



CINCINNATI  
CENTER CITY  
DEVELOPMENT  
CORPORATION



PROGRESS  
REPORT  
•  
YEAR VI  
•  
JULY 2009



## TABLE OF CONTENTS

FOUNTAIN SQUARE.....	3
EVENTS.....	3
SPONSORSHIPS .....	4
ASSETS .....	4
DEVELOPMENT .....	5
DOWNTOWN.....	6
OVER THE RHINE.....	7
STREETSCAPE.....	7
GATEWAY QUARTER PHASE I & II.....	8
GATEWAY QUARTER PHASE III.....	8
GATEWAY QUARTER SALES.....	8
BUSINESS DISTRICT.....	10
GATEWAY QUARTER PHASE IV .....	11
COMMUNICATIONS AND COMMUNITY RELATIONS .....	12
FINANCIAL ADMINISTRATION .....	12

**JULY 1, 2009**

Dear Board Members,

The Cincinnati Center City Development Corporation (3CDC) was formed by city leaders and Cincinnati's generous corporate community to lead the strategic redevelopment of our city's core. We take our mission seriously and feel privileged to direct this effort on behalf of our community, the City of Cincinnati and our corporate partners.

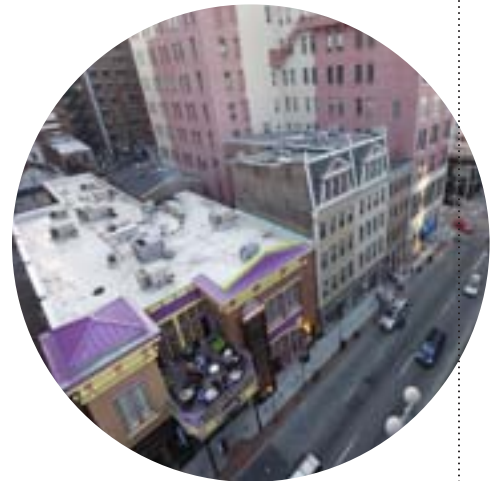
We are proud to share with you the 6th annual progress report for 3CDC. In many ways this year has been a turning point in our focused effort to strengthen the center city. Revitalization work is never fully complete and always ongoing. But after six years, we are truly starting to see the impact of the investment that has been made in 3CDC.

- Generous corporate support and sponsorship is allowing us to program free events on Fountain Square all year long. As the Cincinnati Enquirer declared on its May 28 front page, Fountain Square is hot!
- We've widened our downtown focus area to include the Walnut Street entertainment district as well as the 5th and Race site.
- And in Over-the-Rhine, a tough economy is not stopping or slowing the development and sale of new condos and the opening of new storefronts.

Thank you for your support and investment in 3CDC and in our City. As you read the 2009 Annual Progress Report we hope you feel pride in the role you are playing to make these positive changes happen. The accomplishments detailed in this report would not be possible if not for the contribution from each of you.

We look forward to working with you in the future to continue the important work of revitalizing and strengthening the urban core assets of the City of Cincinnati.

Sincerely,  
The 3CDC Staff



# FOUNTAIN SQUARE

The Fountain Square facelift led to millions in private investment around the square, and 3CDC's relentless programming keeps the plaza packed with people to ice skate when it's cold, listen to live music when it's warm and watch presidential contenders on the LED screen when they're in town.

Cincinnati Business Courier

March 13, 2009

## EVENTS

Once again, Fountain Square is the civic heart of the city of Cincinnati. 3CDC, through Fountain Square Management Group (FSMG), is programming events every season and nearly every day of the year. In addition, third party permitting of the Square is up about 25%. Excluding daily ice skating, in 08-09, 275 separate events were held on the Square over 218 days.

Events include season-long entertainment like the PNC Summer Music Series, bringing music to the Square five nights per week, and the U.S. Bank Ice Rink, warming up the Square with hundreds of people during the coldest days of the year. These events and others, such as P&G Movie Night, Strauss & Troy Market on the Square and the addition in 2009 of bigg's Family Days on the Square are fast becoming Cincinnati traditions. Single day events, sponsored by FSMG or third parties are also filling up the Fountain Square event calendar and becoming a key part of the fabric of Fountain Square.



The 2009 P&G Flower Carpet on Fountain Square.

Measuring attendance in a public space such as Fountain Square is difficult. Parking numbers, beverage sales and overhead photos help us gauge attendance at free events. That information, for example, enabled us to estimate



2009 bigg's Egg Hunt on Fountain Square

50,000 attendees for the 2008 PNC Summer Music Series alone and garage revenue between Memorial Day and Labor Day was up 70% compared to 2007.

Paid attendance for the U.S. Bank Ice Rink 08-09 skating season was 40,000.





Clockwise from left: 2009 Raymond James Fountain Day, 2009 HGC Broomball League kicked off with a mascot game, Via Vite on Fountain Square.

## SPONSORSHIPS

FSMG events we produce would not be possible if not for the generosity of our corporate sponsors. Event sponsorship dollars increased about \$100,000 this year over last year, to \$525,000.

Cincinnati's major corporate partners have a strong tradition of giving so it's no surprise to count many of those institutions among our supporters. We are grateful to major corporate sponsors including; Procter & Gamble, PNC Bank, U.S. Bank, Kroger, Macy's and Toyota.

In addition, smaller, locally owned companies are taking advantage of the opportunity to support the community by making their mark on the Square. Raymond James Fountain Day, HGC Construction Broomball League and New Horizons Credit Union Cincinnati are just a few examples of small corporate partnerships that are making a big difference. In addition, for the first time last year, advertising panels were made available on the U.S. Bank Ice Rink and 23 advertisers, from nearby restaurants to Xavier University basketball took advantage of the opportunity. Generous grants from the John and Phyllis Smale Foundation for landscaping, as well as the Carol Ann & Ralph V. Haile, Jr. Foundation for operational support, are also critical funding sources for Fountain Square.

All of these partnerships are helping lead FSMG to self sufficiency in the programming, management and maintenance of Fountain Square.

## ASSETS

### VIA VITE

■ Via Vite celebrated its one year anniversary in October 2008. In that first year of operation the restaurant served nearly 100,000 customers. In the first five months of 2009, Via Vite has seen more than 35,000 customers including a 3,000-plus jump from January to May with the opening of the outdoor patio.

■ The restaurant was featured in the January/February edition of *Sophisticated Living*.



### GARAGE

■ The Fountain Square Garage is on track to perform 20% better in 2009 than 2008. The increase in net operating income is the result of increased traffic to Fountain Square and downtown due to more events, entertainment and programming as well as additional investment in new restaurants throughout the Fountain Square district.

■ Handicapped and stroller accessibility has been improved through re-striping of some spaces closer to the elevator ramp and new signage.

## PLAZA

- The top of the stairs have been etched to improve safety.
- A new ramp was added to the plaza to improve access to Via Vite.
- The 2009 Flower Pot Program is a result of the generosity of John Smale, former president, CEO and chairman of Procter & Gamble, and a grant from the John and Phyllis Smale Foundation. The program has brought flowering plants to the Square and will continue for the next three years.

## LED BOARD

- The giant video screen, as it is known, has been embraced by the community and become a true focal point and attraction on the Square. It is used to:
  - Provide a live picture of events happening on the Square
  - Promote upcoming events on the Square
  - Recognize and promote Fountain Square sponsors
  - Promote other non-profit and arts and cultural organizations and events throughout the region
  - Broadcast programs of interest to the community such as sporting events and political addresses

## DEVELOPMENT

Even in challenging economic times, Cincinnati's Center City continues to reap benefits from the renovation of Fountain Square and focused redevelopment efforts in Over-the-Rhine. Since 2005, \$166 million has been invested in the redevelopment of downtown and OTR, through the CEF/CNMF, private dollars and City funding. To date, the redevelopment of Fountain Square has resulted in an additional \$125 million in new investment in the Fountain Square District. Weekends and weeknights, downtown is hopping. Condos are selling, businesses are opening and crime is dropping. 3CDC received two important funding awards in 2008 that will keep the momentum going and make future development possible.

## NEW MARKET TAX CREDIT AWARD

In October 2008, the Cincinnati New Market Fund (CNMF), managed by 3CDC, was awarded \$35 million in New Markets Tax Credits from the U.S. Department of Treasury. The allocation will likely be used for the expansion and reconstruction of Washington Park, Music Hall Garage, the on-going mixed-use redevelopment of OTR and other projects as determined by the CNMF Board of Directors. CNMF was one of only 70 applicants, from a pool of 239, to receive funding. In 2003-2004, the CNMF was awarded a \$50 million allocation from the federal government, making 3CDC's renovation of Fountain Square and OTR Phases I, II & III revitalization possible.

## OHIO HISTORIC PRESERVATION TAX CREDITS

Ohio Lt. Governor Lee Fisher was in Over-the-Rhine on Oct. 16 to announce the recipients of the statewide tax credit program. In all 48 awards were given out throughout the state, including 11 projects in OTR. Five buildings in the 1400 block of Vine Street received just over \$1 million in state tax credits and six properties in the 1400 block of Race were awarded credits worth \$1.7 million. That \$2.7 million investment by the state will result in new development worth approximately \$13 million and bring about 45 residential units and more than 10,000 square feet of new commercial space to 3CDC-controlled property in OTR.

The U.S. Bank Ice Rink was ranked as one of the top 10 bargain outdoor rinks in the U.S. according to *TripAdvisor*.



Ice skaters on the U.S. Bank Ice Rink on Fountain Square.



# DOWNTOWN

The last few years have seen a cultural revival in Cincinnati, which sits regally at the southwestern end of the state on the Ohio River. A visitor will find world-class museums, a vibrant night life and dining scene and a rich look at Ohio history.”

Cleveland Plain Dealer

August 31, 2008

## CURRENT PROJECTS

### WALNUT STREET STREETSCAPE

Walnut between 7th St. and Gano alley

The first phase of the project, is now complete and includes new sidewalks, pavers, lighting and hanging flower pots.

**Investment:** \$405,000 total project from 6th Street to Gano, \$300,000 invested to date from Gano to 7th Street

**Partners:** City of Cincinnati

### BOOTSYS'S, PRODUCED BY JEFF RUBY

Produced by Jeff Ruby, 631 Walnut St.

The restaurant, bar and nightclub opened in December 2008.

**Investment:** \$3 million, including \$2 million CEF and \$1 million private

**Partners:** Bootsy Collins, Towne Properties and Jeff Ruby Culinary Entertainment, Backstage LLC

### THE RIGHTEOUS ROOM

641 Walnut St.

Mixed use project that includes three condos and a first floor, upscale bar. Condos opened in mid-June and a grand opening for the bar is early July. This is the site of the former Phoenix Café, a troubled bar that closed in May 2007 after the city refused to renew its liquor license. The Downtown Residents Council helped to close it down and 3CDC purchased the site.

**Investment:** \$2.15 million, including \$2 million CNMF and \$150,000 City grant

**Partners:** City of Cincinnati and partners Ben Klopp, Bob Deck, Dan Cronican and David Halpern, owners of several local restaurant/bars including Mount Adams Pavilion



Bootsies's, produced by Jeff Ruby

### MAISONETTE/LA NORMANDIE & BARLEYCORN

6th St. between Walnut St. and Main St.

3CDC purchased this site for a mixed-used development that calls for seven condos and 15,000 SF commercial space

**Investment:** Estimated \$11 million - project is still in predevelopment planning stage

**Partners:** Towne Properties is developing a site plan with local restaurateurs to include two to three restaurants

### FOUNTAIN PLACE WEST

5th St. and Race St.

In June 2009 the City of Cincinnati engaged and approved 3CDC to act as development manager to explore mixed-use redevelopment options on the 5th and Race site. The site has been used for several years as a surface parking lot. 3CDC will also explore overbuild development options for the top of Mays at Fountain Place West.



# OVER THE RHINE

“Bill Baum has been renovating buildings in Over-the-Rhine since 1985. Baum says, This is a dream come true. Sometimes it felt like you were chopping away at a mountain, because past efforts were so scattered. It took 3CDC to make it a concentrated effort, and now we re making huge strides.

The Cincinnati Enquirer

January 25, 2009

Over-the-Rhine’s recent history as Cincinnati’s most neglected neighborhood is finally being rewritten.

Since January 1, 2009, 19 units have been sold or are under contract in the Gateway Quarter. Our primary market is young professionals, who are first time buyers and do not have the burden of selling another home.

Since September 2008, five new businesses have opened and four are scheduled to open in the next several months. Crime continues to drop. There were 650 fewer total crimes reported in 2008 compared to 2004 in 3CDC s focus area south of Liberty Street. That s a 36% drop in crime.

## STREETSCAPE

A \$2 million Vine Street streetscape reconstruction will be completed in summer 2009. The project runs from Central Parkway to 14th Street. The project will bury utility lines, add new sidewalks with brick pavers, widen sidewalks, improve lighting and add planters. 3CDC is working closely with residents and retailers to insure as little disruption as possible during construction.



From left: Vine Street streetscape project underway, 3rd Annual Go OTR Run



### GATEWAY QUARTER PHASES I&II

Construction complete, \$30 million mixed-use development project

- 98 total residential units
- 25 apartment beds for Art Academy of Cincinnati students
- 86 condominiums
- 80% or 69 of the condo units are sold
- 28,753 SF commercial space in five buildings
- Nine leases complete, five commercial spaces still available

### GATEWAY QUARTER PHASE III

Construction is 75% complete, \$28 million mixed-use development project

- 107 total condominium units in nine buildings
- 14% or 15 of total condo units are sold or under contract
- 15,000 SF commercial space in seven buildings
- One commercial lease complete



### RESIDENTIAL SALES FOR GATEWAY PHASES I, II AND III

	# of Units	SF	Under Contract	Closed	Total	% (Units)	Avg. Sales Price
<b>PHASE 1</b>							
Gateway Condos	21	21,975	1	12	13	62	\$189,092
<b>PHASE 2</b>							
Gateway Arts Building			MASTER LEASED TO ART ACADEMY				
Duncanson Lofts	25	22,954	3	22	25	100	\$129,976
Duveneck Flats	15	20,405	0	11	11	73	\$194,864
Bremen Lofts/Centennial Row	25	26,535	0	20	20	80	\$149,076
Subtotal	65	69,894	3	53	56	86	\$155,815
<b>PHASE III</b>							
Trideca	9	10,840	0	6	6	67	\$204,500
GoodFellows	5	7,855	0	1	1	20	
Falling Wall	6	8,055	0	1	1	20	
Lackman Lofts	7	5,673	0	0	0	0	
Belmain	16	11,175	0	0	0	0	
Trinity Flats (East)	25	28,400	0	0	0	0	
14th & Vine at Trinity Flats	9	11,275	1	2	3	33	\$211,350
City Home (Phase I)	11	16,896	0	0	0	0	
City Home (Phase II)	11	19,6330	0	0	0	0	
Mottainai Lofts	8	9,720	3	1	4	50	
Subtotal	107	129,519	5	10	15	14	
<b>TOTAL</b>	<b>193</b>	<b>129,519</b>	<b>10</b>	<b>74</b>	<b>84</b>	<b>44</b>	

“It's just  
amazing seeing the  
design. They've  
taken modest space  
and finished it to  
the hilt.”

Cincinnati Enquirer  
April 3, 2009



Clockwise from top: living room at  
Trideca, kitchen at Lackman, dining  
room at Falling Wall, 14th and Vine  
at Trinity Flats





## BUSINESS DISTRICT

The Gateway Quarter's vibrant, growing business district is becoming a destination location for local residents and tourists. Joseph Williams Home, located in the first floor of Trideca Flats at 1232 Vine St., is the first retail outlet to open in Gateway III. With the completion of six additional buildings in spring 2008, the retail focus is beginning to transition to the Phase III buildings.

Most of the businesses are in 3CDC buildings, but several are in neighboring building that have developed as a result of the growth of the Gateway Quarter or have been in the neighborhood for years. The district now boasts the following retail establishments:

- Park + Vine, 1109 Vine St., green general store
- City Roots\*, 1133 Vine St., urban garden store
- Mica 12/v\*, 1201 Vine St., contemporary crafts
- The Little Mahatma\*, 1205 Vine St., jewelry, art and worldwide artifacts
- Switch\*, 1207 Vine St., decorative lighting fixtures
- Incredible Creations\*, 1209 Vine St., upscale barbershop and beauty salon



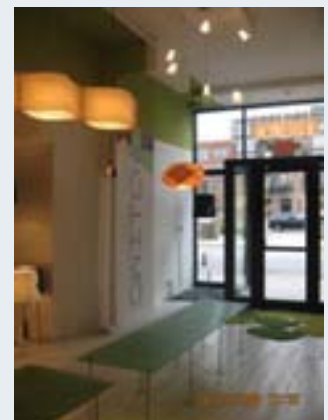
- Lavomatic\*, 1211 Vine St., bar and restaurant
- Metronation\*, 1213 Vine St., jewelry, clothes and gifts
- Venice on Vine Pizza, 1301 Vine St., pizza parlor
- Suder's Art Store, 1331 Vine St., art supplies
- Roh's Hardware, 1403 Vine St., family hardware store
- Joseph Williams Home\*, 1232 Vine St., contemporary furniture
- A Lucky Step\*, 1220 Vine St., contemporary furniture
- Outside, 16 E. 12th St., outdoor furniture and accessories
- The Segway Store\*, 1150 Vine St., alternative transportation
- Enzo's, 1106 Race St., coffee and sandwich shop
- Below Zero Lounge, 1122 Walnut St., bar and nightclub
- Mixx Ultra Lounge, 1203 Main St., bar and restaurant

*\*Opened within the last two years in 3CDC buildings*

## PENDING DISTRICT OPENINGS

OTR Gateway commercial openings in the past year include Incredible Creations, The Little Mahatma, Switch, Joseph Williams Home and The Segway Store. Pending openings include:

- Vine Street Interactive, 1150 Vine St. #15, web design studio, opening Summer 2009
- Creative Housing Resources, 1150 Vine St. #12, collaboration of housing professionals, opening Summer 2009
- Integrated Workplace Solutions, 1201 B Vine St., Loth Furniture Showroom, opening Summer 2009
- Senate, 1212 Vine St., neighborhood restaurant featuring burgers and duck fat fries, opening September 2009



From left: Joseph Williams Home, rooftop dining at Lavomatic, Switch





Plans for the Washington Park renovation and expansion include an underground garage, civic lawn and green stage, interactive water feature and playground.

## GATEWAY QUARTER PHASE IV WASHINGTON PARK EXPANSION & RENOVATION

Cincinnati City Council and Cincinnati Public Schools (CPS)



voted to approve the permanent transfer of the title for the former Washington Park school site from CPS to the Cincinnati Park Board, paving the way for the park expansion and renovation. The project will include a two-level, 500-space underground garage with entrances on Race and Elm streets. The park will include a large civic lawn and green stage, interac-

tive water feature and playground. The historic bandstand in the park will be preserved.

**Cost:** Estimated at \$35-40 million

**Partners:** City of Cincinnati, Cincinnati Park Board

**Targeted Construction Start Date:** Late Fall 2009

## 1400 BLOCK OF VINE STREET

Eleven 3CDC-controlled buildings on the west side of Vine will include 32 apartments and 15,000 SF of commercial space. Five properties received a State Historic Tax Credit.

**Cost:** Estimated at \$10 million

**Partners:** Northpointe Development group, led by Rick Kimbler,

**Targeted Construction Start Date:** September 2009

## 1400-1416 RACE ST.

The 25,000 SF building at the northeast corner of 14th and Race will be redeveloped as office space, with 3CDC staff moving to the first floor.

**Cost:** Estimated at \$6 million

**Partners:** TBD

**Targeted Construction Start Date:** November 2009

## 1418-1438 BLOCK OF RACE STREET

The 10 remaining buildings in this block will be developed to include an additional 30 for-sale condominiums in two phases. Six of buildings have received State Historic Tax Credits.

**Cost:** Estimated at \$10 million

**Partners:** Jon Hueber Homes

**Targeted Construction Start Date:** November 2009

## MERCER COMMONS

Located on Mercer Street in the blocks between Vine, Walnut, 13th and 14th streets this development will create about 140 apartments using existing buildings on Walnut and Mercer and infilling new buildings along 14th, Walnut and Mercer. The design also calls for a public parking garage with approximately 225 spaces, serving both the residential apartments and commercial activity. The garage would include about 15,000 SF of new ground floor commercial space.

**Cost:** Estimated at \$38 million, financed through a first mortgage loan, low income housing tax credits (LIHTC), TIF financing and both Federal and State Historic Tax Credits.

**Partners:** McCormack, Baron and Salazar (MBS)

**Targeted Construction Start Date:** February 2010

## COMMUNICATIONS & COMMUNITY RELATIONS

### STAKEHOLDER COMMUNICATION

Communication between 3CDC and its various stakeholders is critical to our success. The following communication strategies are now in place:

- Weekly Fountain Square e-newsletter (1,100 recipients)
- Monthly Board Reports
- Quarterly meetings with 40-plus members of the Over-the-Rhine Work Group
- Regular donor acknowledgement
- Website Redesign (July 2009)

### MEDIA SPONSORSHIPS/PARTNERSHIPS

Regular and consistent contact with local, regional, national and trade media remains top priority. In addition to proactively pitching our stories, partnerships with traditional media through sponsorship opportunities and event participation is becoming a regular and important part of Fountain Square and OTR events.



### SOCIAL MEDIA

Utilizing social media to tell our story is critical. Strong and consistent communication with urban bloggers is now being enhanced through Twitter and Facebook for both Fountain Square and OTR Gateway Quarter.

- Follow Fountain Square on Twitter: sign up at [www.twitter.com](http://www.twitter.com) and search for “myfountainsqr”
- Become a Facebook fan of “Fountain Square” at [www.facebook.com](http://www.facebook.com)
- Become a Facebook fan of the “Gateway Quarter” at [www.facebook.com](http://www.facebook.com)

### OTR GATEWAY MERCHANTS/SALES TEAM

Integrating the marketing of the Gateway merchants and the Link Realty sales team is resulting in events and sales opportunities that benefit the Gateway development. Strategies include:

- Gateway Gatherings that intentionally target audiences whose members are potential buyers or the influencers of potential buyers such as members of Mayor Mallory’s YP Kitchen Cabinet and parents of young professionals.

■ The Gateway Quarter retailers have formed an active and focused merchants association. The Gateway Quarter Merchants Group meets monthly, established bylaws, elected officers and pool resources to create events and leverage advertising and promotion dollars. They’ve also created a website, [www.otrgateway.com](http://www.otrgateway.com)

■ Working collaboratively with 3CDC, the Gateway merchants, developers, sales team and OTR Chamber of Commerce are creating events or becoming part of established events to attract people to the Gateway Quarter. Those events include:

- The 3rd Annual Go OTR 5K run/walk
- The 1st Annual OTR/Gateway Summer Celebration featuring artists and crafts people, live music and neighborhood food vendors
- The 1st annual Holidays in the Bag, held the day after Thanksgiving, features discounts and holiday festivities
- The Downtown Tour of Living

### MEDIA RELATIONS

A few examples of strong local media hits include a January Sunday Forum section in the Cincinnati Enquirer devoted to Over-the-Rhine, a Business Courier profile of 3CDC in March and a May front page story in the Enquirer that declared “Fountain Square is back.”



### FINANCE & ADMINISTRATION

- Implemented complex general ledger accounting software from Blackbaud. The new Financial Edge System will streamline accounting functions and minimize reliance on excel for reporting.
- Received unqualified opinions on all three audits.
- Worked to tighten controls in the Fountain Square Garage.
- Developed a risk assessment policy

### NEW 3CDC STAFF

- Casey Gilmore, Sponsorship Manager, December 2008
- Debbie Branscum, Fountain Square on-site manager, February 2009
- Anima Jain, Development Officer, March 2009
- Bret Witte, Controller, March 2009