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 surface parking and residential uses.

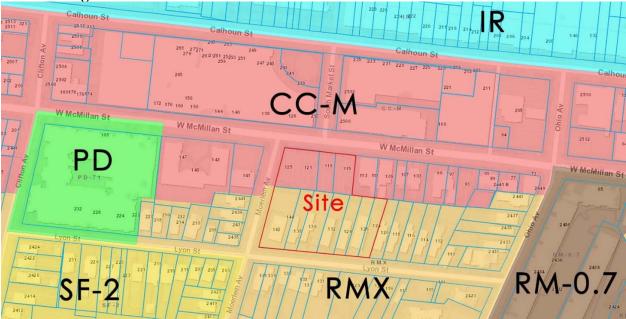
Hallmark Campus Communities is an experienced student housing developer having completed numerous projects in the Midwest. Within Cincinnati, Hallmark recently completed the University Edge project at 3250 Jefferson Avenue in 2012.

Hallmark is excited to present this redevelopment opportunity to Cincinnati. Hallmark has a strong track record of redeveloping similar sites and is a leading expert in the multi-family market, whether in student housing or market rate apartments geared towards young professionals and empty-nesters alike. Hallmark and the design team have worked together for over twenty years and have developed well over 7,500 units of apartments and 10,000 beds of student housing.

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 ten minute walk from the site, and UC's Medical campus is roughly a fifteen minute walk. There are several bus routes, shuttles, car and bike sharing options that are convenient to the McMillan & Calhoun corridor making this a very transit and walking friendly site that virtually eliminate the need for an automobile.



Surrounding Context:



The sites along McMillan are 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 immediate surroundings are generally consistent in scale and uses to the proposed redevelopment. Immediately across McMillan are 5 and 6 story infill buildings and a strong pedestrian connection to UC via the Market Street signalized intersections and 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 residential apartments (converted 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 more 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 properties on the RMX zoned southern portion of the site. There is ample access to the site as it is surrounded on three sides by McMillan St., Moerlein Ave., and Lyon St. with garage access restricted to Lyon St. and Moerlein Ave. 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 the residential structures' first floor sitting 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 leaving little room for greenspace and landscaping.

Gateway Lofts

Gateway Lofts is a planned six story multi-family building. It will contain 116 total units, with a maximum of 469 beds. The project is planned to have a mix of 2 bedroom, 4 bedroom, and 5 bedroom units. It will contain 153 on-site parking spaces, or 1.32 spaces per units. The parking will be underground and secured. There is ample public transportation available in the immediate vicinity of the project.

The current mixture of units consists of primarily four-bedroom units (70%) and fivebedroom units (21%) that tend to attract the undergraduate students with a relatively low number of two-bedroom units (9%) that tend to appeal to upper classmen or graduate aged students. This mix reinforces the targeted market mentioned above and comes into play with the lifestyle trends of this market and their need for automobiles. One of the goals of this project is to lessen 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 project will include ample open space. It will feature an approximately 9,300 square foot amenity courtyard for resident use, and will contain approximately 6,425 square feet of green space. The green space will be professionally landscaped and maintained. The open space will represent approximately 27% of the total site's acreage.

The overall lot coverage percentage will be approximately 89%. The 51,555 square foot building will cover approximately 88% of the site, and the 325 square foot asphalt drive will cover approximately .5% of the site.

Hallmark engineers have reviewed the existing utility infrastructure. All storm water measurements 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 currently \$41,000,000. Project financing has been secured pending the outcome of this rezoning petition. Construction is expected to start on or before the end of 2021, and is expected to be completed on or before the fall semester of 2023. The development will be built in one phase.

Hallmark is committed to working with the surrounding community, and has had preliminary discussions with the local neighborhood council. 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 building is a single structure designed with a fresh urban appeal. It is our intent to break down the overall mass of the 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 street facades will also include balconies on the upper levels for added layers of interest. 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. 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 upright trees and foundation plantings in the greenspace outside of the Right of Way. Moerlein has a significant slope which the proposed development will use to gain access to the upper-level garage parking by utilizing a curbcut in approximately the same location as the existing curbcut. 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 5 story portions 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.

Similar to Moerlein, Lyon Street will provide a consistent 6 foot walk along parallel parking on the project's side of the street with ample landscaping in the greenspace beyond. A single curbcut along Lyon Street will provide access to the lower-level parking within the garage structure and trash service will likely be handled in the southeast corner as well. This lower-level of the garage will be partially buried as Lyon slopes down approximately four feet from Moerlein towards the east.

Gateway Lofts will be compatible with surrounding development from both an architectural style and density perspective. Quality student housing is desperately needed in the UC area, and this project will help fill this critical need. Hallmark has been present in this market for nearly a decade and has seen consistent full occupancy on our asset as well as nearly all surrounding assets. We have 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.

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