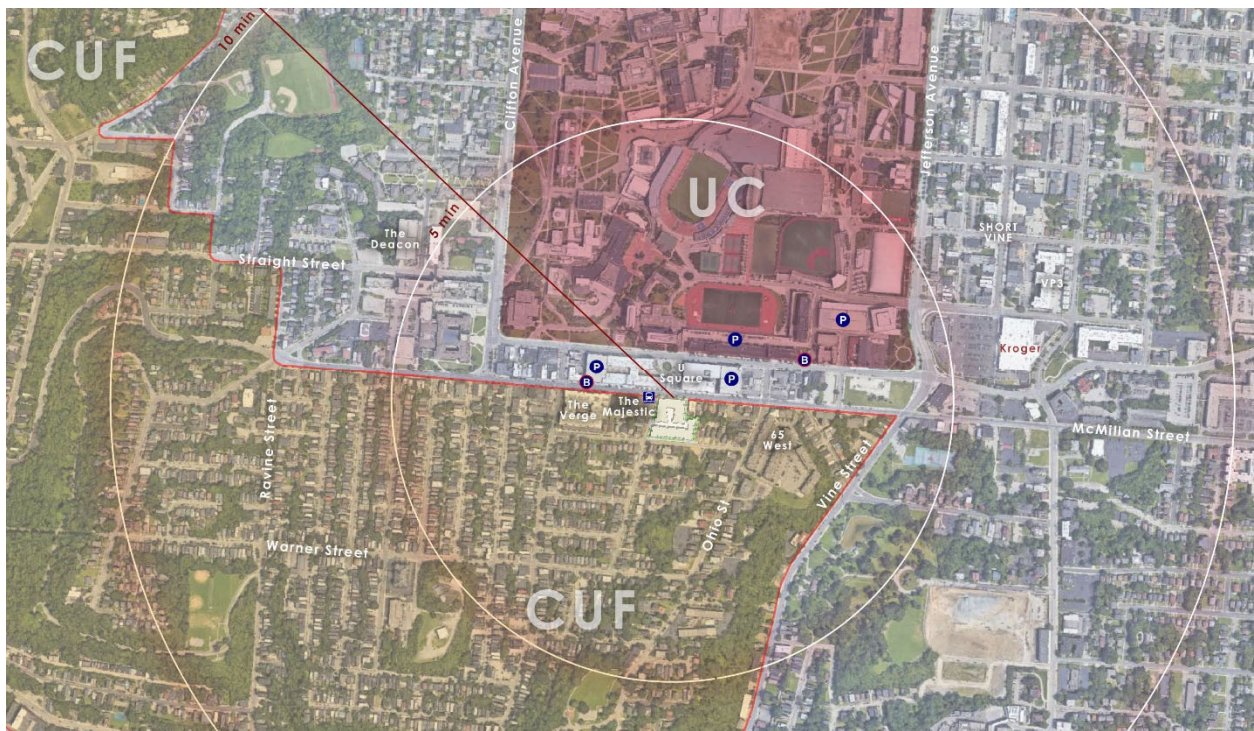


Development Program Statement in Support of PD Rezoning:

Moerlein Properties, LLC, an affiliate of Hallmark Campus Communities (Hallmark), is petitioning the City of Cincinnati to rezone approximately 1.34 acres of real property for a multi-family student housing project. The property currently consists of ten individual parcels which will be consolidated upon rezoning to form one parcel. The property is bordered by McMillan Street to the north, Moerlein Avenue to the west, and Lyon Street to the south. The property is currently used as a pay-to-park surface parking lot on the northern CC-M site and six vacant rental houses on the RMX portion of the site.

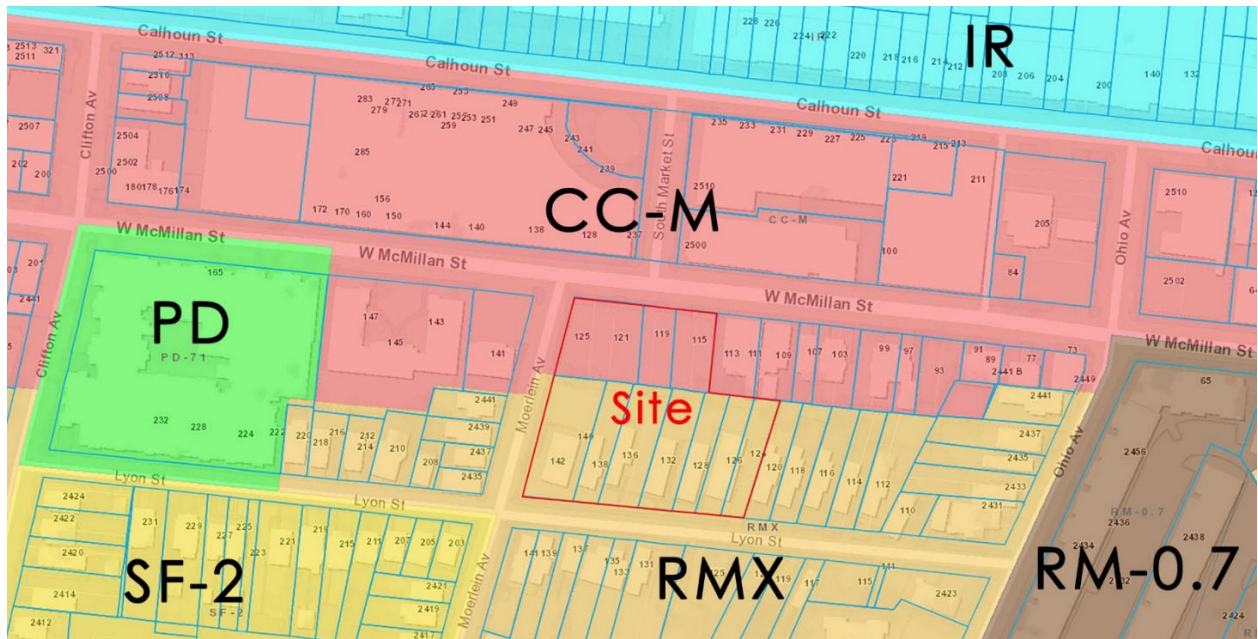
Hallmark is excited to present this redevelopment opportunity in the Clifton Heights – University Heights – Fairview neighborhood of the City of Cincinnati, Ohio. Hallmark has a strong track record of similar redevelopment sites and are experts in the multi-family market whether it be targeted for students or fair market apartments geared towards young professionals and empty-nesters alike. Hallmark has been directly responsible for over 2,000 units of market rate apartments and over 6,000 beds of student housing. The ownership group and design team have worked together on well over 7,500 units of apartments and 10,000 beds of student housing. Hallmark is familiar with this market having redeveloped and owning the University Edge apartments at 3250 Jefferson Avenue which was completed in 2012.

The vision for this community is geared towards undergraduate students due to its proximity to the University of Cincinnati as well as the growth rate and projections of UC. As shown on the regional context map, the entire west campus is within a 10-minute walk from the site, and UC's Medical campus is roughly a 15-minute walk. There are several bus routes, shuttles, car & bike sharing options that are convenient to the McMillan & Calhoun corridor making this a very transit and pedestrian friendly site.



5-minute Walk Exhibit

Surrounding Context:



Existing Zoning

The subject site consists of three parcels along McMillan, currently zoned CC-M or Commercial Community Mixed district, and 7 parcels in the southern portion of the site that are in the RMX or Residential Mixed district. The site is located at the northeast boundary of Clifton Heights and on the commercial edge of this neighborhood. The immediate surroundings are generally consistent in scale and uses to the proposed redevelopment. Immediately across McMillan are 5 and 6 story mixed-use and a strong pedestrian connection to UC via the Market Street streetscape. Moving further west down McMillan, a 3.5 to 5 story “The Majestic” apartments and a newer infill development the “Verge” anchor the south side. To the east along McMillan sits a one-story retail building then houses that have been converted to retail and/or apartments.

The remaining parcels surrounding the site are primarily rental houses that are in the 3 to 5 story range depending on the natural topography and location. In several instances, the houses to the east allow parking in the front yards and across Lyon Street there are some vacant parcels and similar rental properties. Further to the east, along Ohio Avenue, there are more modern apartments in the RM-0.7 district as well as some mid-century 4 and 5-story apartment buildings.

Existing Site:

The site along McMillan is currently zoned CC-M or Commercial Community Mixed district and the southern portion of the site is in the RMX or Residential Mixed district. The current uses on the site consist of a surface parking lot on the CC-M zoned north half and six rental houses on the RMX zoned southern portion of the site. There is ample access and utilities to service the site as it is surrounded on three sides by McMillan St., Moerlein Ave., and Lyon St. There is approximately twenty feet of fall from McMillan to Lyon which is mitigated by a +/-10' high wall along the property line dividing the two zoning districts and Moerlein Ave maintaining a 6%+

grade. The existing houses' first floors sit about 10' above Lyon St. via a retaining wall along the Right of Way and steps up to the first floor. Parking is provided to the rear of the residential structures, via a gravel parking area with minimal greenspace and landscaping.

Gateway Lofts:

Gateway Lofts is a planned five to six story multi-family apartment building. It will contain 103 total units, with a maximum of 365 beds. The project is planned to have a mixture of 1, 2, 4, & 5 bedroom units along with a series of 9 townhouse units fronting onto Lyon Street. It will contain 227 on-site (garage) parking spaces, resulting in a 0.62 spaces per bed or 2.2 spaces per unit ratio. The parking will be provided in a primarily underground garage and the proposed townhouses would conceal the two-story portion that would otherwise be exposed. The two levels of the garage are not connected with a vehicular ramp but rather utilize the existing grades of Lyon Street and Moerlein Ave. for access to each level.

The current mixture of units consists of primarily four-bedroom and five-bedroom units (62%) that tend to attract undergraduate students. The two-bedroom units (24%) appeal to both undergraduate and graduate students and the remaining 14% are in the three-bedroom townhouses and lower level one-bedroom flats beneath the 5 easternmost townhouses. This unit mix targets the undergrad market and comes into play with the lifestyle trends of this market and their lessened need for automobiles. One of the goals of this project is to reduce the dependency on the car and encourage our residents to walk and ride bicycles instead. The development provides the parking via a parking structure underneath the building which will also house several bike racks in a covered and secured setting.

The bulk of the residential units will be housed in two residential buildings over the two-level garage structure. The northern residential building will be 5-stories over the garage 'podium' which results in a 5-story above grade structure fronting onto McMillan. The southern residential building will be 1-story shorter (4-stories over the parking podium) which will have a 5 story appearance at the first level garage entrance on Moerlein then 3.5 to 4 stories exposed behind the townhouses. The townhouses act as a transition from the more intense uses along the McMillan corridor to the scale of the residential neighborhood heading south. The townhouses have been designed to not only line the Lyon Street frontage but also wrap the corner at Moerlein and Lyon which further 'steps' the building down to the neighborhood.

The project will include ample open space. It will feature an approximately 8,000 square foot amenity deck/courtyard for residents and will contain approximately 2,850 square feet of green space that will primarily be professionally landscaped and maintained planting beds. The open space will represent approximately 20% of the total site's acreage.

The overall lot coverage percentage will be approximately 90%. The 52,000 square foot building will cover approximately 89% of the site, and the 1,100 square foot asphalt drives will cover approximately 2% of the site.

Hallmark's engineers have reviewed the existing utility infrastructure. All storm water improvements will be professionally calculated and the project will comply with all applicable storm water regulations. The existing sanitary sewer service is sufficient for the development, as is existing gas and electric. The property is not in the Hillside Overlay District and the site does not pose any material geotechnical concerns. None of the existing buildings on the property are of any historical value.

The estimated cost of the overall development is in excess of \$40 million. Project financing has been secured pending the outcome of this rezoning petition. Construction is expected to start in late 2022 and is expected to be completed for fall semester of 2024. The development will be built in one phase.

Hallmark is committed to working with the surrounding community, and has had preliminary discussions with CUFNA, CHBA, CHCURC and the University. These discussions will continue through the rezoning process and development design. The building will be professionally managed by an experience student housing operator. All tenants will be subject to written lease agreements, as well as well-developed rules and regulations focused specifically for student tenants.

Architectural Massing & Materials:

The proposed Gateway Lofts consist of a primary 'podium' building on the northern portions with 2 to 3.5 story townhouses in the southwest corner and along Lyon Street. The buildings have been designed to be cohesive with a fresh urban appeal. It is our intent to break down the overall mass of the primary building by a pattern of projecting and receding faces with a diversity of exterior materials, to create an interesting articulation of shadow and light along the streets. The structure will utilize a parapet wall with projecting cornice surrounding flat roof areas and screening the mechanical equipment such as A/C condensing units.

Although the building has more contemporary massing with flat roofs, many aspects of the design call on more traditional patterns of textures. One example is the chosen window patterns which are comprised primarily of smaller punched openings of the traditional building instead of long expanses of unbroken glass. Another example is the use of familiar and relatable materials such as brick which has been concentrated at the lowest level of the building where people have the most intimate interactions with the building. Likewise, the townhouses have been designed with similar scale and proportions to the surrounding neighborhood yet the materials and colors will remain consistent with the primary structure. With this approach, we feel the building adds a refreshing appeal to the area while maintaining a relationship to the older surroundings it is placed within.

The primary materials include brick veneer, fiber cement panels with panel trim for relief, and vinyl siding. These materials are used to create a pleasing interplay of textures, colors (both light and dark), and changing patterns of shade and shadow with the movement of the sun. A second brick type, which will vary in color and size from the primary brick, is used to create a distinctive base to the building. This architectural device helps to reduce the apparent scale of the building.

Streetscape & Pedestrian Realm:

The streetscape along McMillan will be consistent with the remainder of the Clifton Heights Urban Renewal Area. The proposed building anchors this streetscape with the primary building entrance and a series of storefront glass and awnings at the terminus of the Market Street corridor. Given the location of the traffic signal, lower overhead electric and crosswalks, tree planters will need to be strategically placed to provide a consistent look in this portion of the McMillan streetscape. A secondary pedestrian access has been shown along the northeast portion of the site. This access will relate to the existing grades of the adjacent retail and provide an 'at grade' connection between the amenity deck and the public walk at McMillan.

The streetscape along Moerlein Avenue will extend the 6' walk adjacent to the parallel parking with foundation plantings in the greenspace outside of the Right of Way. A small portion of this frontage will likely be needed to provide a home for transformers with access to the public street. The 'break' between the 4 & 5 story residential buildings above the parking garage fronting Moerlein will provide for a secondary emergency access point from the public street to the amenity deck/courtyard. This emergency access to the deck can utilize the relatively level drive leading to the garage to stage equipment and rescue workers if necessary. This location will also serve as the place for the trash hauler to access roll-out containers from the two compactor/trash chute locations.

Similar to Moerlein, Lyon Street will provide a widened 8' walk along the parallel parking on the project's side of the street with potential tree planters/lawns at the back of curb. The trees selected for this streetscape will need to be smaller trees due to the overhead utilities in this area. The lower-level units in the eastern half of this frontage will have sunken patios/gardens to allow light into the units and a wrought iron looking fence along the top of wall will act as a guardrail for pedestrians. A single curb-cut along Lyon Street will provide access to the lower-level parking within the garage structure.

Closing:

Gateway Lofts will be compatible with surrounding development from both an architectural massing/style and land-use perspective. Quality student housing is desperately needed in the UC area, and this project will help fill this critical need on an appropriate site. Hallmark has been engaged in this market for nearly a decade with University Edge and has seen consistent full-occupancy as nearly all surrounding assets have. Hallmark has had a bulk lease with the University for many years and have seen enrollment trending upward with an increased demand for student beds.

The enclosed plans provide additional detail and design information, as well as the detailed information required by Chapter 1429 of the Cincinnati Zoning Code.