

Metropole/21c Museum Hotel FAQ

- **How long has 3CDC been working on this deal?** *3CDC began talking with the building owners about a year ago. The current owners of the Metropole Apartments had been contemplating the future of their historic building at 609 Walnut St. Given its age and the renovation of other historic buildings on and nearby this block of Walnut Street, Showe Builders Inc. was in the process of considering options that did not include retaining the building as low income housing.*
- **So did the owners approach 3CDC?** *It was a mutual and natural coming together as they contemplated their future and we began some other redevelopment such as Bootsy's and The Righteous Room on that stretch of Walnut Street.*
- **What is the purchase price?** *\$6.25 million*
- **What is the cost to renovate the building?** *About \$48 million (that total includes the purchase price and moving costs for residents)*
- **How are the purchase and renovation being funded?** *About 95% through private sources including the developer, 21c as well as 3CDC's two equity funds. A funding request from the City will be made for approximately 5% of the total project cost.*
- **Is there any city/public money in this project?** *A funding request from the City will be made for approximately 5% of the total project cost. That's a \$2.5 million grant.*
- **When will the renovation start?** *It will not begin until the end of a successful and sensitive relocation process, which could take up to one year from now.*
- **Why can't 21c just buy the building and renovate it on its own?** *While the developer is contributing significant funding, it is unrealistic for 21c or any developer to take on a project of this size without support from the local community.*
- **So what does 3CDC bring to the table?** *3CDC brings financial support from the equity funds we manage for the corporate community. In addition, 3CDC and 21c have proven track records of investing in distressed communities. Together, we will oversee the process to make sure the project is done right and in addition, insure that the care of the current residents is given top priority.*
- **Will 3CDC be an owner of 21c?** *No, 3CDC will own the building during the one year relocation process. When that ends, we will use the same model we've successfully used*

in OTR. We buy and stabilize a building, then work with a developer to provide financing, through the equity funds we manage, CEF and CNMF. These loans, possible through the generosity of the Cincinnati corporate community, allow us to provide low interest financing to projects that may not happen if a developer had to pursue conventional financing and undertake the project on its own.

- **Why don't you just use those funds to update the building for low income people?** *The purpose of the funds is to invest in real estate. These are loan funds that need to be paid back. The investment in a project like this allows for a future return on the investment, which will then be rolled back into the fund for future redevelopment.*
- **Have residents of the Metropole been informed about the sale and if so, when?** *Yes. They received official notice of the sale on Wednesday Nov. 4. Official notice to the residents was the most important step in this process and it was important not to speculate on what might happen until they were officially notified of the sale and the support they will receive.*
- **Who currently owns the Metropole?** *Showe Builders, Inc.*
- **How much time do residents have to find new housing?** *The relocation process will extend a full year or until all the residents are successfully relocated.*
- **Who lives in the Metropole?**
 - *Approximately 207 units are occupied*
 - *Approximately 70% men & 30% women*
 - *According to demographic information from April 2009, approximately 29% of residents are 55 years of age or older; 11% are 65 or older.*
 - *There are no children in the Metropole.*
 - *All residents are low-income.*
 - *All but two residents live alone.*
- **Where will residents go?** *The relocation plan calls for working with residents one-on-one to help place them in new homes managed by Brickstone Properties. The identified relocation sites are in units that already qualify for Section 8 Housing Assistance Payment (HAP) contracts and have recently been or are scheduled for rehab. Many are located near downtown. The units already exist and will be or have been recently rehabbed for tenants. New units will not be added, but units that are currently unoccupied may be improved because that HAP is moving with the person, insuring that it is affordable.*
- **Are there vacant, low income housing units? The perception is we don't have enough low income housing.** *Many, quality, housing units in Hamilton County that are*

already set aside for low-income residents are currently vacant because existing government subsidies are insufficient to meet the needs of potential tenants. The sale of the Metropole will allow for the transfer of Section 8 Housing Assistance Payment (HAP) Contracts from units in the Metropole to these affordable units. This additional subsidy will help make these units truly affordable to those who need them and provide building owners with the income necessary to provide higher quality maintenance and management for these properties.

- **What if residents want to stay downtown?** *3CDC is working with others to actively pursue affordable housing options in the CBD.*
- **Will people in the Metropole receive relocation assistance?** *Residents' housing assistance will follow them. All of their moving expenses, as well as connection costs and hook -up fees will be covered.*
- **How exactly are these moving costs and hook-up fees being paid?** *Those costs are included in the total project cost (\$48 million).*
- **What if people simply don't want to go?** *This will certainly be very difficult for some residents, especially those who have lived there for a long time, but Showe has been contemplating a sale so this was inevitable at some point. Fortunately Brickstone has experienced relocation experts to assist residents every step of the way.*
- **Why did 3CDC buy the building?** *This is a good fit for us because of the work already underway on Walnut Street.*
- **Why not just leave the building as it is, affordable housing for low income adults?** *Because the building was originally a hotel, the units have never been conducive to full-time residences. They are tiny, provide little light and the building does not have central air conditioning. Residents will have the opportunity to move to larger, better units without an increase in rent.*
- **What if the residents don't like the location of the relocation units?** *The Brickstone relocation experts will do everything they can to make sure that each resident finds a new home that not only meets their current needs, but provides an overall better situation. Residents may also give up their HAP contract and receive a voucher that will allow them to move anywhere in the city that accepts their voucher.*
- **Isn't there a lot of crime at the Metropole?** *Crime stats do indicate that it has had frequent police calls over the years. We'd ask you to call District 1 Cpt. Terri Theetge for specific information regarding crime statistics.*

- **What will happen to Roma Trattoria and the Subway Bar?** *Both were informed of the sale on Wednesday and we will continue to meet with both owners to help determine their future.*
- **Do we need another hotel in downtown Cincinnati?** *21c is a very unique, world renowned hotel and art museum and we feel fortunate that this group has chosen Cincinnati as the first city outside of Louisville to locate a 21c Museum Hotel. Their investment in Louisville has been very beneficial for that city and we're confident it will have the same positive impact here. A lot of cities would like to see a 21c in their CBD. We feel honored that 21c is choosing to invest their money, time and other resources in Cincinnati.*