status as a public agency that has broad jurisdictional powers.
- The CCCPA has a levy – generating a regular cash flow that they can invest in a targeted manner. They also have expertise. They created some jobs, have some effective programs, and good offices. They have done some good things with their bonding authority, but shouldn't have focused on that.
- The statute that created us is a strength. We can do what just about any other state government can do. We have tremendous potential power.
- Strong financials.

The Port's Three Main Functions

- Their strength is their role in lakefront development, job generation, and being a financing arm.
- The CCCPA has three capabilities: financing, land development, and maritime. It can choose to strategically leverage them all together. Cleveland is the largest city on Lake Erie. Geographically the City and the CCCPA are uniquely positioned and close to Canada, the Midwest, and rivers.

The Maritime Business

- The ability to navigate maritime opportunities on the Great Lakes is a strength.
- There's a debate: can Cleveland be a container port? I am not an expert, but as a Great Lakes port, there may be difficulties because of the winter and the locks system. But what can we do to link in intermodally? During the boom, West Coast and East Coast ports were reaching capacity. Then people were thinking – what about the Great Lakes' ports? We need to be thinking about intermodal facilities: there are huge facilities that are successful in the Chicago area. There's freight loaded in China that then lands in Chicago. The bulk is broken there. Can Cleveland fit in? With coordinated rail, etc., how can we be cutting edge?
- We have not historically spent the time, energy, and money to really develop the maritime business. We've allowed it to be a lazy business. Your tenants are also just plodding along. We can work with them to get more business. We won't be a coastal or gulf port. However, we have the ability to generate substantially more and different business. For example, there are plans for the rail loop—that could be helpful, as could a ferry service. We will never be a major container port, but we could have some containers. Right now, there are no container ships on the Great Lakes, but there could be.
- We should allocate real dollars to business development.

Infrastructure

- The CCCPA doesn't have the same dredging issue as the Port of Toledo.
- The CCCPA has some room to expand if it's going to fulfill its potential.
- For maritime shipping, the CCCPA has the infrastructure in place. There was some talk of moving the port to free up the lakefront, but now they have the capacity to increase the shipping volume in the current location.
- Cleveland has a tremendous amount of transportation infrastructure in general. If something is coming in the St. Lawrence Seaway, rather than another 3-day sail, it can come into the CCCPA.
- Rail is a huge opportunity. Both major rail systems are in Ohio. There is double-stacked clearance from the East Coast to middle America. Regarding the rail lines: (1) Columbus is a major intermodal hub to Norfolk, VA [one of the deepest and well-maintained ports on the East Coast]. The Norfolk & Southern is the main rail line from the East Coast to Midwest; (2) The CSX line is called the Gateway (with double-stacking clearance). It starts at North Baltimore in northwest Ohio. The rail line comes near Cleveland. The North Baltimore facility is absolutely enormous; CSX executives are moving from Chicago to North Baltimore. The Facility is being built now for total container shipping.
- Our dock is a deep water dock, but the rest is pretty shallow.
- Good infrastructure; the CCCPA has heavy lift cranes, open land, and warehouses.
- The CCCPA can handle any types of cargo.
- There were rules filed yesterday: We are going to increase weight limits for trucks and permitted loads (now up to 94,000 lbs). This increase, however, is limited to international containers that are sealed for export only. Those containers need to go through an intermodal facility, and the CCCPA is one of those. This should help increase business for Cleveland. The rule would go into effect (post-public involvement, Legislature, etc) around October.
- We have great infrastructure.
- We have the best infrastructure; we can get to the highway in 10 minutes, most other ports take much longer.
- If there was an economically feasible way to relocate and consolidate the CCCPA's facilities to free up the space by the East Bank project and the stadium, and still maintain capacity, it would be helpful. The plans they had for East 55th Street made sense; it's much easier to access the highway from there, easier to access the rail lines, and it is already an industrial area. The plan made good sense, but the CCCPA was overly ambitious in scope and didn't play the political game right.

Historical Reputation

- The CCCPA has an enviable reputation historically as a place to do business.
- The CCCPA has a longstanding presence, institutional history in the region, and expertise in maritime operations; all of this is very solid. They are focused on bulk cargo now. The CCCPA is the prominent owner/controller of property on the waterfront and is in the position to affect

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the City's look, future, and competitive position to attract residents and businesses. Their leadership is very solid; both Will and the Board are good.

- For about 30 years, they were considered one of the best agencies and had a great reputation. Now, they need to get that reputation back.
- We do have a good solid grounding in the community, both with maritime and development finance. That reputation has been impacted a bit over the past few years (because of issues with our prior CEO).
- Overtime, we've built relationships with the port, terminal operators, stevedores, etc. There is a strong economic development reason why we use the port, but there are also intangible factors, such as mutual commitment to the relationship over time. It takes time to understand our needs.

Staff and the Constitution of the Board

- The CCCPA has a Board that, if properly organized, can have a lot of talented people. It has a payroll that can attract capable people. The CCCPA also has the ability to tax – a blessing and a curse. Flexibility, autonomy, and a mix of public and private sector: not many other development entities that have those advantages.
- We have great staff.
- A nine-person board can be a strength and a weakness. A strength is that a smaller number allows us to come to quorum quickly, take action, and reach consensus. A weakness is that we go through periods of high turnover; it's easy to lose consensus then.
- Candidly, we had limited strengths under the former administration and our strengths are yet to be defined under the new administration. But I think we have a top notch finance group that basically can handle any type of creative finance arrangement in the region. I think that's an area we can expand. That's driven by individuals. Perhaps we could do joint ventures with other groups.

New CEO

- The new director has a solid reputation and a lot of credibility. People want to see him succeed. That's a big plus. He has the technical knowledge. He's willing to listen to people. He's taken over after the interim director cleaned house, and he has an opportunity to build an organization. What needs to be done is that this organization cannot just be the result of his own thinking, but needs to be vetted by the Board, community, business interests, and the media. You should read the "Port in Storm" article. Adam built the organization and it was perceived positively then, but now it is not. Will has political capital.
- Now we have a CEO that gives us strength because of his knowledge of the maritime industry and financing capabilities. As people come to know him, they will see a deep level of knowledge, ability to execute, and high degree of integrity.
- Will Friedman is an exceptional hire given where we were before – very well qualified. The existing staff is also very solid. Existing land development work is very solid.

What are the challenges facing the Port?

Re-establishing Trust and Credibility with Stakeholders and the Public

- Public relations. Because we are a public entity, we are stymied. Maybe the public has benefited from the sunshine laws, but people can't always give their full opinions. The Board can go into a private executive session for real estate business, but then the Board is criticized for that in the newspapers.
- We've had reputational issues in the last 2 years. I think the interim CEO and Will have helped a lot.
- The CCCPA needs to repair some public relations damage, as they got involved in some financing deals that have gone south and looked very bad in the newspaper after the fact (example: Myers financing deal).
- Public perception is a challenge because there have been some issues. The issues have been somewhat addressed by the new leadership, but it will take time and continued positive marketing and public relations efforts.
- After the previous Port Director, the CCCPA needs to get back to basics and reestablish credibility with the community. My guess is that the public is a bit leery of them as an agency. Get back to basics. No fancy "we're going to cause the renaissance of Cleveland plan." Become the best port; organize it and keep the flow of commerce going. Do that first.
- The CCCPA has lost a lot of credibility in the last 1.5 years that they have to rebuild. First they need to dig out.
- It's no secret: there was poor leadership before Will got on board. The previous leader was pretty detrimental to the reputation and financial standing of the CCCPA. They lost a lot of trust in the community and real questions regarding their competency were raised. Now, they need to build that trust back, and I think Will is doing it.
- The Port also has a credibility challenge; it's more so at the Board level than the Executive level. The majority of current board members were members that approved plans that the previous director was trying to get through, and they also hired him in the first place. The majority also voted to give the former director a huge severance package, which included one year of pay. So now people are asking "where were you in the last couple of years as you allowed the director to increase the staff dramatically?" and consequently increase overhead. The previous plans are now being talked about as unrealistic. The mayor was a supporter of everything that the former director was trying to do until the situation turned. So there is a credibility gap. There are three board members appointed by the County and six by the Mayor. This is not an issue for Will, but for the Board.
- People perceive that the CCCPA is being "righted" by this leadership change.
- It's incredibly unfortunate that the CCCPA has been under attack by the local newspaper. I think it is horrible, muckraking journalism and that the newspaper is feeling especially strong because of its role in toppling county government.
- The public image of the CCCPA was damaged in 2009, and we're still suffering from that. We need to get back on track.

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- The past director was a complete disaster, that's why he got fired. He didn't know anything about the business; he was a real estate developer and he tended to exaggerate.
- The port and Will have a real hole to dig out of, which has to do with credibility and getting the community of Cleveland to re-appreciate the economic development that the CCCPA supports.
- A challenge is overcoming past leadership. They need to "right" themselves.
- We are in the midst of trying to restore our credibility. We took a lot of shots from the media because of the separation of our prior CEO. We need to be building a sense of trustworthiness with the public. We can't talk our way through that. We need to make consistent good decisions that show we are capable.
- A challenge we need to overcome is enhancing our credibility in the community and the state. I think with a variety of state agencies we've lost face and need to basically start from scratch. This includes DOT, Ohio EPA, and the Governor's Office. Probably true on the federal level as well — probably one of our biggest challenges.
- We're a public entity, which gives us a lot of strengths but in the economic development area, we are one of the entities that the newspapers like to attack.

Engaging with Partners and Stakeholders

- Continuing the ability or maintaining the desire to reach out to communities is hard to do.
- Many organizations, institutions, and individuals have a lot of good will toward the Port, but how those attitudes are received and acted on is extremely important. Another challenge is how the staff get instructed, what its duties are.
- We need to do a better job at getting elected officials at the state and federal officials supportive of maritime. Our current Governor is a railroad guy; that's fine, but from a container perspective that's competition. We are bounded by a great Lake and a river. We also need to educate our Congressional delegation. We need to get the Great Lakes in the news more and more on the minds of decision-makers.
- The largest source of funding is Army Corps (federal). We need to get our act together on the Hill and do so with a statewide regional delegation so that we compete together as the one state of Ohio.
- We need to have an effective and consistent handle on current stakeholders; we are now working on that.

Growing the Maritime Business

- The Port is not easily recognized in the region – many customers and other stakeholders don't even know it's there. They truly need to market themselves to the masses to increase awareness of their existence and what they have to offer.
- Statistics and numbers show a decline in maritime business, and we have to figure out how do we keep the business going? What opportunities are there to grow the maritime industry?
- A challenge for the Port is attracting sustainable businesses to Cleveland and retaining them here.
- We'd like to see more joint marketing. This means the CCCPA will go meet customers, go on sales calls, and go to trade shows. We would welcome more joint activities. But if the CCCPA is going to help us market, it needs marketing materials. Right now, it has nothing: no newsletter, no brochure, nothing.
- In the past the CCCPA hasn't seemed so interested in the marine business. We were left on our own. The new director, Will Friedman, is starting to live up to the word "Port"—he's being more active.
- The CCCPA needs to figure out how to diversify their business. One potential option is to move to containers. This is a highly competitive area, and Cleveland is a principal point of departure for cargo moving through the eastern seaway. The CCCPA has a challenge of being overly dependent on old manufacturing customers – auto, etc. (by shipping their bulk cargo), instead of flowing consumer goods. The CCCPA hasn't worked out how to compete for global transshipment of consumer products to and from the Midwest. The question is: Should they expand to containers or focus on what they do well now – bulk cargo (and not pretend what they are not)? While some people believe that the claims made about containers during the last study were overstated, the idea of inter-lake cross shipment is worth pursuing. The question is: Is this cost-competitive related to rail and trucking given the investments? This should also be competitive in terms of energy and environment.
- How do you sustain the maritime business over the long haul? Should they be contemplating a regional or statewide approach? Should there be one or two big ports, instead of 12 small, not-so-effective ports? Is Cleveland the right place to have a port?
- Growing a maritime business is a challenge.
- Bringing on qualified personnel to grow maritime is a challenge.
- Enhancing business opportunities in a very difficult environment that looks like it will continue for a year or two is a challenge. We should seriously look at shipment of different cargoes that could include container traffic, but not on the grand scale previously reviewed. We should also look at what types of real estate projects we can get involved in.
- Improving the maritime business needs to be number 1.
- An opportunity and a challenge is building relationships with other ports, such as the Port in Lorain. There are other ports in the region in Lake County that wants to host a ferry service itself.
- Developing an appropriate maritime strategy for the 21st century is a challenge.

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- A challenge is that the really large ocean going vessels can't get into St. Lawrence Seaway.
- The port's fee structure and interest rates are higher than others, which may chase away some companies.
- There is no cargo right now, and only cargo brings in ships.
- Containerization is a good thing and could be feeders from Montreal.
- There's an article in Sunday's *Cleveland Plain Dealer*, which compared the Port of Toledo and Columbus with what hasn't happened in Cleveland. From the article it looks like Cleveland has been standing still. I'm not sure that Cleveland needs a lot of extra infrastructure to export. The challenge is overcoming years of thinking that you don't use the Great Lakes to export; that you do that out of the East Coast. You use the big ships out there, but there's an inertia of thinking that has to be overcome.

Dredging

- There's an immediate dredge fill challenge and need for a new CDF.
- Solutions regarding dredging and a new disposal facility.
- The biggest short term challenge is the confined disposal issue that they have to deal with in terms of taking dredging from the navigable waterway.
- Dredging is a huge issue. The Army Corps of Engineers' budget and priorities keep changing. They are run by the Army Corps, which is controlled by Congress. The situation is really volatile and the constant change of direction does not allow them to focus. They don't finish anything. Great Lake channels need to be dredged in next five years to keep the channels open. The Army Corps now is doing open Lake dumping, environmentalists are not happy, but it's the cheapest way to do it. The results are sediment and algae blooms, which make the Lake real mucky. We have to keep the shipping lanes open. Cleveland wanted to build a dike disposal, but it cost \$300M. Federal money is being spent on East and West ports, but not on the Great Lakes.
- We have to do a better job thinking about and managing dredging of the river channel. A previous CEO was somewhat complacent, but then, the Feds paid so it didn't really matter. Will knows dredge management.
- A short term and long term challenge is the dredging of the harbor and river. An economical solution needs to be reached.
- Dredging disposal is a huge issue for the port. Dredging is relatively easy, but finding where to dispose materials is an issue.
- The immediate need now: related to the dredging of their private channel. The Army Corps of Engineers hired a dredging contractor to dredge the federal navigation channel of the Cuyahoga River. Then there's the non-federal navigation channel (private channel) that leads up to the mill's dock. The federal contractor did not dredge this and the Army Corps has no leverage to ask them to.
- Dredging only the federal channel essentially means building a bridge to nowhere. In the past, the federal contractor would stay and continue dredging the private channel up to the dock.

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Without that dredging, boats are at risk getting to the dock. Would like to talk to the Port about this and how they could help leverage action.

- Dredging is a challenge.
- One core concern: We have a central artery leading to our heart and it has a huge clot. We need the clot fixed immediately. Everything else pales in comparison. On a typical yearly basis – we bring in about \$0.5 B in materials up that river.
- Another issue: The Pershing Road site is now owned by the City. To make room for dredging material next year, the Army Corps of Engineers are excavating the material and bringing it over to the Pershing Road site. The property owned by the City has an additional 300,000 cubic yards of air space, and the City is advertising bringing in other material (e.g. demolition material). This seems shortsighted. This site is permitted for dredge material. It seems like the CCCPA could be helpful in coordinating, talking to the City to hold off on putting other material there. We understand that the City is counting on the approximately \$2 million in revenue it hopes to make by accepting other materials. How can we work with them and their bottom line, however, to keep this for dredging material? We're looking at 2017-18 before there is a new CDF on the lakefront. So, every cubic yard we can have in terms of capacity is critical. As a note: this was not brought up at the last Task Force meeting because the idea came about afterwards. But would like to work with the Port on this.

Defining the Port's Role in Economic Development

- Where the CCCPA fits in the context of economic development strategy in Cleveland is not well defined. They need to put definition around their economic development aspirations: where do they want to play and how do they want to do that?
- People used to say: "ports have enormous power but no money." They have a small operating levy, but not the same magnitude of money from taxes as other political subdivisions. So to some extent their hands are tied; it takes money to make money. One of the challenges is where do they get the money to do economic development activities? To engage in land assembly or other activities requires money. Even now trying to find funds for a new dredge facility is hard.
- How do you incent investment in a stagnant market in Cleveland so that other people start to invest? How do you play a leadership role rather than trying to respond to every single need? Can you pick and choose what's meaningful to your strategy, if you define your strategy well? Can you have a strategic plan that you adhere to, and send people with needs to other agencies instead of responding to every need?
- There is a lack of clear vision regarding economic development. The County works to promote local economic benefits. We are not sure if the CCCPA has an interest of demonstrating public benefits, but it should consider promoting hiring local residents and small businesses.

Limitations of Geography and Seasonality

- Geography is also a challenge as well as a strength.
- The CCCPA, like all Great Lakes ports, is closed three months out of the year (December—April) because the St. Lawrence Seaway and Lakes are frozen. This will always be a challenge. The CCCPA has to get creative and work with trucking and rail to offer their customers alternatives during that time. The CCCPA also has been honest to customers; yes, this can't be avoided, but you have to make it worth the aggravation to the customer by offering them deals.
- Shipping on the Great Lakes in general has constraints: size and the Lakes are frozen in winter.

Waterfront Development and Port Location

- There is more focus on the lakefront than ever before; that's the good news. It's important to make sure the CCCPA tells the story and is engaged in the lakefront development process. It also has some governance changes, and I'm sure the new county government could rethink its relationship with the CCCPA. This could be an opportunity or a challenge.
- The CCCPA should leverage the 100 acres they have there. This is a major challenge both internally and externally. The normal fly-by visitor to the port is unlikely to get it.
- A challenge is making a decision on the longtime location on the port.
- The CCCPA had once talked about moving, but that's no longer the case.
- A challenge is taking a role in the lakefront development.
- There is a lack of space; the port sits more in the city, so other types of uses are encroaching on the industrial land.
- Land development is a challenge. The City wants to develop.
- There's a challenge regarding the waterfront plan. The Mayor is nervous about redeveloping the land if the port doesn't relocate. But we probably won't; we don't have the money to relocate. You all are helping us with analyzing our capacity; I don't know what you'd find, but I'd be surprised if we are running out of room. My guess is that we have 20-30 years before we run out of capacity. But the challenge is that we have a mayor that controls the first parcel of property there. The last two mayors have talked about waterfront development, and we've had two plans that were awfully good. But will the City have the political will to allow us to go forward? This could also be a real image booster. This could really give the community access to the waterfront in a real way.
- There's the ultimate question regarding the waterfront redevelopment. Does the port need to relocate? That will be expensive and funding for that in this environment would be a challenge.
- The waterfront redevelopment location is an issue.
- There needs to be definition around what they want to do with the waterfront. The CCCPA has to figure out what a realistic maritime business is in Cleveland and why that's important to the area.
- There are space and location issues. They should focus on the location they have and making their location more efficient. They need to try to determine what type of markets they need to

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get into: what do they do best? Stop getting distracted by unrealistic dreams. Expand incrementally, one step at a time. Support their partners; they have a lot of good things going on within the port system and they need to partner with others. Facility Great Lakes Tulling Company is a pearl in their backyard, but the CCCPA has not connected with them and sees them as a competitor instead of a partner. I think Will is starting to do that. They need to reach out and foster business development.

- The CCCPA currently has more space than it needs especially for the maritime side. They need a consolidation plan that makes sense and that allows flexibility for long time growth.
- Ships like coming to the waterfront instead of the river because you add cost if you go up the river (and there are depth constraints).
- There is limited land available for expansion.

Governance and Board Appointments

- There is an issue with the way the Board members are appointed by the County commissioner and the Mayor. This leads to the board being more political than functional. Board members should be retained based on their expertise in areas where the CCCPA is focused: finance, maritime, economic development.
- I think our Board is slowly getting ourselves together. Our governance issues on the Board need some real work. Some of that stems from the views from around here about what it means to have an appointed Board. We're about to have an election at the County that could change things. Yes, you elected officials appoint us, but then you shouldn't control it. We have fiduciary duties to the organization first and foremost. You aren't beholden to the elected officials nor do you have to meet with them on a regular basis. I think it's a legal problem and a basic business problem. The law in quasi-government agencies like the ports is a little vague. We need to get people to think differently. In my view, the elected officials have to realize that once the appointment was made, all bets are off. Then the person needs to be independent. Also, it's important to note that some members of the Board of Directors were appointed by the previous CEO.
- Someone on the Board should be representing the maritime industry.
- A small-sized Board (like the one we have) can have a very rapid turnover, primarily due to resignations [not because of appointment timing]. You can have 6-7 new people in a 2-year period. A lack of consensus or disruptive new Board members put us in the position we were in last year.
- There is a structural challenge, namely that the Board has appointees by the City and the County, which is fine if they are acting in the support of the CCCPA, but that's not always clear. Everyone has an interest: environmental, government, business, etc.
- Our appointing system is a challenge. The City and County appointment structure is antiquated and should be changed. It's no longer representative of the relative strength of the County and City. It's for them to work out. (1) The population is 2/3 in the suburbs and 1/3 in Cleveland (2) 82% of taxes come from the suburbs. The appointing authority is 2/3 City and 1/3 County, which does not align with representation and taxation. There's a lot of talk but no action.

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- The make-up of the Port's Board is a challenge. The Port will want to renew or increase the levy, and it will come back to the public to do that. The Cuyahoga County Mayors and City Managers Association should be consulted for levy renewal, and also it would make sense to include more suburban participation on the Board. The make-up of the Board is mostly urban, since most of the Board is appointed by the Mayor of Cleveland. However, we have a shifting population: at least 80% of revenue for the levy comes from outside the City.

Port Levy Up for Renewal

- We need to figure things out before the levy comes up for renewal.
- There is a struggle on the finance side: a decent chunk of our money is from a public levy, which will come up for a renewal in about a year. We need to work hard and quickly to show the community that we are working. We need that levy. We probably need a bigger levy than we have, but I would be uncomfortable with asking anything more than a renewal. But I think we do have enough time to make a good faith effort to put that on the ballot and get it renewed.
- Roughly 30-40% of the budget is County levy – the risk in this environment is that it won't pass – so we need to develop Plan B on what we are going to do without it.
- The tax levy renewal is coming up. The Port has always had good success in its dealings with the voters. My guess is that it will still be well received, but you can't take anything for granted.
- Voters are generally hesitant to add new levies or increase existing ones, given the economic situation. Renewal levies have been okay in NE Ohio.
- Our levy expires shortly and we need to go out for renewal. It is vital to the Port to have that funding stream. And starting soon, we have to reach out to a lot of stakeholders to make sure they're behind it.

Infrastructure Needs

- The Port should do more regarding intermodal infrastructure, especially increased on-dock rail infrastructure (Currently the rail spur does not go directly to the water. This means that operations are less efficient and more costly). We have already talked to the Port about this.
- It has been more efficient to use the railroad to get the goods to the east coast, so that's a challenge.
- The Port needs a rail loop.
- The Port needs to make some infrastructure improvements, such as improved warehousing, new cranes, and better maintenance.
- It's difficult to get financing for improvements these days.

Other

- Access to federal funds for facilities is a challenge.
- The potential ferry service across the lake is a challenge.
- Rating agencies have been cracking down on the Port, Ohio ports and the Midwest generally. We need to maintain decent ratings.

What should the Port's priorities be? What is the optimal role for the Port?

Priorities:

Maritime Business

- At one time Cleveland was the largest port on St. Lawrence Seaway. Prior to this new Board most of the work that has been going on was through selling of bonds and economic development through the Port. People don't realize how important the port is to Northeast Ohio and to the state. We have two railroads – the whole Midwest is an opportunity for us to grow if we only market ourselves.
- The optimal role for the Port is increasing the maritime business in a manner that supports the import/export business in Northeast Ohio.
- Maritime has to be the #1 priority. There are many pieces to that.
 - Dredge management – we need to be thinking longer term as well
 - Business development—cross link ferry; the building of the rail loop: we have two major rail lines but they don't connect; wind energy – it may make sense to bring in some turbines by water; even the waterfront/recreational piece has a maritime part to it
 - Most people, when they think about the Port, they think about water—we need to increase our visibility and enhance our reputation. For example, it wasn't clear that we were involved with the Tall Ships Festival.
 - Economic development, job creation (need to make ILA happier)
- CCCPA should analyze the demand and utility of enhanced cargo opportunities, including containers.
- CCCPA should try to meet the needs of existing businesses that are here paying taxes and creating jobs.
- Maritime is where the Port has a historic role. The Port's role is limited today – break bulk type cargo, steel ore, and some dried goods. Will Friedman will bring renewed energy and focus for competing better for our piece of the pie. We need to get better at what we do today.
- There should be a regional focus on Ohio – including Toledo, Lorain, even Erie – a real opportunity to function as a region by working with diverse businesses to offer them solutions that work. We need a big change in thinking in the city and county.
- Incrementally the Port can become a part of the regional system – and make maritime much more relevant. Don't think we'll compete for new business in the state, but can bring business to existing businesses.
- There's a debate about being able to ship containers and liquid – we need to not debate, but try to provide solutions. How do we figure it out? To the extent that the Port says we can't or won't do things, people will leave and go somewhere else.
- CCCPA should come up with a specific plan to grow maritime with a focus on job growth.
- The primary focus and mission should be to facilitate maritime commerce for the region in an effort to support and retain future job growth.

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- CCCPA should focus on marine operations as its #1 priority. As a Port Authority, they need to develop in-state shipping programs that incentivize Ohio-based businesses to use the Port of Cleveland.
- Need sustainable commercial business. Without that, the rest of the plans don't work.
- The priority should be identifying the types of businesses needed to grow. There's speculation that containers could be brought in. Potentially yes, but my gut is that it cannot (just an opinion).
- CCCPA should provide maritime activity, create jobs, and lower transportation costs.
- CCCPA's primary role should be maritime operations. The output in Cleveland is down from 40 years ago. What is the future for maritime business in Cleveland? How can they best aggregate their resources on the port front, plus the assets on the lakefront and link it to downtown?
- The priority should be the Port's maritime operations that directly serve companies, particularly manufacturers and distributors here in Cleveland.
- The priority should be increasing tonnage and types of cargo.
- The Port's first and critical role is to manage maritime operations, the flow of shipments in and out of Cleveland harbor. Costs related to shipping of goods are important to the economic development of the region. So this has a central role in economic development. The Port commands a significant presence on the waterfront – it is the face to the city, so moving to a mixed development on the waterfront is important. Also, the Port's bond financing efforts are important as they are supporting economic development. However, while they are critical, they are tertiary to maritime and waterfront goals.
- The Port's essential role is making its maritime function all it can be. The economic development function should be secondary. The Port has been created to exploit shipping opportunities. On economic development it has to collaborate with the city, county, and the state.
- The priority should be maritime and any business that uses the maritime industry.
- Ports are huge to the economic recovery of Ohio and the nation. Secretary of Commerce Locke was in Columbus, and is pushing a plan with the President to double exports in 5 years. This is very aggressive. To do that, we need ports like Cleveland, as a portal to get materials produced out to international markets. We need to infuse new cash into the U.S. It does not do a lot of exporting now, but does a fair amount of importing. Goods by rail and truck and getting it out on St. Lawrence Seaway, and out to Canada (Ohio's number one trading partner).
- The priority should be maritime operations – CCCPA has the infrastructure and knows how to be in this business.
- The priority should be maritime operations – in a way that is cost-effective and provides a value of service to businesses in the region (may or may not include container business – depends on whether it makes sense).
- CCCPA should expand its capacity as a shipping hub. The former CEO was onto something trying to maximize leverage and assets. As a shipping port, the Port of Cleveland could be in a vital economic development role. If we are seen as an efficient port and can handle some container shipping, this can strengthen the region's industrial base. If the local plants have lower costs of

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getting supplies to them, they can maybe stay in business. We have steel plants here that compete with plants in other regions, so if it's cheaper to ship steel here, it's to our benefit. The Port should also work with the state to enhance the overall logistics distribution in and out of the state, as the Port sits off the major rail line and highways.

- The priority should be basic port activities: very important to the region and the economy. They need to continue. What ought a cutting edge port in the Great Lakes be doing? The Port needs a definite near and long term plan. Can't abandon the vision of the port as a mover of cargo.
- We need to figure out the way forward in the maritime industry for the next 60-70 years – we may be the channel to rely on to get the goods in and out of the Midwest due to the global warming.
- The priority should be expanding maritime activities.
- The contribution could be the three levels it's been focused on so far – maritime, real estate, and development finance. I don't see things beyond that. For maritime, I'd include the logistics management/logistics hub scenario. I think the focus has been on maritime, but I think we can broaden that horizon to other modes of shipping that would support maritime (railroad and truck haul).
- The priority should be maritime operations – our role there has got to be to take care of our current tenants; help them expand their operations (and in turn help other Cleveland companies.)
 - We did a strategic plan about 3 years ago—we determined then that we want to expand maritime opportunities. We've expanded inter-lake transportation. We were also trying to increase shipping to Northern Europe by using the St. Lawrence Seaway — we should try to figure out if there is more we can do.
 - We should be cooperating with the Toledo Port Authority—we are both relatively close to each other and Europe.
- The priority should be to do better what we do today. Compete harder for traditional maritime traffic. Work with current customers – how can we help them grow their business and traffic?
- The priority should be figuring out the footprint the port will need to maximize maritime operations.
- Appoint New Maritime Director
- Appointment of a Maritime Director is very important. My understanding – the port's intention is to have that role oriented toward business development.
- CCCPA desperately needs a new Maritime Director: good, innovative, creative, and hard-working. I'm going to put my pitch in: Jonathan Daniels. To create business, market the port, and put deals together. Need someone on the job thinking about those things every day.

Invest in Infrastructure

- For the time being, there's enough warehousing at the Port, but if we track more business, we may max out on storage. The Port needs to be ready to invest in warehousing capacity when the time is right. This means the Port needs to monitor its warehousing capacity, and shouldn't wait

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until it's already maxed out. The Port should identify a threshold load capacity; once the Port has reached it, it should start planning to expand warehousing capacity.

- New/improved facilities.
- Cleveland is well-positioned to export, but would have to change the infrastructure. The U.S. doesn't export much. But we do export agricultural products. Toledo is a huge agricultural export center. They have proper rail connections, grain elevators, storage facilities (and have the companies to build those facilities).

Market the Port

- CCCPA needs to market itself.
- We need to market ourselves better. Some people don't even know that there is a Port of Cleveland. We need to be reaching out to users. This economic engine hasn't been started yet. We are the maritime industry. Many great companies' products are going through Cleveland. The potential is as the port grows we can grow the Great Lakes as a market. But no one knows what we do. So, with marketing, we need to target the maritime industry and also the public – we need to show that the Port is important for maritime, economic development, financial support for good projects.
- CCCPA should do more marketing, such as going to trade shows, as nobody knows about the Port of Cleveland. We need to get the word out. People who live here don't know the Port is here. Business opportunities include importing liquor, containers. Importing is more. Exporting opportunities—go by the state statistics. Ohio is the 7th largest exporter.
- It's hard to market dry bulk commodities – iron ore, steel, salt, grain, etc. – it comes and goes on its own. We've been advocating that the Port as well as others seriously promote container traffic between those ports and Montreal and ports in Nova Scotia. There are entrepreneurs out there in instituting that service—talking actively with them. The goal of container traffic is to have balanced trade, including not have boxes coming in full and leaving empty.
- Chicago is a source of gridlock; need to spread that traffic around a bit. Cleveland has an opportunity to relieve some of that traffic. That will take some marketing and some convincing.
- The Port aligns itself to help underscore and disseminate not just potential users of the port but also the broader audience – we need to share those advantages.
- The strengths of the St. Lawrence Seaway (e.g. shortest direct distance) is being a route for merchandise entering the Great Lakes/imported to the US, but it should also be a potential route for exports. We have a Secretary of Commerce and administration underscoring the importance of exports. However, you don't export without ships, terminal operators, stevedores. There have been some efforts post-turbulence at the Port trying to get closer to the terminal operators, as terminal operators and ports have a shared interest in looking at Cleveland as an outbound port. It's been substantially a destination port. We need to be looking at traffic in the other direction and market a total service, by partnering with the terminal operators.
- We certainly felt during the period of turbulence that there was missing communication to key stakeholders. The Port needs to ensure that key stakeholders and businesses are being

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consulted and informed. We strongly support a healthy Port Authority. That means making efforts to develop new business along the lines of expanded existing portfolios. We also see the importance of the broader economic development goal and its success as a finance vehicle. We think the PA is anchored by its maritime heritage.

- The number one focus of the CCCPA should be getting out and getting cargo. The best thing is to go out and market itself. The whole food chain of business starts with cargo ships. Need to attract more cargo – and more cargo revenues will follow.
- The problem with the CCCPA is that 85% of people don't even know that the CCCPA exists and what the CCCPA does – we do a very bad job marketing ourselves. The port is an economic engine that has been sleeping for years. For example, there used to be in the upper 200s of longshoremen 30-40 years ago, and now membership is below 60. There is also a lot of negative publicity: *The Cleveland Plain Dealer* is spinning a lot of negative things about the CCCPA.
- It's important to create the awareness about the maritime capabilities with CCCPA tenants and partners. So that businesses in Cleveland (consuming or producing) will be more aware of CCCPA. This should include: CEO discussions with partners and a more cohesive marketing plan; incorporate the business community here in Cleveland so that the Port is used as a mechanism to ship in/out; hire maritime director; do a better job of sales and marketing; help businesses ship and receive product.

Move Forward on Real Estate Development Decisions

- One of the missing agreements in Cleveland is the lakefront development. It's beyond my comprehension that the lakefront has not been developed. The CCCPA is a major player, if not the major player here. We need to take advantage of that tremendous asset, which is currently untapped. That's the number one priority for me: encourage redevelopment and pedestrian access. It should be seen, used, and valued.
- The CCCPA also has some physical assets (land) on the lakefront, currently underutilized by the CCCPA and community. Redevelopment could provide significant opportunities for the community.
- They need to come up with a cogent and market-based plan to deal with their vast and underutilized land holdings. The development of their land holdings should piggyback on other developments in the region. The redevelopment plan they had was solid and it would be easier to start on the west end and move to the east and piggyback on the East Bank development (the East Bank development is bordering their site).
- The CCCPA needs to make a decision (with community input) on whether or not to expand the waterfront; we need closure in the next two years. Now, they're operating with indecisiveness. This needs to be a companion priority to maritime operations. The City is still working with the CCCPA on this because the City owns a lot of land, and it is in their interests for this to go forward.
- Take the land that they do not need and reuse that property, whether they play a role of developer or catalyst.
- The CCCPA needs to develop the property they have without interfering with shipping.

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- The CCCPA has to be the one telling the story of the lakefront from a commercial point of view. They've stepped back from that. The economy and international commerce are changing. For the CCCPA to grow, it's got to be the most accurate chronicler of what a port can be to the commercial side of northeast Ohio. They need to communicate that story effectively in the region.
- Because of their unique position, they have an opportunity to redevelop the waterfront in Cleveland with a healthy mix of maritime and commercial use. The CCCPA should take leadership and could take the port into new areas; otherwise another entity will emerge to redevelop the waterfront, and they may not be involved. Depending on how the CCCPA develops itself over the next few years, that's a leadership role they could take. To be a leader in the region and the state is theirs for the taking, if they want it.
- I wish they could isolate and figure out a way on the northeast part of the property (north of the stadium) to carve out a piece of land with infrastructure and spur private development. That would really help the City. We need to attract people who want to be in northeast Ohio. We need a lake-oriented redevelopment. There is just not access to the lakefront now. I grew up in Milwaukee; the city has embraced the Lake. Cleveland needs that.
- Development of its property in support of its lakefront plan.
- A priority is better utilization of the lakefront property with the City as our partner. We have more space than we need. That really has a chance to change the face of Cleveland.
- Waterfront development should happen, but it should support the other work that the CCCPA does. You don't want to have a ghost town after 6pm; you want to see activity, not empty parking lots.
- On the land development side, there has been some good work done to date, well thought out. We have a doable Phase I element and are getting some momentum with that. There needs to be an expectation that it's a long journey. The port and land development can co-exist, it's not either/or.
- The waterfront should be a mixture of recreational and commercial. There has been significant development in the past two decades to build a residential/leisure industry on the waterfront (restaurants, bars, nightclubs, e.g. stadium, Rock and Roll Hall of Fame).
- There was a push to have condos at the waterfront. We really have to look if there is demand for that. This is not Tampa Bay or the west coast. There is not a demand if there are just restaurants (those can only be used for half of the year outside). Pittsburgh tried the same with mixed results. We should learn from other cities.
- Another responsibility is its ability to load and unload ships as they go (the basic purpose of the CCCPA). The facilities have to be in good shape. There are questions about if there is enough space where the port is currently located. We have people say that the lakefront land should be used for anything but industrial purposes. As a longtime resident of the area, I like seeing a working port. I've also been to Chicago, and they have a magnificent lakefront that is for recreation purposes. Whatever comes out of this thinking, it needs to be implementable.

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- Figure out the optimal configuration of port activities: The CCCPA ought to be a facilitator and consider leasing or giving up the lakefront property. We need to be a city on the lake. We need that element to make a thriving city going forward.
- On the real estate side, we are looking at phase 1 and 2 of the waterfront development plan.
- I'd love to have that waterfront, but I'd put it as my third priority because we can't do much without the City's buy in. My longtime view (30-40 years) is to take those 30 to 40 acres and link them to other projects (e.g. plans for a casino, where terminal tower is and where the river winds back). They could have water taxis and link to the harbor and east bank. It's important, but it's beyond the CCCPA's control.
- Decide to move or not. Make a decision and live with it.
- A more community-based decision regarding the use of the CCCPA's land for redevelopment. There is an economic opportunity in the construction and operation phases.
- Be more directly involved (if we could be helpful) in real estate. Examples include Flats East Bank and the Interlands. With the Interlands (an industrial development near the East 55th Street location) we pulled back from development because we thought we were over-extending ourselves.
- We shouldn't try to abandon this. Our land is something unique and we should be deeply involved, but we just lost the person doing all that; we should hire a replacement, in my opinion. How to be successful? First, we need consensus from the Board about what we should be doing. Some people don't want to do anything.
- The other issue is government affairs. During the period of turbulence, there was a perceived desire on the part of the City to develop the waterfront currently occupied by the CCCPA for residential/leisure use. The City will do what it will have to do. Parenthetically, I can't imagine wanting to live there; you are separated by the roadways and the Browns stadium. You need to work with the City and figure out what it wants; tell the City how you can help and the potential impacts to the port. You don't want to be too reactive, but seek to work with the City in helping shape its waterfront.

Get Back to Basics and Rebuild Trust

- Getting back to basics. It's critical. The previous folly has worn out the community's patience. I was personally worried the community was going to say "why do we even need this port authority?" Luckily that hasn't been the case. The CCCPA needs to re-establish trust that they are a useful public agency that benefits the community.
- The CCCPA has historically enjoyed a high degree of public confidence and that's been essential to getting public referenda passed. When the decision was made to expand and relocate the port to 55th street (very large, costly concept) and when that then became financially not possible it lessened the public's confidence. With new management and commitments by the Board, the perception is being turned around. It was tarnished and they are polishing it up again. We need to have a strong organization that the public has confidence in.
- The number two priority is to preserve the economics and image of the CCCPA. The public has to believe that they are doing what they need to be doing.

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- There is a terrible view of the CCCPA in the public image.
- Will Friedman is one of the best choices they could have made.
- The CCCPA has a strong leader now – Will, but he has to get a good team together.
- First and foremost, the CCCPA has to re-establish its credibility. Build a strong organization. Good staff. It's important to ensure funds are never mismanaged. The basic administration needs to be well done.
- Run a strong organization. We've had a lot of turnover and a lot of hiring that wasn't right. Now we have strong leadership and are more capable of hiring the right people.
- Our business model has and should continue to be: the key part of what we do is lease out to other key players, and it doesn't require a lot staff to do that. It's about working with our partners, tenants, and holding them accountable.

Build and Foster Partnerships

- The Board members have to make sure they don't have conflict of interests. Right now, Cleveland government is not viewed with real positive attitudes. The Port Board needs to be as engaged as it can possibly be.
- There's also a media connection that needs to be fostered, and I think Will should be able to do that.
- Economic development through lease financing and land assembly. Although there is no shortage of organizations like that here. Greater Cleveland Partnership is one of them. Adam didn't reach out to them. The CCCPA will have to collaborate with other economic development groups, including the Greater Cleveland Partnership
- Establishing relationships is extremely important.
- The CCCPA, through Will Friedman, needs to repair their relationship to the Army Corps. I know they are working to repair that, but that's going to affect what will happen.
- Doing more in the economic development area: build relationships and partners. We've been working on that and should continue to do so. It's hard to build a public consensus on what our roles should be because of public jealousy.
- Government interaction is important; the CCCPA should work with state and federal governments to get waivers to some of the laws that govern short sea shipping. Currently it's very difficult to move cargo from one US port to another, because it has to be done on US-flag vessels, which are rare. So the cargo doesn't move. This is because of the Jones Act; it's been a hot button issue in the maritime industry. The Act has to do with US-based vessels and the protection of labor unions.
- Will the CCCPA try and strategically retain businesses in Cleveland? They need to define how they want to participate. Who are their other partners and what do those relationships look like? They need to understand the strengths of other organizations and how they can work with them. The art is being able to make all of the partners work in the capacity that they do best and alleviate overlap.

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- The CCCPA ought to be a place where public and private markets meet. They should work with all other entities in the private sector and not be a place where there are “favorites.” They should act like a public agency and work with people to help them get transactions done. There has been in the past (at some points) a “closed shop.” A lot of competitors and colleagues would not take a deal to the CCCPA because some other bank would end up with their transaction. You only do that once before you don’t go back to the CCCPA.
- We should also be partnering with other entities for economic development, so that everyone has a good image of the CCCPA. We need to work with the city, county, state, and others as partners to see how we can help each other. We should also partner with other ports, as a conglomerate and network.
- We need leadership at the city, county, and state to believe in what we are doing. We should all be shaking hands together and partnering to make things happen; we need to be more engaged.
- My view is that we’ve pulled ourselves into a shell, but my colleagues may not agree with me.
- The business plan that’s being worked on needs to have real credibility. There wasn’t a lot of public involvement in the previous plan. That was surprising to me. Public involvement isn’t easy and may not result in new ideas, but at least it needs to be permitted.

Maintain and Grow Development Finance

- They have to do deals; they haven’t done anything for 4 years. Brent Leslie is one of the best you’ll find—he wanted to do deals. They need to conduct bond issuances to business and industries.
- Financing: the goal is to maintain discipline in their investments, so it doesn’t drag down their other priorities.
- We should also be supporting the financial stimulus, doing economic development projects to support growth in the region.
- The CCCPA has many roles to play: Its financing powers turned out to be extremely important because it’s a money maker for the CCCPA, but also for businesses that are important to the region. Determining who benefits from its funds is extremely important. I think it should be focused on businesses within our region that help the economy.
- On the finance side: should work with partners to see if there are joint development opportunities.
- Continue to need to be available for bond financing to help make some of these projects a reality. It’s incredibly helpful. They need to keep using that as a tool. A lot of these transactions are needed.
- Focus on development finance/economic development. Strengthen our bond fund. We spent a lot of time five to six years ago educating the community on what the CCCPA can do for financing transactions:
 - For example, Flats East Bank: The City of Cleveland, County of Cuyahoga, the State of Ohio, the federal government, the regional transit authorities, and the regional sewer district all joined in a partnership to support this development known as the Flats East

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Bank. It was assembling land for a developer (with the CCCPA in charge). Eventually it all settled out; the developer was able to acquire the land.

- As a small organization, we are less cumbersome than some of the other organizations out there. We can get a quorum together and act quickly.
- Same with bonds; we can be easier to work with than the City or the County.
- We do work with the state and other financing entities to address needs beyond what we can do.
- Historically the CCCPA was pretty much just a maritime organization until the Ohio statute was passed (sometime in the 1980s). Then, after a while, the maritime business became static and development finance became a focus. I think we went too far: we need to focus on the kinds of projects that we do; not just anything and everything. For example, Myers University (a private university in Cleveland) got the CCCPA to do direct financing. The university almost went out of business and was bought up by a for-profit university. We may get the building now because the new university is moving out to the suburbs.

We need a view as to how to drive the region's development. The CCCPA has powers that very few governmental units have and we really need to think about that; we need to work with government units and private business, and not just do reactive financing. We need to think about regional development: how do we become more of a regional development player?

- The financing role has been stand-alone, but we may not have been as strategic as we could be.

Foster the Port's Three Roles/Functions

- The CCCPA is multi-dimensional, unlike some ports, which are solely maritime based. The CCCPA can play a number of different roles.
- Looks like the CCCPA moved into bonding and real estate, and while these functions are important, the CCCPA's maritime function should be the first priority.
- The CCCPA should put definitions around its activities related to: maritime, economic development, and the waterfront.
- Select a few things in each area that they want to focus on; pick projects that will push the CCCPA forward in each area.
- I think the Port should be in three, maybe four lines of business:
 - Maritime business obviously.
 - Development finance (state statute): conduit financing and the bond fund to be used for economic development/stimulus activity.
 - One area we are trying to get moving, which would be huge for the city and the region, is the development of the waterfront. We're trying to get the City (first parcel of land is City-owned) to allow us to manage the lakefront property in a mixed use way (e.g. recreation activities, office space, restaurants, bars, and hopefully some residences and hotels). I see some overlap with maritime activities (e.g. water taxis and ferry service).

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- Miscellaneous: We have the foreign free trade area. As a result of development financing activities, we have an opportunity to stimulate real estate projects that might be a bit different than traditional development finance. This would help with ideas of overall economic development, business generation, trade, etc.
- The CCCPA has three roles: financing, land development, and maritime. The current process with new leadership is a reset point – where we are and what we are going to do.
- Threefold answer: I have a tough time prioritizing between the answers.
- Ensuring balance: it was really a majority type operation in one silo. The balance that they can bring is in recognizing their role and how they leverage other partners and assets in the community.

CCCPA Roles:

Be an Economic Engine for the Region

- Two roles: (1) economic development for the region via maritime functions and (2) economic development for the region via development finance.
- The CCCPA should focus on creating a stable operating atmosphere with stable staff. The hiring of the new director was a step in the right direction. They need to identify those areas in economic development that are not being addressed by the other public and economic development agencies in the region and fill those duties.
- When the public votes for a levy, they believe that the CCCPA is creating jobs in the maritime industry, not financing parking lots. How do you get a more diversified portfolio for the CCCPA, but still stay within the maritime industry? Supporting ship repair, supporting off-shore wind, being a landlord for offshore wind assembly of parts are all good maritime-related activities. Parking lots for a clinic is not really related to ports.
- I believe we should work on increasing our levy to give us more money to do economic development. Everyone knows that we've looked at it. There are things we could do if we raised our levy. That would be \$30 million a year roughly. Now we get approximately \$3 million. The public loved us three years ago, they don't know now because of the newspapers. We need to build consensus on what we want to do, which includes working with the City and the County. With the new county government, the county will become a different kind of a player. So we'll have to see how that works out.

Port's Role as Financier

- Support economic development throughout Cuyahoga County.
- Continue the leadership role the CCCPA has had with bond financing in helping pull projects together (straight real estate and economic development, job creation projects).
 - Future opportunities: have been incredibly active in the last 5-7 years and the projects done have been impactful to the community. It remains critically important given the equity market challenges.

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- Optimal role would be to take a leadership role to build capacity and be able to execute large and complicated transactions that go beyond more traditional or smaller economic development projects. They should be able to turn to the CCCPA to get expertise and help.
- Their willingness to act as a financier and some of their approaches have been a significant asset to the community. The pooled bond program created a mechanism that allows borrowers to share the securitization.
- Continue to partner as a lead financier.
- Port as conduit financier. The Port has played that role historically.
- Development financing is probably why we keep renewing our levy. We have been able to be helpful in a significant way. That keys into another aspect of economic development.
- Historically, the Port has had a bifurcated mission: support the maritime industry and play an important economic development role. In our view because of the nature of ports in Ohio and the fact that they have a statutory authority to execute most of the tasks that municipal government can execute, we think that it's critically important that they continue to focus on economic development. They should continue to provide conduit financing, acquire and assemble land, and the rest of the entire basket of non-maritime services that they provide.
- The CCCPA is pretty unique; ports in Ohio have special authority, which very few states give. The ports have the ability to finance through bonds and other mechanisms. They have a strong advantage nationwide.
- Its role as a seaport and as a finance agency. Because they are a special authority—their mission is maritime and economic development—they actually can work everywhere in the state of Ohio. That's a very unique law; only six ports in Ohio can work statewide. A county department in development can only work in the county. The CCCPA can be doing hospital, retail, maritime, etc. deals.
- In many states other than Ohio, the laws allow different agencies to do conduit financing, like economic development authorities, but that is not the case in Ohio. So, historically, different port authorities have taken on that role as one of their primary functions (there are even some land-locked ports in Ohio that just do that). The Port of Cleveland and Toledo are somewhat different because they are also major shipping ports. So there are two ways for the Port to contribute to economic development:
 - Lease financing transactions and land assembly do more for economic development than conduit financing. The conduit financing in-and-of-itself is not an economic development tool. Cities and counties can do that too. It's not an indispensable role that ports can be playing. The revenue the CCCPA gets from fees can support port operations, which is good, but the CCCPA would be better served to focus on marine operations and lease financing transactions and land assembly.
 - Cuyahoga County is currently going through a major restructure. The new charter mandates that the county become more active in economic development (which is ridiculous, as they should be providing other regional services, but because everyone is so desperate to stop the economic decline, they think all levels of government should be involved in economic development activities). The change in county government is very

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relevant for the CCCPA, since the boundaries are similar. There will be a lot of interesting issues to work through. Our consultant team should look at the new county charter as it mandates creation of economic development activities for the county. A lot of these things people would currently look to the CCCPA to carry out. This might make it harder for the CCCPA to do what it's been doing in the economic development arena.

- Being a financing arm for other developments that maybe could not be financed without the CCCPA's financing. They seemed to have filled a niche in the market. When they generate tax-free bonds that hurts us because we don't get the sales tax generated, but it is still better that the project happened.
- Use broad economic development powers (financing, revenue bonds) to generate manufacturing and basic industry that feeds off the City's base. This can be powerful.
- My sense is that the Port should keep doing what it is doing in economic development. It's been very successful, had some very successful commercial real estate financing projects.

Leader in Maritime Industry

- Make a statement and demonstrate leadership that they are on the ball and cutting edge related to the basic business of the port. That has been one of the criticisms (they've been accused of taking their eye off the ball). Especially as the economy improves and the overall level of shipping in the Great Lakes increases, we need to be major participants.
- How do we compete in an international market? Do small regional ports still make sense? Someone has to say, "We have a leadership role to coordinate what goes on." Here's what we do well and what others do well, are there areas where we can team up? How can we do our business better given the current situation?
- I think the CCCPA needs to seek out a role for themselves as the leader of the maritime community in Cleveland; that is not currently the case and is a consequence of previous leadership deciding to have a narrower view of what the port's role is. The places where there is success and prosperity, it's where the CCCPA has stepped forward and demonstrated leadership (whether it's required by statute or not). You can volunteer in the community; it doesn't have to be required through state legislation.

The maritime community is eager for leadership. What does that look like? They have a problem regarding harbor dredging. In the port area in Cleveland, you have property owned by different people. Other places (where they are doing it well) include: Duluth (they own a fraction of the port area like Cleveland). There the Port agency has volunteered and gone out and met with all businesses around the harbor: "Look we have a dredging problem too. We're volunteering to be the organizer, leader to try and resolve the dredging problem." They host meetings, started a committee, maintain a database of stakeholders, conduct outreach to state and local government, etc. They are being the organizer and bringing people together. And they are having tremendous success; the government at all levels wants to see consensus and leadership. Then, things get done.

Duluth has created a harbor technical advisory committee; it meets regularly and includes representatives of the city, businesses, county, and engineers, etc. Through that process, they get to know each other and then they build on those relationships with other projects.

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Something that dismayed me is that the CCCPA doesn't even talk to businesses along the river. They've been worried about their property and what to do with that. It's a very narrow view of their role.

Leader in Addressing the Dredging Issue

- The CCCPA has to take a leadership role in the Dredging Task Force. We realize the CCCPA needs to take the lead; there are a lot of agencies involved here: Corps of Engineers, Ohio Department of Natural Resources, City of Cleveland, etc. From what we've seen so far, the Army Corps is providing the technical information, but the CCCPA needs to keep focused on what we need: a new confined disposal facility (CDF). We don't solve the problem, until we find, permit, and fund the site. We need to find the funding for it, and minimize the cost to business.
- The Dredging Task Force was created at the call of the US Army Corps of Engineers. The director called on the CCCPA to chair the Task Force. The Army Corps has done much of the technical work (appropriately so) and much of the central work that's being done exploring options and sites and financing. But the CCCPA is really the only entity that can make these things come together as local sponsor.
- There's a dredging function that the CCCPA has; it's a huge responsibility. Finding a location is very complex. Mainly there are locations with disadvantages. Meanwhile there has been discussion to see how dredging materials could be recycled into building materials. Will was on the radio yesterday talking about that. That was pretty exciting, and if they could pull that off, that would be a real big victory. The CCCPA needs to work with the City and business interests.
- Need a dredging solution in the short term.

What measures of success should the Port use in assessing its performance?

Maritime Business Metrics

- Sustainable tons shipped and tons landed per year. That might be an indicator, but it's a backwards-looking indicator; it tells you how you've done. It's not so much the actual number, but really the trends and changes over time.
- Cargo growth, both import and export.
- Volume of cargo is a measure of success.
- At the end of the day one thing that matters is the volume of cargo through the CCCPA. Metrics also help raise awareness that there's a Port that ships goods.
- Volume of business and margins of their core maritime operations.
- Tons of shipping through the CCCPA.
- Increase in maritime activity – increase in volume of shipped goods.
- Maritime metrics include ships arriving and departing and tonnage passing through the port.
- There are some metrics already in place. Tonnage, stuff that goes in and out of the Port [dollar value as well], jobs, spin-off businesses as a result of a strong port.
- Tonnage of cargo going in and out of the CCCPA. Maybe do some benchmarking: where do we stand cargo-wise and operationally compared to peer ports?
- So many things to measure. But the easiest: (1) Tons of product going in or out. How balanced is the CCCPA regarding imports and exports? The exports are going to be where Ohio businesses are going to locate. (2) Incremental expansion plans and taking stock of infrastructure that they have: do they have the equipment to efficiently load/unload? Buildings/warehousing capacity?
- Maritime: how much we are able to increase business, not necessarily a consistent metric. Last two years, our revenues and activities went down because of the economy. The newspapers contended the CCCPA was doing a bad job. But Cleveland shut down; a mill shut down, the auto industry shut down. Maybe measure the number of customers.
- Maritime metrics include: ships in and out; tonnage; different kinds of things that are coming in and out. I think those are fairly standard. There may be some other maritime metrics; my sense is that we're already looking at the ones we should be.
 - We should make sure our leases make sense. We have 3 long-term leases; those won't change. On the international docks (with FMT), we have an ability to work with them and they are willing to do so.
 - Not just measurements, but also goals. If we get ferries, how many crossings, could be another metric, among others.
- When run correctly, the CCCPA should be run like a business. So you'd evaluate it like a business. For maritime, number of ships, new shipping lines, new customers; there's a gamut of metrics.
- More tonnage of cargo, more customers, more new customers, more prospects.

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- Appropriate metrics for maritime growth
- Not a maritime operations guy so I can't comment on the appropriate metrics.

Marketing and Partnerships

- Marketing to try to increase the flow of commerce. Cleveland competes with Toledo, Canadian Ports, Erie.
- Reaching out to regional partners to encourage them to use the Port.
- Any metrics should include activities when it comes to marketing outcomes. A lot more metrics around activity, such as discussions with our partners, potential companies. From activities come opportunities. Starts with awareness, education, commitments, and then the business you get and hope you keep.
- Continual interaction with others in the economic development space: Where they think we might help? Some people don't have a sense of what the CCCPA can and can't do. Partners we should be working with include: The Greater Cleveland Partnership, Team NEO, City, County, the Cleveland Foundation, the Fund for the Economic Future, among others.

Development Financing Metrics

- Jobs added and retained as a result of development finance; bond ratings as a measure of ports financial sustainability.
- Quality of their portfolio and volume of activity in their financing work, and measuring other economic benefits to the region in terms of jobs.
- Increases in bond ratings, which is a function of being selective on the deals and performing due diligence.
- The CCCPA used to do more development financing, but the last Director didn't have an interest. The CCCPA should get back into that to leverage economic development in Cleveland.
- Have seen a lot of statistics for conduit financing. For example, financing led to the creation of X number of jobs. However, I don't think it's meaningful, as the county could have probably done the same. I would exclude statistics generated from conduit bond activity as a measure.
- The CCCPA can measure lease financing, because not many other entities do this.
- On the financing/economic development side: identifying projects that the Port has supported. Metrics related to jobs created and jobs retained. Identify successes and when a bond is paid off.
- Economic development: number of transactions, size of transactions, types of transaction (type of growth opportunity).
- Development finance: gross dollar amount or number of transactions. Can vary by size of transaction.
- Financing: project-driven, activity-driven.
- How do we leverage our financing activity strategically: what projects are you working on that are strategic? That are connected to either maritime or land development?

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- Deal with financing clients with integrity and respect (less concern about this with new leadership).

Real Estate Metrics

- Accomplish what they set forth in the waterfront development plan cost-effectively, and on time.
- Real estate: how successful can we be in developing Phase 1 of our plan (near the stadium)? What other areas can we become involved in regarding real estate? We can acquire and hold land (we don't pay real estate taxes on it); are there more areas we can do?
- Waterfront redevelopment: measurable square feet developed, when it's developed, and types of development.
- Land development and getting Phase 1 off the ground.
- My strongest interest is the land available. We can measure success by: are we able to identify, package and potentially bring developers to the table?
- The real estate measure is if the CCCPA can actually get a project off the ground. Metrics about economic success and economic impact (short and long term).
- Transformation of the built environment. Right now, we have a pretty ugly port on one of the most beautiful places in Ohio. If they could move it, that would be something that the community could see. They could change the city; that's unique to them and more than just numbers.

Economic Development Metrics

- On the economic development side, there are not many concrete measures. The better way is to see if the community views the CCCPA as an economic development engine. It's more intangible and anecdotal, which is a challenge.
- Great data to be found in jobs, investment, and how they have altered the tax base.
- Development finance: economic impact, job creation, indirect tax revenue generated. Probably a lot of conventional ones.
- A metric regarding employment and related employment.
- Indicators (throughput or something else) that demonstrates the value of the CCCPA to the economy of northeast Ohio. It will never be direct jobs at the CCCPA, but how they make others more competitive.
- Number of businesses that are using the facility to help them meet their goals (growth).

Metrics for All Three Areas

- The region will be hurt by a port that people are not comfortable working with. Having definitions in the three areas (maritime, economic development, waterfront), people will not have illusions about what the CCCPA can do and will better understand its role.
- Should focus on the three basic areas.

Overall Management

- Business measures: are the balance sheet and income statement sound? Are they managing their funds in a disciplined way?
- Internal management; start with clean audits and staff salaries that are in line with the industries.
- Financial health.
- Integrity.
- How infrequently they are in the newspaper; if you are, you are doing something wrong.
- A metric that may not be conventional or easy to get our arms around: can we measure image? What does the CCCPA's image look like if we achieve success? (maritime, development finance, etc.). How can you measure image or reputation?

Project-by-Project Basis

- Look more on a project basis: have to tackle this dredging problem or they will be out of business. The Corps of Engineers won't be able to dredge in 2 years; that has all kinds of awful consequences. If the steel mill can't take deliveries up the river, then they're out of business and that's jobs gone. They need to provide leadership to address the problem. They need to be successful here. Maybe another entity will step in and save the day, but I think it's their job.

Other

- That's going to be based on what the strategic plan comes up with
- Until we decide what those priorities are, we can't put in measuring tools.
- We are applying now for new market tax credits, as we have in the past. Some people don't want us to do it.

What else should we be considering as a part of this strategic planning process?

Partnerships

- You are the 35th consultant in the last five years. Whatever comes out of your report, it needs to be presented in a partnership model; Clevelanders don't like to be told what they should do. It's important to think about partnerships.
- The CCCPA is engaged with us on several fronts. The question will be once the plan is completed: how do we formalize that structure of coordination on an ongoing basis?
- It is important for the Port personnel to understand our business and how the decisions they make in terms of future economic development projects (both their own and those they help finance) will affect our role and ability to provide great transit service to the region. Too many times investments are made in areas that are not accessible by all of the public, which leads to things like sprawl, outward migration, etc. Encourage development that is sustainable.
- We used to describe the CCCPA as a tool that the city and county can use. I think we should be more than a tool, but I think we should still be a tool for those entities.

Maritime Related Issues

- The long term success of the CCCPA will depend on the long-term success of the St. Lawrence Seaway. A couple of issues:
 - The Jones Act is pretty antiquated as a law. The U.S. doesn't have a major merchant marine, the protective aspect of the law really complicates a number of trade issues. What message do we send to Congress?
 - The Harbor Maintenance Tax: The tax complicates things with Canada. We have to be a little more focused on federal legislation that is not so trade and passage friendly.
- The Great Lakes Basin is important for the national economy. Funding is always tight. If you were to take the GDP/GNP of the Great Lakes region, it would rank as the second largest economy in the world. If you're talking about these issues, people need to understand the vital role that this industrial heartland plays in the economy.
- The Harbor Maintenance Trust Fund is a federal fund paid by users of harbors with an intended purpose of maintaining harbors. However, this fund is being used to reduce the deficit instead. It's important to make sure the HMTF goes to its earmarked place and not just the general fund. This legislation is still going through Congress now. The CCCPA could play an advocacy role.
- One thing that might be prudent: look at the Port of Toledo. They have done the opposite of what the last Director did (big dreams, crashed and burned). In Toledo, they have quietly, slowly, and incrementally been growing. It's not that noticeable, but it's added up over time. They are growing more than any other Port in the Great Lakes. It's the tortoise and the hare. They are quietly doing their job and not boasting and doing a great job.
- Conduct a study to determine the global cost per ton of cargo. I've seen the Port of Montreal do this every two years, but haven't seen many other ports do this. The CCCPA should conduct a study to answer the question: What does it cost to use this port? This means looking at all of the cost components [stevedores, pilots, total of approximately 8-10 factors] for shippers and

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receivers. Then the CCCPA should compare its costs with other ports (especially along the East Coast).

Plan Development

- This business planning process now is too big picture, it's overcomplicated. If we don't have containers or liquids shipping, people will go to another port or state. This study is looking at things at a macro level instead of understanding the consequences of not having these services. I would be interested to know what it would take to get these services going and then do it. There's a huge difference of perspective between these two approaches.
- In the previous strategic plan, you have what our consensus was three years ago, and now we are working on that again. I believe we should be as aggressive as we can in helping the region. Did we bite off more than we can chew? I don't think so [it was the economy], but some people think so.
- Make sure that you get the Board's role in establishing priorities for the plan.
- People here are generally hopeful. The CCCPA has to get it right because competing communities have effective ports. Leveraged well, a port can be a powerful vehicle. Build the right set of expectations. They need to take a big picture, international look at what's going on. Sometimes you can get mired in how things are going and new things need to be tried and new ideas need to be looked at, particularly on a larger scale – what's the waterfront going to be like here? Should we even have a port that does maritime? How do we cooperate with other port authorities? We would be making a mistake if we just say "we've had a port for 150 years here, so we should just continue to have a port." People don't really understand why they have a port there. People tend to think it's a good idea (as indicated by passing levies), but they don't know why exactly.