**DESIGN / DEVELOPMENT NARRATIVE**

Beneath the hum of Cincinnati’s streets can be heard a rich story of music. Encore restages the land and history of Cincinnati in a new neighborhood composed of civic, commercial and cultural opportunities for everyone. Through the process of uplift, a terrain emerges up through the site in an effort to place visitors along the banks of the Ohio River, with a clear gradual gradient from the skyscrapers on Third Street, past the sports stadiums to Roebling Bridge and the water’s edge. As a complement to the vertical uplift, a horizontal strategy of improvisation plays over the rigid street grid, landing on the offbeat, creating a harmony between buildings and landscape to enhance a sense of place.

At the heart of Encore is King’s Square, a public commons whose name pays homage to King Records, a music production company that defied genre and racial boundaries, pressing records whose influence would transform music around the world as the seeds for rock n’ roll. This story of inclusion and collaboration is not only an important part of music history, but also of civic rights history, and in this way King’s Square expands the goals of the National Freedom Center onto the street.

This story, of crossing borders and the real change that comes out of collaboration, is what Encore hopes to celebrate in the heart of downtown Cincinnati. Each parcel is a composition of various voices and tempos that contribute to Encore’s unique song.

Freedom Center to the North and Smale Park to the South hug the newly revamped woonerf, Freedom Way. The European-style shared street will serve as a vital connection to the city’s civic institutions lying along Cincinnati’s civic axis including the iconic Tyler Davidson Fountain and the historic John A. Roebling Suspension Bridge. As the orthogonal nature of the central business district reaches Third Street, the grid unravels as it reaches Encore. The curvilinear shapes initiated by the Freedom Center’s wavey architectural style seamlessly transitions through green roofs that seem to grow out of Fort Washington Way. The developments between Second and Third Streets address the needs of the business district and offer contemporary dining, entertainment, shopping and most importantly urban canopy for both residents who move downtown a part of Cincinnati’s urban Renaissance and visitors in Cincinnati for a conference, festival, concert or sports games.

In lieu of developing the Cincinnati Symphony Orchestra Music Venue adjacent to the Bengals’ stadium, Encore will recommend moving the venue directly South of the Freedom Center. Through highest and best use of the prime waterfront land, this relocation will enhance the character of the residential area. Since the usual area where Bengals fans tailgate will be developed into a residential neighborhood, Encore will implement substantial upgrades to the parking lot adjacent to the Northeast side of the stadium to upkeep the city’s rich history of tailgating culture.

The residential neighborhood is the final note in Encore’s orchestration of community, commerce, and civics will set a new rhythm for the Queen City.

**FINANCIAL NARRATIVE**

Encore will be developed in three key phases over a 10 year period ultimately leading to a vibrant, transit- and pedestrian-oriented, sustainable, mixed-use neighborhood that visitors and residents will want to call for another encore. The 25-acre site will generate 827 new housing units (10% affordable); a 330-key hotel, 5,703+ jobs; and 287,300 SF retail.

**PHASING**

Prior to the start of construction in 2020, the developer will purchase blocks A - J of which blocks H - J will be added to the original proposed master plan. Land will be purchased at the 2018 Hamilton County tax assessed value plus a 25% premium. Air rights above Fort Washington Way will be sold for $1/lot from the city as a public incentive to boost development. In order to link the existing thriving office market downtown to Encore, phasing will begin at the northern portion of the site and move south towards the waterfront.

Ground breaking of Act 1 begins on blocks A, H, and G with the decking of the highway and construction of four new Class A office buildings with retail. Office workers will activate daytime retail and King’s Square. During Act 2 the George Hotel and a mid-rise residential building will be erected adjacent to 2nd Street, sparking visitors and residents to generate nighttime retail from bars and restaurants along the pedestrian-friendly woonerf, Freedom Way. Surrounding office workers will leverage the hotel’s key location for visiting clients. Act 3 culminates in the southwest portion of the site with two distinct residential buildings for empty nesters and young professionals to enjoy waterfront views. The substantial office inventory and retail from Acts I and II will expedite apartment leasing.

**RETURNS**

Over the ten year hold period, Encore generates an unleveraged IRR of 27% and a leveraged IRR of 53%. The value of the project will grow 67 times from $30.5 million at year 0 to $2 billion at the end of year 10. Total development costs of almost $600 million are allocated across three construction phases and financed through public subsidies, equity, and debt. Both the city and the private sector share mutual interests in the future of the site and Encore will result in substantial public improvements. Since the site is located in TIF district 2 “Downtown South/Riverfront,” the project will use $18 million TIF to offset the cost of public infrastructure construction. A joint venture between the master developer and a capital investor will be structured to inject equity into the project. In order to demonstrate that the developer has more ‘skin in the game’, the promote structure will be 20% from the G.P. and 80% from the L.P. The $386 million debt is 65% of the total development costs and financed through CMBS loans with a 10-year interest-only balloon loan at an interest rate of 6%. The loan is allocated on a pro-rata basis to each project type (i.e. office, hotel, etc).

*A new rhythm for the queen city!*