

WASHINGTON PARK CINCINNATI, OH

Renovation and expansion of Washington Park and construction of a sub-surface garage

PROJECT BASICS

Type:

Real Estate – Community Facility

Total Development Cost:

\$ 48.36 million

LISC New Markets Tax Credit Allocation:

\$ 13.95 million

PROJECT STAKEHOLDERS

LISC Program:

Greater Cincinnati and Northern Kentucky LISC

Investor:

PNC New Markets Investment Fund, LLC (PNC)

Lender:

WPR Leverage Lender, LLC (WPR)

Developer:

The Cincinnati Center City Development Corporation (3CDC)

COMMUNITY NEED

- **61.5 % Poverty Rate**
- **Unemployment rate 5.48 times the national average**
- **Family income 9.7% of the area median**
- **Empowerment Zone**
- **Hot Zone**
- **Enterprise Community**
- **HUB Zone**
- **Medically Underserved Area**
- **TIF District**
- **City of Cincinnati Redevelopment Zone**

COMMUNITY IMPACT

- **533,018 sq. ft.**
- **609 Construction Jobs**
- **20.5 Permanent Jobs**
- **450 Parking Spaces**

Project Snapshot:

- The project involves the renovation and expansion of Washington Park, a critical development that addresses the complex needs and values of a diverse community.
- The park, one of Cincinnati's oldest and largest urban parks, has historically served as an integral part of the Over-the-Rhine neighborhood for over 150 years, but is in critical need of upgrades to restore it as a positive neighborhood asset.
- The park plan largely retains the historic character of the current six-acre site while expanding it two additional acres north onto a current surface parking lot. A 450-space sub-surface garage will be constructed under this expansion to serve the nearby Music Hall, the new School for the Creative and Performing Arts, visitors to the OTR Gateway Quarter shopping district, other community businesses, residents, and park visitors. Once complete, the park will be fully restored with additional amenities (e.g. playlots, plazas, water features), and programmed for civic and private events, often in combination with the arts facilities surrounding the park.



Project Background:

- 3CDC is a tax-exempt, private, non-profit corporation. Its mission and strategic focus is to strengthen the core assets of downtown by revitalizing and connecting the Fountain Square District, the Central Business District and Over-the-Rhine (OTR).
- By the beginning of the 21st century, OTR had become one of the most economically distressed areas in the country and parts of it, including Washington Park, were plagued by crime and disinvestment. New investment in OTR and specifically the Washington Park district is starting to turn the neighborhood around. Since 2003, 3CDC has invested \$86 million in OTR, resulting in nearly 200 new and renovated condominium units and a vibrant and growing business district that is home to 20 new low-income community businesses over 40% of which are women- or minority-owned.
- The park expansion is in essence a large green roof over the new sub-grade parking garage, eliminating what is currently a surface parking lot and mitigating storm water impacts.

Leveraging Solutions through New Markets Tax Credits (NMTC):

- This project was in need of the net equity from the NMTC financing to fill a financing gap. The equity that PNC provided in exchange for NMTCs effectively reduces the debt service obligations of the project to an amount that the project can support.
- \$13.95 million in NMTC allocation authority provided a custom product featuring non-traditional/favorable terms included: below-market interest rate, lower than standard origination fees, longer than standard interest-only payment period, longer than standard amortization period and higher than standard loan to value ratio.