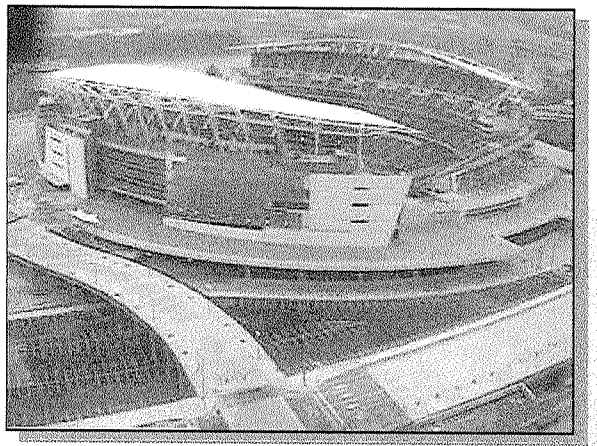
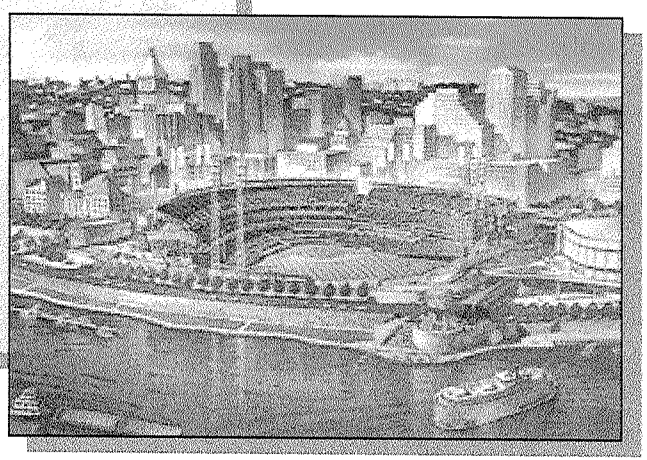




Hamilton County, Ohio

Riverfront Development Overview

(Based on July 2004 Financial Model)

May 31, 2006

Bethany: PFM

Hosting - Mike Sirling
- Sherri Baker - DPW

5/30/06

5/30/06

Model Seperate from Banks

Banks should stand alone

- Roll-back is not in Long-Term Policy
- No GF support
- CPS commitment

1. 98' Senior 1.15 Coverage
2. 2000' Subordinate Lien
3. 2001' Pledge on Parking bonds

Priority

↳ Key $45M of $65M Parking Costs was Sales Tax Cash. Thus, there is parking revenue cash flow because the parking revenue bonds were such a small part of the capital cost of the garages.

Roll-back is equal to $20M annually.

Sales Taxes Beyond 2032 - 3rd Rail

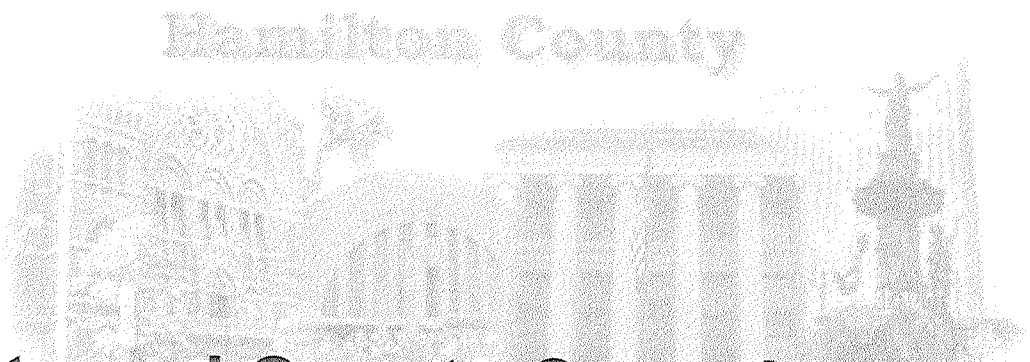
Banks will not add any new spaces.

Presentation Overview

I. Projects and County Commitments

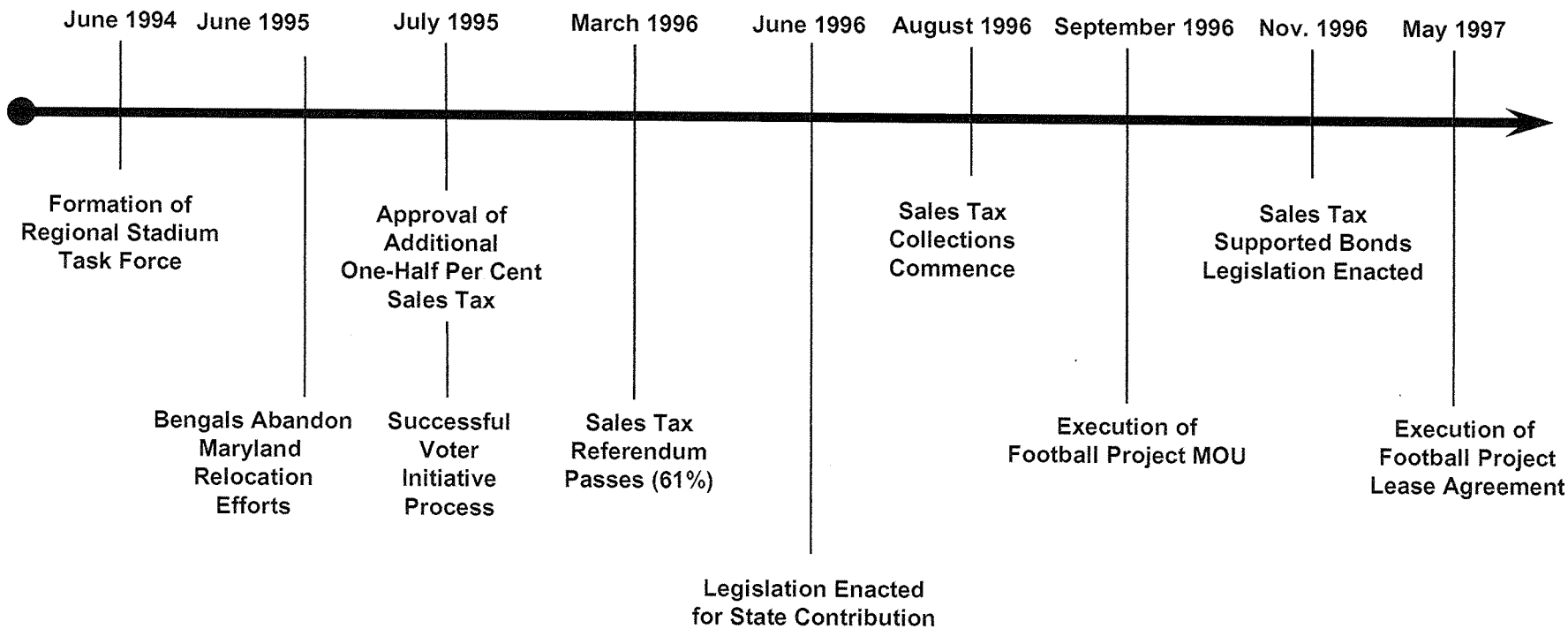
II. Summary of Funding Approach and Financial Planning Model

III. Sales Tax History and Growth Sensitivity

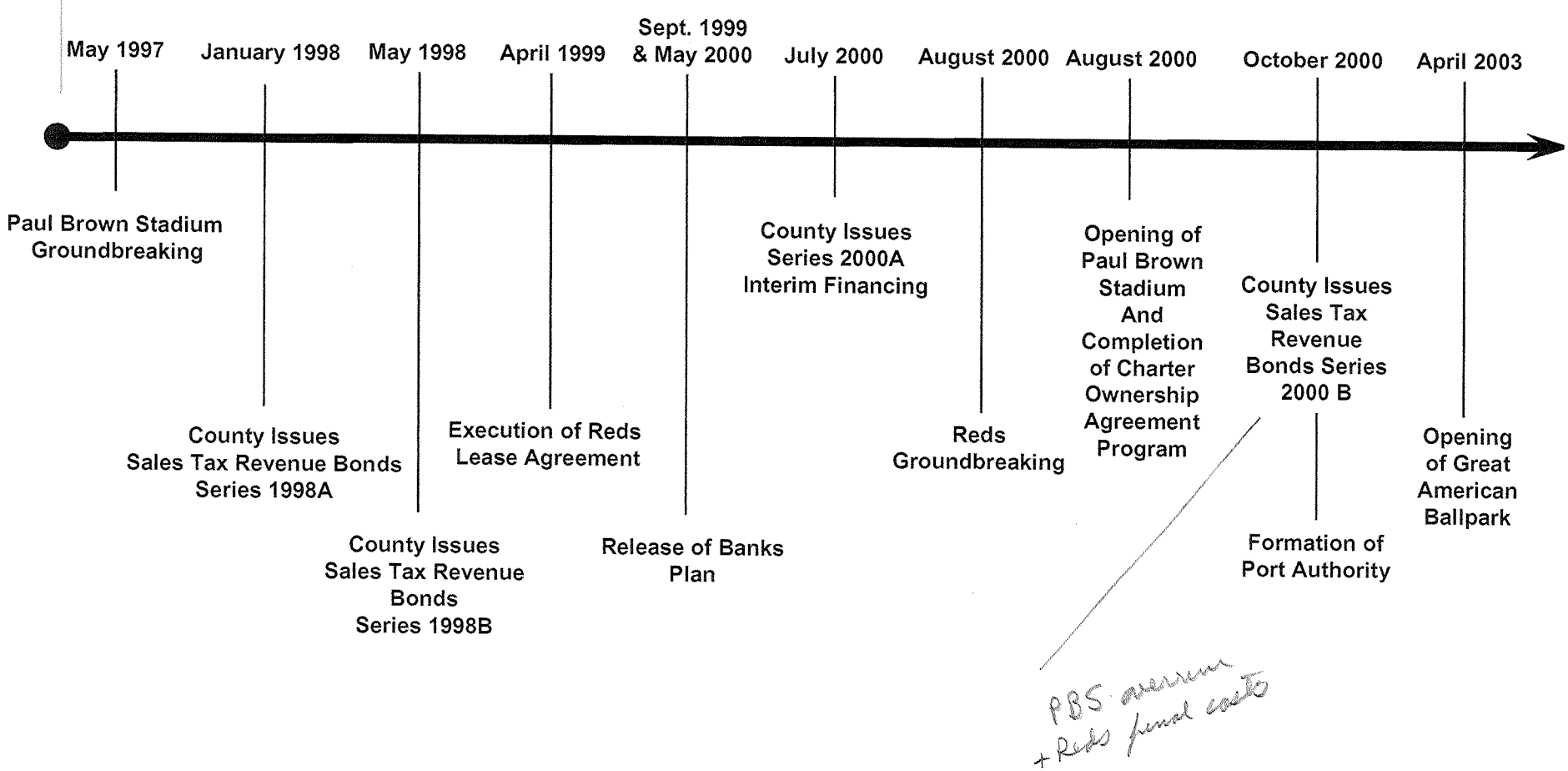


Projects and County Commitments

Project Milestones

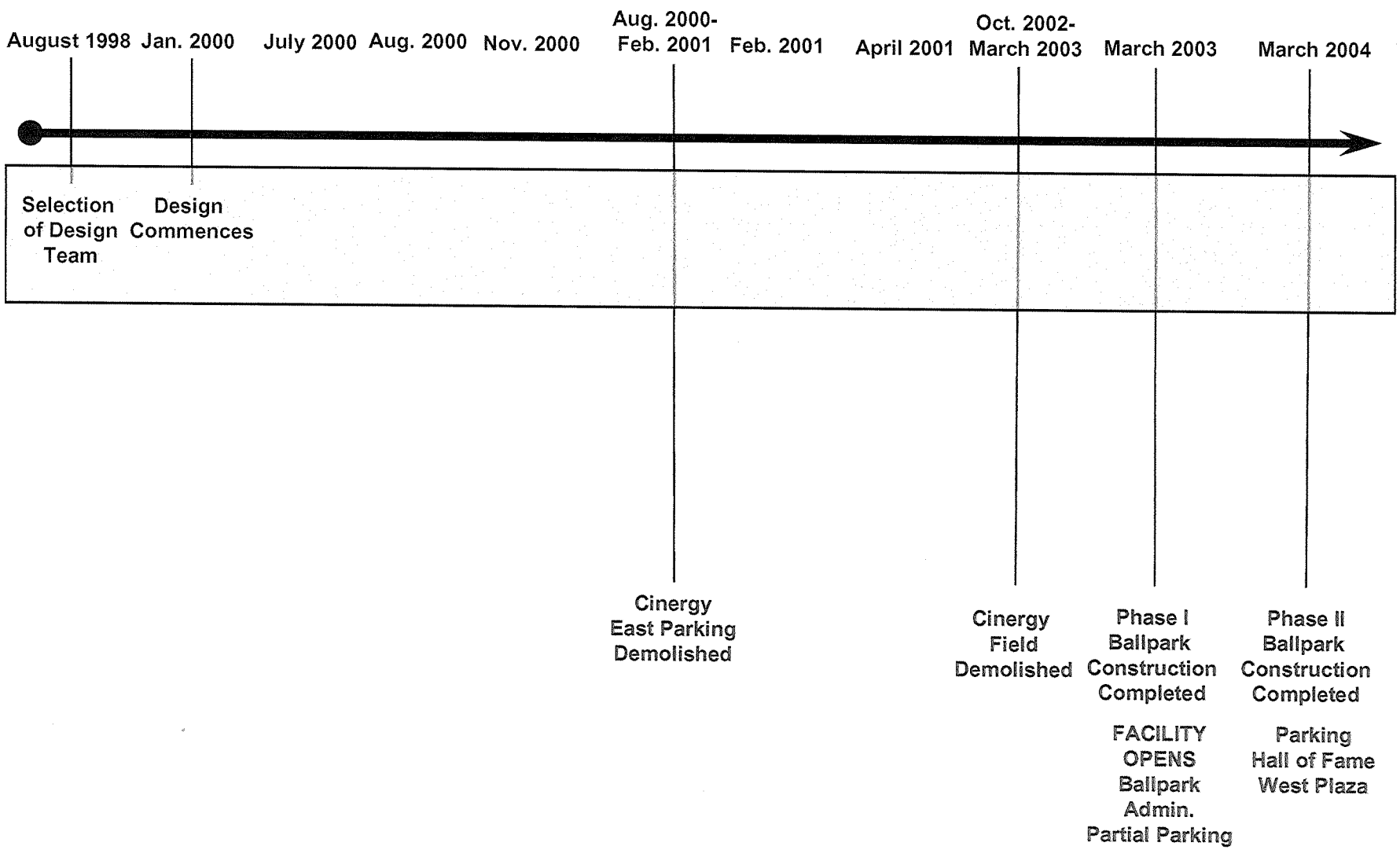


Project Milestones (cont.)



PBS overrun
+ Reds final costs

Great American Ballpark Development Timeline



Riverfront Development Projects

Paul Brown Stadium

Great American Ballpark

Public Improvements

Parking Projects

Future Riverfront Development

- ☐ Base Projects
- ☐ Contingent Commitment

$946 M

Public Improvements Projects

- All Related Infrastructure
- Fort Washington Way
- Theodore Berry Way
- Levee Way

Parking Projects

- Great American Ballpark Parking
- East Garage
- Block 3 Garage (National Underground Railroad Freedom Center)
- Surface Lots
- These 4 Projects Provide 6,516 Spaces for:
  - Daily Commuters
  - Weekend/Evening Events
  - Paul Brown Stadium
  - Great American Ballpark
  - US Bank Arena Events

Funding for the parking commitments are incorporated in current Financial Planning Model. Total required spaces may be as few as 5,000.

Paul Brown

Potential Additional County Obligations

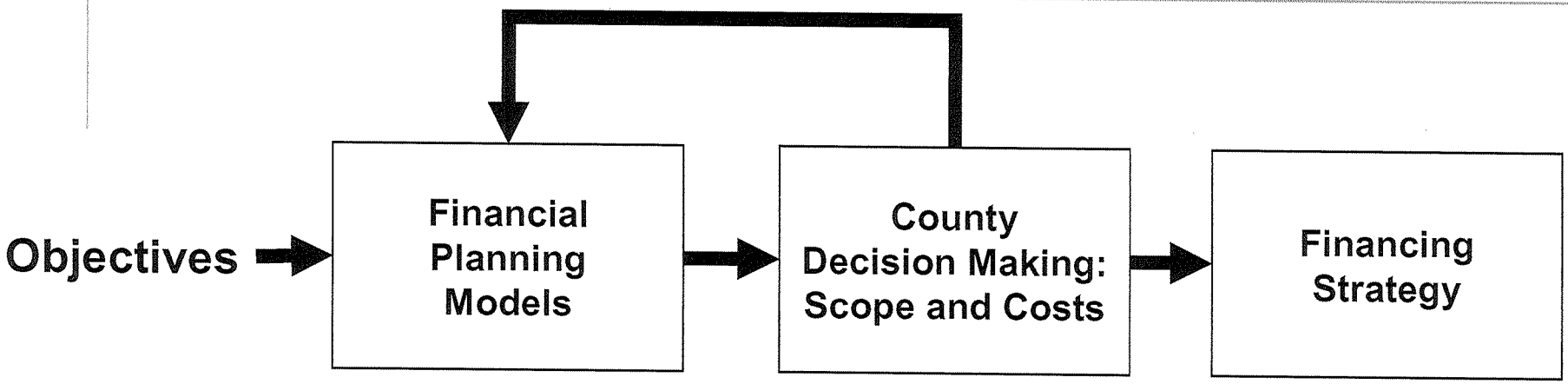
Not Funded in Financial Planning Model

- Future City/County Agreements
- Atrium II and 312 Walnut Litigation Implications
- Increased Stadium Operating Costs
- Banks Plan Parking - $50 million
- Other Banks Components
- Other

Hamilton County

Summary of Funding Approach and Financial Planning Model

Financing Plan Objectives



Objectives:

- Meet All Funding Requirements at Lowest Cost and Risk
- Maintain Positive Annual Cash Flow
- Comply with Existing Bond Covenants
- Utilize Flexible, Cost-Effective Financing
- Consider Future Financing Needs
- Provide for Unforeseen Circumstances
- Fund all Projects from Sales Tax Revenues and Revenues Generated from Projects

Financing Strategies

- Optimize use of sales tax revenue, debt capacity, equity contributions and other funding sources
- Structure new debt service around projected revenues and expenses
- Close the existing senior lien; implement a "new" lien with a new Additional Bonds Test ("ABT")
- Maximize the use of callable current interest bonds and minimize more costly Capital Appreciation Bonds ("CABs")
- Fund only when specific projects requested by Board of County Commissioners - only if affordable
- Other Considerations:
  - Sales Tax Stabilization Fund
  - Bid Savings Retention

Financial Planning Model

Model Detail

- Incorporates all Funding Requirements and Funding Sources (Capital and Operating)
- Tracks Construction Period Cashflow on a Monthly Basis (1996 - 2004)
- Tracks Post-Construction Cashflow on an Annual Basis (2005 – 2032)

Known Information Reflected in Model

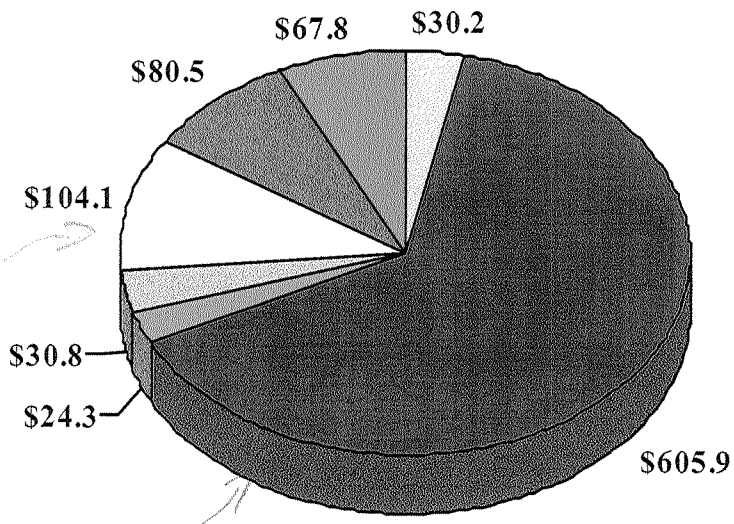
- Series 1998A&B, Series 2000A&B Debt and Parking Revenue Bonds
- Sales Tax Collections through July 2004
- County Operating Contribution to Reds and Annual Capital Obligation to Both Teams
- State Money Appropriated and Received to Date

Not Finalized Information - Projected in Model

- Final Project Costs (GAB and Related Infrastructure)
- Future Sales Tax Collections
- Structure of Future Bond Issues (State Appropriation Debt)
- Future County Operating Obligation for Paul Brown Stadium
- Timing of Future State Appropriations
- Future Property Tax Valuations (GAB)
- PILOT Payments (GAB)

Financing Model - Central Riverfront Projects

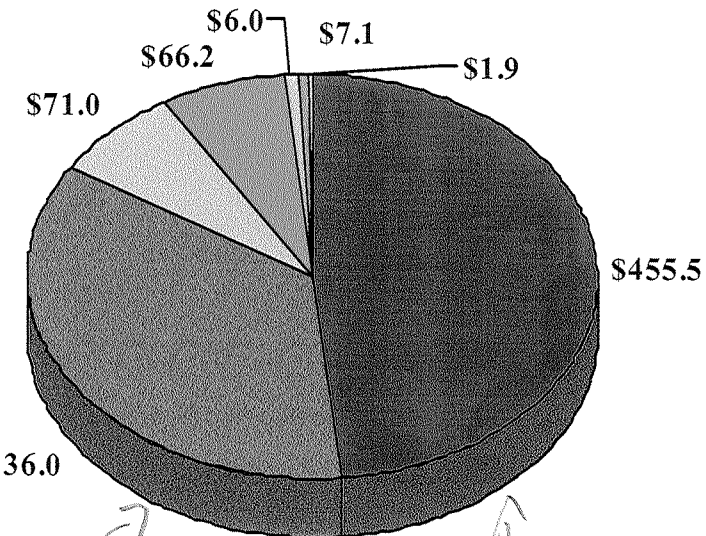
Total Sources



- Construction Fund Earnings
- Sales Tax Revenue Bonds
- Parking Revenue Bonds
- City and County Engineer and URFC
- Sales Tax Revenue Collections
- State Contribution
- Other Equity Contributions

TOTAL
$943.6 MM

Total Uses



- Paul Brown Stadium
- Reds Ballpark Project
- Parking
- Public Improvements
- Sales Tax Stabilization Fund - entering - "Shock Absorber"
- Additional Reserve Fund -
- US Bank Arena Deposit

Financing Model Overview

	Paul Brown Stadium	Great American Ballpark	Public Improvements Project	Parking Projects	Contingencies& US Bank Arena Deposit	TOTAL
County:						
1998A	69,288,159	0	0	0	0	69,288,159
1998B	266,748,015	0	0	0	0	266,748,015
2000A	43,210,227	58,891,009	0	0	0	102,101,236
2000B	0	167,757,749	0	0	0	167,757,749
Investment Earnings	18,252,958	11,971,792	0	0	0	30,224,750
Sales Tax Revenues	3,523,511	3,489,034	37,408,792	44,771,482	14,900,628	104,093,447
Parking Revenue Bonds	0	0	0	24,298,750	0	24,298,750
State Contribution:	30,000,000	50,513,500	0	0	0	80,513,500
Other:						
Team Contribution	0	43,334.633	0	0	0	43,334,633
Charter Ownership Agreements	24,478,033	0	0	0	0	24,478,033
City, County Engineer, URFC	0	0	28,806,639	1,952,828	0	30,759,467
TOTAL	455,500,904	335,957,717	66,215,430	71,023,060	14,900,628	943,597,739

less $9.6M

Numbers reflect net bond proceeds and net State contribution. Total State contribution is $81 MM.

Financing Model Cost Overview

- Project Costs:

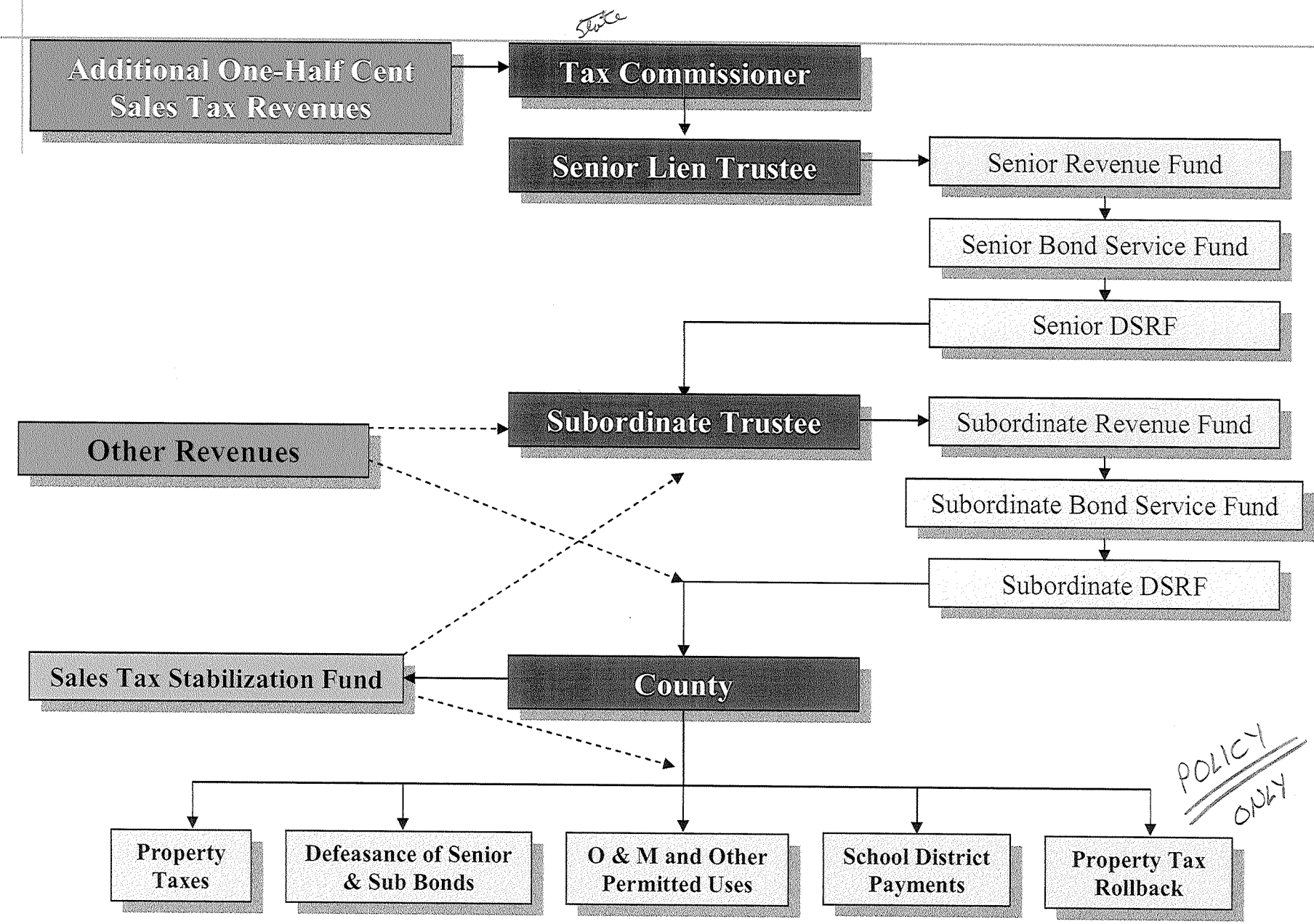
Paul Brown Stadium	$455.5 MM
Great American Ballpark Project	336.0
Public Improvements Projects	66.2
Parking Projects	71.0
Subtotal Project Costs	$928.7 MM

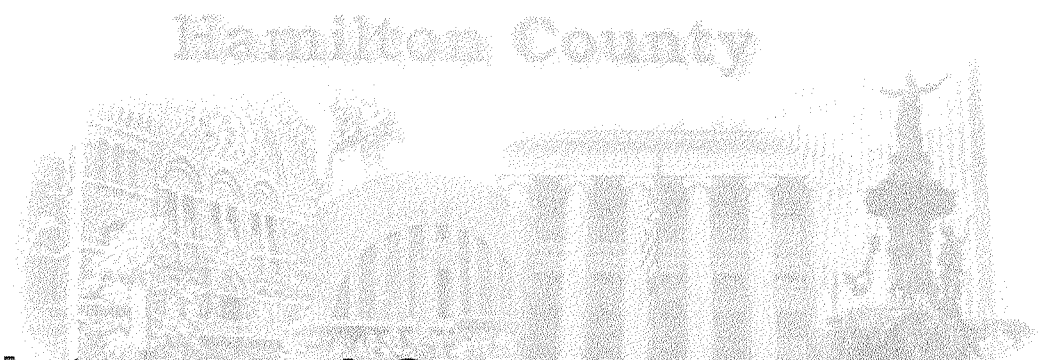
- County Financial Planning:

Sales Tax Stabilization Fund	6.0
Additional Reserve Fund	7.1
US Bank Arena Deposit	1.9
Subtotal	$15.0 MM

- Financial Planning Model Total Costs: **$943.6 MM**

Flow of Funds





Sales Tax History and Growth Sensitivity

Historical County Sales Tax Revenues – Original ½ %

Year	Collections	Growth
1971	8,158,993	
1972	9,018,296	10.53%
1973	10,090,617	11.89%
1974	10,639,012	5.43%
1975	11,473,571	7.84%
1976	12,669,898	10.43%
1977	14,627,742	15.45%
1978	15,711,490	7.41%
1979	17,209,948	9.54%
1980	18,333,971	6.53%
1981	19,848,336	8.26%
1982	19,636,477	-1.07%
1983	21,845,866	11.25%
1984	25,083,507	14.82%
1985	27,945,085	11.41%
1986	30,879,723	10.50%
1987	31,788,378	2.94%
1988	35,211,708	10.77%
1989	36,883,021	4.75%
1990	38,799,671	5.20%
1991	38,724,128	-0.19%
1992	40,842,858	5.47%
1993	43,165,292	5.69%
1994	46,750,329	8.31%
1995	47,517,841	1.64%
1996	51,120,044	7.58%
1997	53,604,045	4.86%
1998	57,112,015	6.54%
1999	59,630,657	4.41%
2000	60.902.478	2.13%
2001	59.283.176	-2. 66%
2002	60,588,814	2.20%

Oct/87 Crash

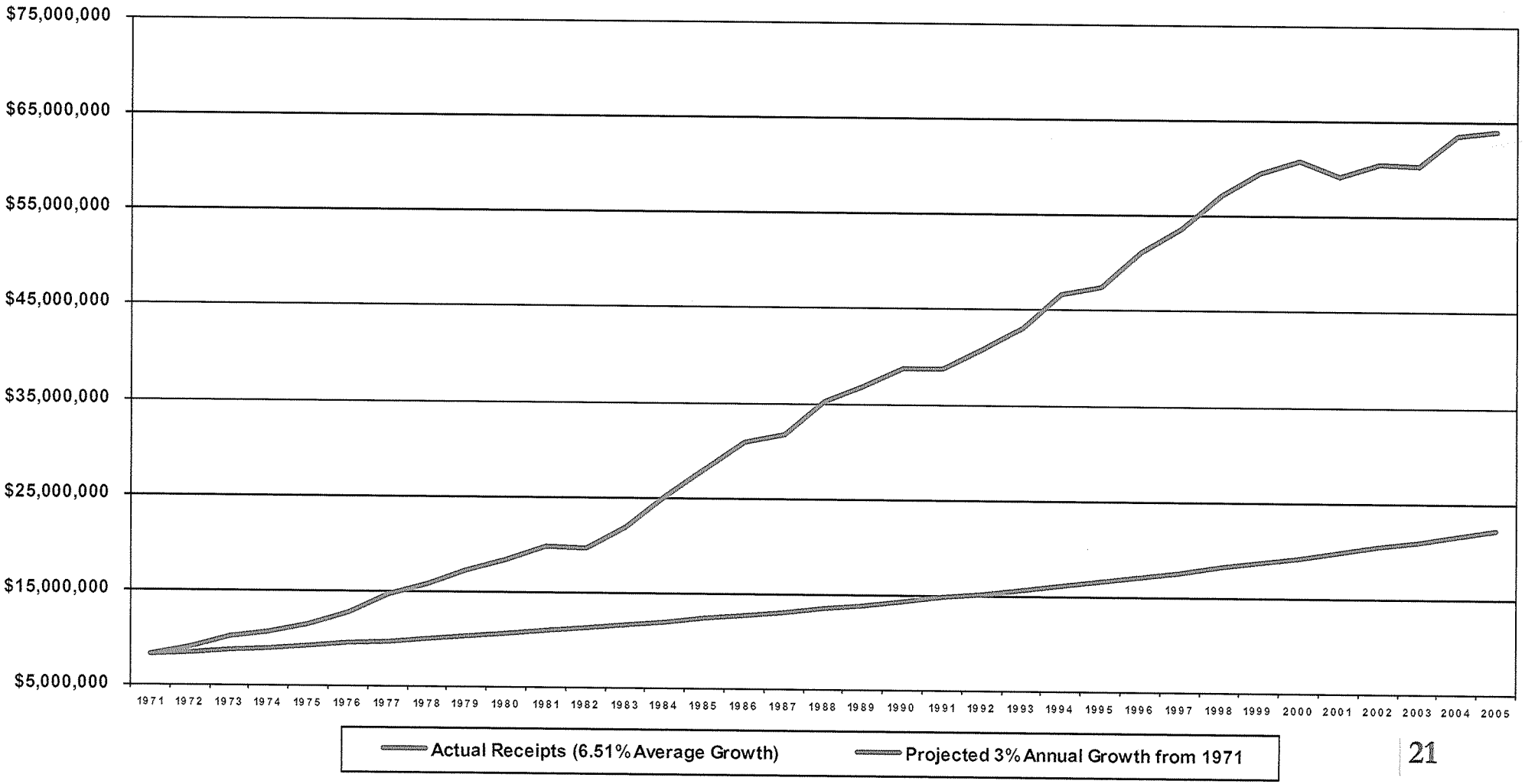
Year	Collections	Growth
2003	60,388.908	-0.33%
2004	63,502,701	5.16%
2005	64,094,532	0.93%

<3%

Historical Sales Tax Revenue Growth

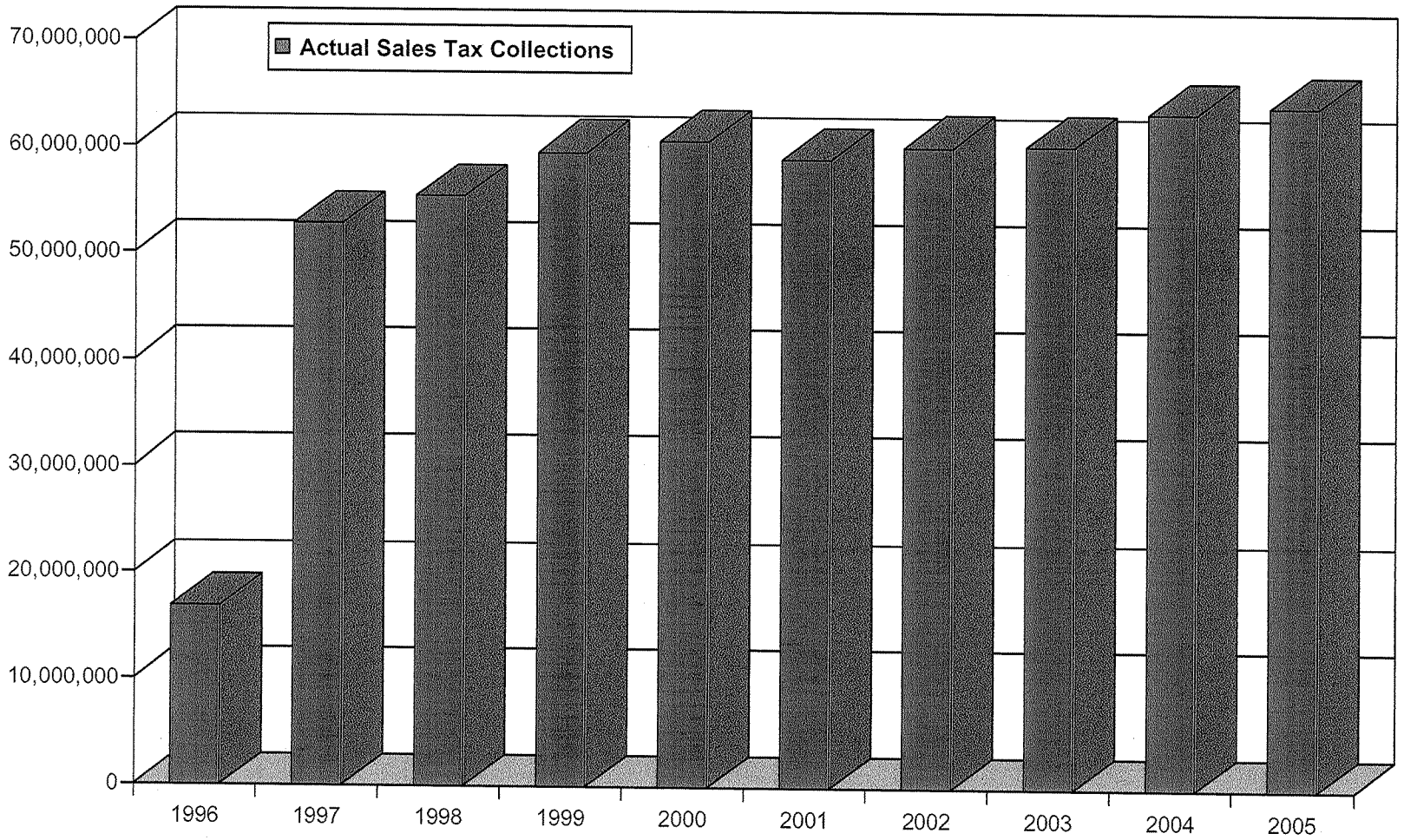
Sales Tax Revenues Have Averaged 6.51% Annual Growth Since 1971.

½% Original Sales Tax Collections 1971 - Present



Historical County Sales Tax Revenues – Dedicated ½ %

Average Full Year Growth Rate of 2.70%



Annual Revenue ($MM)	16.8	52.8	55.5	59.6	60.7	59.1	60.3	60.4	63.4	64.0
Growth Rate			5.1%	7.5%	1.8%	-2.6%	2.0%	0.1%	5.0%	.93%

*Collections began in June 1996