

Attend the 5th Annual Southwest Ohio
Education Job Fair—
March 20, 9:00 am - 2:00 pm
@ Scarlet Oaks Career Campus
one of Ohio's largest education job fairs

Currently: 
44°F
Cloudy
Complete forecast

TODAY'S ENQUIRER

- Front Page
- Local News
- Sports
- Business
- Editorials
- Tempo
- Travel
- Health
- Technology
- Weather
- Back Issues
- Search
- Subscribe

- SPORTS
- Bearcats
- Bengals
- High School
- Reds
- Xavier

- VIEWPOINTS
- Jim Borgman
- Columnists
- Readers' views

- ENTERTAINMENT
- Movies
- Dining
- Horoscopes
- Lottery Results
- Local Events
- Video Games

- CINCINNATI.COM
- Giveaways
- Maps/Directions
- Send an E-Postcard
- Coupons
- Visitor's Guide

- CLASSIFIEDS
- Jobs
- Cars
- Homes
- Obituaries
- General
- Place an ad

- HELP
- Feedback
- Subscribe
- Search
- Newsroom Directory

Sunday, February 29, 2004

Huge task awaits development expert

Stephen Leeper, hired to help downtown, brings experience getting projects done

By Ken Alltucker
The Cincinnati Enquirer

PITTSBURGH - Leaving the David L. Lawrence Convention Center recently, Stephen Leeper twitched his nose as a stench rose from beneath the center's 710-space underground garage.

Pressed for time between meetings and a tour of downtown Pittsburgh, Leeper punched the cell phone number of the convention center's general manager, Mark Leahy.

"Mark, you've got to do something about this water," said Leeper, director of Pittsburgh's city-county Sports & Exhibition Authority. "Man, this smell. Tell me I'm not crazy."

With a bustling \$1.1 billion riverfront of two new professional sports stadiums and a 1.45 million-square-foot convention center built since his appointment in 1998, it would be easy for Leeper to rest on Pittsburgh's accomplishments and not sweat the details.

But that's not his style.

As the 46-year-old Pittsburgh native and graduate of Ohio University and Ohio State University prepares to tackle the revival of Cincinnati's core, he's still doing deals in his hometown. His working agenda includes a 500-room Westin Hotel next to the convention center and a \$240 million project of homes, offices and shops planned between the stadiums.

"That's Steve," said Leahy, whose firm, SMG, manages the convention center and nearby Mellon Arena. "The guy is tireless and passionate."



Stephen Leeper helped shape Pittsburgh's \$1.1 billion riverfront building boom that included two stadiums, a convention center and a riverfront park. In downtown Pittsburgh recently, he walked past construction of a Courtyard Marriott hotel.

The Cincinnati Enquirer/STEVEN M. HERPPICH

Latest Headline News

Updated Every 30 Minutes

AP TOP HEADLINE NEWS

- [Aristide Flees Haiti; Leadership Unclear](#)
- [3 Killed, 18 Missing in Va. Tanker Blast](#)
- [Relative of Missing Family to Be Charged](#)
- [Iraqis Trying Again to Draft Constitution](#)
- [Edwards Optimistic Despite Lagging Polls](#)
- [U.S. Presses Its Hunt for Osama Bin Laden](#)
- [Work Stopping on Part of Israeli Barrier](#)
- ['Rings' Expected to Rule the Oscars](#)
- [J.Lo, Affleck Dominate Worst-Film Awards](#)
- [Woods Facing Love for Match Play Title](#)

Now, Cincinnati's corporate and civic leadership is counting on Leeper's financial acumen, political savvy and ability to orchestrate difficult real estate deals to navigate the overhaul of the Fountain Square area, the Banks riverfront development and revitalization of Over-the-Rhine. Leeper starts April 1 as chief executive of the Cincinnati Center City Development Corp., known as 3CDC, a private development group chaired by Procter & Gamble CEO A.G. Lafley.

The group's first major project is to reinvent Fountain Square as a vibrant, pedestrian-friendly, urban core that pumps new life from the riverfront through Over-the-Rhine and attracts shoppers, high-wage jobs and downtown dwellers.

Retired Federated Department Stores Chairman and 3CDC Vice Chairman Jim Zimmerman believes Leeper's track record makes him the right choice.

In the 1990s, Zimmerman was CEO of Federated when the company negotiated a deal with Leeper and landowners to build a \$70 million-plus Lazarus store in downtown Pittsburgh. Leeper, then Pittsburgh Mayor Tom Murphy's chief downtown development officer, impressed Zimmerman as a no-nonsense bargainer.

"He was very effective, very straightforward, a very let's-get-things-done-quickly attitude," Zimmerman said.

To halt a slide

In Cincinnati, downtown stakeholders are counting on Leeper's deal-making mentality. The Queen City in recent years has listened as a string of consultants and development experts preached silver-bullet solutions for its economic and social challenges.

While the talk went on, Cincinnati continued to lose residents and jobs to the suburbs. A five-decade population slide accelerated in the 1990s with a loss of 9 percent of its residents. The city lost another 7,400 residents from 2000 to 2002 and its 2002 population of 323,885 ranked Cincinnati as the nation's 55th largest city. In 1950, Cincinnati was 18th.

STEPHEN LEEPER

PERSONAL

Born in Pittsburgh.

Age: 46

Education: Bachelor's in political science, Ohio University; master's in city planning, Ohio State University.

Family: Leeper and his wife, Rae, also a developer, have a 19-month-old daughter, Annie. They expect another child in June.

PROFESSIONAL

1998- present: Executive director, Pittsburgh/Allegheny County Sports and Exhibition Authority.

1994-1998: Director of development, City of Pittsburgh.

1986-1994: Director, Department of Housing, Pittsburgh Urban Redevelopment Authority.

1982 - 1986: Policy and governmental relations administrator, Community Development Administration, City of Annapolis, Md.

Source: Cincinnati Center City Development Corp., *Enquirer* research

SPECIAL REPORT: DOWNTOWN DECISIONS

- [Private effort gathers steam](#)
- [Similar cities share drain of young people](#)

FEEDBACK

What advice do you have for Stephen Leeper? What would you do if charged with riverfront development? Post your thoughts:

There are no comments for this story yet.

[Post your own.](#)

The population shift to the suburbs, accompanied by waves of office and mall-building, has pressured the downtown retail core. Landlords such as the Tower Place mall are cutting deals with shop owners to discourage closings following the exit of high-profile shops such as Banana Republic and Williams Sonoma from the mall and the adjacent Arcade.

But the stakes could be higher.

For example, Lazarus-Macy's lease terms allow it to shut its Fifth Street store within two years if annual sales dip below \$17 million and if either Saks Fifth Avenue closes or Tower Place's occupancy rate falls below 75 percent.

There are no current indications that either Saks or Lazarus-Macy's plans to leave downtown. In fact, City Council in 2002 voted to give Saks \$6.6 million to remodel its Fifth Street store. However, the Lazarus-Macy's store is the last nationally with that brand name to operate in a downtown.

And two office towers bracketing Fountain Square sold last December at a fraction of the price each commanded a few years earlier. The vacancy rate for top-of-the-line office space has risen past 15 percent and could climb as Convergys Corp. consolidates its downtown space and Cincinnati Bell looks for new offices over the next two years.

"No one should minimize the challenge," said John Alschuler, a New York consultant whose Fountain Square vision is the centerpiece of 3CDC's downtown agenda. "This is hard work."

Leeper is no stranger to such tasks.

Pittsburgh shares many of Cincinnati's issues. The city has lost more than half its population since 1950, when it was the 12th-largest U.S. city. But Pittsburgh has fought back with an aggressive downtown development strategy.

Under Murphy, the city cut income tax rates and offered generous incentives to keep employers downtown. The strategy helped sustain downtown Pittsburgh as the regional employment center with an estimated 300,000 suburban commuters officed there.

Working with the mayor was Leeper, who, over a five-year period, executed Murphy's plan to transform the city's northern shore of old rowhouses, senior-citizen apartments and the bowl-shaped Three Rivers Stadium into two sparkling stadiums anchoring a new collection of retail shops, restaurants and a waterfront park.

Leeper's experience goes beyond riverfront issues, a key factor as he moves to Cincinnati.

Before tackling the riverfront, Leeper served as Murphy's director of downtown development, where he helped land corporate offices and stores such as Lazarus-Macy's and Lord & Taylor.

And as director of Pittsburgh's housing redevelopment efforts in the late 1980s and early '90s, Leeper injected a massive, mixed-income housing development, Crawford Square, into the city's Hill District, a neighborhood just outside downtown with the poverty and social challenges of Cincinnati's Over-

the-Rhine.

"A lot of what we were able to do here was luck and timing," said Leeper. "We also made our share of mistakes."

Building projects, building debt

The self-deprecating Leeper knows that bold development can bring brash detractors. "They love me now," Leeper said. "But in three months, I'll be the goat."

Indeed, critics say Pittsburgh's transformation was too much, too fast. They blame the \$1.1 billion development boom since 1999 directly for the city's financial woes. Pittsburgh is a "distressed" city, according to the state legislature, which has named an oversight board to dig the city out of debt.

And some deals orchestrated by Leeper and Murphy started well but had less than happy endings. Cincinnati-based Federated decided to close its Lazarus-Macy's store this year after sales stalled. The store opened in 1998 with the aid of \$50 million in subsidies - including an \$18 million loan that a city agency must repay - but sales fell below target. Lord & Taylor, too, has announced plans to close its five-level store.

Though the Lazarus-Macy's store ultimately failed, Zimmerman said it was the type of risk Cincinnati needs to take.

"Your whole life, as a human or as a city, if you don't take risks, you're not going to get anywhere," Zimmerman said. "Not everything turns out the way you want it. So are you going to do nothing?"

Leeper doesn't blame the department stores for leaving. At least two developers dropped plans for a retail overhaul of the Fifth and Forbes area. Now, downtown Pittsburgh faces a significant chunk of empty shop space.

"He (Leeper) catches some of the flack from Murphy's critics over the financial situation that the city is in," said Tom Flaherty, Pittsburgh's city controller. "Murphy was the architect, the guy who gave the orders."

Pride restored

So, has Pittsburgh's massive investment paid dividends?

The new-look North Shore has restored the area's pride, said Jack "Johnny Angel" Hunt.

Hunt recalls how as a kid he'd sing a capella with friends on street corners in the vicinity of PNC Park. But in the '70s and '80s, the area became crime infested and attracted little investment.

Now, Hunt believes the city's redevelopment efforts will pay off. Hunt co-owns Atria's Restaurant & Tavern, located at PNC Park.

Yet some restaurateurs complain that business is slow when the Pirates and Steelers aren't in town. Firewaters, a restaurant and bar across from PNC Park, operates limited hours and slashes entree prices during winter months when

sports fans are away.

"I do see the out-of-town people that (PNC Park) has brought," said Firewaters owner Barb Joyce. "But there are days when the eight restaurants here fight over the 20 office workers that come down here for lunch."

Leeper said that as development escalates on Pittsburgh's North Shore, restaurants and shops will thrive during sports offseasons. He points to plans by Del Monte and Equitable Resources to spend \$65 million to locate corporate offices between the stadiums.

Stronger-than-strong mayor

Leeper sees many similarities between the cities, but knows he'll draw his power in Cincinnati largely from different sources.

Pittsburgh's form of government gives its mayor much more power than Charlie Luken commands in Cincinnati. Leeper acknowledges he's losing Pittsburgh's political muscle, but he believes he's gaining corporate clout in Cincinnati.

3CDC's operating costs are funded by private interests. Major employers such as P&G, Federated, Kroger, financier Carl Lindner and others have pledged to raise \$50 million in private dollars over three years, and they hope to find \$100 million in public funds.

The group expects to unveil a Fountain Square redesign plan within weeks. Though 3CDC has been mum on the new look, Alschuler said a year ago that he'd like to eliminate Fountain Square's skywalks and stage.

Luken anticipates a political fight over a downtown revamp.

"The big challenge will be the square," Luken said. "I plan to support them (3CDC) completely, but redoing the square will be controversial because it's such an important, public place."

Pittsburgh Mayor Murphy doesn't regret the political backlash of his aggressive approach.

"When your headhunter called, I told them if you want somebody who is going to spend the next years of his life trying to get everybody on the same page, don't hire Steve," Murphy said. "But if you want somebody who will get things done, Steve's the guy."

E-mail kalltucker@enquirer.com

SPECIAL REPORT: DOWNTOWN DECISIONS

[Private effort gathers steam](#)

[Huge task awaits development expert](#)

[Similar cities share drain of young people](#)

TOP STORIES

[People already abuzz over 17-year cicadas](#)

[Sign up now for Cicada Mania and other bug-infested events](#)

[Edwards, Kerry woo Ohio workers](#)
[Family disputes sex abuse charges](#)

IN THE TRISTATE

[Trustees disturbed by senior concerns](#)
[Hats off to Anderson Twp. woman's show of courage](#)
[Monroe picks city manager](#)
[Butler GOP leaders call group 'bogus'](#)
['Guys and Dolls' takes audience back in time](#)
[Study: Vaccine benefit fades](#)
[Ad's effects to be seen shortly](#)
[Police seek suspect in fatal shooting](#)
[Leap Day a free day, but not cost-free](#)
[News briefs](#)
[Mason center marks first year](#)
[Portman explains Medicare drug benefit](#)
[School trip gives lesson in survival, spirituality](#)
[Celebration honors college aid programs](#)

ENQUIRER COLUMNISTS

[Bronson: 'Too white'? Peers bully black students](#)
[Radel: For just a fistful of dollars, we can help restore our past](#)
[3 at Goshen win speech contest](#)

LIVES REMEMBERED

[Mary Eagen Grever was active volunteer](#)
[Robert Mace was broadcast executive](#)
[Donald Steinke, 80, was firefighter](#)

KENTUCKY STORIES

[Boone's master plan gets revision](#)
[George Clooney hustling for dad](#)
[Kentucky GOP elects Carey](#)
[Shopping mall opponents trying to rally the troops](#)
[N. Ky. News Briefs](#)



Search our site by keyword: 

Search also: [News](#) | [Jobs](#) | [Homes](#) | [Cars](#) | [Classifieds](#) | [Obits](#) | [Coupons](#) | [Events](#) | [Dining](#)
[Movies/DVDs](#) | [Video Games](#) | [Hotels](#) | [Golf](#) | [Visitor's Guide](#) | [Maps/Directions](#) | [Yellow Pages](#)

[CINCINNATI.COM](#) | [ENQUIRER](#) | [POST](#) | [WCPO](#) | [CIN WEEKLY](#) | [Classifieds](#) | [Cars](#) | [Homes](#) | [Jobs](#) | [Customer Service](#)

[Search](#) | [Questions/help](#) | [News tips](#) | [Letters to the editors](#) | [Subscribe](#)
[Newspaper advertising](#) | [Web advertising](#) | [Place a classified](#) | [Circulation](#)

Copyright 1995-2004. The Cincinnati Enquirer, a Gannett Co. Inc. newspaper.
Use of this site signifies agreement to [terms of service](#) updated 12/19/2002.