

Paramount Launch - 954 E. McMillan St.;
2453 Gilbert Ave; 2429 Gilbert Ave.

Net 67%, 15-year CRA

312 W. Fourth St.

Net 52%, 15-year CRA

1720 Elm St., 118 Findlay St., 114-116 W.
Elder St.

Net 52% 15-year CRA

130-132 W. Elder St.

Net 52% 15-year CRA

Markiea Carter

Paramount Launch

954 E. McMillan St./2453 Gilbert
Ave./

2429 Gilbert Ave.

Net 67%, 15-year CRA

Paramount Launch

954 E. McMillan St.
Net 67%, 15-year CRA

Developer

Paramount Launch, LLC (affiliate of The Model Group, Inc.)

Neighborhood

Walnut Hills

Current Condition

This property is a vacant lot, once the site of a Kroger store. The project will consist of new construction of commercial space and 56 residential units, in compliance with LEED design standards.

Construction Cost

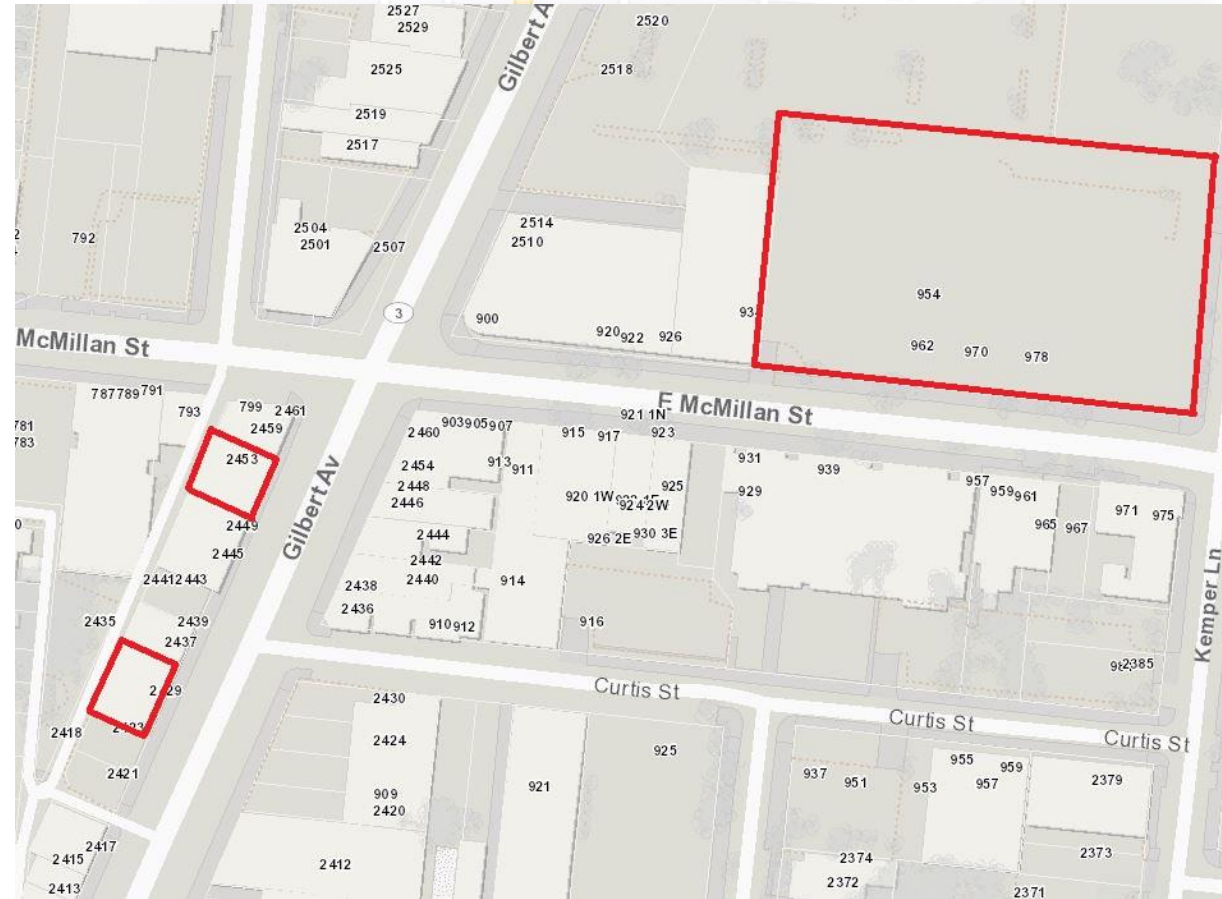
Approximately \$11,602,886



Paramount Launch - 954 E. McMillan St. Net 67%, 15-year CRA

Project Summary

- As a component of a \$28 million project called **Paramount Launch**, this project is the proposed LEED Silver new construction of a 5-story, mixed-use building
- 56 residential units and 6,790 sq. ft of commercial space for retail and/or restaurant tenant
 - Developer is committed to not exceeding rent levels affordable to 80% of AMI households for 51% of units
- 16 studio apartments \$900/month
- 28 small one-bedroom apartments \$1,000/month
- 12 large one-bedroom apartments \$1,200/month
- Total project cost estimated to be \$19.6 million
- 16 months for completion



Paramount Launch - 954 E. McMillan St.

Net 67%, 15-year CRA

Rent Ranges

56 residential units

- \$900 for a studio apartment
 - Affordable to ~60% AMI
- \$1,000 for a small one-bedroom
 - Affordable to ~60% AMI
- \$1,200 for a large one-bedroom
 - Affordable to ~67% AMI

Rent	Affordable to Salary	City Jobs (Min Salary exceeds affordable salary)
\$900.00	\$36,000.00	Telecommunication Specialist 1, Firefighter/ Paramedic 1; Parking Services Supervisor; Health Counselor,
1,000.000	\$40,000.00	Part-time Pharmacist, Police Recruit, Park Maintenance Crew Leader
1,200.000	48,000.00	Supervising Sanitarian, Truck Driver, Graphic Designer Supervisor, Sr. Contact Compliance Specialist

AMI	1	2	3	4	5	6	7	8
30%	\$20,100	\$22,950	\$25,800	\$28,650	\$32,470	\$37,190	\$49,910	\$46,360
50%	\$33,450	\$38,200	\$43,000	\$47,750	\$51,600	\$55,400	\$49,250	\$63,050
60%	\$40,140	\$45,840	\$51,600	\$57,300	\$61,920	\$66,480	\$59,100	\$75,660
80%	\$53,520	\$61,120	\$68,800	\$76,400	\$82,560	\$88,640	\$78,800	\$100,880

Paramount Launch - 954 E. McMillan St.

Net 67%, 15-year CRA

Recommendation

- The project merits a 15-year, net 67% CRA tax exemption and is recommended by DCED based on the following criteria:
 - The project is undercapitalized.
 - Will be a transformative and catalytic project, reactivating a prominent vacant site in Walnut Hills while promoting a mixed-income community.
 - Project will create 12 Full-Time Equivalent positions with a total annual payroll of approximately \$500,000 and 240 temporary construction jobs with an estimated total annual payroll of \$4.8 million.
 - The projected return on equity is below what would be what is typical for a for-profit developer for the first 15 years following renovation.
- This is an Emergency Ordinance so construction pricing can hold stable, and construction can begin as soon as possible while the weather is still suitable.
- The CRA will be needed as part of a financial closing anticipated before the end of the calendar year.

Paramount Launch

2453 Gilbert Ave.
Net 67%, 15-year CRA

Developer

PL Durner, LLC (affiliate of The Model Group, Inc.)

Neighborhood

Walnut Hills

Current Condition

- Property acquired by the city of Cincinnati in **2014**
- Currently under a lease agreement with an option to purchase with Walnut Hills Redevelopment Foundation (WHRF)
- City provided \$500,000 in stabilization funding to WHRF for the renovation of the vacant building in order to be a habitable space

Construction Cost

Approximately \$2.5 million

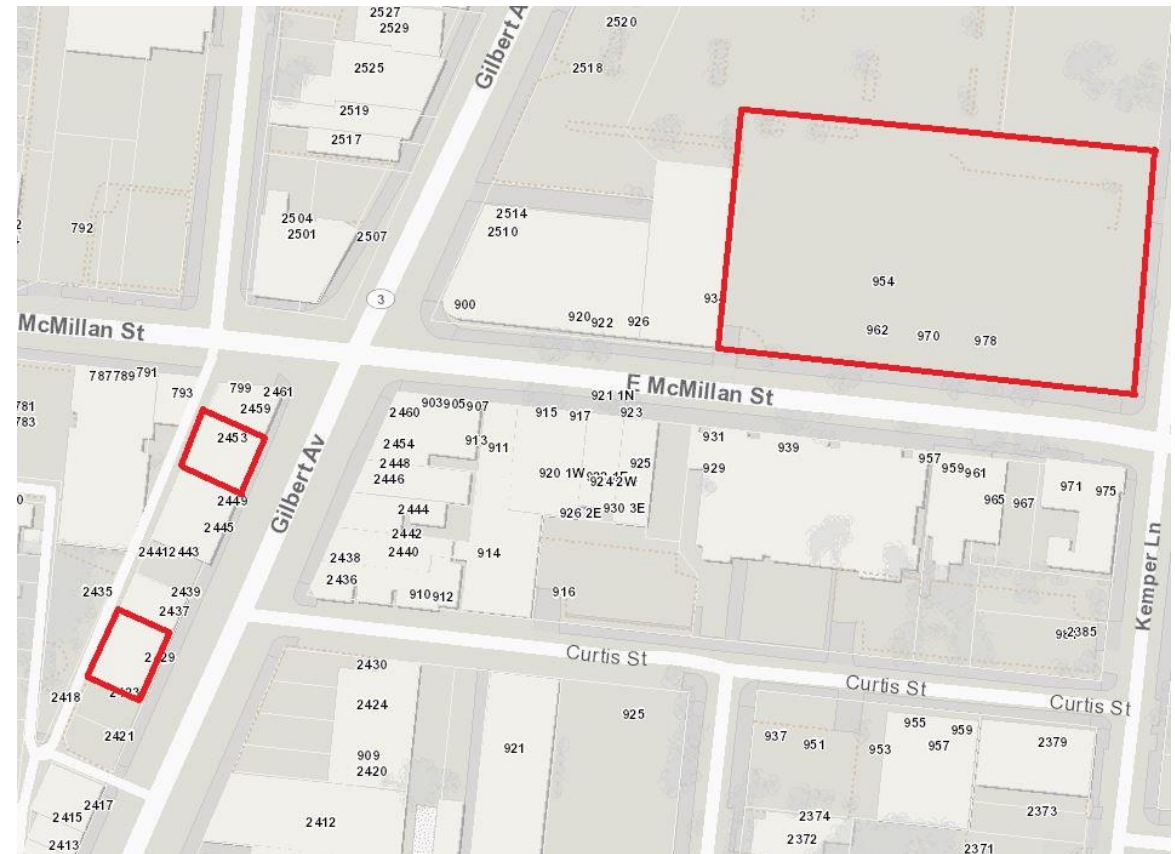


Paramount Launch - 2453 Gilbert Avenue

Net 67%, 15-year CRA

Project Summary

- As a component of a \$28 million project called **Paramount Launch**, this project is the proposed historic renovation of a 4-story office building
- Headquarters for MORTAR, a nonprofit that offers training programs for entrepreneurs
 - MORTAR was provided \$100k from City Council in 2018 for use toward tenant buildout
- Ground floor retail and café space
- 10,000 sq. ft. of office and co-working space on upper floors with meeting/event space
- Will be rehabbed to National Park Service Historic Preservation standards
- Total project estimated cost \$4.4 million
- 10 months for completion



Paramount Launch - 2453 Gilbert Ave.

Net 67%, 15-year CRA

Recommendation

- DCED recommends a 15-year, Net 67% CRA tax exemption.
- Estimated \$29k in annual abated taxes, \$434k over the term.
- This is an Emergency Ordinance so construction pricing can hold stable and the CRA will be needed as part of a financial closing anticipated before the end of the calendar year.
- The project merits a fifteen-year, net 67% CRA Tax Abatement based on the following criteria:
 - Project is undercapitalized as part of the larger Paramount Launch development.
 - Will lower operating costs for a non-profit tenant that has a mission to help historically marginalized entrepreneurs succeed.
 - The projected return on equity is below what would be required for a for-profit developer for the first 15 years following renovation.
 - The incentive will help preserve a historic building.

Paramount Launch

2429 Gilbert Ave.

Net 67%, 15-year CRA

Developer

PL Race, LLC (affiliate of The Model Group, Inc.)

Neighborhood

Walnut Hills

Current Condition

The three-story building has long been vacant and underutilized. It needs a substantial renovation for it to be a habitable, usable space.

Construction Cost

Approximately \$2.5 million

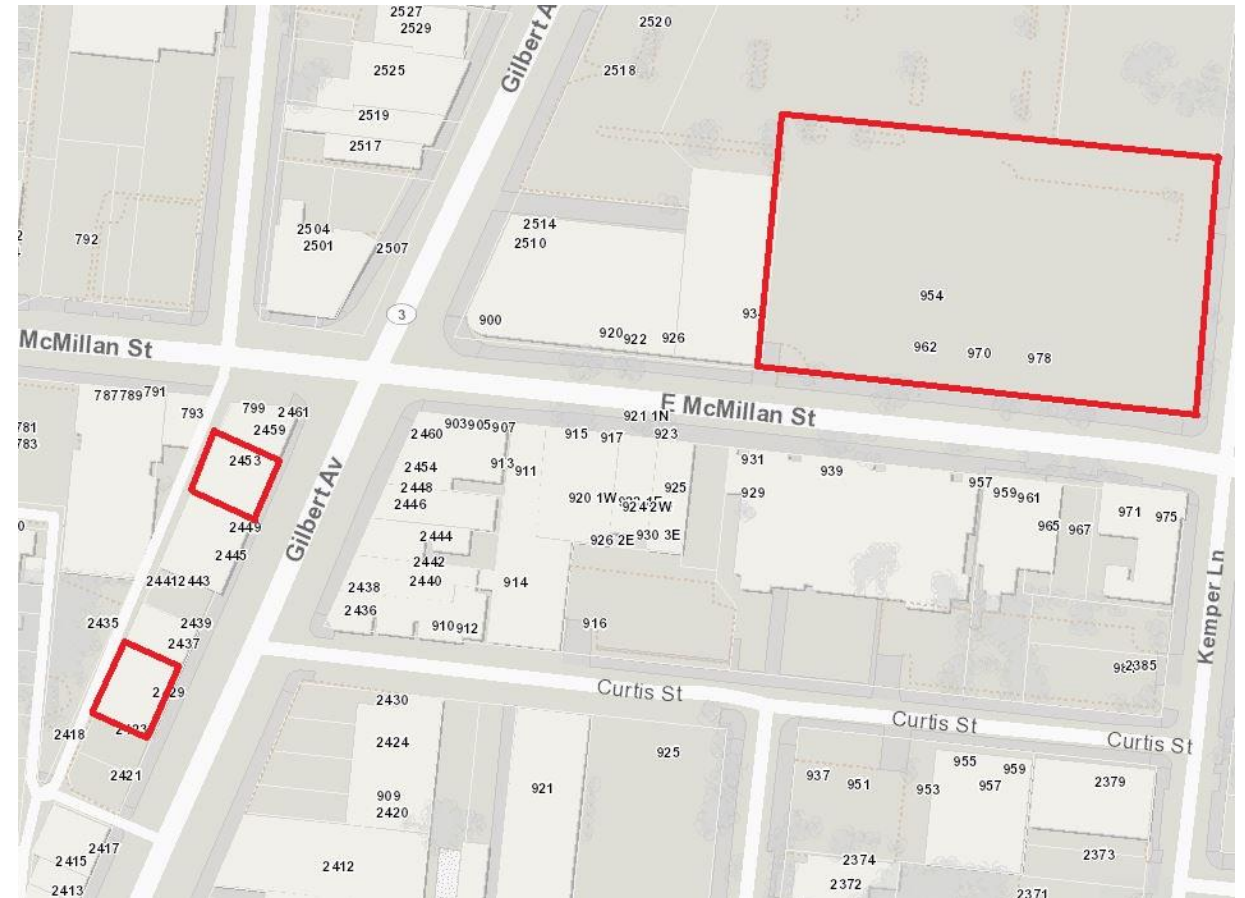


Paramount Launch - 2429 Gilbert Avenue

Net 67%, 15-year CRA

Project Summary

- As a component of a \$28 million project called **Paramount Launch**, this project is the proposed historic renovation of a building into a 3-story office space
- 13,000 sq ft of office space
- Will be rehabbed to National Park Service Historic Preservation standards
- Total project estimated cost \$4.8 million
- 12 months for completion



Paramount Launch - 2429 Gilbert Ave.

Net 67%, 15-year CRA

Recommendation

- DCED recommends a 15-year, Net 67% CRA tax exemption.
- Estimated \$29k in annual abated taxes, \$434k over the term.
- This is an Emergency Ordinance so construction pricing can hold stable and the CRA will be needed as part of a financial closing anticipated before the end of the calendar year.
- The project merits a fifteen-year, net 67% CRA Tax Abatement based on the following criteria:
 - Project is undercapitalized as part of the larger Paramount Launch development.
 - Even with the abatement, the projected return on equity is below what would be required for a for-profit developer for the first 15 years following renovation.
 - Will lower operating costs for developer and end office tenant(s).
 - The incentive will help preserve a historic building.

312 W. Fourth
Street

Net 52%, 15-year CRA

**312 W. Fourth
St.**

**Net 52%, 15-year
CRA**

Developer

312 W. 4th Street, LLC

Neighborhood

Downtown

Existing Condition

Existing four-story building with
unfinished basement.

Construction Cost

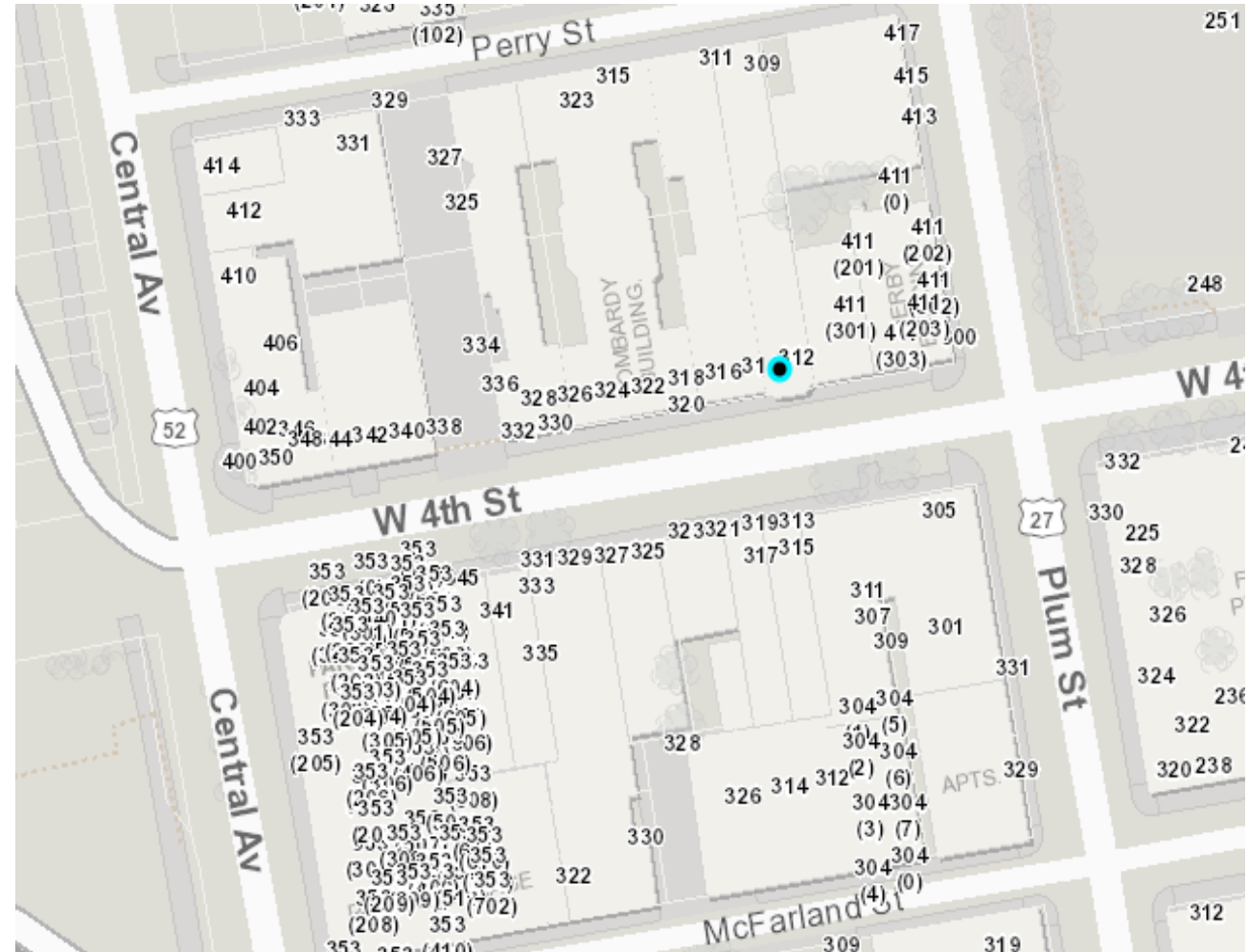
\$415,471



312 W. Fourth St. Net 52%, 15-year CRA

Project Summary

- Renovation of four-story building to include 7 market-rate one-bedroom, one-bath units.
- Total project cost is estimated to be \$1.2 million
- 8 months for completion



312 W. Fourth St.

Net 52%, 15-year CRA

Rent Ranges

7 market-rate residential units

- \$1,500 (slightly above 80% AMI rents)

Rent	Affordable to Salary	City Jobs (Min Salary exceeds affordable salary)
\$1500.00	\$60,000.00	Laboratory Assistant, Supervising Clerk, Clerk Typist 2,

AMI	1	2	3	4	5	6	7	8
30%	\$20,100	\$22,950	\$25,800	\$28,650	\$32,470	\$37,190	\$49,910	\$46,360
50%	\$33,450	\$38,200	\$43,000	\$47,750	\$51,600	\$55,400	\$49,250	\$63,050
60%	\$40,140	\$45,840	\$51,600	\$57,300	\$61,920	\$66,480	\$59,100	\$75,660
80%	\$53,520	\$61,120	\$68,800	\$76,400	\$82,560	\$88,640	\$78,800	\$100,880

312 W. Fourth St. Net 52%, 15-year CRA

Recommendation

- DCED recommends a net 52% 15-year CRA, applying to the construction activity at the property.
- Estimated \$3,700 in annual abated taxes; \$55,000 over the term.
- The project merits a fifteen-year, net 52% CRA Tax Abatement based on the following criteria:
 - Net 15% Streetcar VTICA contribution estimated to total \$16,000 over the term.
 - Project underwriting revealed a low cash-on-cash rate of return without the incentive at 5% and with the incentive at 6%.
 - Project will retain two full-time positions with a total annual payroll of approximately \$80,000 and create an estimated six temporary construction jobs with an estimated total annual payroll of \$276,000.
 - The incentive will help preserve a historic building while providing a higher return on investment to the City.

1720 Elm St., 118
Findlay St., 114-116 W.
Elder St.

Net 52%, 15-year CRA

1720 Elm St., 118
Findlay St., & 114 -116
W. Elder St.

Net 52%, 15-year CRA
Developer

Yukon Investments, LLC (affiliate of The
Model Group, Inc.)

Neighborhood

Over-the-Rhine

Current Condition

Properties are currently 97% vacant and
contain apartment units and commercial
storefronts.

Construction Cost

Approximately \$5.4 million



1720 Elm Street, 118 Findlay Street, 114-116 W. Elder Street

1720 Elm St., 118 Findlay St., 114-116 W. Elder St.

Net 52%, 15-year CRA

Project Summary

- Gut rehab of 4 historic buildings into 30 residential units and 6,907 sq. ft. of commercial space.
- **Findlay Exchange** has been awarded New Market Tax Credits and Federal and State Historic Tax Credits.
- Creation of 112 temporary construction jobs with estimated annual payroll of \$2.3 million.
- Projected to retain 5 full-time jobs with a total estimated annual payroll of \$150,000 and create 15 full-time jobs with a total estimated annual payroll of \$337,500.
- Developer intends to begin construction in December 2022.
- Total project cost is projected at \$9.3 million.
- 13 months for completion.



Property Location

1720 Elm St., 118 Findlay St., 114-116 W. Elder St.

Net 52%, 15-year CRA

Rent Ranges

- **1720 Elm Street** - 5 residential units and 1,278 sq. ft. of commercial space.
- **118 Findlay Street** - 9 residential units and 2,348 sq. ft. of commercial space.
- **114-116 W. Elder Street** - 16 residential units and 3,275 sq. ft. of commercial space.
- Studio and one-bedroom units with proposed rents ranging from \$875 to \$1,000.

Rent	Affordable to Salary	City Jobs (Min Salary exceeds affordable salary)
\$875.00	\$35,000.00	Senior Plant Operator, Administrative Assistant, Electronic Technician, City Planner
\$1,000.00	\$40,000.00	Support Services Specialist, Legal Assistant, Zoning Plan Examiner, Supervising Parking Meter Collector

AMI	1	2	3	4	5	6	7	8
30%	\$20,100	\$22,950	\$25,800	\$28,650	\$32,470	\$37,190	\$49,910	\$46,360
50%	\$33,450	\$38,200	\$43,000	\$47,750	\$51,600	\$55,400	\$49,250	\$63,050
60%	\$40,140	\$45,840	\$51,600	\$57,300	\$61,920	\$66,480	\$59,100	\$75,660
80%	\$53,520	\$61,120	\$68,800	\$76,400	\$82,560	\$88,640	\$78,800	\$100,880

1720 Elm St., 118 Findlay St., 114-116 W. Elder St.
Net 52%, 15-year CRA

Recommendation

- DCED recommends a net 52%, 15-year CRA, applying to the construction activity at the property.
- The Administration recommends approval of this Emergency Ordinance. The emergency clause is needed to maintain a tight development schedule.
- The project merits a 15-year, net 52% CRA Tax Abatement based on the following criteria:
 - Net 15% Streetcar VTICA contribution estimated to total \$208,000 over the term.
 - Project will retain five full-time positions with a total annual payroll of approximately \$150,000, fifteen Full-Time Equivalents with an annual payroll of \$337,000 and create an estimated 112 temporary construction jobs with an estimated total annual payroll of \$2.3 million.
 - The incentive will help preserve a historic building while providing a higher return on investment to the City.

130-132 W. Elder St.

Net 52%, 15-year CRA

130-132 W. Elder
St.

Net 52%, 15-year CRA

Developer

CRDV Findlay Market, LLC (affiliate
of The Model Group, Inc.)

Neighborhood

Over-the-Rhine

Current Condition

Property is currently vacant former
Leader Furniture Building.

Construction Cost

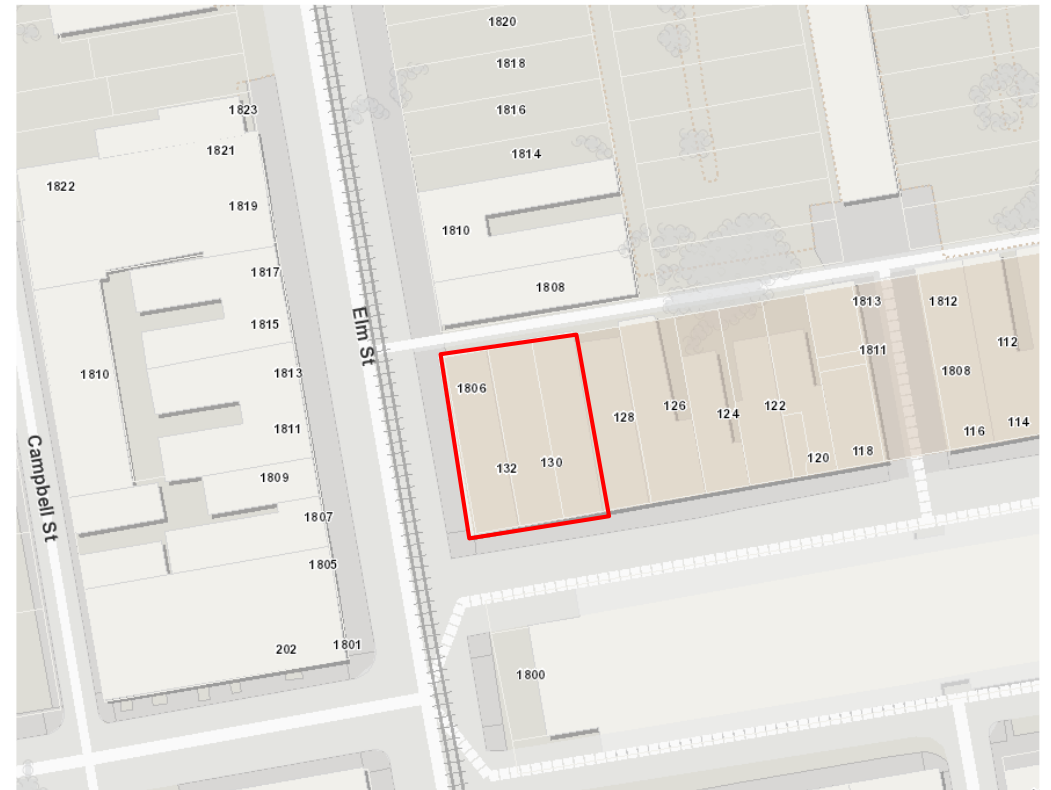
Approximately \$5.6 million



130-132 W. Elder St.
Net 52%, 15-year CRA

Project Summary

- Gut rehab of historic buildings into 10,000 sq. ft. of office space and 4,000 sq. ft. of commercial space.
- **Findlay Exchange** has been awarded New Market Tax Credits and Federal and State Historic Tax Credits.
- Creation of 67 temporary construction jobs with estimated annual payroll of \$1.47 million.
- Projected to retain 2 full-time jobs with a total estimated annual payroll of \$100,000 and create 55 full-time jobs with a total estimated annual payroll of \$1.93 million.
- Developer intends to begin construction in December 2022.
- Total project cost is projected at \$7.4 million.
- 15 months for completion.



Property Location

130-132 W. Elder St.

Net 52%, 15-year CRA

Recommendation

- DCED recommends a net 52% 15-year CRA, applying to the construction activity at the property.
- The Administration recommends approval of this Emergency Ordinance. The emergency clause is needed to maintain a tight development schedule.
- The project merits a fifteen-year, net 52% CRA Tax Abatement based on the following criteria:
 - Net 15% Streetcar VTICA contribution estimated to total \$10,000 over the term.
 - Return to the developer is at 6% with the abatement
 - Project will retain two full-time positions with a total annual payroll of approximately \$80,000 and create an estimated six temporary construction jobs with an estimated total annual payroll of \$276,000.
 - The incentive will help preserve a historic building while providing a higher return on investment to the City.

Thank you!

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