

Greater Cincinnati
REDEVELOPMENT AUTHORITY

GREATER CINCINNATI REDEVELOPMENT AUTHORITY (GCRA)

cincinnatiport.org



Credit: Travis Estell, Flickr

ABOUT THIS PROJECT

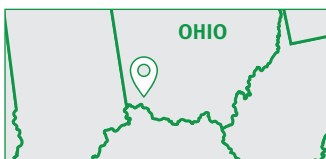
This fund will finance housing and economic development projects in two Cincinnati neighborhoods where GCRA will invest in projects that strengthen micro-commercial districts and provide access to neighborhood-based entrepreneurs. The investment is designed to assist with the construction and rehabilitation of primarily street-level commercial real estate that features mixed-income housing in the neighborhoods of Bond Hill and Roselawn. This PRI is part of Kresge’s portfolio designed to promote mixed-income/mixed-use communities that provide greater opportunities to low-income individuals living in cities. These investments focus on supporting mixed-income/mixed-use projects that are Healthy, Equitable, Adaptive, Resilient, and Transit-oriented.

WHY WAS THIS NEEDED?

CHALLENGE: Small-scale commercial projects in under-resourced districts throughout U.S. urban centers are traditionally seen as too high a risk for investment. While there is often money to develop housing in these neighborhoods, they often become business deserts without community-serving enterprises such as dry cleaners, bakeries or other small businesses.

RESPONSE: Investing in developing a neighborhood micro-commercial district, located within a revitalized residential district, will promote conditions that characterize high-opportunity neighborhoods — such as accessible high quality public schools, jobs, public safety and healthy food options. This strategy augments GCRA’s residential revitalization work and advances conditions for economic mobility for low-income residents.

IMPACTED LOCATION



BOND HILL AND
ROSELAWN
NEIGHBORHOODS,
CINCINNATI

YEAR APPROVED

2016

TYPE OF TRANSACTION

PRI - LOAN

KRESGE PROGRAM

AMERICAN CITIES
PRACTICE

AMOUNT OF INVESTMENT

UP TO \$5M

GRANT SUPPORT

\$100,000

TERM OF INVESTMENT

10 YEARS



Key Considerations



Aaron Seybert
Social Investment
Officer
Social Investment
Practice

- » These neighborhoods were chosen for assessment based on their adjacency to industrial corridors targeted by the Port Authority for redevelopment, reflecting the integration of housing with economic development.
- » In addition to the neighborhood based participants in the assessment, there was active engagement with the City of Cincinnati, Mercy Health, the Community Building Institute, Partners for a Competitive Workforce, and the Greater Cincinnati Foundation.
- » We will look to leverage our PRI through take out financing from local commercial banks once real estate has been rehabbed and stabilized. We also anticipate leveraging historic tax credits and potentially New Markets Tax Credits on larger projects or where projects can be combined.
- » The Port Authority has been held up by CDEA (the DFA trade association) as an exemplar DFA and one of the highest capacity organizations in the network.
- » Kresge's grant support will be paid over three years and will support a minority and neighborhood tenant referral broker program

ABOUT THE BORROWER

The Greater Cincinnati Redevelopment Authority is an economic development agency that initiates projects to improve property value and promote job creation throughout Hamilton County. In 2015, the Redevelopment Authority Board of Directors set a bold direction for the organization with Vision 2022, a multi-faceted strategy to drive economic growth, job creation, social stability, and shared prosperity, for all residents. The strategic initiative champions key social, community, and economic priorities for the region by combining neighborhood revitalization with the repurposing of hundreds of acres of currently non-productive, urban industrial property to facilitate job creation.

KEY PARTNERS

GCRA's Vision 2022 focuses on three key strategies for success in achieving wide-reaching transformation in the Cincinnati region: industrial revitalization, neighborhood revitalization and public finance practice. GCRA has raised \$2.5 million in additional capital by the end of year eight of the loan term. The Community Building Institute at Xavier University will prepare a comprehensive community-based needs assessment of the two targeted neighborhoods for the Fund.