

Kennedy Heights Neighborhood Business District Urban Design Plan

KENNEDY HEIGHTS COMMUNITY COUNCIL

September 2007



KINZELMAN KLINE GOSSMAN

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Introduction

In April of 2004 the Commercial and Office Development Committee (CODC) of Kennedy Heights Community Council solicited proposals and selected *Kinzelman Kline Gossman* to prepare a "Market Study and Feasibility Plan" for the redevelopment of vacant properties along Montgomery Road near the intersection of Kennedy Avenue.

While the immediate goals of the study were intended to inform and support a proposal for the development of mixed-use project at the site of what is now a drive-through liquor store, the CODC and Community Council recognized that it would be important to look beyond project boundaries to insure that future development could be sustained within the context of a unified redevelopment strategy and approach. Toward that end, the study area boundaries we expanded to include the entire Neighborhood Business District and, notably, the vacant former grocery store site at the corner of Kennedy and Montgomery.



A lack of pedestrian orientation, un-buffered parking lots and a desire for a better mix of neighborhood services and amenities led the community to authorize the development of the 2005 "Kennedy Heights Business Complex Feasibility Study"

The Kennedy Heights Business District of today bears little resemblance to the neighborhood-oriented district that existed during the community formative years. Gradual changes in consumer behavior, neighborhood demographics, declining commercial property values and a lack of significant retail demand have caused the highest and best property use potential of district properties to shift dramatically from where they once were. The most recent commercial development in the district has resulted in the construction of an *Auto Parts dealer*, *Dollar Store* and the previously-noted the liquor store. While it may be argued that these types of uses are appropriate for non-residential environments, they do not contribute to a unique community identity and no longer conform to the community's goals as stated in it's comprehensive plan and as codified in the district's latest zoning update.

Introduction

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The Goals & Objectives of the study were derived from the community's comprehensive neighborhood plan and reviewed by the CODC and community council representatives. They are as follows:

Overarching Community Vision (from the 2003 Neighborhood comprehensive plan)

- Embrace diversity and promote safety
- Sustain residential character with small service oriented business
- Preserve heritage and unique sites, buildings and homes
- Enhance physical attractiveness of the built environment
- Enhance value of institutions, organizations and services
- Facilitate social interactions among neighbors
- Promote pedestrian friendly environment
- Respect the environment
- Recognize relationship of the neighborhood and a viable central city



A strong sense of neighborhood pride and commitment to community improvement are reflected in a high degree of community activism and of the development of the community's 2003 Neighborhood Comprehensive Plan..

Introduction

Study Objectives

- Enhance the residential character of Kennedy Heights to ensure that the community remains a desirable living environment for homeowners and renters
- Preserve and enhance the ecological, recreational, and visual qualities of the community
- Upgrade the infrastructure of Kennedy Heights
- Develop a sense of "place" for persons entering or driving through
- Develop a planned and coordinated business area of mixed uses along Montgomery Road
- Create an image for Kennedy Heights which suggests a lively and unique environment with a diversity of goods and services

Urban Design Goals

- Encourage restoration and renovation of existing owner-occupied units
- Support renovation, restoration and reuse of historical properties significant to Kennedy Heights' history such as the funeral home structure and property near the corner of Montgomery Road and Kennedy Avenue.
- Increase home ownership opportunities in Kennedy Heights
- Encourage development of new homes
- Improve the quality and environment of rental housing
- Develop sufficient high-quality housing options to serve elderly residents who wish to continue living in Kennedy Heights, as well as others who may choose to move into the community
- Explore creating housing facilities for seniors at the intersection of Montgomery and Kennedy (old Furniture Fair / Kroger site) or- explore the development of a Community Center or public institution

Introduction

Public Engagement

In order to ensure that recommendations for future development reflected the wants and needs of the community, the CODC and planning team hosted a number of workshops and stakeholder meetings.

In May of 2005, members of the Kennedy Heights Community Council Development Committee and Kinzelman Kline Gossman were engaged in a series of meetings involving the City of Cincinnati Development Opportunities Team (DOT Team), School District officials, and LISC (Local Initiatives Support Corporation). Those discussions focused on the feasibility of the redevelopment of district properties including the redevelopment of the former Kroger site and the adjoining properties along Kennedy Avenue. At that time, it was generally agreed that there was potential for each of the parties to partner in a more detailed study aimed at identifying the feasibility of a residential, civic, and/or mixed-use development including any financing gaps that would need to be filled. Due to the sensitivity of the issues surrounding the proposed New Woodford Paideia School (and a lack of community consensus concerning the appropriate location for the school), KHCC was not able to develop a unified position supporting development of a non-school use for the K/M site and follow-up actions were limited to building the organizational knowledge and capacity to address impending development issues and contingencies.

The final report was adopted by resolution of Kennedy Heights Community council in the fall of 2005 under the title of the "*Kennedy Heights Business Complex Market Feasibility Study, August 15, 2005.*"

In recognition of the need to develop community consensus for (1) a widely accepted position on the development of the new school and (2) the disposition of the Kennedy and Montgomery property, KHCC held a community planning forum/workshop on July 11th 2006. The gathering was held at the Kennedy Heights Arts Center and was attended by a wide cross-section of community residents and stakeholders.

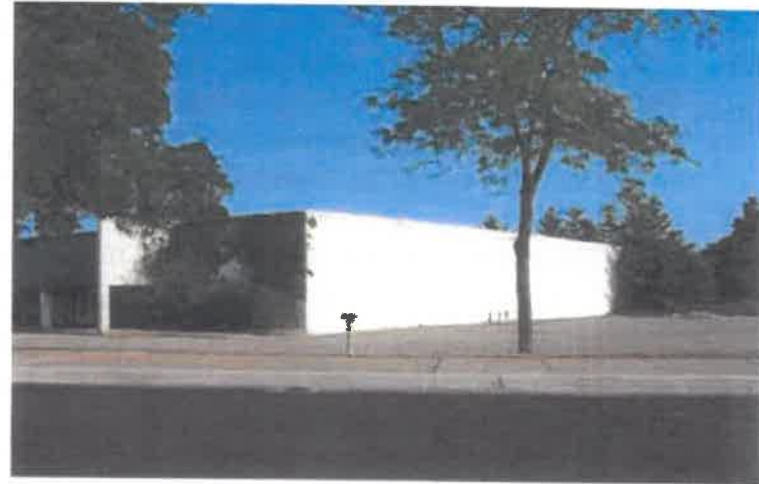
The meeting was facilitated by an independent party and concluded with a majority opinion that Community Council should promote the development of the Kennedy and Montgomery site as a school until such time that a decision was made (by CPS) to either build there or on another of two possible sites. Further, the majority agreed that in the event that it was not possible to build a school at the site, any of the alternatives presented in this Urban Design Plan could be considered as appropriate. As a result of that meeting, Kennedy Heights Community Council adopted a subsequent resolution adopting those same conclusions.

Introduction

Over the past two years, and in recognition of the uncertainty surrounding the proposed school, the community development committee has attempted to build support and a strategy for the acquisition and redevelopment of the property as a mixed-use development that would replace the current "greyfield" commercial site with a new civic or cultural anchor, market-rate housing and / or neighborhood-oriented retail uses. During this time, and independent of community interests, CPS has engaged a real estate broker to market the property and is currently asking over \$1.7 million for the 4.5-acre parcel. The broker has frequently stated that it is CPS's intention to sell the property based on the determination that the site is not the best location for a new neighborhood school. While the reasons for this determination have not been fully disclosed to KHCC, the potential sale of this property is of great concern given the recent history of development and the site's importance to the economic health and identity of the community.

Resolutions to Adopt an Urban Design Plan:

In order to promote future development that is responsive to the Community Comprehensive plan's goals for the Neighborhood Business District and in order to safeguard the community from development actions that are not complimentary to the vision established within the *Kennedy Heights Business Complex Market Feasibility Study*, of August 15 2005, the Kennedy Heights Community Council's



The Kennedy Heights Neighborhood Comprehensive Plan identified the former Kroger Store at Kennedy and Montgomery as a target for redevelopment as a new school site, cultural anchor, or senior housing project.

Introduction

Commercial and Office Development Committee recommended that the Market Study be adopted as the Community's Urban Design Plan. In order for this to occur the following actions have been taken by the Council's Board of Trustees:

1. The Market Study was resubmitted to the Community Council for a vote on the following resolutions:

First Resolution: ..."That the August 15th 2005, Kennedy Heights Business Complex Market Feasibility Study be recommended for adoption by the City of Cincinnati Planning Commission and Cincinnati City Council as the Community's Urban Design Plan for the Neighborhood Business District along Montgomery Road".

Second Resolution: ..."That Community Council make a request to the City of Cincinnati Planning Commission for the adoption of an Urban Design Overlay District (UDOD) based upon the findings, recommendations and guidelines of the proposed Urban Design Plan and associated zoning overlay district requirements.

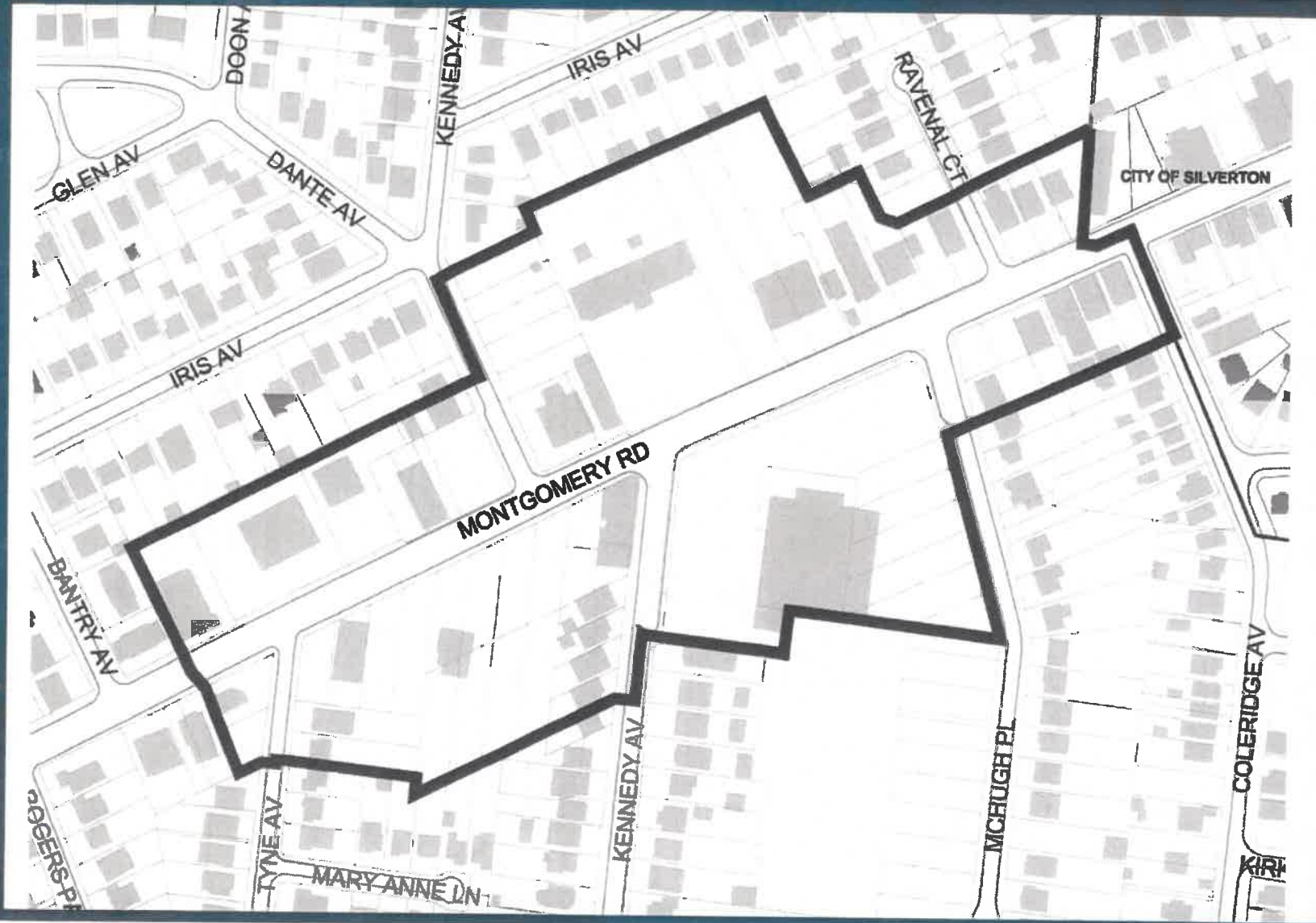
2. In order to comply with the City of Cincinnati code of ordinances, Community Council notified property owners (within the boundary of the proposed UDOD) that such resolutions had been proposed. These owners were permitted an opportunity to review and comment on the proposed plan prior to the Community Council vote.

3. City of Cincinnati Community Development and Planning staff have circulated the Plan to City departments for comments.

Public Meetings to Date:

- CODC Workshop Meetings – Spring / Summer 2004
- Meetings with LISC, CPS & City of Cincinnati DOT Team – April & May 2005
- KH Community Council Workshop Meeting – July 2005
- KH Community Council Presentation & Meeting – August 2005
- Community Planning Forum – July 11, 2006
- Letter and Invitation to Property & Business Owners – March 3, 2007
- Property & Business Owner Meeting for Bus Dist March 15, 2007 - Community Council Headquarters
- Urban Design Plan & UDOD Discussion - Community Council Meeting, March 20, 2007
- September 6, 2007 – Business & Property Owner's Open House @ KH Arts Center
- Community Council Resolution Approving Petition for Adoption of UDP & UDOD by Planning Commission and City Council - September 18, 2007

Neighborhood Business District Map



Market Assessment

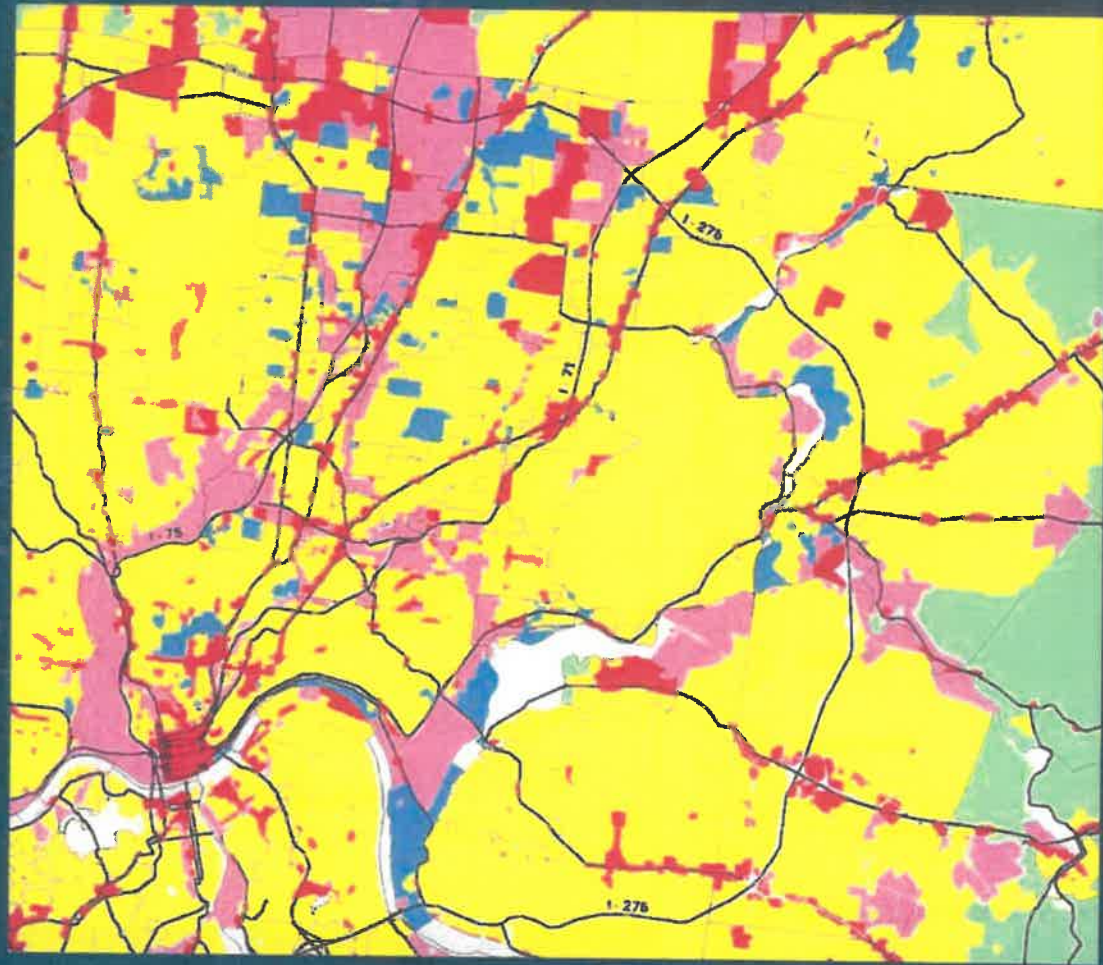
- Regional & local Influences
- Market Data
- Consumer profiles
- Retail Supply & Demand



Regional Influences

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- Regional Commercial Centers chasing new “rooftops” (with access to large populations and households with disposable income)
- Modified Transportation Routes
- Shift in Local Demographics / Transitioning Household Size

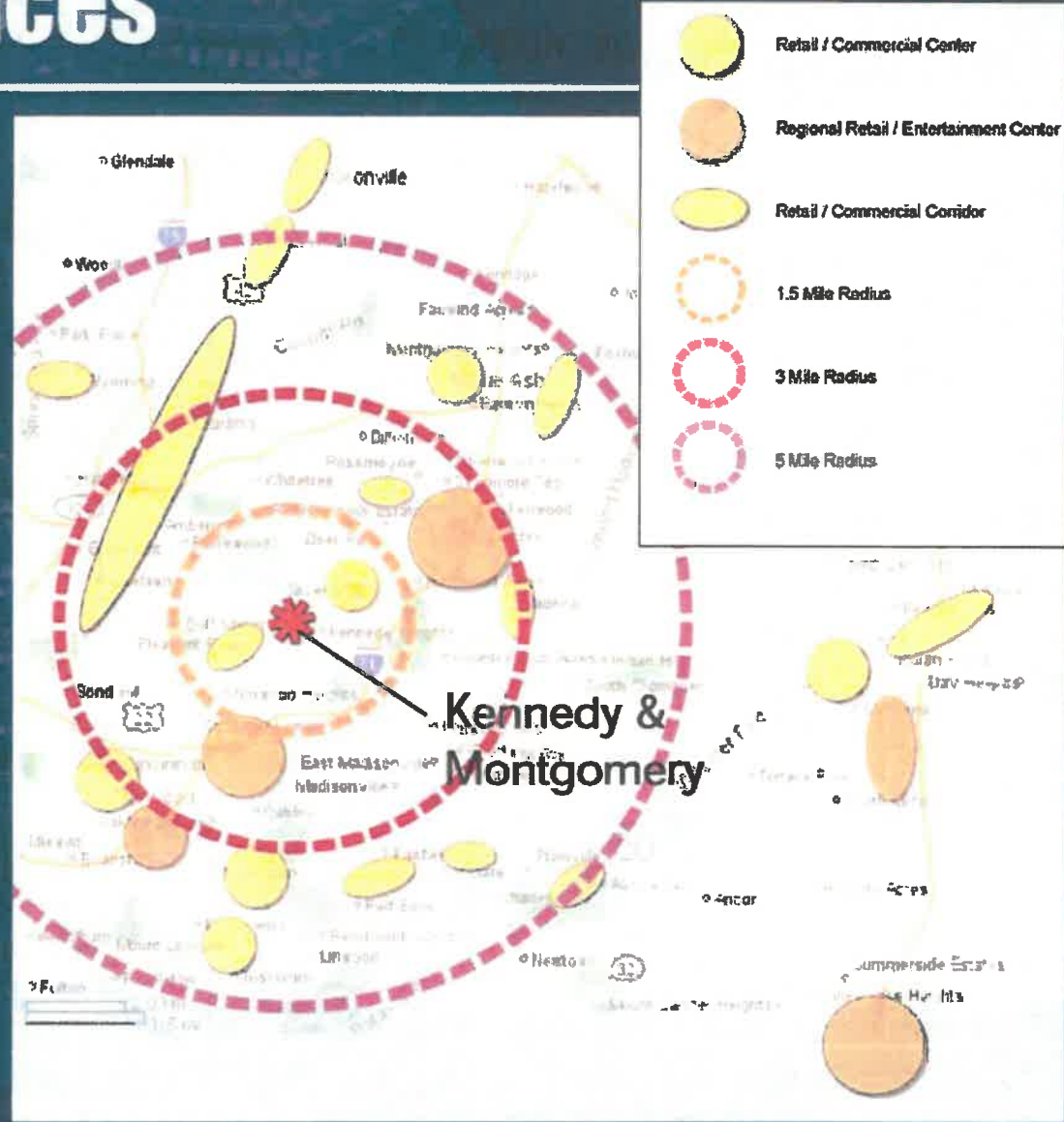


OKI Regional Zoning Map



Local Influences

- Glut of Available Commercial Space
- Need to Cluster Complimentary Uses
- Commercial District lacks north-south transportation linkages. (Competing local districts benefit from relatively better connectivity)
- Need to target local and regional niche market opportunities based on desired community characteristics & assets



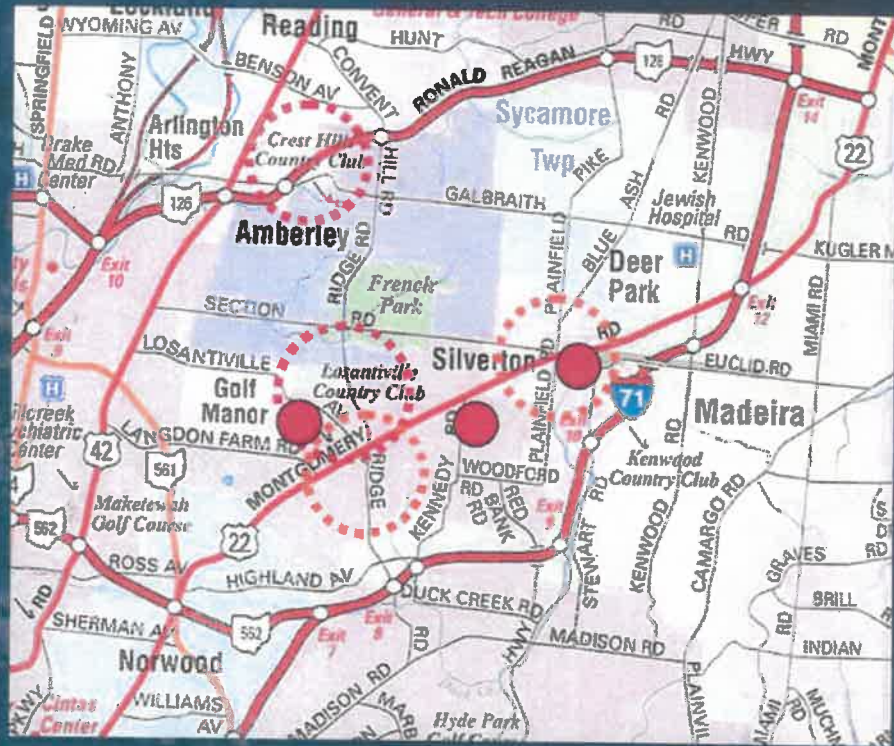
Competing Commercial Districts within a five mile radius are easily accessible to area residents



Local Influences - now & future

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- Silverton, Pleasant Ridge tenanting and re-development strategies also working to “reclaim” their commercial districts.
- Possible development of Losantaville or Crest Hills Country Clubs would significantly influence local housing and commercial market
- Uncertain Status of former Kroger/Furniture Fair Site



Several possible redevelopment scenarios for nearby properties will impact redevelopment opportunities and future highest and best uses with the Kennedy Heights Montgomery Road Corridor



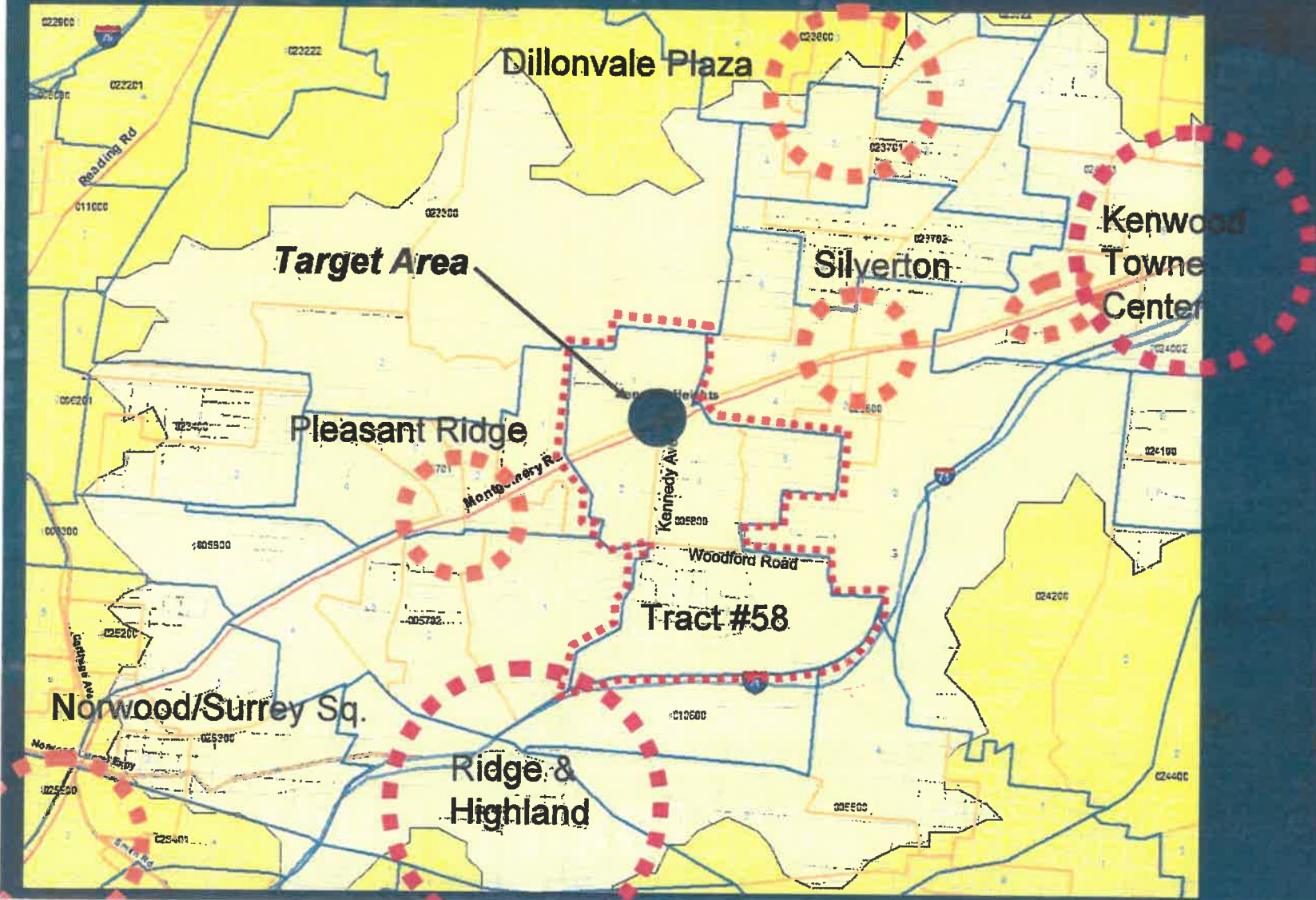
Market Analysis Overview

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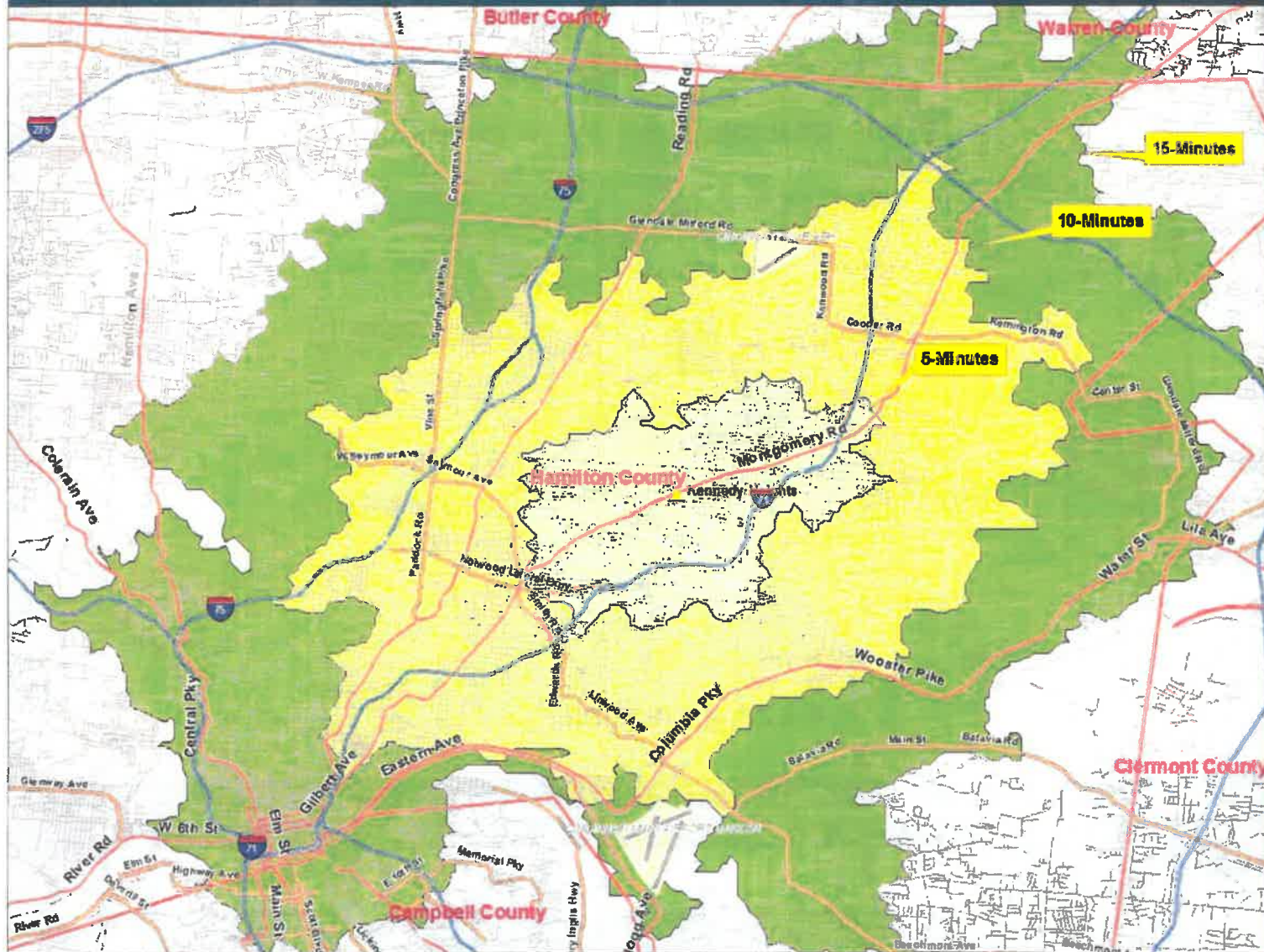
- Market Area Definitions (Boundaries)
- Demographic Data
- Residential Audit
- Consumer Segmentation
- Retail Audit
- Retail Demand



Census Tract Boundaries



Drive Time Market Area



Population and Household Growth

- Relatively Stable Population
- Over 100,000 households within 10-minutes of Kennedy Heights

Population and Household Growth						
	Tract 58 (Hamilton Cty)	5-Minute Drive Time	10-Minute Drive Time	15-Minute Drive Time	Hamilton County	State of Ohio
2000 Total Population	5,689	66,921	261,729	537,073	845,303	11,353,140
2003 Total Population	5,673	65,837	257,364	529,371	831,532	11,458,666
2008 Total Population	5,541	64,054	250,413	520,078	809,107	11,641,715
2003 - 2008 Annual Rate	-0.47%	-0.55%	-0.55%	-0.35%	-0.55%	0.32%
2000 Households	2,551	30,693	114,588	229,814	346,790	4,445,773
2003 Households	2,575	30,474	113,600	228,279	343,837	4,522,132
2008 Households	2,577	30,309	112,904	228,856	341,725	4,683,356
2003 - 2008 Annual Rate	0.02%	-0.11%	-0.12%	0.05%	-0.12%	0.7%
2003 Average Family Size	2.89	2.91	2.98	3.01	3.06	3.03

Source: U.S. Census 2000, ESRI.



Household Type

- Families make up the majority of Kennedy Heights households
 - Nearly one-third of the households have children
 - One-third have persons over age 65

Households by Type						
	Tract 58 (Hamilton Cty)	5-Minute Drive Time	10-Minute Drive Time	15-Minute Drive Time	Hamilton County	State of Ohio
Total	2,551	30,693	114,588	229,814	346,790	4,445,773
Family Households	59.7%	55.3%	56.0%	56.2%	61.3%	67.3%
Married-couple Family	35.6%	38.1%	37.8%	37.4%	43.4%	51.4%
With Related Children	12.9%	16.0%	16.7%	17.0%	20.3%	23.5%
Other Family (No Spouse)	24.1%	17.2%	18.2%	18.8%	17.9%	15.9%
With Related Children	15.8%	11.1%	12.0%	13.0%	12.3%	10.5%
Nonfamily Households	40.3%	44.7%	44.0%	43.8%	38.7%	32.7%
Householder Living Alone	36.8%	39.3%	37.9%	37.0%	32.9%	27.3%
Householder Not Living Alone	3.6%	5.4%	6.1%	6.8%	5.8%	5.3%
Households with Related Children	28.7%	27.1%	28.7%	29.9%	32.6%	34.0%
Households with Persons 65+	31.0%	26.8%	25.3%	23.0%	23.3%	23.8%

Source: U.S. Census 2000, ESRI.



Population Age

- Slightly older population – median age 41.

Population by Age - 2003 Estimates

	Tract 58 (Hamilton Cty)	5-Minute Drive Time	10-Minute Drive Time	15-Minute Drive Time	Hamilton County	State of Ohio
Median Age	41.0	38.9	37.9	36.1	36.2	37.0
Total	5,673	65,837	257,364	529,372	831,532	11,458,666
0 - 4	5.1%	5.8%	5.9%	6.3%	6.5%	6.5%
5 - 9	6.0%	6.0%	6.1%	6.5%	6.8%	6.8%
10 - 14	7.5%	6.4%	6.8%	7.0%	7.3%	7.2%
15 - 24	12.6%	12.4%	13.7%	15.0%	14.5%	14.0%
25 - 34	10.7%	13.5%	13.5%	13.7%	13.1%	12.7%
35 - 44	14.2%	15.5%	14.8%	14.7%	14.9%	15.1%
45 - 54	14.6%	14.5%	14.6%	14.2%	14.2%	14.6%
55 - 64	11.4%	9.3%	9.4%	9.0%	9.1%	9.8%
65 - 74	9.0%	7.5%	7.3%	6.6%	6.7%	6.8%
75 - 84	6.9%	6.5%	5.7%	5.0%	4.9%	4.8%
85+	2.1%	2.6%	2.4%	2.1%	1.9%	1.7%
18+	77.2%	78.0%	77.2%	76.2%	75.2%	75.4%

Source: U.S. Census 2000, ESRI.



Household Income

- Slightly lower median income
- Very strong income growth

Median Household Income - 2003 Estimates

	Tract 58 (Hamilton Cty)	5-Minute Drive Time	10-Minute Drive Time	15-Minute Drive Time	Hamilton County	State of Ohio
Household Income Base	2,575	30,475	113,602	228,276	343,834	4,522,111
< \$15,000	14.6%	13.5%	15.6%	18.0%	14.7%	13.7%
\$15,000 - \$24,999	17.3%	13.5%	12.7%	12.5%	11.7%	11.8%
\$25,000 - \$34,999	14.6%	13.8%	12.4%	12.1%	11.8%	12.3%
\$35,000 - \$49,999	12.5%	16.7%	14.8%	14.3%	15.2%	16.9%
\$50,000 - \$74,999	16.0%	18.9%	16.6%	16.1%	18.4%	20.2%
\$75,000 - \$99,999	10.9%	10.4%	9.8%	9.8%	10.9%	11.4%
\$100,000 - \$149,999	10.0%	8.3%	9.6%	9.6%	10.3%	9.3%
\$150,000 - \$199,999	1.2%	2.3%	3.4%	3.2%	3.1%	2.1%
\$200,000 +	2.8%	2.7%	5.0%	4.5%	4.0%	2.3%
Average Household Income	\$58,038	\$60,258	\$71,337	\$67,274	\$68,092	\$60,696
Median Household Income						
2000 Census	\$32,891	\$37,947	\$38,526	\$37,046	\$41,017	\$40,998
2003 Estimate	\$37,718	\$42,678	\$43,897	\$42,409	\$46,371	\$45,585
Growth 2000-2003	15%	12%	14%	14%	13%	11%
2008 Projection	\$50,942	\$51,506	\$53,664	\$51,991	\$55,876	\$53,395
Growth 2003-2008	35%	21%	22%	23%	20%	17%

Source: U.S. Census 2000, ESRI.

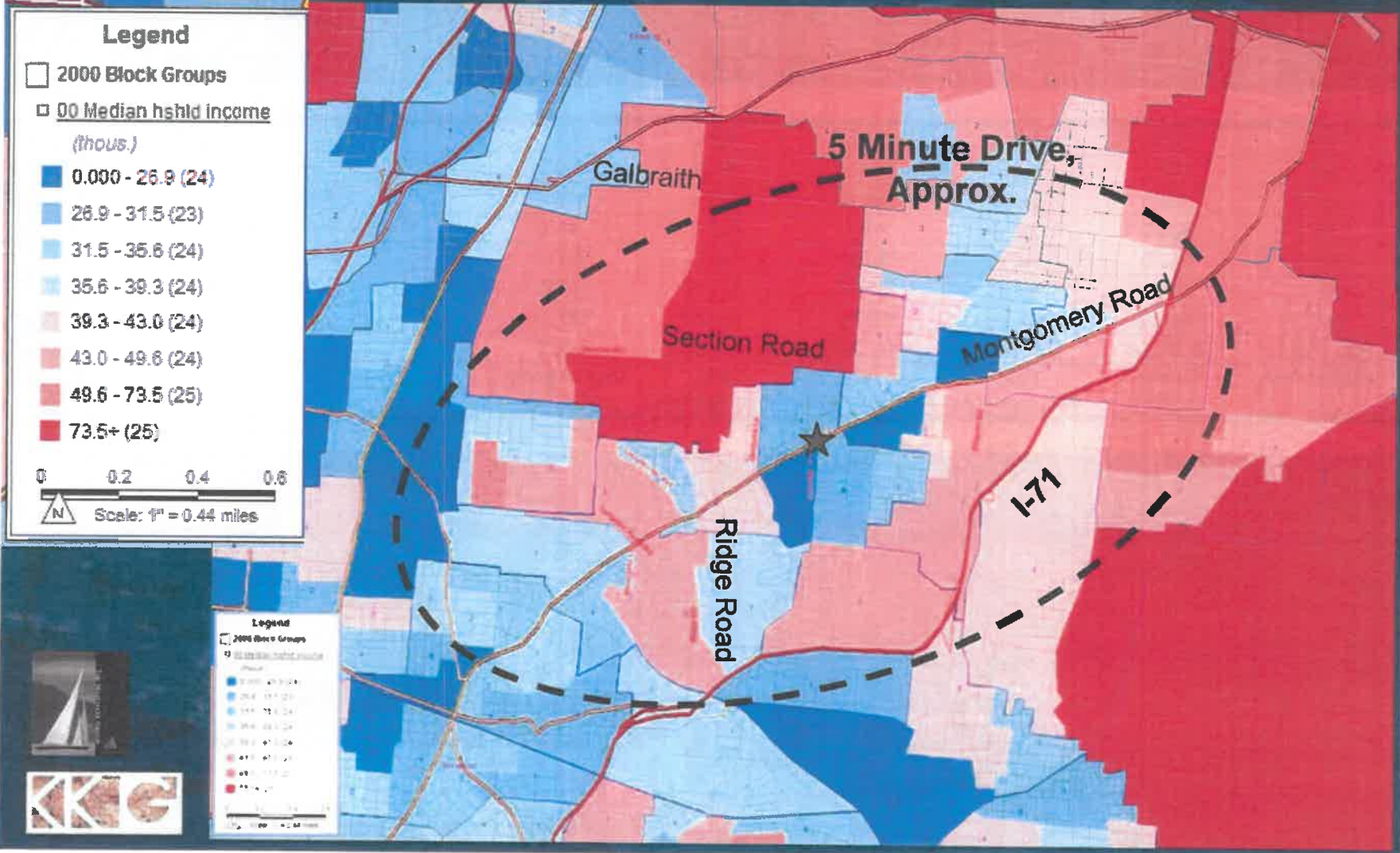


Household Income by Block Group

Median Household Income, 2000 Census

■ \$73,500 +

■ <\$26,900



Race and Ethnicity

- Census reports the population in Tract 58 to be predominately black.
- The race characteristics of the 5-minute drive time radius are reversed.

Race and Ethnicity - 2003 Estimates

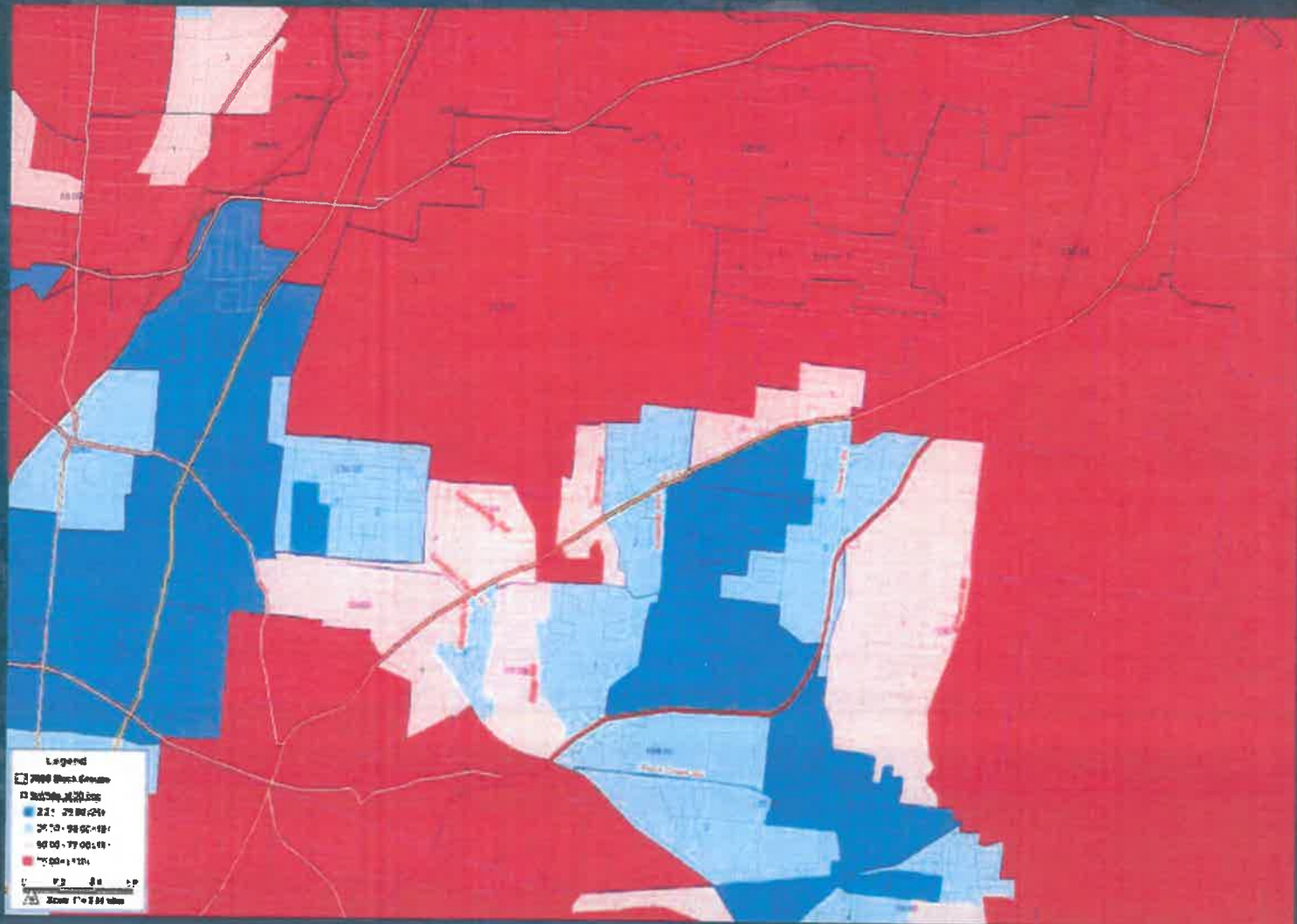
	Tract 58 (Hamilton Cty)	5-Minute Drive Time	10-Minute Drive Time	15-Minute Drive Time	Hamilton County	State of Ohio
Total	5,673	65,837	257,364	529,371	831,532	11,458,666
White Alone	17.9%	64.8%	65.0%	66.4%	71.6%	84.4%
Black Alone	78.8%	31.2%	31.0%	29.0%	24.3%	11.7%
American Indian Alone	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
Asian or Pacific Islander Alone	0.4%	1.5%	1.8%	2.2%	1.9%	1.3%
Some Other Race Alone	0.9%	0.8%	0.6%	0.7%	0.6%	0.9%
Two or More Races	1.8%	1.6%	1.4%	1.5%	1.4%	1.4%
Hispanic Origin	1.1%	1.4%	1.3%	1.5%	1.3%	2.1%

Source: U.S. Census 2000, ESRI.



Racial Diversity

Population by Race: % White; Block Groups; 2000 Census ■ >75% ■ <25%



Census Housing Statistics

U.S. Census Housing Statistics

	Tract 58 (Hamilton Cty)	5-Minute Drive Time	10-Minute Drive Time	15-Minute Drive Time	Hamilton County	State of Ohio
2003 Housing Units	2,869	33,211	125,628	255,670	379,242	4,951,622
Owner Occupied Housing Units	55.0%	53.8%	50.3%	47.2%	54.3%	63.4%
Renter Occupied Housing Units	34.7%	38.0%	40.1%	42.0%	36.3%	27.9%
Vacant Housing Units	10.2%	8.2%	9.6%	10.7%	9.3%	8.7%
Median Home Value						
2000	\$93,697	\$100,813	\$110,813	\$110,429	\$109,047	\$100,501
2003	\$109,507	\$119,386	\$127,990	\$127,770	\$125,917	\$118,910
2008	\$134,223	\$146,649	\$157,274	\$157,830	\$155,146	\$148,650
Growth 2000-2008	43%	45%	42%	43%	42%	48%
Occupied Housing Units by Value						
Total	1,581	17,996	63,857	121,329	207,533	3,072,514
< \$50,000	4.9%	3.2%	4.8%	6.8%	4.9%	12.2%
\$50,000 - \$99,999	54.5%	46.2%	39.0%	37.1%	39.1%	37.5%
\$100,000 - \$149,999	26.4%	29.4%	24.1%	24.0%	27.5%	26.3%
\$150,000 - \$199,999	9.9%	11.7%	11.1%	12.0%	11.9%	12.3%
\$200,000 - \$299,999	3.9%	6.3%	10.5%	10.7%	9.6%	7.8%
\$300,000 - \$499,999	0.6%	2.2%	6.6%	6.1%	4.8%	2.9%
\$500,000 - \$999,999	0.0%	0.9%	3.0%	2.4%	1.8%	0.8%
\$1,000,000+	0.0%	0.2%	1.1%	0.8%	0.5%	0.2%
Average Home Value	\$105,457	\$126,512	\$166,260	\$158,106	\$147,788	\$124,321
Rent Rates						
Median Rent	\$392	\$428	\$419	\$412	\$424	\$423
Average Rent	\$441	\$477	\$478	\$456	\$465	\$443

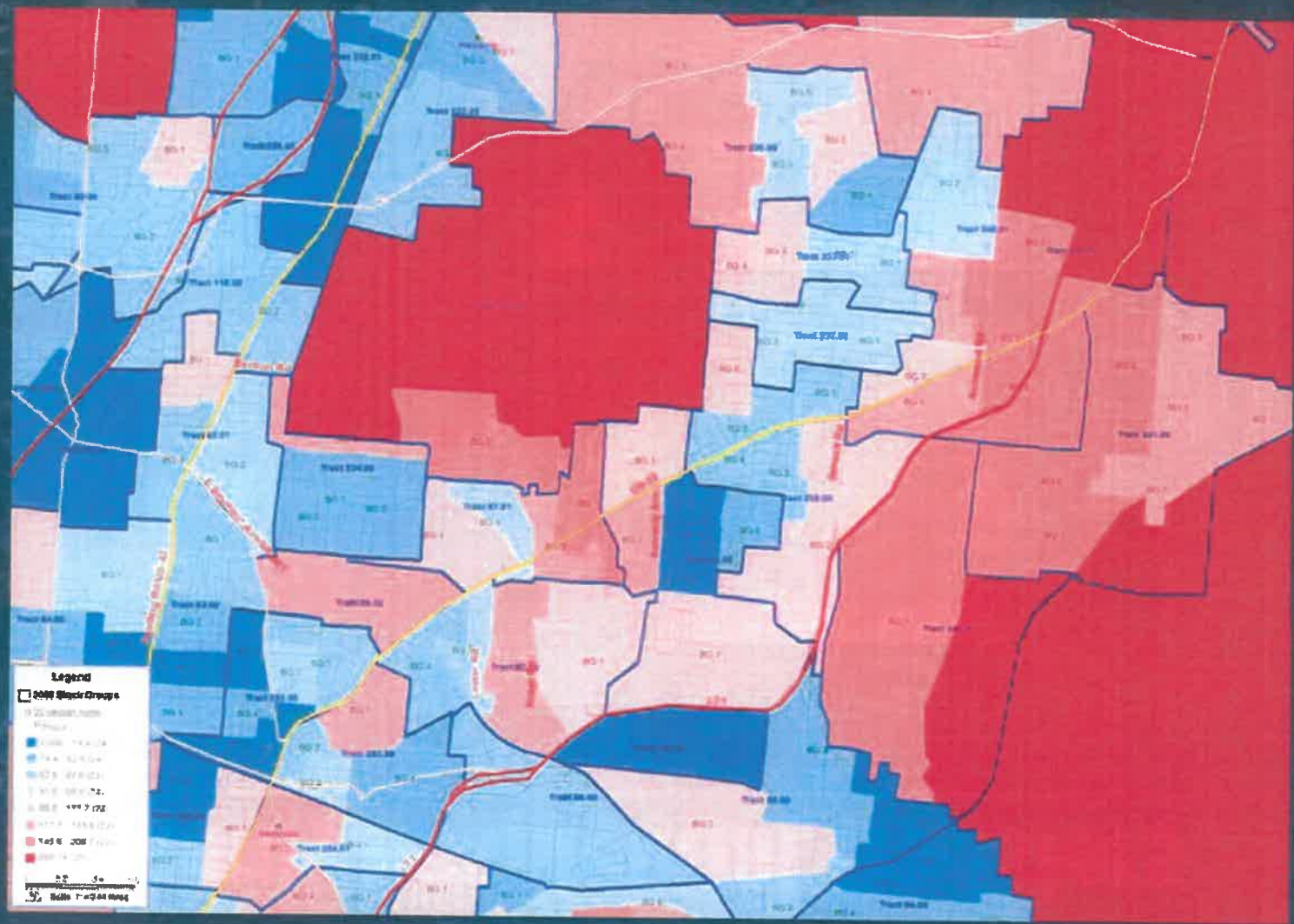
Source: U.S. Census 2000, ESRI.



Median Home Value by Block Group

Median Home Value; Block Groups; 2000 Census

■ >\$206K ■ <\$74K



Single Family Residential Transfers

Selected recent sales north of Montgomery Road.

Source: Hamilton County Auditor



6341 IRIS AVE; \$154,500 - Apr. 2004



6300 ORCHARD LN; \$197,000 - Jun. 2002



6529 GLENN AVE; \$127,000 - Mar. 2004



For Sale: BANTRY AVE; LP \$127,900



Single Family Residential Transfers

Selected recent sales south of Montgomery Road.

Source: Hamilton County Auditor



3850 ODIN AVE; \$47,000 - Mar. 2004



6195 ROGERS PARK PL; \$335,000 - Jul. 2003



3432 SOLAR VISTA PL; \$130,000 - Apr. 2003



For Sale: SOLAR VISTA; LP \$154,900



Recent Multifamily Transfers



3705 WOODFORD RD; \$689,000 - Nov. 2003



6408 KENNEDY AVE ; \$100,000 - Apr. 2004

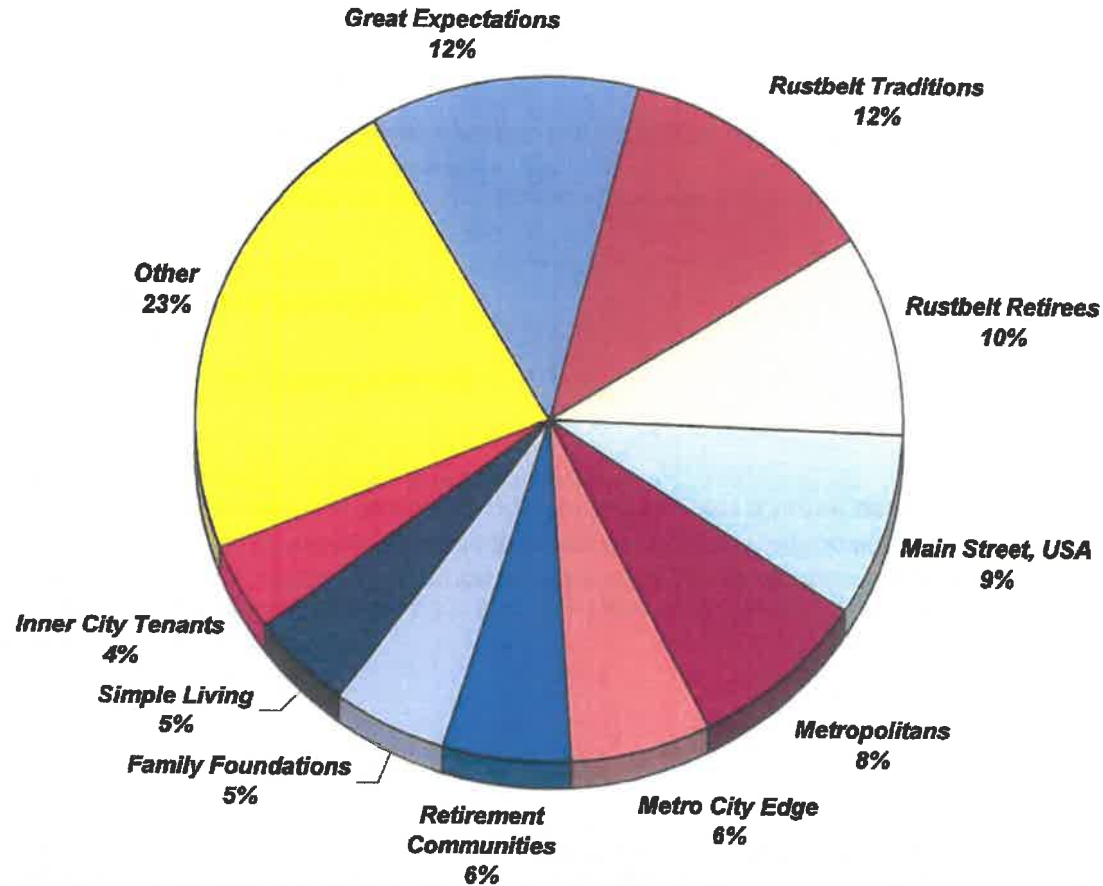


6469 MONTGOMERY RD; \$525,000 - Oct. 2002



Consumer Segments

Tapestry Segments within 5-Minute Drive Radius



Source: ESRI



Tapestry Segments are used by retailers, housing developers, and other businesses to determine local buyer / consumer preferences.

Consumer Segments

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Great Expectations

12% of the 5-Minute DT market; 0% of Tract 58

- Young singles and married couples
- Median Age 33; White, black and Hispanic
- \$33,800 HH income; \$68,730 net worth
- Own a room air conditioner, drink low- no-alcohol beer and buy baby and children's products; own one television set, have a student loan, hold renter's insurance policies and take prescribed drugs for anxiety.
- Watch syndicated television, eat at family restaurants, practice martial arts and kickboxing.
- They use caller ID. They probably wouldn't buy Starbucks ground coffee, own a home equity credit line, take vitamins, listen to all-talk and sports radio or order flowers online.

Rustbelt Traditions

- Also 12% of the 5-Minute DT market and 0% of Tract 58
- Backbone of older industrial cities;
- A mix of married couples, single parents and singles.
- Median Age 36; Mostly white with some black
- \$41,100 HH income; \$80,700 net worth
- They are solid citizens who have lived, worked, spent and played in the same area for years. They don't follow fads; they stick with the products and services they know.
- Own dehumidifiers, work boots and gloves, kerosene heaters, lawnmowers, lawn sprinklers, trimmers and snow blowers
- Will contract for roofing, flooring and carpet installations
- They are members of veteran clubs. Target shooting and bowling are some of their favorite leisure activities. They're devoted pet owners.
- Watching television is an important activity to Rustbelt Traditions
- They watch their pennies and look for bargains in the J.C. Penney catalog, and at Sam's Club warehouse store, Walgreen's and Lerner.
- Probably wouldn't bank by mail or listen to all-talk radio

Consumer Segments

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Rustbelt Retirees

10% of the 5-Minute DT market; 20% of Tract 58

- Similar to Rustbelt Traditions; slightly older with higher income and networth
- A mix of married couples, single parents and singles.
- Median Age 36; Mostly white with some black
- \$41,100 HH income; \$80,700 net worth
- They are practical consumers who work on their homes and yards.
- The own snowblowers, shovels, dehumidifiers, shop vacuums, work boots and gloves, kerosene heaters, lawnmowers, lawn sprinklers and trimmers
- Rustbelt Retirees drink Maxwell House coffee and diet sodas; Television is important to these residents; they own three TV sets
- Health-conscious Rustbelt Retirees visit their cardiologists, join Weight Watchers for diet control, take Centrum Silver vitamins, and prescription medications for osteoporosis.

Metro City Edge

6% of the 5-Minute DT market; 22% of Tract 58

- Young couples with children
- Median Age 28.5; Mostly black
- \$29,900 HH income; \$57,500 net worth
- Lower education attainment; higher unemployment
- Live in older suburban neighborhoods in single family homes
- Metro City Edge residents would probably purchase baby food and supplies, children's clothing and toys. They shop for groceries at Piggly-Wiggly and Food Lion (or locally, Mijer & Biggs). In addition to baby food, their grocery lists might include menthol cigarettes, Folger's Coffee, frozen breakfasts, cornmeal and canned hashes.
- Watching television is important; they serve on church boards, go to the movies often; they play basketball and football; after the game, they might grab a meal at a fast food joint

Consumer Segments

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Retirement Communities

Also 6% of the 5-Minute DT market; but 30% of Tract 58

- Retired households in single family or congregate communities
- Mostly singles with some couples
- Median Age 49.5; Mostly white
- \$44,900 HH income; \$178,000 net worth
- These residents like household gadgets; They've bought table and floor lamps and kitchen furniture. They've spent money for vinyl replacement windows, installed hardwood floors and yard fencing and contracted for exterior painting.
- Good health is uppermost in their minds, so *Retirement Communities* residents visit their internists regularly.
- Leisure time is spent gambling in Atlantic City, playing musical instruments, visiting museums and attending music performances.
- *Retirement Communities* residents watch syndicated television programs, NOVA, Bravo, and weekend news information programs such as *Meet The Press*.
- Family restaurant and steak house favorites include Checkers, Ponderosa and Big Boy. Shopping destinations are Bloomingdale's and Lord & Taylor.

Family Foundations

- 5% of the 5-Minute DT market; 16% of Tract 58
- Mix of married couples, single parents and grandparents
- Median Age 37.4; Mostly black
- \$40,700 HH income; \$88,600 net worth
- Average education attainment; slightly higher unemployment
- Live in older suburban neighborhoods in single family homes
- Investing isn't a high priority for *Family Foundations* residents
- Television is important to *Family Foundations* households; to make sure that everyone can see their favorite entertainment and news programs, they own more than four TV sets.
- *Family Foundations* listen to urban radio. They practice martial arts and kickboxing, play basketball and attend college basketball games. Favorite family restaurants include Rally's, Captain D's and Shoney's.

Under-Supply

Lawn and Garden Equipment
Special Food Services
Used Merchandise Stores
Food & Beverage Stores
Grocery Stores
Beer, Wine, and Liquor Stores
Auto Dealers
Auto Parts
Drinking Places

Over-Supply

Furniture & Home Furnishings Stores
Home Furnishings Stores
Health & Personal Care Stores
Clothing and Clothing Accessories Stores
Shoe Stores
Jewelry, Luggage, and Leather Goods Stores
Department Stores (Excluding Leased Depts.)
Sporting Goods, Hobby, Book, and Music Stores
Book, Periodical, and Music Stores
General Merchandise Stores
Electronics & Appliance Stores

Analysis:

The above listed "Under-supplied" retail categories represent potential voids or underserved markets within the 10-minute drive time trade area. These uses are not necessarily recommended and (many) may be undesirable based on the desired community character and vision for redevelopment. Neighborhood serving specialty & ethnic food vendors, cafes, used books & music, and arts and crafts oriented merchandise could be successful and be complimentary to the community based on current community goals.

Many potential uses within broad categories listed under "Over-Supply" column could be successful within the framework of a strategic and complimentary tenant strategy that brings complimentary retail and service providers together within a concentrated geographic and thematic district.

Corridor Assessment



-  Primary Intersection
-  Secondary Intersection
-  Pedestrian Linkage
-  Unbuffered Parking Lot
-  Billboard / Pylon Signing
-  Deteriorated Property Conditions
-  Retail Use
-  Multi-family Residential
-  Single-family Residential
-  Two-family Residential
-  Institutional/Community Use
-  Service
-  Greenspace
-  Off-street Parking



Vacant & deteriorated properties, unbuffered parking and service areas, and a lack of property maintenance and upkeep create a negative perception of the commercial district.

Existing Retail Properties

- Dominated by automotive-oriented uses
- Ample parcel depth for variety of building types and uses
- Mix of neighborhood & non-neighborhood oriented retail & service businesses
- Limited office or flexible space available



Corridor Character Assessment

- Automotive-oriented, unfriendly to pedestrians
- Vacancy
- Deteriorated Building Stock
- Lack of Investment, Maintenance & Upkeep
- Vehicular oriented Signing
- Poor Neighborhood Linkages



Market Findings

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Initial Market Findings

Commercial District

- The commercial market potential of Kennedy Heights is limited by a lack of north-south transportation linkages. (Competing local districts benefit from relatively better connectivity)
- Vacant & deteriorated properties, un-buffered parking and service areas, and a lack of property maintenance and upkeep have created a negative perception of the commercial district.

Trade Area

- 75% of all housing in the 5-minute drive area is in the \$50,000 to \$150,000 dollar range. Only 6.3% of the 5-mile area housing supply is in the \$200,000 to \$300,000 dollar range. Homes in this range attract young families, singles, and working class families.
- Substantial projected gains in median household income, combined with increasing household sizes suggest increased demand for consumer goods and household conveniences & amenities.

Revitalization of Commercial Parcels

- Future commercial and retail spaces should be geared toward neighborhood service uses which benefit from local walk-up and drive-by patronage.
- The Arts Center, park (and potential new school) could anchor arts, cultural, and recreation-oriented uses with the district.
- Future new uses could include:
 - Live-work spaces (as part of mixed-use projects),
 - Cafes and specialty food vendors,
 - Book sellers,
 - Music-related venues,
 - Galleries and instructional spaces

Market Findings

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Redevelopment Trends

Opportunities for redevelopment along the Montgomery Road Commercial Corridor and surrounding area could include mixed-use models which provide housing, shopping, and leisure activities catering to families, young professionals, and empty-nesters seeking the convenience of urban/metropolitan living and the unique ambiance and suburban qualities of the local area. Successful strategies for revitalization of depreciated commercial and residential properties in first and second-ring suburbs such as Kennedy Heights often focus on a combination of the following themes:

- Alternative housing types to attract empty nesters, young professionals, and working families seeking larger homes & amenities
- Greater demand for urban conveniences & cultural amenities ("Live, Work, Play, Learn")
- Reinvention of aging, second tier commercial properties for community-based cultural and recreation amenities
- Faith-based investment in senior housing, religious & social services, and recreation amenities

Keys to Revitalization

- "Make no small plans" – Substantial change demands substantial investment
- Leverage existing community strengths to capitalize on new potentials:
 - Arts Center!
 - Cultural Diversity
 - Cooperative Energy
- Invest in housing (to meet current and future demand, support future retail, and increase income diversity of community)
- Implement appropriate zoning and design controls
- Enforce existing building codes - lack of maintenance & repair of private properties has a negative influence on perception of business district.
- Employ a flexible tenanting strategy that builds off of the arts center, possible school, and business complex.

Community Character Models

Community Character Models

The following commercial districts exemplify different patterns of commercial and mixed-use development. Each of the following places a strong emphasis on pedestrian convenience, linkages, and amenities. Design guidelines and zoning controls have been strategically implemented within each district although they vary widely in the character and identity which they foster. While the preferred pattern of future development may more closely resemble a more traditional urban commercial shopping district such as Mariemont's, design guidelines and zoning controls within the Kennedy Heights Business district could borrow from any of the following examples:

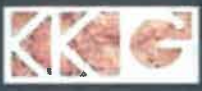
Mixed Use Districts

- Mariemont, Ohio - Green Space as Anchor
- Pedestrian-Oriented Shopping Districts
- Suburban Corridors (Blue Ash, Ft. Thomas)
- Eclectic Mixed Use Districts (O'Bryonville, Ludlow Gaslight District)

Greenspace Anchored Mixed-use



Mariemont:
Civic Space linked to wide array of housing.
Boulevards & Streets are Pedestrian Friendly.



Pedestrian-Oriented Mixed-use Districts

Montgomery, Oh
Meadowmont, NC

- Intimate commercial districts
- High level of architectural, control / restrictions



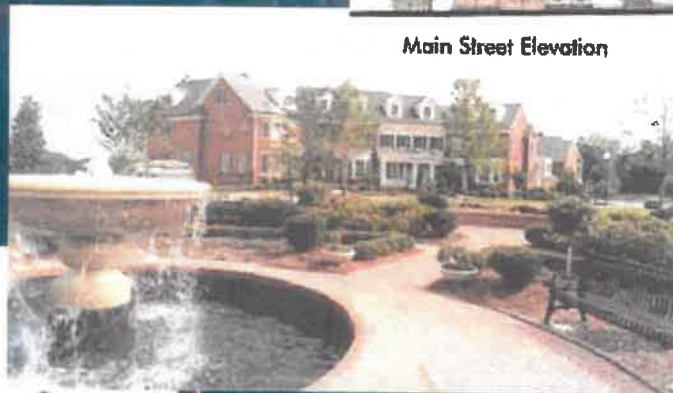
Montgomery Road Elevation

not to scale



Main Street Elevation

not to scale



Suburban-Modeled Corridors

Blue Ash, OH

- Large Setbacks
- Pedestrian Friendly
- Buffered Parking



Suburban Neighborhood Centers

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- Fort Thomas, KY
 - Varied Setbacks
 - Quality Streets & Public Spaces



Neighborhood Centers

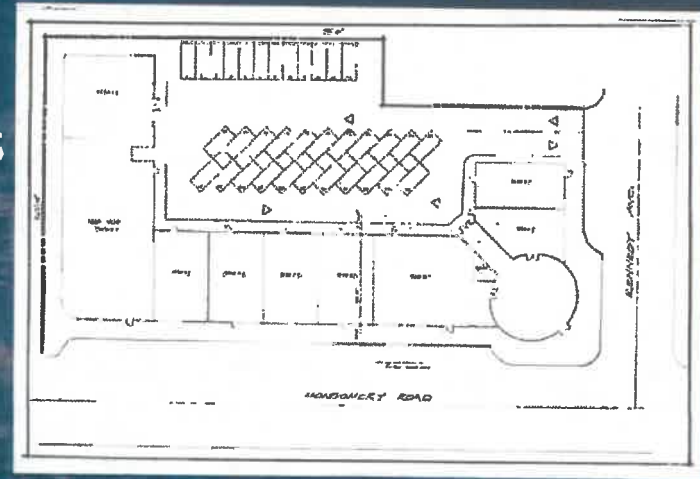
Hyde Park Square, Clifton Gaslight Dist.,
O'Bryonville

- Eclectic Mix of Uses
- Quality Urban Streets & Public Spaces



Business District Vision

- Arts & Culture Anchor
- School-based Opportunities
- Community Activity Center



DeSales Corner Mixed-use Center



Proposed Kennedy Heights Business Complex

“The Vision”

- One Basic Vision
- Four Alternative Schemes



The Proposed Kennedy Heights Business Complex (above) would establish a new precedent for high quality, neighborhood-serving mixed-use commercial development on the site of a vacant, former fast-food restaurant at the northwest corner of Kennedy and Montgomery.



Kennedy & Montgomery Streetscape Concept

The Streetscape concept on the left shows the proposed character of a redeveloped Furniture Fair site at the corner of Kennedy and Montgomery.

"The Vision" - Scheme A

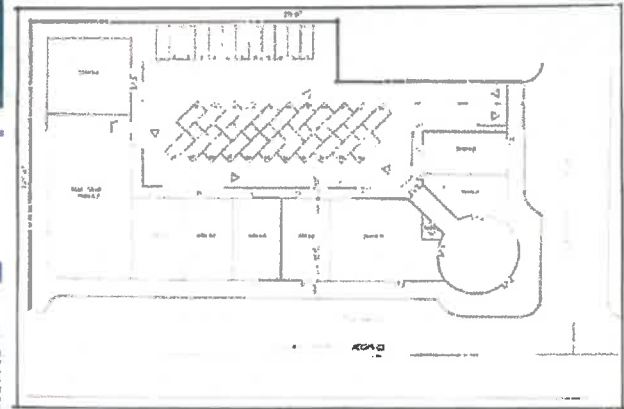
VISION PLAN Scheme A - "Arts and Culture"

REDEVELOPMENT GOALS

1. Place future mixed-use commercial buildings at right-of-way to reinforce identity and maximize intensity of uses at the core commercial district.
2. Develop enhanced pedestrian crossings, wayfinding, and streetscape elements to establish Kennedy and Montgomery as the signature gateway to the neighborhood. Consider development of an architectural icon to anchor community gatherings, events, and activities.
3. Redevelopment of the former grocery site should be directed to maximize integration with the proposed gateway, commercial district and playfield. Alternative redevelopment scenarios could include the adaptive reuse of the existing structure as a community/cultural or family and senior services center.
4. New market-rate housing to could be developed to capitalize on strong linkages to the arts center, park, and open space. Modern townhome or condominium spaces should provide increases residential density to support neighborhood cultural venues, retailers, and service providers.
5. The proposed mixed-use business center could feature tenant and residential spaces which compliment Kennedy Heights Arts Center.
6. Shared parking areas should be located behind commercial buildings or buffered from street frontages.
7. Access to parking areas should be consolidated to reduce the number of curbcuts interrupting sidewalks and storefronts.



"The Vision" - Scheme B



Scheme B depicts the potential to develop the proposed Business Complex in separate phases (rather than one larger floor-plate, as above) based on alternative site acquisition, market absorption, and partnering scenarios.

In addition, new housing could be developed at the north end of the playfield to increase the potential for local patronage and lower net residential development cost

"The Vision" - Scheme C



Scheme C depicts the potential for proposed redevelopment of the Furniture Fair site. Under this vision redevelopment would include a new Kennedy Heights school with additional building or interior space for shared recreational facilities and programmable community use.

"The Vision" - Scheme D

Scheme D - "Arts and Living"

REDEVELOPMENT GOALS

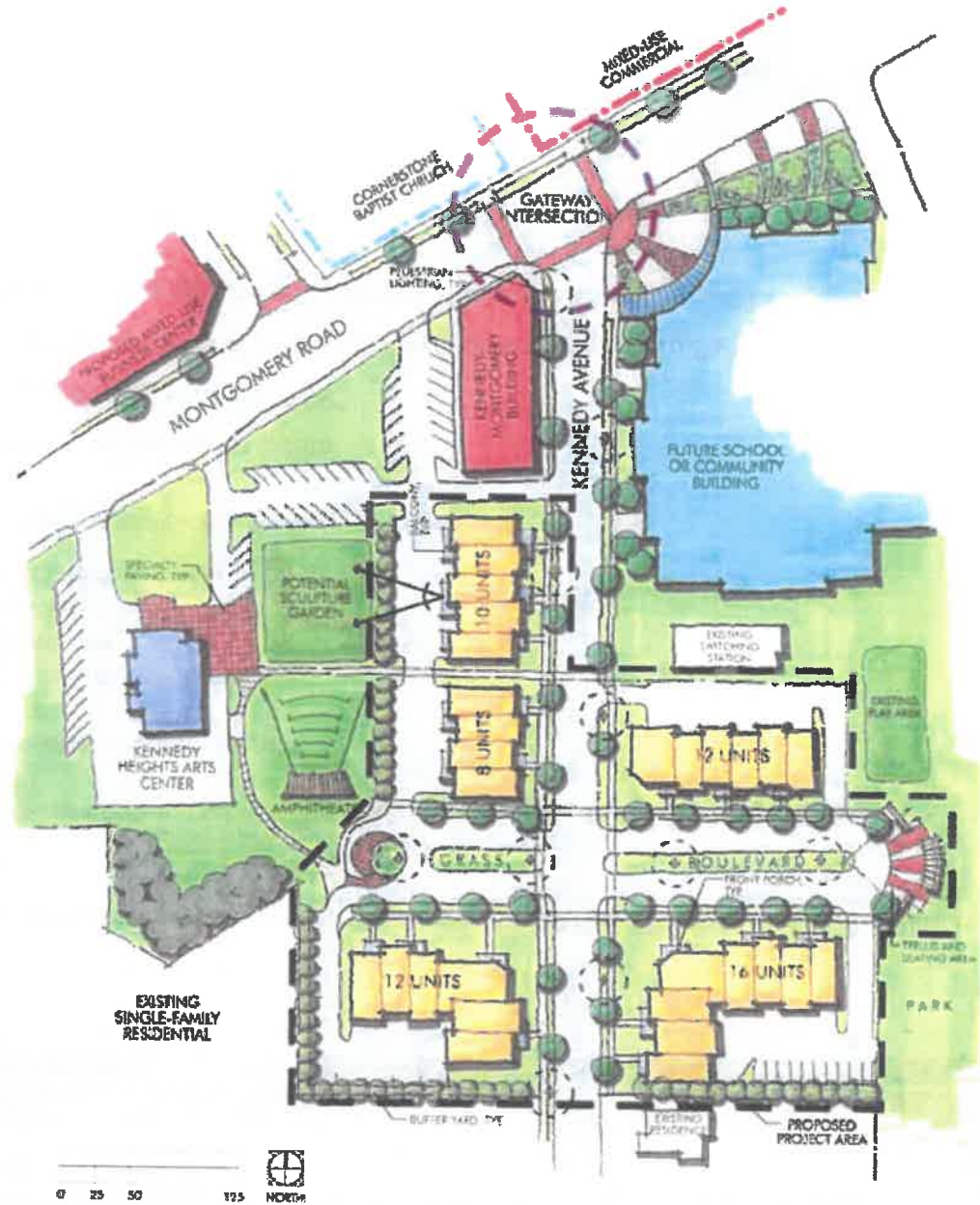
1. Place future mixed-use commercial buildings at right-of-way to reinforce identity and maximize intensity of uses at the core commercial district.
2. Develop enhanced pedestrian crossings, wayfinding, and streetscape elements to establish Kennedy and Montgomery as the signature gateway to the neighborhood. Consider development of an architectural icon to anchor community gatherings, events, and activities.
3. Redevelopment of the former grocery site should be directed to maximize integration with the proposed gateway, commercial district and playfield. Alternative redevelopment scenarios could include the development of new housing with strong relationships to the existing playfield.
4. New market-rate housing to could be developed to capitalize on strong linkages to the arts center, park and open space. Modern townhome or condominium spaces should provide increases residential density to support neighborhood cultural venues, retailers, and service providers.
5. The proposed mixed-use business center could feature tenant and residential spaces which complement Kennedy Heights Arts Center.
6. Shared parking areas should be located behind commercial buildings or buffered from street frontages.
7. Access to parking areas should be consolidated to reduce the number of curbside interrupting sidewalks and storefronts.
8. Future development along the east end of the NBD should include reinvestment in existing building stock and maintain the existing building configuration and scale.



Arts District

Housing Opportunities

New market-rate housing such as that shown on the vision plans could be developed to capitalize on strong linkages to the arts center, park, and open space. Modern townhome or condominium spaces would provide increased residential density to meet demand across a mix of income levels and increase patronage of neighborhood cultural venues, retailers, and service providers. The plan at right shows how up to 4 different floor plans could be integrated within an intimate campus environment.



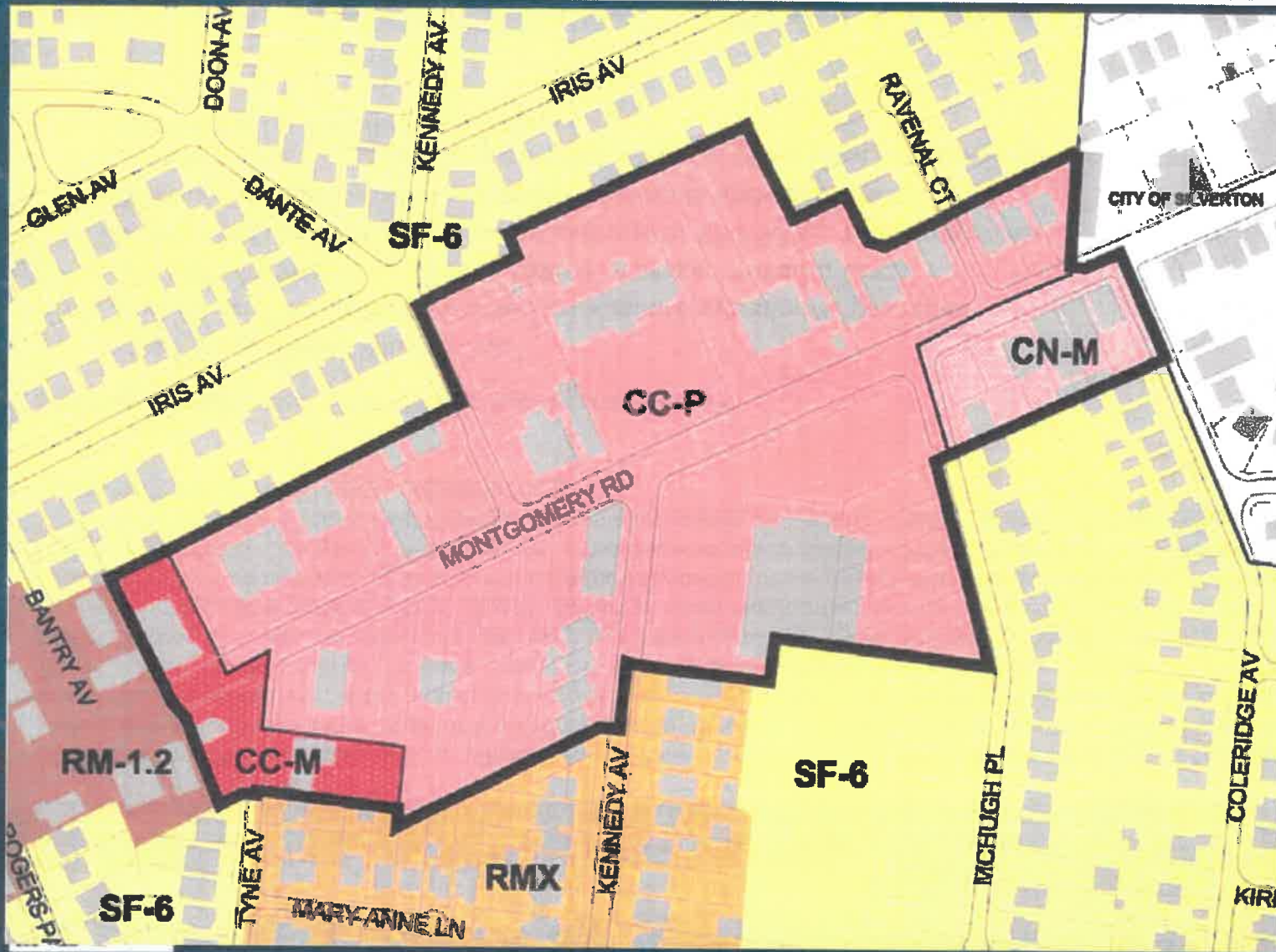
Zoning Overlay Recommendations

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Zoning Recommendations

- Development committee & project team collaborated to recommend changes the Underlying Zoning to support the Vision Plan
- Proposed adoption of CC-P Community Commercial Pedestrian District:
 - *Community Commercial (CC)* - supports commercial and institutional uses along major transportation corridors
Contains both pedestrian- and auto-oriented development.
 - *Pedestrian (P)*: Preferred community character designation
 - Traditional "streetcar era" urban character
 - Zero Lot Lines (no setback from right-of-way)
 - Provides a close relationship between pedestrians and shops.
 - Inviting pedestrian environment / linkages to neighborhoods.
- City Adopted new zoning designations as part of zoning code update
- KHCC prepared draft district design guidelines for staff review in 2005
- Staff recommended that KHCC petition the city for adoption of a Urban Design Overlay District in Spring of 2007
- KHCC passed resolutions supporting petitions to Planning Commission and Council in September 2007

Current Zoning Map



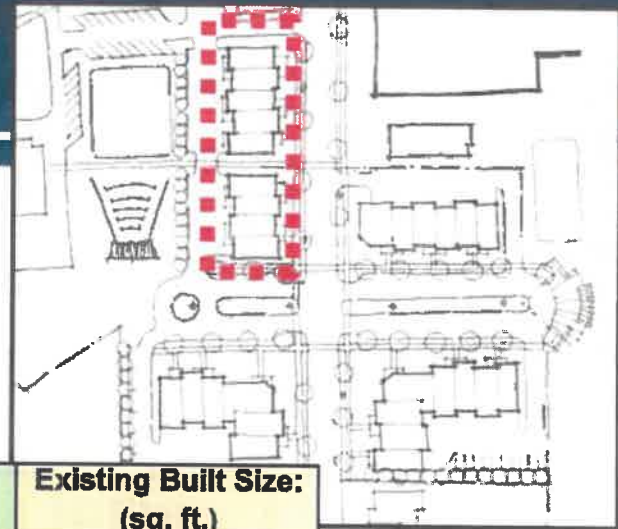
Residential Infill Feasibility

The following schedules represent cost allowances and revenue projections for the residential in-fill project depicted along either side of Kennedy Avenue south of Montgomery Road. While the assumptions listed must be substantiated through more detailed assessment, initial projections suggest that such a project could generate sufficient return to be financially feasible without public subsidy. Property acquisition, while potentially challenging, could occur through free-will private-sector transactions. The conceptual plan depicts a total site area of 3.04 acres. This represents one unit per 2,250 square feet of land area or a gross density of 19 units per acre. Actual development density of a given infill project will be determined by a combination of factors including market position of the project, demand, and actual site clearing and development costs. This type of in-fill may not be feasible where land costs are inflated such as with speculatively valued commercial properties. Substantially lower development densities may not be possible without substantially lower site acquisition cost or some form of outside funding.

The following listing details assumptions inherent to the analysis:

- First Pass Analysis "Rough Draft"
- Acquisition Cost Estimation based on auditors valuation + premium
- Site Work Estimation based on 15% of estimated Building Cost
- Build Cost Estimation based on an average of \$50.00 sq. ft. Building Cost
- Revenue Estimation based on typical local rents and sale values
- Sensitivity Analysis utilized to measure the impact of variations in assumed revenues and expenses supports project viability.

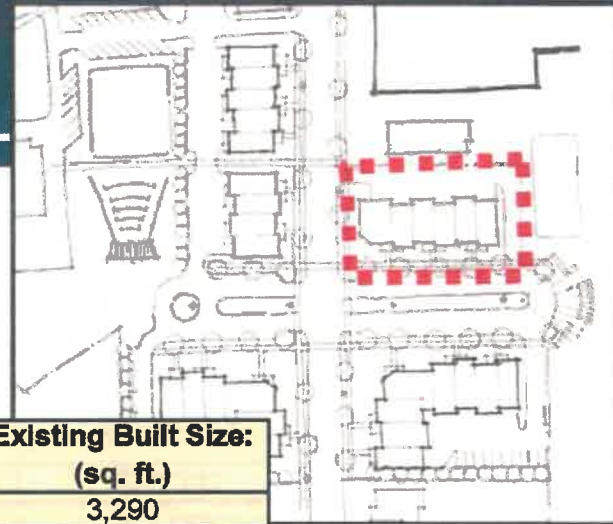
Northwest Building



Parcel:	Type of Property:	Land: (acres)	Estimated Cost:	Existing Built Size: (sq. ft.)
6445 Kennedy	Three Family	0.116	\$125,000	3,385
6441 Kennedy	Two Family	0.113	\$110,000	2,292
6437 Kennedy	Two Family	0.119	\$110,000	2,760
6433 Kennedy	Two Family	0.118	\$110,000	2,445
6431 Kennedy	Single Family	0.096	\$95,000	1,264
Subtotal		0.562	\$550,000	12,146
Site Work/Demolition (\$2.50 per sq. ft.):				\$30,365
Total Acquisition and Prep:				\$580,365

Unit Mix	Size (sq. ft.)	Unit Count	Built Space	Build Cost (\$50 sq. ft.)	Revenue:	Total
Townhome 3BR Split-level	2000	5	10000	\$500,000	\$275,000	\$1,375,000
Townhome 3BR Split-level	1800	4	7200	\$360,000	\$250,000	\$1,000,000
Effeciency Flat	600	5	3000	\$150,000	\$85,000	\$425,000
Effeciency Flat	500	4	2000	\$100,000	\$75,000	\$300,000
Totals		18	22,200	\$1,110,000		\$3,100,000

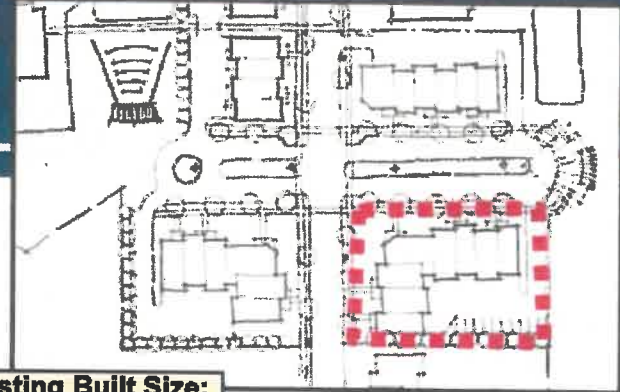
Northeast Building



Parcel:	Type of Property:	Land: (acres)	Estimated Cost:	Existing Built Size: (sq. ft.)
6442 Kennedy	Four Family	0.223	\$155,000	3,290
6438 Kennedy	Four Family	0.218	\$140,000	3,290
6434 Kennedy	Four Family	0.202	\$140,000	3,096
6432 Kennedy	Single Family	0.228	\$110,000	1,503
Subtotal		0.871	\$545,000	11,179
Site Work/Demolition (\$2.50 per sq. ft.):				\$27,948
Total Acquisition and Prep:				\$572,948

Unit Mix	Size (sq. ft.)	Unit Count	Built Space	Build Cost (\$50 sq. ft.)	Revenue:	Total
Townhome 3BR Split-level Ground Level	2400	1	2400	\$120,000	\$310,000	\$310,000
Townhome 3BR Split-level	2000	4	8000	\$400,000	\$275,000	\$1,100,000
Townhome 3BR Split-level	1800	1	1800	\$90,000	\$250,000	\$250,000
1 BR Flat	1000	1	1000	\$50,000	\$135,000	\$135,000
Efficiency Flat	600	1	600	\$30,000	\$85,000	\$85,000
Efficiency Flat	500	4	2000	\$100,000	\$75,000	\$300,000
Totals		12	15,800	\$790,000		\$2,180,000

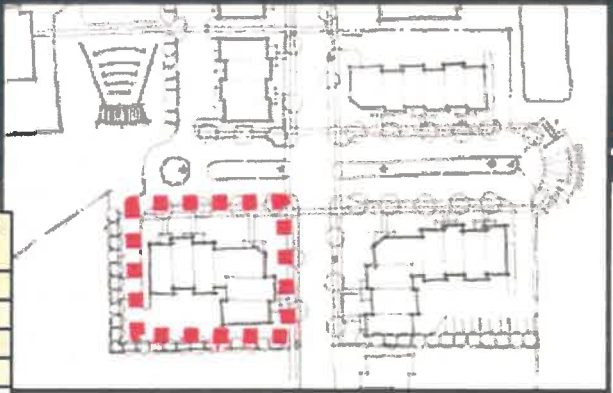
Southeast Building



Parcel:	Type of Property:	Land: (acres)	Estimated Cost:	Existing Built Size: (sq. ft.)
6429 Kennedy	Four Family	0.164	\$135,000	2,080
6427 Kennedy	Four Family	0.208	\$135,000	3,864
6425 Kennedy	Four Family	0.137	\$135,000	2,032
6423 Kennedy	Four Family	0.195	\$135,000	2,560
6417 Kennedy	Single Family	0.197	\$120,000	1,921
Subtotal		0.901	\$660,000	12,457
Site Work/Demolition (\$2.50 per sq. ft.):				\$31,143
Total Acquisition and Prep:				\$691,143

Unit Mix	Size (sq. ft.)	Unit Count	Built Space	Build Cost (\$50 sq. ft.)	Revenue:	Total
Townhome 3BR Split-level Ground Level	2400	1	2400	\$120,000	\$310,000	\$310,000
Townhome 3BR Split-level	2000	5	10000	\$500,000	\$275,000	\$1,375,000
Townhome 3BR Split-level	1800	2	3600	\$180,000	\$250,000	\$500,000
1 BR Flat	1000	1	1000	\$50,000	\$135,000	\$135,000
Effeciency Flat	600	5	3000	\$150,000	\$85,000	\$425,000
Effeciency Flat	500	2	1000	\$50,000	\$75,000	\$150,000
Totals		16	21,000	\$1,050,000		\$2,895,000

Southeast Building



Parcel:	Type of Property:	Land: (acres)	Estimated Cost:	Existing Built Size: (sq. ft.)
6424 Kennedy	Single Family	0.23	\$110,000	1,421
6420 Kennedy	Single Family	0.232	\$110,000	1,630
6418 Kennedy	Single Family	0.236	\$125,000	2,085
Subtotal		0.698	\$345,000	5,136
Site Work/Demolition (\$2.50 per sq. ft.):				\$12,840
Total Acquisition and Prep:				\$357,840

Unit Mix	Size (sq. ft.)	Unit Count	Built Space	Build Cost (\$50 sq. ft.)	Revenue:	Total
Townhome 3BR Split-level Ground Level	2400	1	2400	\$120,000	\$310,000	\$310,000
Townhome 3BR Split-level	2000	3	6000	\$300,000	\$275,000	\$825,000
Townhome 3BR Split-level	1800	2	3600	\$180,000	\$250,000	\$500,000
1 BR Flat	1000	1	1000	\$50,000	\$135,000	\$135,000
Effeciency Flat	600	3	1800	\$90,000	\$85,000	\$255,000
Effeciency Flat	500	2	1000	\$50,000	\$75,000	\$150,000
Totals		12	15,800	\$790,000		\$2,175,000

Analysis:

The summary table (below) demonstrates that infill development has the potential to create a return on investment worthy of the development community's consideration. Even when assumed costs for site acquisition and construction are inflated by 25% and revenue is decreased by 25% the project shows a reasonable return on investment.

Building	Acquisition, Demo, and Site Cost:	Build Cost:	Total Cost:	Revenue:	Margin:	Margin (%):
Northwest	\$580,365	\$1,110,000	\$1,690,365	\$3,100,000	\$1,409,635	45%
Northeast	\$572,948	\$790,000	\$1,362,948	\$2,180,000	\$817,053	37%
Southwest	\$691,143	\$1,050,000	\$1,741,143	\$2,895,000	\$1,153,858	40%
Southeast	\$357,840	\$790,000	\$1,147,840	\$2,175,000	\$1,027,160	47%
Total	\$2,202,295	\$3,740,000	\$5,942,295	\$10,350,000	\$4,407,705	

Implementation

Context for Redevelopment

Successful Neighborhood Business districts are a lot like gardens. To reach their full potential they require some heavy lifting and a light touch. Experimentation must be balanced with careful forethought and planning. Seeds planted in one plot sometimes flower in an unexpected location. And cultivation and feeding is an ongoing task.

Many factors outside the borders of Kennedy Heights influence economic conditions and the potential for redevelopment within the community. The Montgomery Road corridor is the common tie that binds each adjacent community as they vie for reinvestment in commercial and residential properties. As in Kennedy Heights, residents and business patrons in Pleasant Ridge and Silverton have a wide array of alternatives in shopping, dining, and entertainment in just a 10 minute drive-time radius. In order to attract new businesses, residents, and investment, each of the three communities must concentrate on the unique qualities and competitive advantages that they possess. In order to compete with regional shopping and entertainment destinations, each of the three communities will have to attract patrons from the surrounding neighborhoods and the region at large.

The nearby Oakley Business District provides one excellent model of how a small neighborhood business district can exploit its unique opportunities. Like each of the three afore-mentioned communities, Oakley experienced its initial growth and development as a result of the expansion of rail and streetcar lines. Homes were built for middle-income and working class families that depended upon the local grocer and a diverse array of local businesses to meet their weekly consumer demands.

The advent of the automotive society, regional shopping center, and "big box" retailer caused a gradual decline of the neighborhood business district. The neighborhood grocery was ultimately replaced by a national pharmacy store and a retail distribution center. Retail businesses that did not offer one-of-a-kind products or exceptional customer service were slowly replaced by regionally branded, automotive-oriented businesses that benefited from through-traffic and were not dependent on neighborhood residents or local businesses for success.

Implementation

Without question, the rebirth of the Oakley business district has been influenced by the strong demographic and consumer base of the more affluent neighborhood of Hyde Park. Private developers have recognized the potential market for new housing and a significant number of new market-rate housing units have been developed in and around the community – some in the place of former single-family tracts. Coupled with the recent development of major regional shopping centers to the north (Center of Cincinnati) and South (Rookwood Commons & Pavilion) along the Madison Road corridor there has been an explosion of investment in new businesses over the last five years. The businesses found there today are strategically positioned to draw from the eclectic niche of trendy home furnishings and decor retailers which anchor the district. These core retailers (including *Voltage* and *Bona*) provide the brand identity that has in large measure fueled additional storefront development and new construction to the north of Brotherton Road. New businesses include the development of restaurants, specialty retailers, professional, and medical offices.

If Oakley can do it – Why not us?

Much of the physical transformation of the Oakley Business District has occurred in just the last five years. Like Oakley, Kennedy Heights benefits from close proximity to more affluent neighbors. The neighborhood business district is less than three miles from I-71 and the Kenwood Towne Center and less than a mile from the Ridge and Highland Area Interchange. In recent months, several community development initiatives are currently pending, have begun, or have been announced for both within and adjacent to the business district. These include:

- *The development of the Kennedy Heights Arts Center*
- *The Columbia Township Comprehensive Plan including the redevelopment of the Ridge and Highland Avenue Commercial Area.*
- *The Expansion and Renovation of Nativity School and Church Facilities*
- *The proposed development of the former Crest Hills / Ridge Club site.*
- *The construction of a new Montessori School on the grounds of the current Pleasant Ridge Elementary Site.*
- *The construction of a new neighborhood elementary school in either Kennedy Heights or Silverton*
- *The Proposed construction of the Kennedy Connector*

Implementation

Collectively, these initiatives present a unique opportunity to leverage individual investment and improvement projects into more meaningful and strategic investment within the adjacent communities.

The founding, growth, and development of the Kennedy Heights Arts Center has already had a dramatic influence on both the cultural and physical perceptions of the Kennedy Heights Business District. It is a testament to the catalytic impact that one project, borne from a committed group of community activists, can have. There is tremendous potential for the Arts Center to partner with community council and interested stakeholders to develop additional outreach programs and sources of funding for improvements that benefit the business district and community at-large. Partnering initiatives could include the development of shared parking facilities, performing arts, and events spaces on and around the Arts Center campus. The Montgomery Corridor Arts Collaborative has already begun to raise organizational and funding capacity to assist in the development of inter-community arts-related programming, events, and investments and would be another logical partner moving forward.

While each of the several vacant or under-utilized properties within the business district could ultimately contribute to the successful implementation of the community vision, The Arts Center, the three properties immediately across from the Arts Center, the Kennedy-Montgomery Building, and the former furniture store / grocery site present the greatest apparent opportunities for new development that meets community goals for the establishment of new housing and community serving commercial uses.

The quality and character of redevelopment of these properties will be dependant upon the ability of the community to partner with the City of Cincinnati, not-for-profit organizations, the School Board, private investors, and neighboring communities to meet the challenges that must be overcome.

The Kennedy Heights Arts center has become a magnet for community interaction through arts programming and cultural events



Implementation

Economic Obstacles

In order to facilitate the implementation of the community vision, several substantial economic obstacles must be overcome.

They are:

- Site Control
- Site Clearing and Demolition
- "Gap Financing"

In an open, competitive market, private developers will invest in projects that yield a maximum return on investment with a minimum of associated risk. Sites with outdated and deteriorated building stock, high speculative land values, and negative surrounding influences such as crime and blight are much tougher to develop when competitive market forces are in play. Stated another way, if the projected risk and rate of financial return from an urban in-fill project (whether residential or commercial) is not at least comparable to a project on an unencumbered site – the project will not be viewed as a sound and reasonable investment.

Land acquisition and site development costs are driving forces behind the feasibility of all urban in-fill projects. When these costs are excessively high relative to the total project cost, the developer is unable to offer product to the buyer at a price that is competitive in the larger marketplace. In aging commercial districts (such as those in Kennedy Heights and Silverton), this problem is especially evident when the intended use is residential versus commercial. Typical retail space in a thriving commercial district (like Oakley) might rent for between 12 to 20 times that of a residential space. Even though this "gap" is likely to be much less in areas like Kennedy Heights, the developer is subject to competitive limits on the amount he can charge for residential space.

In order for mixed-use and residential projects such as the proposed business complex to become a reality, the gap in land values must be made up in higher prices, greater density or some form of outside funding. Not-for-profit "community building" organizations, public, and quasi-public organizations are traditional sources of funding assistance for "gap financing" as well as for site acquisition, demolition and clearing.

The City of Cincinnati and the Cincinnati Public School Board are key stakeholders whose constituents include residents outside the community borders of Kennedy Heights. Each of these major stakeholders has a vested interest and obligation to support the community but must balance the perceived needs and objectives of one community with those of the others within their jurisdiction.

Organization and Funding

In this competitive climate, both the city and school board face pressure to develop inter-jurisdictional support for the application and disbursement of limited resources. The current capital improvement and school funding debate has placed the neighboring communities at odds over support for the placement of new school facilities. While at the present time it is uncertain in which community the school will ultimately be built it is very certain that each community is dependant upon the other for the support of new residential and commercial uses. Opportunities to collaborate over commonly held objectives should be exploited whenever possible.

ORGANIZATION & FUNDING

The path to the rebirth of the business district must be guided by an overarching charter that provides a strategic direction and that allows the flexibility to react to changing economic conditions and development opportunities. This Urban Design Plan is the first step in identifying a strategic approach to accomplishing the goals and objectives that have been developed through the community's comprehensive plan and proposed urban design guidelines.

Over the past three years the development committee and KKG conducted a series of meetings involving the City of Cincinnati Development Opportunities Team (DOT Team), zoning staff, school board officials, potential developers, and funders. In May of 2005, a series of discussions focused on the feasibility of redevelopment of district properties including the redevelopment of the former Kroger site and the adjoining properties along Kennedy Avenue. More recent discussions have involved the possible sale and redevelopment of Schroeder School site. Without exception, the redevelopment of these properties will require a high degree of partnering between the public sector and private investors if redevelopment is to meet the community's goals for community building development.

Site Control – the ability to purchase and hold the site – is the key to ensuring the proposed plan for development will align with accepted community goals for development. Without an administrative and financial authority to guide the redevelopment of "key properties" (such as the proposed business complex and Kennedy Avenue In-fill site) the most impressive plans are at risk to the loss of momentum and early stakeholder interest and effort turns to in-action and potential project abandonment.

Organization and Funding

CDC's & CIC's

Community Improvement & Development Corporations (CDC's/CIC's) are often the most effective vehicle (entity) to advance community development goals and the authority through which residents, business owners, public officials, property owners, property managers, institutions, potential funders, and commercial & residential development interests should be engaged to consider their respective roles in the ongoing revitalization effort. When chartered as not-for-profit corporations, CIC's have the ability to receive and distribute tax-exempt grants and donations as well as pool site acquisition funding, administer development projects, and conduct ongoing promotion and recruitment activities.

Private / Quasi-Public Responsibilities:

The formation of a new vision for the neighborhood business district will require a well-devised, strategic marketing approach and active and on-going project management. KHCC is currently involved in re-establishing its Community Improvement Corporation and is optimistic that the new CIC will be operational by November of this year. The College Hill Forum and their CDC are being used as a model of the organizational make-up and the roles and responsibilities that the KHCIC could use in the execution of a revitalization strategy for Kennedy and Montgomery and other important neighborhood properties.

The Local Initiatives Support Corporation (LISC) has stated an interest in assisting in project related feasibility planning through potential grants and other forms of financial assistance. The organization is funded through a charitable trust comprised of public corporations and is chartered with assisting inner-ring communities in community-building efforts. LISC should be engaged early in the visioning stages of those projects that require outside financial and administrative support.

The Community Building Institute, local churches, civic organizations, and businesses should also be engaged to participate through the community council and possible CDC to provide assistance within the limits of their abilities and respective interests.

Organization and Funding

Public Sector Responsibilities

Strong public leadership and commitment must support a new vision for the business district. Planning Commission and city council must be willing to exercise their legislative powers in a pro-active manner to lay the groundwork for private investment. Existing issues with crime, blight, and public safety (particularly along Kennedy Avenue) must be addressed in a straight-forward and cooperative manner.

In order to capitalize on current interest and momentum, this plan should be actively used in the recruitment of potential private developers and investors. These potential development partners should receive assistance in gaining an understanding of the benefits of public / private partnering. **Strategies that reduce risk to private investors are key to successful redevelopment.** Project financing and programs that support start-up business are key inducements. Potential sources of investment and business development funding include the following:

Commercial Development Incentives:

- Community Reinvestment Act (CRA) loans
- Tax Increment Financing (TIF)
- Special Improvement District (SID)

Note on SIDS: SID's are special assessment districts designed to direct revenues to a variety of supportive services including security, maintenance, marketing, economic development, parking, and special events. Additional information may be obtained from the International Downtown Association at www.ida-downtown.org.

- New Markets Tax Credit (NMTC) Program
- Enterprise Zone Programs
- Job Creation Tax Credits (for company's creating at least 25 new jobs)
- SBA 504 Loans
- SBA Micro loan Program
- Ohio 166 Regional Loan

Organization and Funding

Community Development Financing:

- Community Development Block Grants (CDBG)
- Eligible projects include those that (1) benefit low and moderate income communities, (2) prevent or eliminate blight, and (3) meet urgent community needs. Funds may be used for public acquisition of property, demolition, housing reconstruction and rehabilitation, and public building projects including civic and recreational facilities, parks, open space, roadway infrastructure, and streetscape projects.

(Note: At the Current time Kennedy Heights is over the income threshold for an eligible community according to the City of Cincinnati)

- Clean Ohio Funds (Brownfield Redevelopment) (TEA-21 Transportation Funding)
- Local Transportation Improvement (LTIP) Funds
- Nature Works Grants

Note: No City funding availability is implied in these recommendations. Certain types of improvement projects require private property-owner participation through assessments, modification of utility services, or legislation adoption. Each strategy must secure funding, coordinate with appropriate agencies, and integrate with the surrounding community. Additionally, it may be required that entities be identified to provide operating and maintenance functions for public improvement projects.

Land improvement projects require preliminary and detailed cost estimates based on accurate field surveys, subsurface investigation, property owner participation, finalized scope, and design, acquisition, demolition or relocation costs. Costs pending final scope of the project may also depend on private and other contributions, including in-kind and available funding from the City.

Implementation Priorities

Short Term Goals & Objectives (1 to 3 years)	Responsible Partners	Private Sector Developers & Investors	Kennedy Heights Community Council	Arts Center / M.C.A.C.	City of Cincinnati	Community Improvement Corporation	LISC (Local Initiatives Support Corp), CBI & Other Community Supports Orgs	Cincinnati Public Schools (CPS)	Churches & Civic Institutions	Other Public Agencies (Ham. Co. / Housing Authority)
S1 Work with City of Cincinnati Planning Commission and Council to establish an Urban Design Plan on the basis of the Market Feasibility Study as a means to establish greater influence on the future success of the business district revitalization.			PA/PL		SL					
S2 Work with City of Cincinnati Planning Commission and Council to establish an Urban Design Design Overlay District to safeguard future public and private investment and insure that future development is complimentary the the community's vision for the district.			PA/PL		SF/SA		SF/SA			
S3 Establish a Not-for-Profit Community Improvement Corporation (CIC) or Limited Liability Corp. (LLC) to spearhead strategic implementation of planning goals and objectives. The CIC/LLC would work in cooperation with the KHCC, LISC (&/or other Community Building Orgs) on administrative assistance, site acquisition and financing.			PA/SF/PL		SF	-	SF/SA		SF	SF
S4 Work with Kennedy Heights Arts Center to Leverage Arts Center programs and campus improvements into business district development opportunities. Consider partnering on the development of new shared parking area for daytime business use.			SF/SA	PF/PA	SF/SA	*	SF/SA			
S5 Step up code enforcement of properties along the Montgomery Road and Kennedy Avenue Corridors. Maintain safety and crime prevention efforts.			SA/SL		PA/SF					
S6 Promote reinvestment in existing housing stock and incentivize development of new market-rate housing alternatives along Kennedy Avenue.	PF/PA		SL		SL/SF	*	SF/SA			
S7 Continue to work with CPS to determine status of the proposed neighborhood school. Work with CPS to gain site control of surplus property and ensure that future development aligns with accepted community vision for redevelopment.	PF		PA		SF/SA	*		SA/SF		SF/SA
S8 Promote private reinvestment into neighborhood housing stock as a means to increase economic diversity within the primary trade area population.	PF/PA		SL		SF/SL	*				SF

PA - Primary Administrative Responsibility
 PF - Primary Financial Responsibility
 PL - Primary Legislative Responsibility

SA - Supporting Administrative Interest
 SF - Supporting Financial Role
 SL - Supporting Legislative Responsibility

PM - Primary Marketing & Promotional Interest
 SM - Supporting Marketing & Promotional Interest
 * Potential CIC Role (to be assumed by Development Committee in interim period)

Implementation Priorities

Medium Range Goals & Objectives (2 to 5 years)		Responsible Partners	Private Sector Developers & Investors	Kennedy Heights Community Council	KH Arts Center or M.C.A.C.	City of Cincinnati	Community Improvement Corporation	LISC (Local Initiatives Support Corp), CBI & Other Community Supports Orgs	Cincinnati Public Schools (CPS)	Churches & Civic Institutions	Other Public Agencies (Ham. Co. / Housing Authority)
M1	Work with the City of Cincinnati, LISC, Private Developers and other potential partners to determine appropriate level of "gap" financing to support development of new market rate housing and commercial development on key district parcels.	SF/SA	SA			SF/SA	PA	SF/SA	SA/SF	SF/SA	SF/SA
M2	Partner with Arts Center, MCAC, Developers and property owners to recruit Art's-related tenants, retailers, and service providers to the district.		PA	SA/SF	SF	SA/PF	SF		SA/SF		
M3	Develop initial marketing and promotional materials to support tenantry and recruitment activities.		PA/PF		SF	SA/SF	SF				
M5	Create streetscape improvements to promote re-investment into commercial and residential properties along Montgomery and Kennedy		SA/SM	SA	PF/SA	PA					
M6	Implement wayfinding enhancements that reinforce the ARTS THEME and create a more identifiable civic/business district.		PA	SA/SF	PF/SA	SA/SF					
M7	Assemble property as required to gain control of key district sites.	SF/SA	SA	SA	SF/SA	PA/SF					
M8	Implement Façade Improvement program to assist area businesses in private improvement initiatives.	SF/SA	PA		PF/SA	SA/SF					

PA - Primary Administrative Responsibility
 PF - Primary Financial Responsibility
 PL - Primary Legislative Responsibility

SA - Supporting Administrative Interest
 SF - Supporting Financial Role
 SL - Supporting Legislative Responsibility

PM - Primary Marketing & Promotional Interest
 SM - Supporting Marketing & Promotional Interest
 * Potential CIC Role (to be assumed by Development Committee in interim period)

Implementation Priorities

Long Range Goals & Objectives (3 to 10 years)		Responsible Partners Private Sector Developers & Investors	Kennedy Heights Community Council	Arts Center / M.C.A.C	City of Cincinnati	Community Improvement Corporation	LISC (Local Initiatives Support Corp), CBI & Other Community Supports Orgs	Cincinnati Public Schools (CPS)	Churches & Civic Institutions	Other Public Agencies (Ham. Co. / Housing Authority)
L1	Implement an on-going district tenant recruitment and retention program	SF	PA/PF		SF	SA/SF	SF			
L2	Expand geographic boundaries of community improvement efforts to address substandard housing and promote investment in mixed-income, owner occupied housing.		SL		SF/SA	PA/PF	SF/SA		SF/SA	SF/SA
L3	Work with neighboring communities to develop a cooperative approach to community development and improve local competitive market position of associated business districts.		SL/SA	PA/PF	SF/SA	SA/SF	SA/SF			SF/SA
L4	Cooperate with KHCC to assess priorities and solicit development proposals for strategically important properties.	SF/SA			SF/SA	PF/PA	SF/SA			SF/SA

PA - Primary Administrative Responsibility
 PF - Primary Financial Responsibility
 PL - Primary Legislative Responsibility

SA - Supporting Administrative Interest
 SF - Supporting Financial Role
 SL - Supporting Legislative Responsibility

PM - Primary Marketing & Promotional Interest
 SM - Supporting Marketing & Promotional Interest
 * Potential CIC Role (to be assumed by
 Development Committee in interim period)

Note: M.C.A.C. = Montgomery Corridor Arts Collaborative

Acknowledgements

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