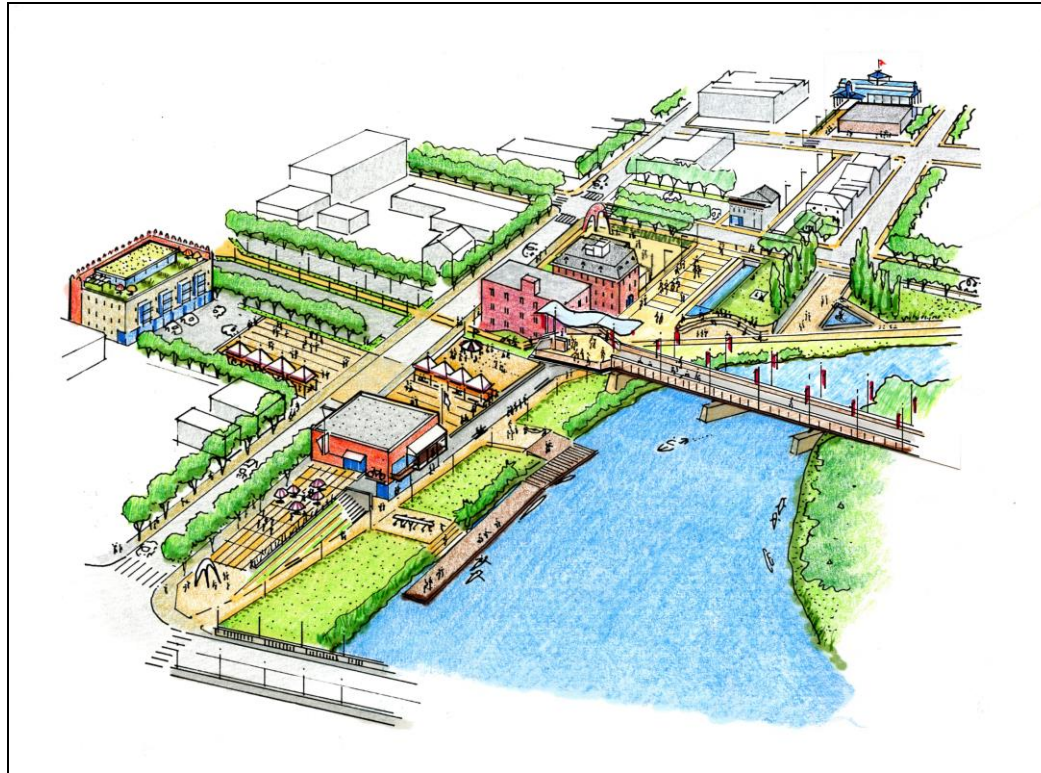


Riverfront District Development Strategy

Piqua, Ohio

December 2013



Prepared for the
Development Department
City of Piqua, Ohio

Prepared by
CityVisions Associates
Louisville, Kentucky



A MESSAGE FROM CITY MANAGER GARY A. HUFF

The Redevelopment of the Downtown Riverfront is the most significant and impactful project that will take place in Piqua for decades into the future. I have on numerous occasions referred to it as an economic “GAME CHANGER” for our community.

The City of Piqua was fortunate to be selected by the Ohio Development Services Agency as the recipient of a pilot study to help determine the impact of existing vacant brownfield sites in this location. As part of the pilot study, the City of Piqua was awarded \$50,000 to conduct further planning for the downtown Riverfront District. The city engaged *CityVisions* Associates of Louisville, Kentucky to assess the buildings and properties located in the district and provide a concept plan for potential redevelopment.

Numerous actions have been taken by the City of Piqua to further advance this important redevelopment opportunity. Grants totaling \$400,000 have been successfully obtained from the Environmental Protection Agency (EPA) to conduct environmental assessments of brownfield sites in the Riverfront District and other locations throughout the city. Also, purchase options have been acquired on a number of important properties within the district to protect the redevelopment ability.

As important as the Riverfront District Development Strategy may be, it takes more than city government to make this a reality. It truly needs to be a partnership of both the private and public sectors. We’ve seen how successful the community has been utilizing a private-public approach with the Fort Piqua Plaza. This project is just as important to our future. I hope you will agree.



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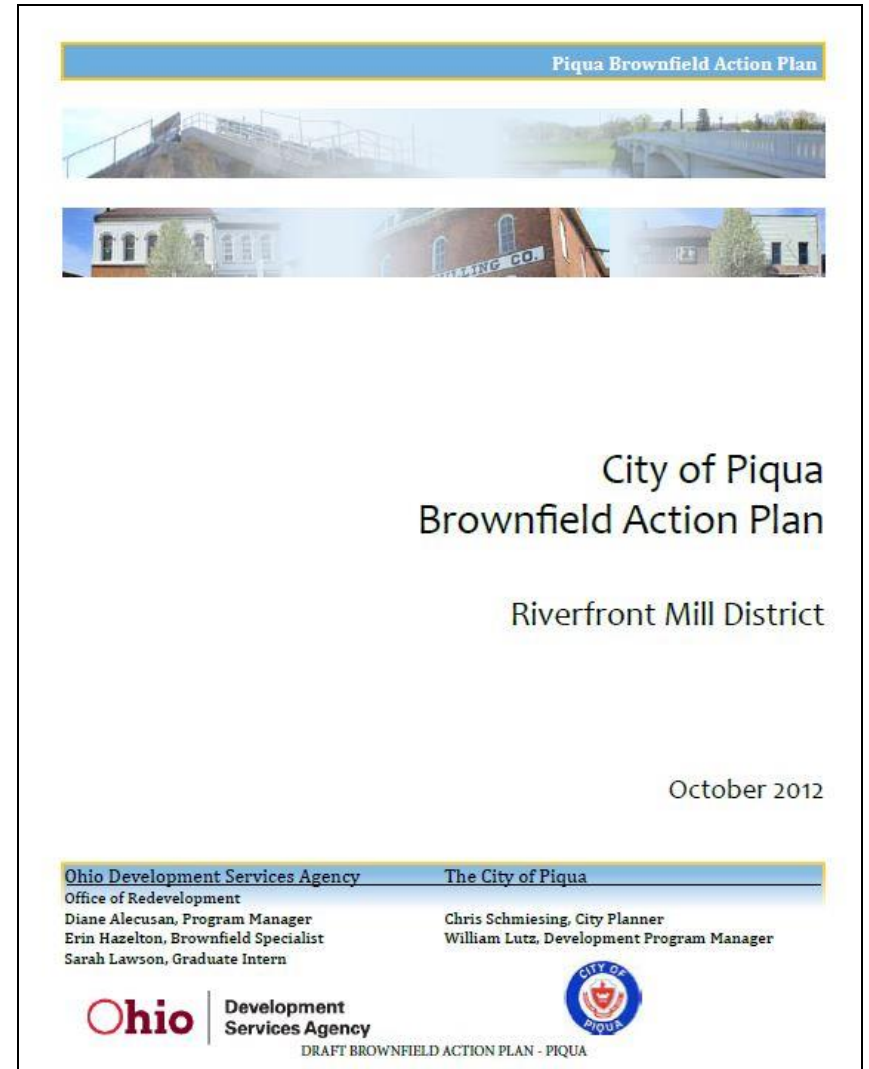
BACKGROUND

City of Piqua Brownfield Action Plan Riverfront Mill District

The Riverfront District Redevelopment serves as the second step in a two-step process designed to transform and activate Piqua's downtown riverfront district. The initial step, undertaken by the Ohio Development Services Agency, was the creation of the City of Piqua Brownfield Action Plan, Riverfront Mill District. This assessment, initiated in the Fall of 2011 and completed in October 2012, focused its attention on a 26-acre riverfront district tract, the majority of which was privately owned and controlled, and included the public Lock Nine Park.

The Action Plan was designed, as it states, as follows:

"The City's Action Plan focuses on the 26-acre Riverfront Mill District, located just south of the city's central business district and adjacent to the Great Miami River. With a history of commercial and industrial uses, the area has been challenging to redevelop, but provides great opportunities because of its location and existing assets. This plan was developed to address not only the brownfield issues in the District, but the redevelopment challenges of the District as a whole.

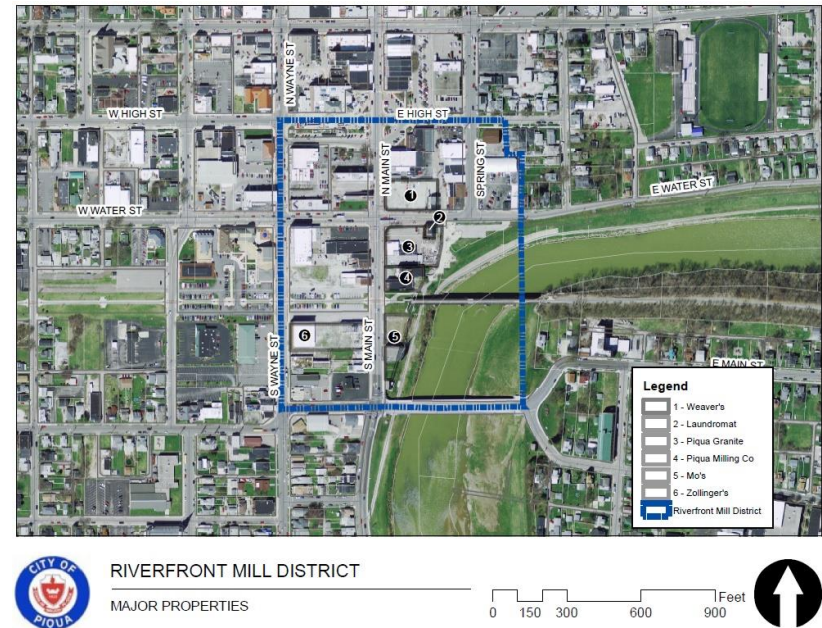


The goals for the Riverfront Mill District were developed as a team and are intended to guide both the planning and the redevelopment of the District. The City should insure that as proposals are made for the District, they support these goals.”

The Action Plan specified the **Attraction of Private and Public Investment to the Riverfront Mill District** as its primary goal. The following sub-goals were also listed:

- Create an inviting public realm
- Provide community spaces that support entertainment and tourism
- Expand opportunities for downtown living
- Increase access and connectivity from downtown to the river
- Upgrade the physical environment to reflect the standards of the surrounding area
- Create development-ready parcels through environmental remediation

The Action Plan identified six properties abutting and/or in close proximity to the Riverfront as priorities for environmental investigation and potential redevelopment: The Weaver (Edison) Building; the Old Laundry; Piqua



Granite; the Piqua Milling Company; Mo’s Lounge; and the Zollinger Building. The identified sites have, according to the Action Plan, “*a rich history of various commercial and industrial uses. While there are some that are currently occupied [note: only one of these properties were occupied at the time of the Action Plan, a situation that remains today], most are vacant and all are suspected to have environmental contamination based on their past uses and date of construction.*”

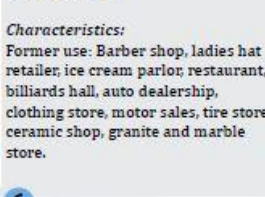
Probability of severe contamination



*Probability of severe contamination could be either high or low depending on exact past use.

Piqua Brownfield Action Plan

Existing Conditions

1  Weaver's Northeast corner Water/Main St. Parcel Acreage: 0.0896 acres Year Built: c. 1913 <i>Characteristics:</i> Former use: Edison Electric Illuminating Company, tin shop/blacksmith, furnace shop, auto repair garage, paint and décor store.	2  Old Laundry 117 East Water Street Parcel Acreage: approx. 0.07 Year Built: 1922 <i>Characteristics:</i> Former use: laundry, battery station, tire hospital, print shop, cigar shop, church, upholstery shop, and apartments. Currently vacant. Views of Great Miami River from 2nd and 3rd floors	3  Piqua Granite 123 North Main Street Parcel Acreage: 0.587 acres Year Built: 1913 <i>Characteristics:</i> Former use: Barber shop, ladies hat retailer, ice cream parlor, restaurant, billiards hall, auto dealership, clothing store, motor sales, tire store, ceramic shop, granite and marble store.
4  Piqua Milling Co. 111 North Main Street Parcel Acreage: approx. 0.2 Year Built: 1901 <i>Characteristics:</i> Former use: Linseed oil company, blanket company, wholesale groceries. Currently vacant. Two buildings Location backs up to Lock Nine Park	5  Mo's Lounge 111 South Main Street Parcel Acreage: 0.1 acres Year Built: 1930 <i>Characteristics:</i> Former use: retail sales, bottling, furniture shop, contractor trade office, restaurant, bus stop, Moose Lodge, and Mo's Lounge. Currently vacant. Adjacent to Great Miami River and linear park	6  Zollinger's 101 South Wayne Street Parcel Acreage: 0.225 acres Year Built: 1913 <i>Characteristics:</i> Former use: retail sales, cottage hotel, restaurant, and wholesaler/warehouse. Currently vacant. Building architecture based upon Florence, Italy City Hall

Finally, the Action Plan identified three distinct redevelopment scenarios for the tract:

Scenario 1 - Fill In & Energize

Focus:

The Fill In and Energize development scenario is centered around **filling in empty spaces** to ultimately create a **dense district of mixed uses**.

Details:

- Existing buildings are either retained, or are demolished with new construction on the same site.
- Infill is oriented toward the street and built to enhance the pedestrian experience along Main Street and Water Street.
- The assets of the river and the parks are maintained with improvements, but efforts are mostly directed to filling in the vacant and underutilized built environment.
- Uses could include hotels and hostels centered around the cycling community, specialty shops, restaurants, and potentially even residential.
- Cleanup, renovation, and construction are favored over demolition.



Figure X: This map illustrates a conceptual development character for the Fill In and Energize scenario.

- Blue represents new infill structures
- Purple represents private hardscaped spaces such as patios or informal gathering places
- Green represents potential park or open space (plazas or green space)
- Yellow lines are routes of connectivity and continuous sight lines

Scenario 2 - Active Riverfront

Focus:

The Active Riverfront development scenario is centered around creating a **mix of structures and open space for entertainment and recreation**.

Details:

- Targeted demolition opens up the existing riverfront while retaining and improving historic properties.
- Structures and park space supplement each other by creating a mix of activities and experiences.
- Infill is focused on the west side of Main Street.
- Strong element of connectivity among the open space, hardscaping, and buildings, encouraging pedestrian circulation and heightened activity.
- Uses could include a small hotel/hostel, amphitheater, market/pavilion, restaurants, shops, and river activities.
- Historic elements of the District (lock, wall, structures) are highlighted.

Piqua Brownfield Action Plan Redevelopment Scenarios



Figure X: This map illustrates a conceptual development character for the **Active Riverfront** scenario.

- Blue represents new infill structures
- Purple represents private hardscaped spaces such as patios or informal gathering places
- Green represents potential park or open space (plazas or green space)
- Yellow lines are routes of connectivity and continuous sight lines

Scenario 3 - Open Up & Play

Focus:

The Open Up & Play development scenario is centered around opening up the riverfront to create **large spaces for community events and recreational activities**.

Details:

- All buildings adjacent to the riverfront would be demolished, leaving a large area that can provide different types of spaces for different recreation uses.
- Recreation uses could be active and/or passive, and indoor and/or outdoor.
- All infill is directed to the blocks west of Main Street and north of Water Street.
- The park and bike trail are the primary recipients of investment to the area.
- Uses could include an amphitheater, market/ pavilion, ice skating rink, spray park, river activities, along with more passive spaces (bike path, benches, open lawn, etc.).



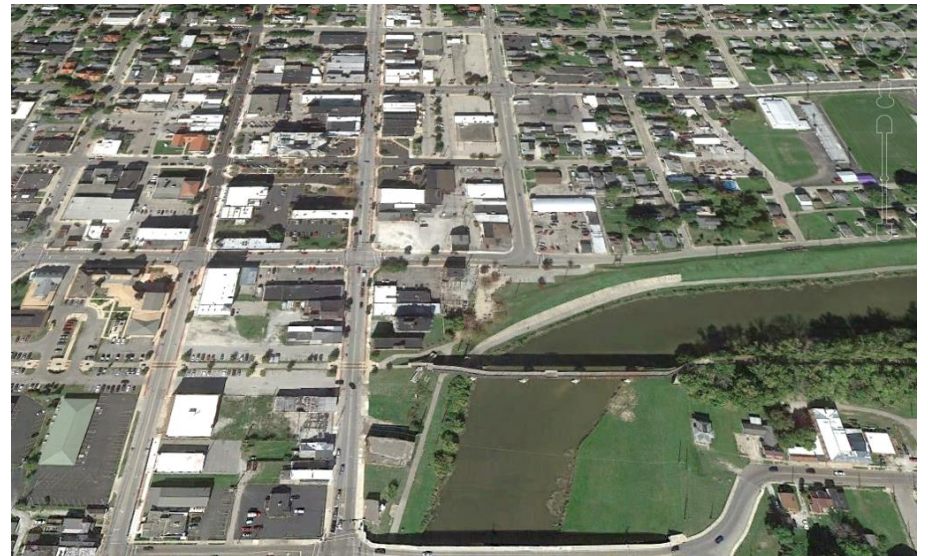
Figure X: This map illustrates a conceptual development character for the **Open Up and Play** scenario.

- Blue represents new infill structures
- Green represents potential park or open space (plazas or green space)
- Yellow lines are routes of connectivity and continuous sight lines

These three potential redevelopment scenarios were presented to the public through two community workshops, in which – among other things, the participants were asked their preference as to the various scenarios. Although the number of participants voting was relatively small (16), a majority of those voting (10) favored Scenario #2 Active Riverfront.

Riverfront District Redevelopment Strategy

With the findings and results of the Brownfields Action Plan in place, the City of Piqua immediately moved forward to its next step, designed to move into a specific implementation program. While the Action Plan scenarios and the initial input from the public provided an excellent overview of the potential of Piqua's riverfront, the ability to move from vision to reality was based on a number of factors: market conditions and demand; property conditions, control and owner's desires/cooperation; economic feasibility; financing and investor availability, public support; and operations and programming issues. The Riverfront District Redevelopment Project was intended to address these issues, determine their impact on a viable future redevelopment strategy, and specify the initial actions that can serve as the optimal catalysts for the long-term renaissance of the Riverfront.



Review of Existing Conditions

The Piqua Riverfront District, as is the case with any potential redevelopment area, is characterized by a mix of assets and liabilities. All successful redevelopment strategies must be able to optimize its assets, and minimize or eliminate its liabilities. A strong base exists where the assets greatly outnumber the liabilities. Fortunately, this is the case in Piqua, as its riverfront is a unique asset, both for the City itself, and in its position relative to the overall Greater Miami River Recreational Corridor.

ASSETS

Location

From purely a physical and geographic perspective, the Riverfront has a number of significant assets. First, the riverfront provides one of the few places in the city where the levee system does not block the view of the River itself. Although Piqua's history is inextricably tied to the River, currently on a day-to-day basis many of Piqua's residents have lost their connection to it. The river trail provides recreational opportunities to those who bike or walk or boat along the River, but other than crossing the River to the east, it is not a significant part of community life. The Riverfront thus provides opportunities not just for development and recreational access that are not plentiful in the community, but also

provide opportunities for all Piqua residents to re-connect to their River and their history, and to take advantage of a new energy and vibrancy at the River's edge.



Redevelopment Properties

The location of the targeted riverfront properties atop or immediately adjacent to the River and the bikeway trail are extremely unique to the entire 63 mile recreational corridor, and thus can provide services and amenities that could set apart the Piqua riverfront from many of the other river

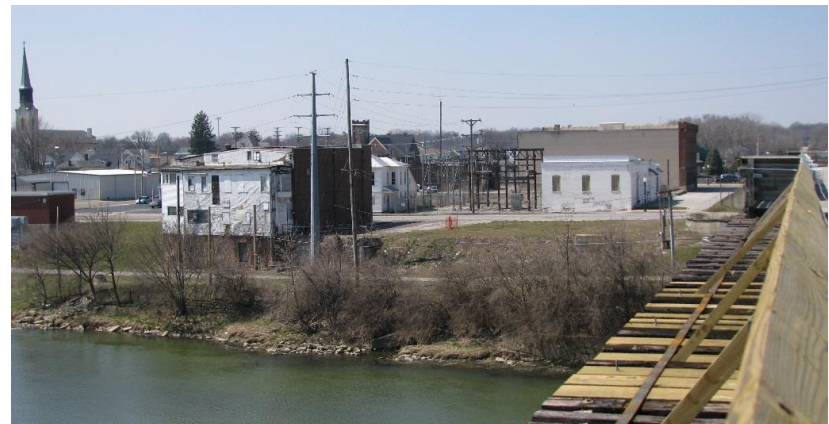
communities that have, or are planning, major riverfront improvements. In almost all segments of the River from Piqua to Hamilton, the bikeway is provided along its banks, adjacent to an earthen levee or other form of flood control system, with no commercial development or services on or atop the levee.



In some communities, such services are close by on the dry side of the levee; in others these services may be a considerable distance from the River and the recreational corridor.

All of the target properties in Piqua, on the other hand, sit atop the levee or are directly adjacent to it, providing an advantage over the River improvement plans in almost all of the other communities along the River. Discussions with River recreational organizations confirmed that this provides a significant opportunity for Piqua's riverfront, as the growing

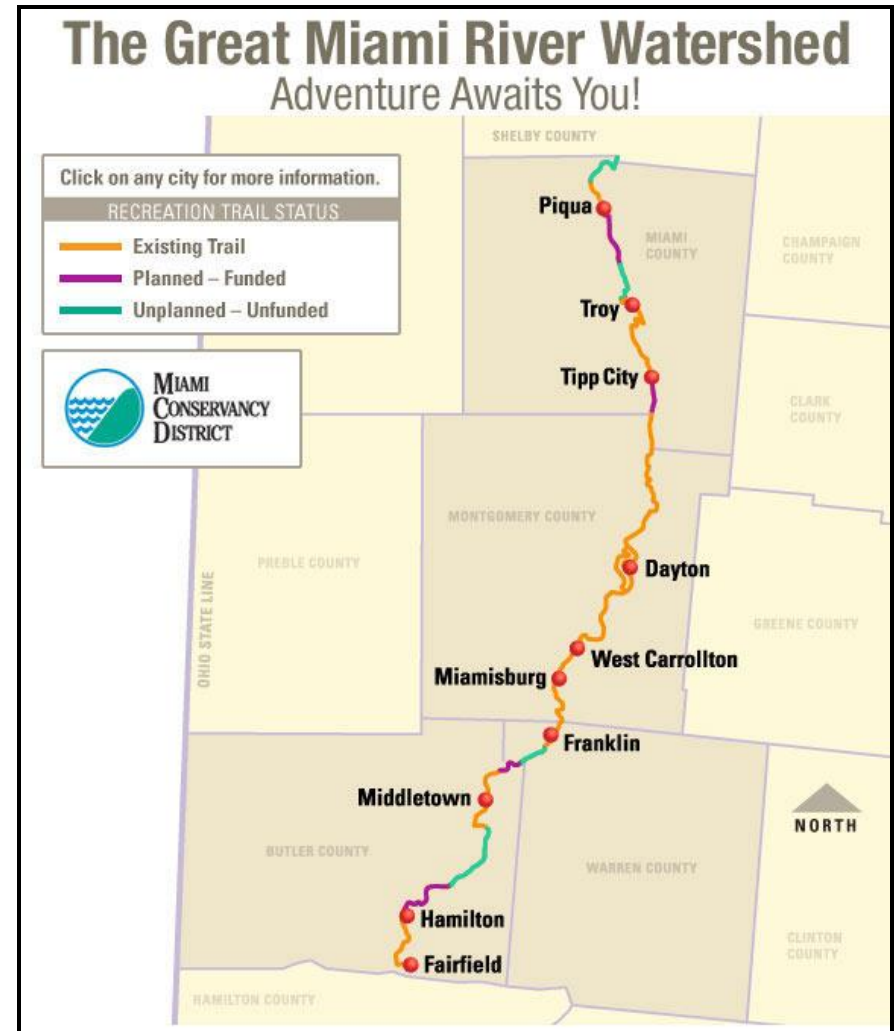
number of recreationalists who utilize the River and/or its trail system cite the lack of supplies, services, food and drink, and bike or boat operations as a major deficiency in the amenities of the River's system.



While new development atop the levee is no longer permitted, the Piqua properties are “grandfathered” and provide a unique opportunity to take advantage of this otherwise untapped market demand.

River Trail Terminus

Piqua’s geographic position on the regional trail system also serves as a significant asset. Currently Piqua is at the north end of the River’s trail system, serving as a beginning or terminus to those navigating its length. In addition, for the majority of recreationalists who do not undertake the full, multi-day trip on water or land, Piqua provides an excellent place to begin a variety of short and mid-term “loops”. Interviews with bicyclists, for example, confirmed that Piqua is seen as a highly desirable place to begin such trips, and also confirmed the desirability of services that could be accessed at the beginning or end of such trips. Piqua’s riverfront is thus well-positioned to become known as a major location on the Greater Miami River.



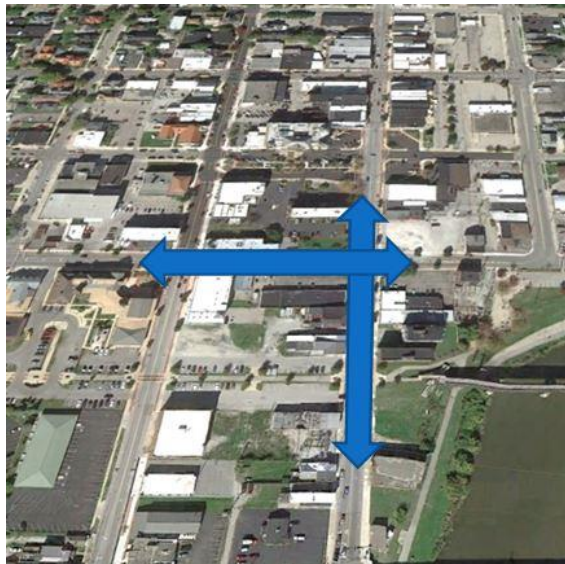
“Two Front Doors”

The proximity of the target properties to those using the river system suggests that businesses in these properties can most easily service this market for certain types of commercial operations. While use of the River and its bike/pedestrian corridor is growing at a very significant rate – and is expected to continue to do so, according to River recreation organizations – it is nonetheless a somewhat seasonal demand. A business plan solely based on this market would be challenging. However, an asset of Piqua’s waterfront is that most of the properties have access to both the river trail and Main/Water Street. This means that – from a business and demand point of view – they essentially have two front doors. More specifically, they could, if properly positioned, serve two markets: 1) those accessing the River; and 2) downtown Piqua. This situation enables greater flexibility in the reuse potential of these properties, and reduces the likelihood that businesses would need to be solely focused on the river traffic for success.



Proximity to Downtown Markets

The Piqua riverfront provides a physical connection to the River and its recreational use within a very short distance to the heart of its downtown. Although the current visual and pedestrian access needs to be improved, this proximity to downtown is nonetheless a very strong asset, more so that in most of the Greater Miami River communities. As discussed above, this enables the target properties to easily serve the downtown market as well as River corridor traffic. With the increased pride and usage of downtown Piqua in recent years, as well as the trend of new commercial establishments opening up on Main Street, the riverfront properties can take advantage of, and add to, this expanding downtown market.



River Views

The Piqua riverfront tract provides a major River viewing and access opportunity, something that is not common throughout the community. In addition, the bend in the River creates stunning views both upstream and downstream, adding another unique asset to this particular riverfront location. The target properties all have strong river views, in some cases both upstream and downstream vistas. The ability to view the River out one set of windows, and the Fort Piqua Plaza and downtown Piqua out of another set of windows, adds to the marketability of these properties for a variety of reuse options.





Property Ownership

One of the most significant obstacles in large tract urban redevelopment transformations is often difficulty in dealing with multiple property ownership, often further muddled by out-of-state ownership and/or properties in some form of trust or estate ownership. Creating a shared vision and a realistic assessment of valuations is difficult – to say the least – and may lead to a strategic plan that is forced to “work around” problem properties or unyielding owners or ownership.

On the other hand, situations where the majority of the property owners are civic-minded, realistic in their assessment of the value of their property, and willing to work collaboratively with the public sector, uniformly lead to much more positive results (usually for the property owners as well).

Although these situations are far less frequently seen, this is definitely the norm in Piqua. The ownership pattern of the targeted properties is by and large favorable for a cooperative approach to any reasonable redevelopment strategy. The City has established a remarkably collegial relationship with almost all of the property owners within the target area, and has during the course of this study executed a number of contracts and agreements with these owners that will begin to facilitate the transformation of the Riverfront. This is a testimony to the spirit of cooperation found throughout Piqua.

Surrounding Public Infrastructure

The quality of the public infrastructure in and around the redevelopment area is generally quite good, although some of the infrastructure within the riverfront area is deficient. There is adequate parking (although more is envisioned as part of this strategy), the community bikeway system is outstanding, and the improvements in the heart of downtown are well designed. The city’s plans to remove some of the outdated electric utility buildings and poles will be a major improvement to the area as well.

Community Capacity

The strength of any urban redevelopment strategy is dependent upon a variety of factors. However, no matter how strong the strategy may be, the ability to move into and through its implementation ultimately determines its success. In many communities, especially those similar in size to Piqua, the administrative capacity of the community, its ability to amass the resources necessary for its initiatives to be undertaken, and the community support for such an effort, may be lacking.

In Piqua's case, just the opposite is true. Piqua has already demonstrated a very strong "community capacity," as demonstrated by its determination to take on, and complete, the impressive Fort Piqua Plaza restoration project. In addition, there is a strong private and civic sector that has shown a willingness to "invest" in the community, if presented with well thought out and financially viable projects and programs. Perhaps most significant, there is infused throughout the community an urgency to move forward and put Piqua in its most advantaged position, even if this means taking on difficult additional initiatives. There is in Piqua compelling evidence of a strong sense of involvement and interest in seeing a more active and vibrant downtown and riverfront area. Representatives of the Miami River Conservancy and other river support groups have also demonstrated enthusiasm for Piqua's efforts to transform and



enhance its riverfront. The fact that Piqua has already advanced a number of necessary actions related to the riverfront property *during the course of the development of the strategy*, further attests to the "can-do" spirit of the community.

LIABILITIES

Lock Nine Park

Lock Nine Park is an important landmark along Piqua's downtown riverfront, situated at the location of one of its major locks on the Erie and Miami Canal, completed in 1837. The Park is located at the intersection of Spring and Water Street, just east of Main Street, and is accessed as well from the riverwalk and the pedestrian and bicycle bridge. It also contains the remnants of a reconstruction of Lock Nine itself.



The Park should serve as the main connecting point between downtown Piqua and its riverfront. However, currently this connection is not strong, and the design of the Park itself impedes this connection, in large part due to its need to block itself from the Piqua Granite facility. The brick wall that runs

north/south along the property line of Piqua Granite forms a barrier between the Park and the downtown area, and the pedestrian connection between the two points must bypass the Granite company's outdoor storage of materials.



The insertion of historical information about the Canal and the Lock on the river side of the wall was a creative attempt to ameliorate the formidable character of the wall, but it unfortunately does not counteract the wall's significance as a barrier to a strong connection between activity along the riverfront and activity downtown. Rather than serving as a place where both of these activity zones connect, it instead is a rather dead zone between the two.

In addition, the condition of the reconstructed lock is very poor, with a lack of maintenance further contributing to its rather sorry state. Lock Nine Park was intended to celebrate this important symbol of Piqua's rich history, and designed with the best of intentions, including accommodating an incongruent adjacent use. Good intentions aside, in its current physical and maintenance condition, Lock Nine Park remains an obstacle to the transformation of the riverfront.



Identity

Partly due to the fact that Piqua's downtown riverfront remains somewhat of a hidden asset, there is a lack of any strong sense of identity to the riverfront district. Key locations that could be expected to highlight the river – the intersection of Spring and Water, the intersection of Main and Water, Lock



Nine Park, the railroad bridge itself – contain little or no indication that this is a special place. Main Street north of Water Street has a sense of place to it, but south of Water Street this identity is lacking.



Lack of Housing

Strong and vibrant urban districts, even in relatively small cities or towns, generally contain a residential component, providing a sense of activity and vibrancy throughout the day and throughout the week. This need not be a large contingent of residents, but enough to provide a continuity of people and activity. While downtown Piqua is fortunate that there a number of “people generators” such as the recreational users of the River, patrons of the Library, those attending events at Fort Piqua Plaza, etc., there remains a lack of housing in the core of downtown and directly adjacent to the riverfront area.

Lack of Identifiable Market Comparables

Other than Piqua Granite, home to a long established single-user business, none of the target properties in the riverfront tract are occupied. In addition, there are a number of unoccupied or under-occupied properties on its edges. While there appear to be a number of potentially strong market “niches” that likely would be successful if operating in these properties, the lack of current comparables of commercial and/or residential properties presents a challenge, particularly related to financing, setting reasonable lease terms, etc. This situation likely will be overcome after a number of projects come on line, but the initial projects will thus require some

combination of less than market rents and some degree of public subsidy and/or civic guarantees to meet operator and financing requirements.



These liabilities can each be overcome, and are addressed more fully in the Redevelopment Strategy. The current state of Lock Nine Park is the most serious, but its redesign with an expanded connection to downtown will turn this from a liability to a community asset. Overall, the Piqua riverfront liabilities are far outweighed by its assets. Other than those cited above, there appear to be no substantial existing conditions that warrant significant concern. In fact, most of the existing conditions are extremely positive and should help to advance a viable redevelopment strategy.

Assessment of Target Properties

Introduction

The Brownfield Action Plan identified six target properties for further assessment as to their redevelopment viability and their relationship to an overall Riverfront Development Strategy. These properties have been evaluated, as well as a number of additional properties that impact on, or should be considered part of, the overall Strategy. These preliminary assessments are summarized below:

114 East Water Street Edison Illuminating Company (aka Weaver's)

114 East Water Street is a historic building presumed to be one of the last extant buildings in Ohio that housed the offices of the Edison Illuminating Company in the early 1900s. The property was recently purchased by a local couple who plan to renovate and rehabilitate the property to its historic condition. They are in the process of considering a variety of businesses that they ultimately would prefer to operate themselves, including some type of “general store” operation that would cater to recreationalists utilizing the River as well as the downtown market.



The property appears to generally be in relatively sound condition, at least for a property of that age. The owner's property includes the gravel parking lot at **100 East Water Street**. The plans by the new owners are consistent with a transformed and reactivated Piqua riverfront and as such should be supported and encouraged.

117 East Water Street

Old Laundry Building

117 East Water Street is a historic property constructed in 1922 that has housed a wide variety of uses since that time, including a laundry. The building has rather small floor plates and is heavily divided internally. In addition, the historic storefront has been covered over with a non-sympathetic treatment, and it is difficult to determine whether any of the original storefront remains underneath. Its former use as a laundry suggests the possibility of some environmental issues related to the solvents typically used in such a business. The property is currently vacant.

Most problematic is the building's location along Water Street, landlocked on both sides by the Piqua Granite property. Given its small size, the non-historic renovations and additions, potential environmental concerns, and its location, it is unlikely that this property could be restored and redeveloped in an economically feasible manner.

The City of Piqua recently executed a purchase contract for this property, in conjunction with 111 South Main Street.



123 North Main Street

Piqua Granite

123 North Main Street is an approximately half acre parcel at the intersection of Main and Water Streets, and serves as the headquarters for Piqua Granite. The site contains the company's showroom, housed in a former auto dealership building, an operations facility in the former garage, outdoor storage and an outdoor lift. The original building was constructed in 1913.

This is a large site that adequately serves the needs of Piqua Granite, though not necessarily optimally. The majority of the site, however, is a large open lot that the business uses as a lay down area for its product and supplies, as well as truck access via Water Street. The rear of the lot butts up against the interpretive wall of Lock Nine Park, essentially separating the Park from Main Street and the downtown area.

The showroom and the garage appear to be in good condition and have been well maintained by Piqua Granite.

This target property is fully occupied, at least as it relates to the buildings on the site, although the remainder of the lot, that which most directly connects the downtown and the River, is used as an open storage and truck access area. While this particular site is not necessarily the optimum location for this business, the configuration of the site to make it more viable by Piqua Granite has unfortunately had negative consequences for Piqua's connection to the River.



111 North Main Street

Piqua Milling Company

111 North Main Street is a two-building complex built at the turn of the twentieth century as one of the many mills in Piqua that processed flaxseed into linseed oil, on the site of a former flour mill that had previously burned. The rear of the property sits upon a portion of the former Miami and Erie Canal, and abuts the re-created Lock Nine. Although not able to walk through the building, its interior apparently has large open spaces that reflect the original mill design. The exterior appears to be in relatively decent condition, given that it is vacant and not climate controlled. The tightness of the interior of building vis-à-vis the weather is unknown. There does not appear to be ongoing maintenance of the building or its exterior grounds.

The property is privately owned. Discussions with the owner confirmed that he does not have any immediate plans for the property.



111 South Main Street

Mo's Lounge

(aka Mo's South Seas Building)

111 South Main Street is a two-story property with a full walk-out basement that fronts both South Main Street and the River trail. The original building was constructed in 1930, with a non-historic rear addition added atop the original basement some decades later. It has been most recently operated as a food and drink emporium, with the upper level as an entertainment venue. It is currently vacant. The likelihood of serious environmental concerns does not appear to be evident. Some asbestos removal is likely, which is not unusual for a building of this age.

The building is also situated between two vacant and unused lots, one to its north, the former Piqua Feed and Seed at **101 South Main Street**; and one to its south, the former Hausfeld Realty at **117 South Main Street**. These lots, if assembled along with 111 South Main, provides a wide swath of riverfront and river view frontage that could provide a dramatic activity center for the riverfront. The ability to access the river trail directly from the property's lower level, in addition to a front entrance on Main Street, makes this property extremely attractive from a redevelopment standpoint.



The property likely would qualify for historic tax credits, assuming that the rear addition was removed. Options would be to consider either the 20% tax historic tax credit if the property could be rehabilitated to the full National Park Service standards, or a 10% tax credit based solely on its age.

The City of Piqua recently executed a purchase contract for this property, in conjunction with 117 East Water Street.



101 South Main Street



117 South Main Street

101 South Wayne Street

Zollinger Building

101 South Wayne Street is a historic building constructed in 1913 and supposedly designed using the Palazzo Vecchio in Florence as its inspiration. The property does not sit directly on the riverfront, but its north/south orientation potentially provides panoramic river views from its upper floors and the roof. The property was most recently operated as a food service distribution warehouse, and is currently vacant. Upon visual inspection the property appears to be in excellent condition, with little weather penetration evident and relatively minor environmental issues, other than the usual asbestos tiles that would need to be removed.

The property is very similar in its building envelope to other former industrial properties that have been adaptively re-used, especially for residential conversion. The floor plates and column placements likely would accommodate relatively efficient residential unit layouts. The proximity to the river, both visually and for recreational uses, suggest potentially strong interest as residential units.



The property very likely would qualify for historic tax credits. The 20% tax credit may be difficult to obtain, as the redevelopment plan would require windows in the eastern façade, which historically did not exist. If the inclusion of new windows was not permitted, then the 10% tax credit could still be utilized.

The property is privately owned. The current owner has no immediate plans for the property.

Other Properties

In addition to these six targeted properties (and the adjacent vacant lots specific above), there are a number of other properties that will have an impact on the overall Redevelopment Strategy. These include the **DP&L substation** at 110 South Main Street, the **transmission line and poles** that run east west adjacent to Mo's Lounge, and the **Piqua Power Substation** at 123 South Main Street. In addition, an agreement has been reached to have 102 South Main Street donated to the City. These properties have been decommissioned and should be razed for aesthetic reasons and to provide improved physical and visual access to the riverfront.



Identification of Market Niches

Retail and Commercial Market

Downtown Piqua has seen increased investment in both commercial and retail activity in recent years. Such activity is due, to some degree, to its position as part of the larger Dayton metropolitan area, and its desirability as a relatively low cost community in which to locate. It also has market draw as a part of Miami County, although somewhat less so. However, Piqua's recent increase in market activity is much more directly related to the initiatives that the City itself has undertaken, especially the ambitious redevelopment of Fort Piqua Plaza. While that project still faces certain market challenges, the increased activity due to the Library, Winan's and the fourth floor ballroom space in the Plaza has undeniably been a significant boost to the overall activity in downtown. The opening of new retail establishments along Main Street attests to this increase in activity and demonstrates a confidence in the continuation of these positive trends in the future.

That being said, the overall mix of retailing remains limited, especially related to food and drink. The ability of the downtown area to "compete" with the location and the traffic volumes on Rt. 36/Ash Street towards and past I-75 remains a challenge, and validating high enough pedestrian numbers in





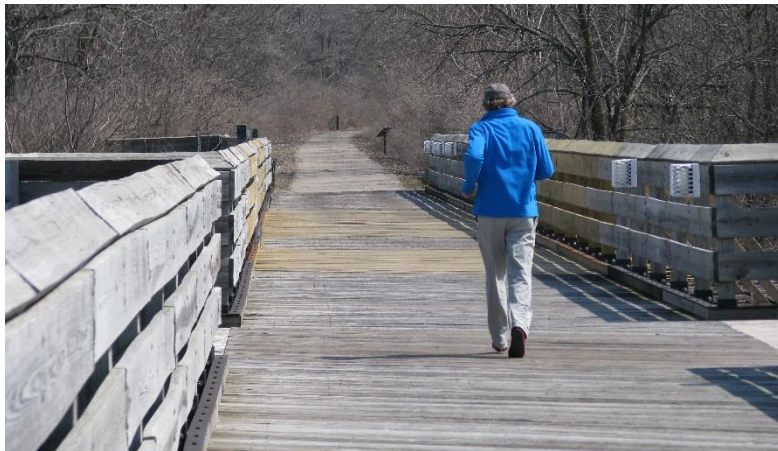
the downtown area to sustain major interest from new commercial and retail operators remains difficult. A traditional approach to potential market demand in evaluating the Piqua riverfront does not suggest a robust market environment.

The retail and commercial market would be strengthened by additional programmed activities and other “attractions” in downtown and along the riverfront. The Piqua Main Street program has established a strong track record in encouraging downtown activities and events. The City of Piqua has recently been very active in scheduling programs and events that highlight the riverfront, and such activity will undoubtedly continue. These programs and events, in and of themselves, are not likely to result in significant new commercial and retail activity, but they can help support those that already are in operation, and - in conjunction with some of the market strategies suggested herein – will support broader market supply and market demand in the area.

In addition, initiatives to support new or expanded permanent activity “attractors” to downtown and/or the riverfront should be supported, helping move towards a critical mass of activity. A more permanent and expanded Farmer’s Market is one such activity, perhaps focused on locally grown foods and a healthy eating initiative. The location of a major business with regional or statewide visitation or tourism appeal, such as Winan’s, would draw more visitors to downtown Piqua. Regularly scheduled regattas, festivals, races, and other events on or adjacent to the River add to the overall market appeal to permanent commercial and retail operations.

Riverfront Market Niches

The Piqua riverfront properties and their adjacent available vacant tracts present an attractive location for potential commercial and retail users under any redevelopment scenario. Activity is increasing, as stated above, along Main Street, at least north of Water Street. It is not unreasonable to assume that interest in Main Street south of Water would be stronger under an ambitious redevelopment scenario. The number of recreational users of the Miami River and the adjacent trail system is increasing annually and projected to increase at even greater rates of increase in future years, especially with the recent completion of the last remaining link between Troy and Piqua. Although some of these recreational users now find their way into downtown Piqua, this is definitely a market that is underserved.



The location of a number of the targeted properties and parcels atop the levee system and directly adjacent to the River and bikeway presents somewhat unique market opportunities. Essentially, it endows these properties with two distinct market niches. The first, connected primarily via Main Street, is a connection to the downtown market, which can be encouraged if supported by upgrades in the public infrastructure. The second, accessed directly from the bike trail, provides the ‘second front door’ that offers retail and support services directly to those using the river and bike paths.



In addition, the views of the River both upstream and downstream provide an extremely unique locational advantage, given the lack of riverfront and river view retail operations elsewhere in Piqua or in neighboring communities. Opportunities for people to sit – and more importantly to eat



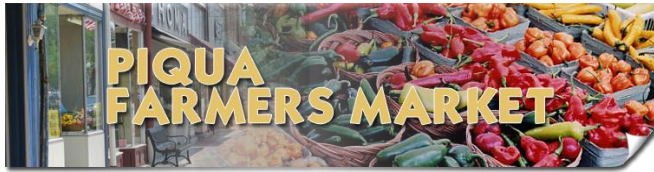
and drink – and enjoy the activity on the river and trails as an added benefit, would be extremely well received. Providing this opportunity so close to downtown increases market demand and thus further connects the two areas in a complimentary manner. Thus, while each of these two markets may not be overly strong in and of itself, the two in aggregate could provide enough opportunity to encourage investment by commercial and retail entrepreneurs; the riverside “door” welcoming river recreationalists and the Main Street “door” welcoming the downtown market.

Further, the availability of a number of currently vacant parcels provides ample opportunity for business to “spill” outside during pleasant weather and encourage outdoor dining, picnicking, gathering for events and festivals, farmers and craft markets, etc.



While these commercial locations may indeed attract operators and entrepreneurs from outside Piqua, especially those that service the Great Miami’s recreational users, it would be wise to target those businesses that already have demonstrated successful operations elsewhere in Piqua or the region, and provide them with opportunities along the riverfront. These could be in the form of a full scale additional location, or a prototype retail space where existing – and successful – local retailers could have a satellite or kiosk-like operation, enabling their goods to be offered downtown and along the river without the commitment (at least initially) for a full retail operation. This is something that takes a bit more management dexterity, but can increase the ability to provide a fuller range of goods and services at start-up.

The focus on those undertaking a variety of physical activities along the River, as well as recent openings of new retail operations such as Can’t Stop Running, suggests that a “healthy living” theme to the new activity and product offerings along the riverfront would be well received and generate operator interest in a variety of ways to provide a range of fresh, healthy food choices and supplies for physical activity.



Specific commercial and retail operations, (either full service or kiosk-type) suggested for targeted outreach include the following:

- Canoe/kayak/bicycle rental and service outfitter
- Casual food and drink establishments with outdoor seating
- Lite fare provisioning: pre-packaged sandwiches, soft drinks, fruit, granola/power bars
- Fresh baked goods
- Wine shop
- Micro-brewery
- Coffee/tea
- Events space
- Small scale music venue
- General store w/health food focus/fresh locally grown products
- Farmer's (City) Market
- Art Gallery/Community Arts Space
- City of Piqua and/or Greater Miami River Visitor Center

Downtown Housing Market

One of the current deficiencies of Piqua's downtown and riverfront areas is a lack of urban-style residential units. Although there are relatively stable single-family and duplex units in adjacent neighborhoods, there are few market rate units within the downtown and riverfront that offer the character and amenities that are increasingly desirable in such areas in communities both large and small. This deficiency may be due to the lack of supply, lack of demand, or a combination of both. Without the data that can be derived from the characteristics of such existing units (e.g. price, size, occupancy, occupant demographics), certain extrapolation from anecdotal evidence and the experience of other communities in the region must be used to determine the market potential. In addition, discussions with current Piqua residents have informed this analysis.

There has been a rather rapid increase in urban housing units in downtown Dayton and some of the smaller area communities, with the demand relatively strong. These units are generally filled with combination of young professionals, empty-nesters, students, those who spend portions of the year in other climes, corporations needing temporary and/or housing for new employees and relocatees. The interest in downtown living tends to be a combination of the uniqueness of building and the unit layout, the activity available in the immediate neighborhood, access to specific amenities

(recreational opportunities), unique views, or proximity to employment. Demand in downtown Piqua is likely to follow these requirements no less than demand in Dayton, for example, with the expectation that ownership and/or rental costs will be lower based on the distance from the core city. This in itself can be a positive force that increases demand. And of course, the potential market is likely to be much less deep than in larger communities.



Given the improvements and momentum occurring in downtown Piqua, the proximity to I-75 and ease of access to Dayton and other points along the I-75 corridor, the friendliness and openness of the community, and – most importantly – close proximity to the recreational opportunities throughout Piqua and the riverfront, demand for a reasonable

number of urban-style residential units can be expected to be strong. A renewed and active riverfront in conjunction with a supply of interesting downtown housing options likely would further strengthen the downtown housing market.

Downtown Housing Market Niche

The lack of residential housing in downtown Piqua is therefore more impacted by a lack of supply than a lack of demand. This demand is likely to be strongest the closer one gets to the riverfront, especially if these units are a short walk to its trail system and some provide river views. In comparable situations, the adaptive use of interesting older or historic buildings into interesting and “cool” urban loft-style housing often are often the initial residential projects undertaken. This is due to the fact that the character of the building provides an additional selling point, and the availability of historic tax credits provide can provide substantial financing advantages that can help bring the cost of occupancy down, important where a market has not yet developed.

The residential assessment suggests that a moderately sized residential development that initially brings up to 30 units onto the market would fit downtown Piqua’s demand quite well. While these may be either rental or for-sale units, it is suggested that the initial project be rental, for a number of reasons: 1) condominium financing remains difficult, especially in untested markets; 2) the ability to access historic tax credits requires that units be rental for a minimum of five

years; and 3) rental units require less of an initial commitment, thus broadening the market to include those that may not yet be willing to invest in ownership. Depending upon the specifics of the initial project, some combination of for-lease and for-sale units may be feasible, especially if demand results in significant pre-construction sales commitments.

In reviewing the targeted properties as to their potential for residential reuse or new construction, the optimal property appears to be the Zollinger building. It meets all of the requirements for urban residential reuse: interesting building character, reasonable number of units, proximity to the riverfront, river views, and a configuration that is well-suited for urban loft-style units.



River Access and Connectivity

The City of Piqua has a long and rich history with its riverfront, due its location along the Greater Miami River and the existence of the Erie and Miami Canal, which was extended into Piqua in 1837. Although the most robust activity along the canal lasted only until the 1860s, the Canal and the River remained a focus of Piqua's business and industry into the twentieth century, and today the River remains a defining characteristic of the community, which in recent years has witnessed a heightened interest in the Miami River as a major regional recreational resource. The Greater Miami River Conservancy and other river and recreation organizations have created a nationally lauded recreational corridor spanning over 60 miles from Hamilton to Piqua.



The close proximity of the river to Fort Piqua Plaza, the businesses along South Main Street, and the heart of downtown Piqua provides the community with an extremely advantageous position, especially as the levee system does not in the focus area provide an impediment to easily reaching the River, as it does in other parts of Piqua and along much of the River's length.

However, while this connection is geographically quite short, the synergies between the two areas have not been optimized. Interestingly, the bike system provides a much stronger connection between the river trail and the City's trails, which traverse downtown, than does the pedestrian system.



The transformation of the riverfront area depends to a great degree on strong synergy between this area and the downtown, for a number of important reasons. First, any commercial activity along the riverfront must be able to complement, rather than compete with, those in the downtown area. The market in Piqua is not strong enough to support two separate districts. Second, the ability to draw market demand from downtown for activity along the riverfront is critical; the river-related demand cannot support its own commercial activity (but for specific, seasonal recreational outfitters). Third, the amenity of being able to comfortably enjoy viewing the river and its activity is a demonstrated market advantage for riverside businesses, and Piqua's riverfront is well situated for such businesses. Fourth, there are few locations along the length of the entire Greater Miami River with a short and easy connection from the River to a downtown area. Piqua needs to take full advantage of the uniqueness of its situation.

Finally – and perhaps most importantly – there are few locations in Piqua where the River is front and center and easily accessed. As a river community, the ability to visibly reinforce the River's significance on a daily basis is critical. As Piqua positions itself as a progressive, healthy river-oriented community, it needs to demonstrate this

connection to the River as strongly and vibrantly as it can. Otherwise, it risks being viewed as less significant than other communities along the River's length who are at present making major improvements along their downtown riverfronts.

The "100% corner" of the downtown/ riverfront connection is the intersection of Water Street and South Main Street. Just east of this intersection is Lock Nine Park, which provides sweeping vistas of the River both north and south; interpretive material related to Piqua's river history, the canal system and the Great Flood; a reconstruction of Lock Nine; and a direct connection to the trail system. The Park should serve as a central, celebratory space that fully integrates the River with downtown, rivaling any public space along the entire length of the River. Instead, however, this connection is currently weak and inhibits its full potential. This is due to a number of understandable factors. The corner location is currently utilized by one of Piqua's longstanding businesses, operating in a former auto dealership building and site. The largest portion of the site is a surface lot which is used to store and move product and materials. Rather than anchoring this corner, the current use weakens it from a connectivity standpoint.



More significantly, in order to screen the operations of Piqua Granite on its western boundary, a brick wall was constructed. While this wall was well-designed to integrate interpretive panels, it nonetheless blocks the Park from the downtown, in effect turning its back on downtown. The Park is well connected to the River, but turns its back on downtown, and the ability to highlight and encourage movement back and forth has been essentially removed. As long as the Park is physically “walled off” from the corner of Water Street and South Main Street, the Park’s role as a major celebratory space of downtown Piqua will be unfulfilled.

The result is that this important point in downtown and along the River, with an unparalleled panorama both upstream and downstream, is sparingly used. Likely as a result of this limited use, its maintenance has suffered. The interpretive panels are in need of an update, and the overall condition of the space is not up to the exemplary



standards that the community demonstrates at its other public parks and civic spaces. Most unfortunate is the condition of the reconstructed Lock Nine. Designed to provide residents and visitors with an understanding of the

former lock structure and its significant location, the lock currently is in disrepair, and not at all exhibited as a highlight of the Park.



The attributes of the River in downtown provides – as stated above – significant opportunities that do not exist elsewhere in Piqua and exist scarcely along the entire Greater Miami River recreational trail system. Unfortunately, the current connections to – and the design of – the public space along the River in downtown do not maximize this potential. While this situation is understandable given the compromises that were required in its initial design and the resultant low usage, the opportunity nonetheless exist for its transformation into a dramatic public space that encourages a seamless integration of the activity along and adjacent to the river with the activity of downtown Piqua. The impact of Lock Nine Park will remain somewhat limited as long as it is walled off from Piqua Granite. Lock Nine Park, therefore, must be visually and physically accessed from Water/Main Street. A redesign of the public space – assuming that Piqua Granite can be voluntarily relocated – would both celebrate the history and importance of this location and provide a much more dramatic and easily accessible expanse of the River from downtown.

The redesign of Lock Nine Park also needs to restore the Lock itself as a focal point of the public space, perhaps in conjunction with exposing – or recreating – a portion of the former canal way itself, and better tying to an enhanced canal interpretive system along Canal Place

north of Water Street, creating a “Canal Walk” that further connects the River to downtown.

In addition, the former rail bridge serves as a wonderful resource for the bikeway system, but visually and aesthetically it does not convey any sense of vibrancy or “branding” of Piqua’s connection to the River and the vitality of what is occurring today both within and adjacent to its banks. This should be a high priority as well.



The redevelopment of properties such as Mo’s lounge, initially, and Piqua Milling in the future, provides additional outdoor activity spaces that can further enhance access and connectivity between downtown and the riverfront areas. These areas provide unparalleled river views and can serve as gathering spaces for casual eating and drinking, river-related and food-related events,

and other festival and celebrations that will use the River as downtown Piqua’s “front door.”

Riverfront District Development Strategy

Overview

Piqua's Riverfront District contains a mix of existing buildings, public open space, and recreational amenities that imbues it with a variety of improvement and redevelopment options. The growing interest in the River by those actively recreating upon and adjacent to it, as well as by those interested in more passive enjoyment of the River, provides opportunities for certain market niche commercial and retail operations. A variety of financing mechanisms and public support could be made available to bridge some of the financial gaps that early action projects will likely face. The most appropriate Riverfront District Development Strategy is therefore one that integrates these conditions and is most suitable to best accommodate current market demand and enhance future demand through the initial implementation of the redevelopment.

Major Objectives

The recommended Riverfront Development Strategy has been designed with five major objectives:

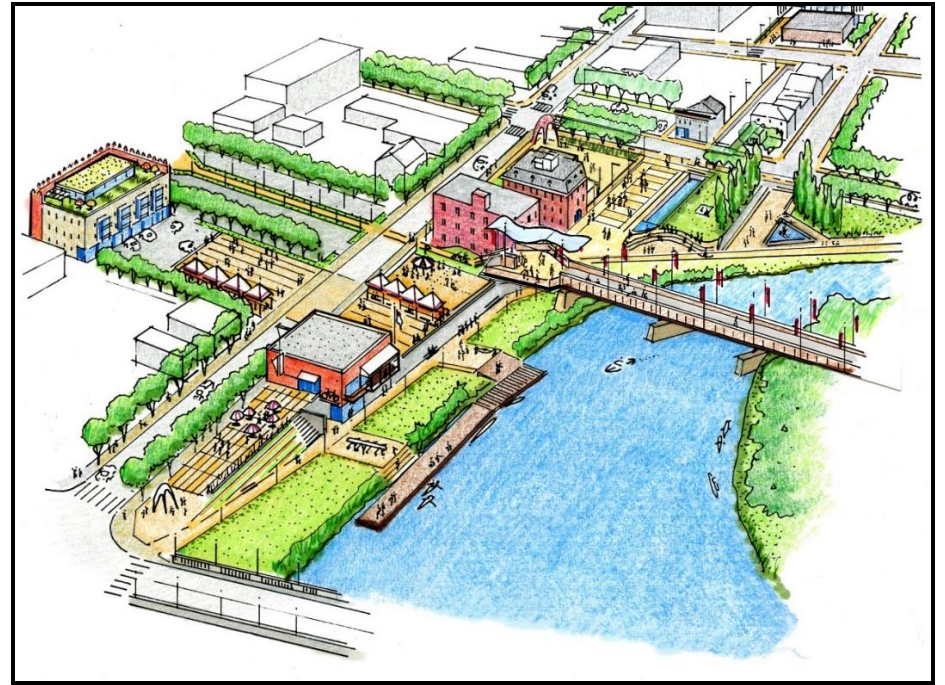
- Enhance of the connections between downtown Piqua and its riverfront
- Provide targeted commercial activity designed to attract those using the River, downtown and community residents, and visitors
- Introduce a supply of residential units in the downtown and riverfront areas
- Create more regularly programmed events and activities along the riverfront
- Reinforce Piqua's identity as a river-oriented community and attract additional recreational visitors

In order to accomplish these goals, the recommended strategy includes a combination of selected demolition, targeted property redevelopment, the redesign of Lock Nine Park, increased access points between downtown and the river, additional parking, enhanced civic spaces, and a commitment to riverfront programming.

PIQUA RIVERFRONT DEVELOPMENT STRATEGY



Existing Riverfront District



Proposed Riverfront District

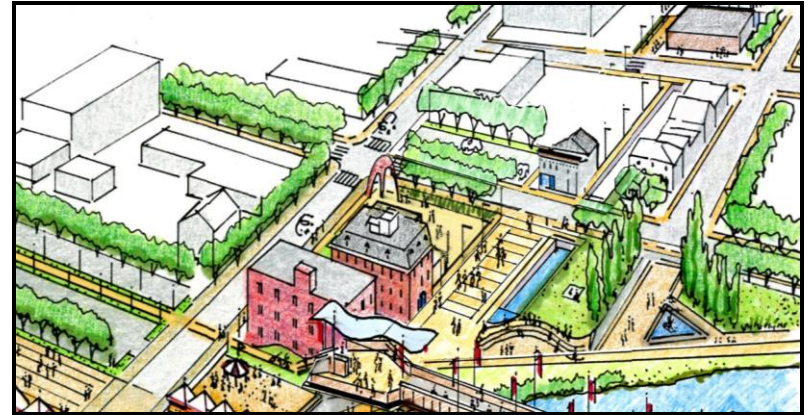
Goal 1: Enhance the connections between downtown Piqua and its riverfront

Expansion and Re-design of Lock Nine Park

To optimize the connection between downtown and the riverfront, a complete redesign and expansion of Lock Nine Park is recommended. The optimum scenario would be to reach agreement with the owners of Piqua Granite for the City to acquire its property at the corner of South Main Street and Water Street and assist in its relocation to another, more appropriate location within Piqua. Initial discussions with the owner of Piqua Granite to this effect have been supportive and cooperative.

In addition, the Old Laundry Building at 117 East Water Street, with a very low feasibility of an economically viable redevelopment, would be demolished. The City currently has a contract to purchase this property.

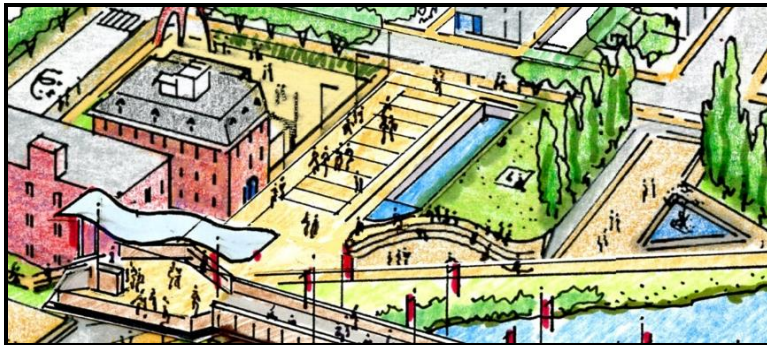
The Park would be expanded north to Main Street, with a major gateway feature designed at or near the South Main/Water Street intersection to welcome people into the park and riverfront, and provide a strong visual connection. At this preliminary level of assessment, it would appear that the existing showroom building and the



garage structure could remain and be reused, as the additional land would not necessarily be needed for the Park expansion (pending a more detailed conceptual design plan). The showroom space at the “100% corner” could be attractive as a retail space or community use space. The garage could be used to store kayaks, canoes, and bicycles, or serve as a visitor/interpretive center for the enhanced canal and lock recreation, described below.

The current Lock Nine Park site would be redesigned with the goal of removing the interpretive wall and restoring the Lock itself. It is further recommended that the new

design consider opportunities to introduce water into the Park in a way that reflects literally or figuratively the former canal right-of-way, integrating interactive exhibits illustrating how a canal system operates. This canal way should be continued via an improved interpretive streetscape program across Water Street and up to Ash Street, partially along the existing Canal Place.



The redesigned Lock Nine Park should also consider a small group seating area in an amphitheatre-like setting, as a way to navigate the slope differential between the Park atop the levee and the river trail below. The slope at the southern end of the Park appears most able to accommodate this seating, and would also provide the most dramatic sweeping river views both upstream and downstream.

East/West Green

The potential exists to provide an attractive public “green” between the rear of the Zollinger Building and the vacant lot between Mo’s Lounge and the railroad bridge. This would require the demolition of the small building at 102 South Main Street and the DP&L Substation at 110 South Main Street. The City is in the process of acquiring both properties. This open area – likely a mix of hardscape and softscape treatments – would further the movement between downtown and the riverfront, and could serve as a location for activity during festivals and events held on the riverfront, with a design that would accommodate vehicles, kiosks, etc. to be temporarily set up during such events.

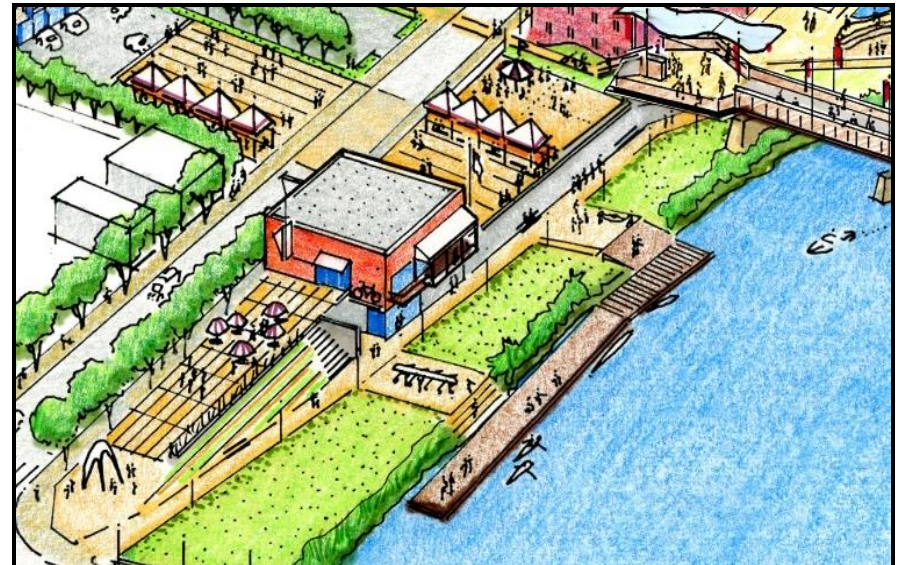


Goal 2: Provide targeted commercial activity designed to attract those using the River and downtown area, as well as community residents and visitors

Mo's Lounge

Mo's Lounge has a distinct advantage of a siting that has its full story basement level at grade with the river trail, and a first floor fronting on to South Main Street. Thus, its redevelopment has the potential of a lower level operation that caters to river-oriented recreation traffic, and a first and second floor that caters to those wishing to be on a setting overlooking the River. Both first and second floors have wonderful river views, and the ability to spill out on the vacant lot to the south provides ample outdoor space with spectacular downstream views. The City currently has a purchase contract on Mo's, and in addition intends to demolish the former Piqua Power Substation at 123 South Main Street, further enhancing the views from the outdoor dining space.

The recommended strategy would target a river recreation outfitter as a lower level tenant and a casual food and drink establishment as the first floor operation, with the second floor available for use as an event or entertainment space.



Piqua Milling Company

Piqua Milling Company also occupies an enviable location with access both on South Main Street and Lock Nine Park. This two building complex could provide space for a number of the targeted commercial uses identified in Section 4, and is thus a prime candidate for rehabilitation and adaptive use. The property's location directly adjacent to Lock Nine Park suggests that a reuse plan should – all things being equal – be deferred until the Park redesign is completed, or more appropriately, be considered simultaneous with the Park design, as property boundaries and public/private space usage and maintenance responsibilities would need to be addressed during that process.

Weaver's (Edison Illuminating Company) Building

The owners who recently acquired the Weaver's Building have indicated their interest in rehabilitating the property and operating (or seek an operator) a general store type of retail operation, focusing on fresh and local foods. This is the exact type of retail operation that is most appropriate and their efforts should be strongly encouraged by the community.

The same owners control the gravel surface lot at the northeast corner of Water and South Main Streets, and are in negotiations with the City for its transfer. This is an important parcel in the overall plan, both for its ability to provide parking in the short term and as a potential new infill development site in the future.

Piqua Granite

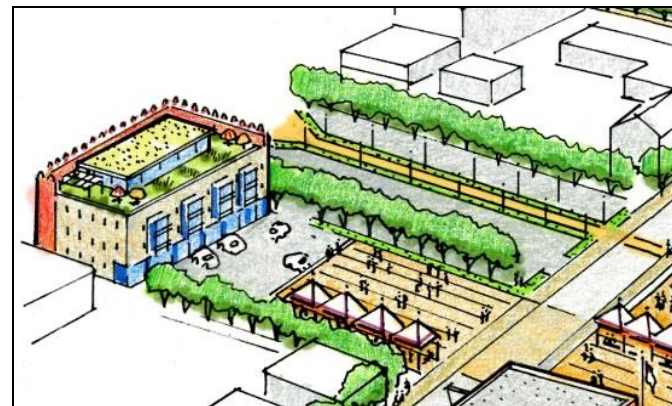
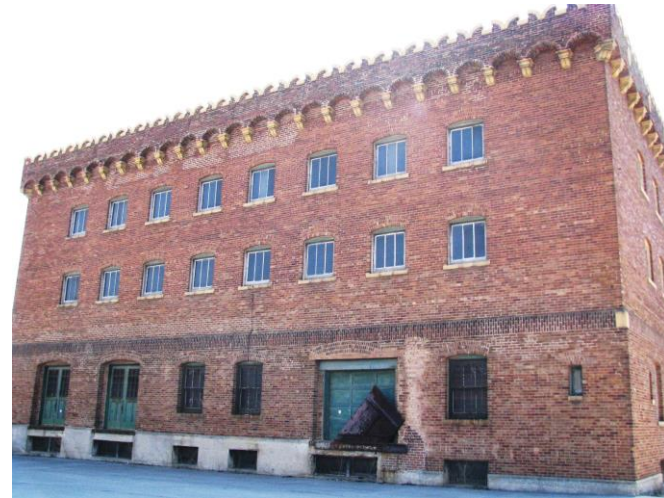
While the non-building portion of the site occupied by Piqua Granite is recommended to be included as an extension of Lock Nine Park, the existing showroom and garage do not necessarily need to be demolished. A decision should be deferred until the Park redesign is completed. If not needed for the Park, the showroom offers a strong additional location for the targeted retail operation or a possible community arts space, and the Garage should be considered for a visitor/interpretive center or a storage facility for a recreational outfitter.

Goal 3: Introduce a supply of residential units in the downtown and riverfront areas

Zollingers

The most viable opportunity to introduce urban-style residential units in and adjacent to the target area is the Zollinger Building at 101 South Wayne Street. The design, massing, and column layout of the building is very similar to a number of successful residential renovations, and the location of the building vis-à-vis the Piqua riverfront is excellent. With the addition of windows placed in its east façade, desirable river views would be available, as well as the potential for unit expansions or a deck to be developed on the roof, further providing unparalleled views of the River. It is estimated that approximately 20 units could be accommodated in the building.

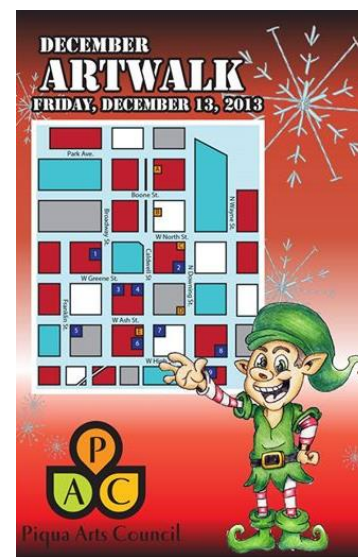
While opportunities throughout the riverfront and downtown areas for additional housing should be pursued – especially in vacant upper story floors of existing buildings, the ability to develop a cluster of units in a prototypical building adjacent to the improvements planned for the riverfront presents an exciting potential early opportunity.



Goal 4: Create more regularly programmed events and activities along the riverfront

The physical and property improvements of the Redevelopment Strategy are much more likely to succeed if there are strong marketing and programming efforts undertaken simultaneously to draw attention, promote, and most importantly bring people to the area. While individual operators may – but most often do not – have adequate resources for their own marketing and promotion, the help of downtown business associations, civic groups, and the city government often play critical roles in insuring that the area is heavily promoted.

Fortunately, the City of Piqua has a very strong track record in creating activity and events in the downtown area that promote a strong, active, and vibrant downtown. Main Street Piqua oversees the Farmers Market and the Taste of the Arts event, among other activities; the City government is heavily involved in downtown events and is playing a lead role in encouraging more events at the riverfront, such as the new Rockin' on the River, which is exactly the type of event that will enhance the overall redevelopment strategy. Civic groups like Positively Promoting Piqua have become strong allies and supporters of these efforts, and groups such as the Piqua Arts Council



can infuse the area with new events, potential locations for community needs, public art programs, and similar supportive initiatives.

Goal 5: Reinforce Piqua's identity as a river-oriented community and the attraction of additional recreational visitors

The locational advantages of Piqua's riverfront have been well documented during the course of this development strategy, and the potential for Piqua to become one of the true "hubs" of River activity is real. However, in the early stages of the riverfront's transformation, it is critical that the word gets spread as to what is available here, what is coming, and why Piqua is a place to be visited. With many other communities along the Greater Miami currently undertaking their own riverfront improvement plans, it is important that Piqua's "story" not be lost in the crowd.

Fortunately, the City of Piqua and its civic partners are in the midst of an aggressive effort to be fully integrated into the regional river community, to welcome and encourage river groups to convene in Piqua, to create and publicize new river-oriented events, and to position Piqua as fully in

sync with the growing interest exhibited by river recreation enthusiasts. Those who already understand the opportunities that Piqua provides to those along the River are quite enthusiastic about it; the goal is to insure that this awareness expands to far greater numbers.

These initiatives are important and need to be fully supported and intensified as the riverfront plans move into their implementation stage.



Initial Catalytic Actions

Overview

The recommended Piqua Riverfront Redevelopment Strategy is comprised of a variety of actions designed to increase public connections to the river and its trail system and to redevelop a number of the area's older and historic properties with uses that support and enhance a significant increase in activity within the area. To accomplish this, a number of different types of actions and interventions are required:

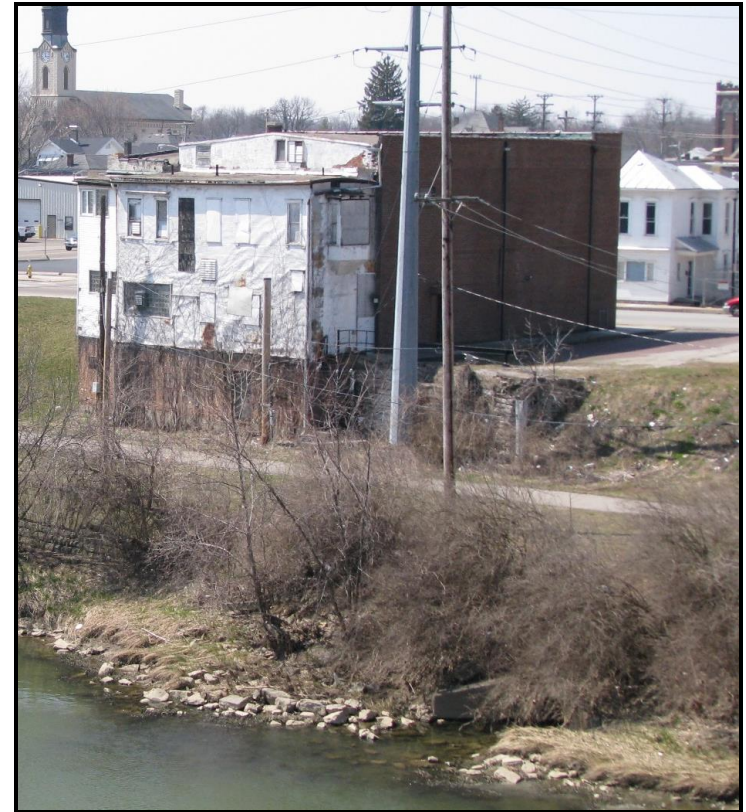
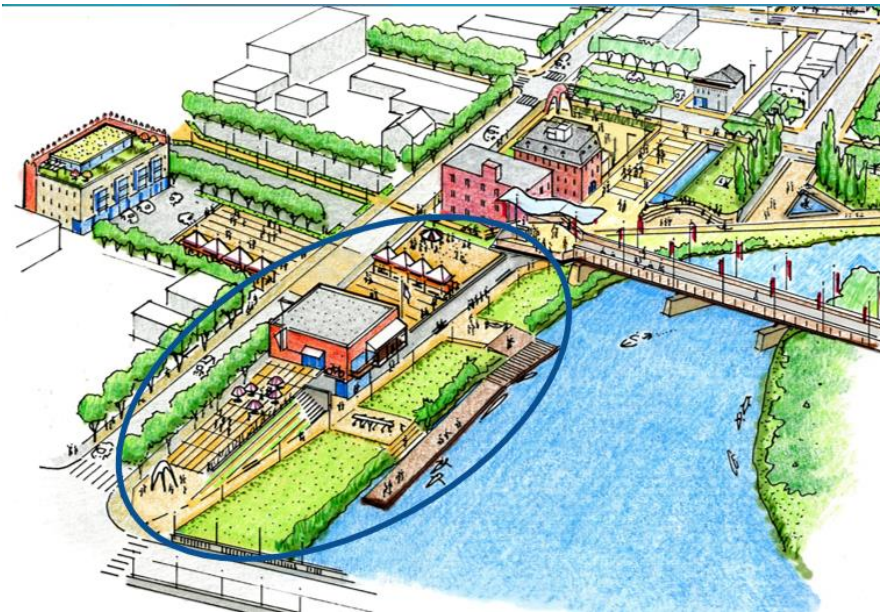
- Property acquisition and/or control
- Selected property demolition
- Redesign of public open spaces
- Creation on new and enhanced public spaces, connections, paths
- Property redevelopment
- Improved and additional public parking
- Selected streetscape/infrastructure/gateway element improvements
- Intensified promotion and riverside community events

While all of these are important, three specific projects stand out as those that would likely have the most catalytic impact in a first phase of the Redevelopment Strategy's implementation program, for their ability to

“seed” the riverfront with more activity and people and begin the transformation. These three projects are 1) the renovation and redevelopment of Mo's Lounge and its adjacent parcels; 2) the expansion and redesign of Lock Nine Park; and 3) the redevelopment of the Zollinger's Building into market rate residential units. A number of supportive actions are required for each of these projects to move forward.

1. The Renovation and Redevelopment of Mo's Lounge

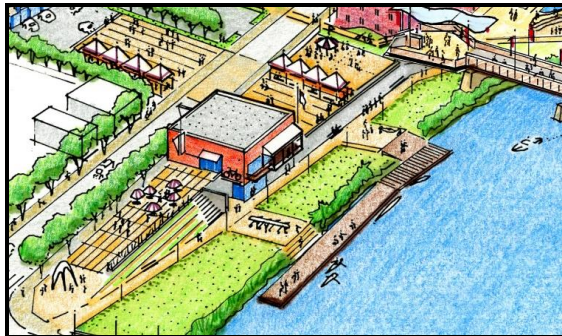
The ability to successfully create certain commercial and retail services along the riverfront depends on the correct “match” of market demand and market opportunity. The growing number of people utilizing the river for recreational usage, with few on-site opportunities currently provided for services specific to their needs, is one such opportunity. The positioning of the Mo's Lounge building's lower level at-grade with the river trail is a strong advantage of the redevelopment of this property. In addition, the ability of its main level to provide direct access from Main Street and through to a same floor river vista terrace overlook makes it an excellent location for a food and service operation on the River. The potential availability of the adjacent empty lots for outdoor dining and activities, combined with the proposed



demolition of the Piqua Power Substation, enables this modestly-sized building to have a potentially transformative impact on a wide swath of Piqua's riverfront, far greater than the size and character of the building itself would otherwise suggest.

The potential also exists (although requires further hydrological investigation) of the creation of a floating dock on the east side of the river. This would enhance an outfitter's potential for canoe and kayak rentals, as well as supervised float trips with an embarkation/debarkation point along the Piqua riverfront, further increasing activity in the area. The removal of the existing power line and pole directly adjacent to the rear of the building is also a desirable public action to enhance its redevelopment potential.

The City has recently executed a contract to purchase this property, so no ownership issues will impede its redevelopment potential.



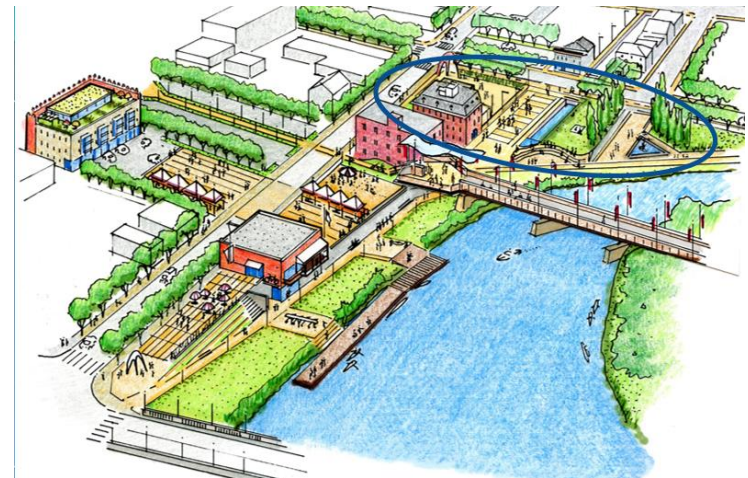
Mo's Lounge Southwest View



2. The Expansion and Redesign of Lock Nine Park

The lack of a strong, visible, and easily accessed connection from the downtown to the riverfront is a major current deficiency of the riverfront. Lock Nine Park occupies an extremely strategic (and beautiful) location on the River, is close to the “100%” corner of the downtown/riverfront nexus, and provides important interpretive information about the significance of the River and the Canal to Piqua’s history. In spite of these positive attributes, it fails to fully live up to its potential.

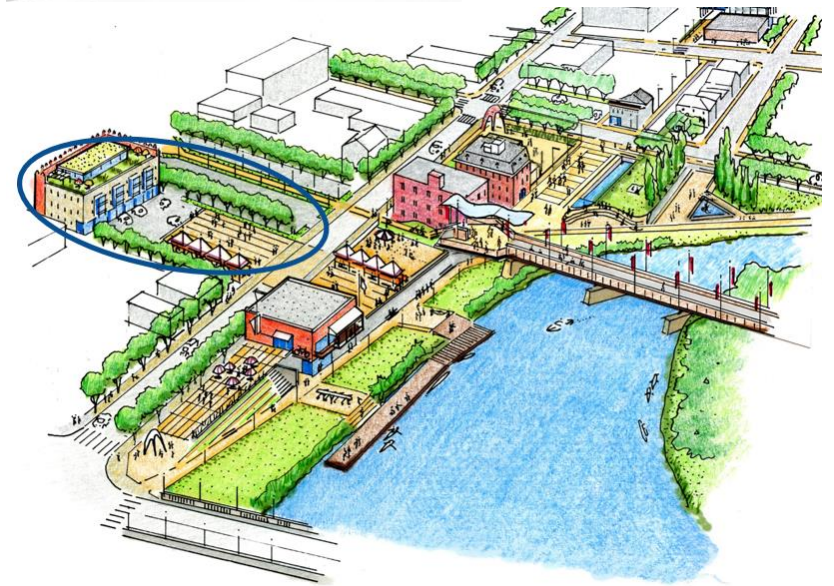
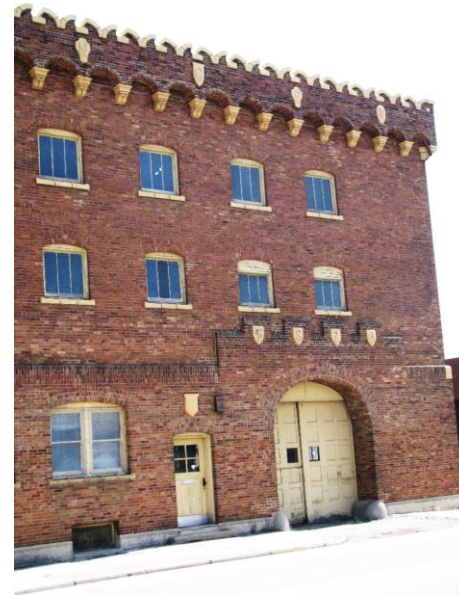
With the voluntary relocation of Piqua Granite now a strong possibility, a redesigned Lock Nine Park can expand west to reach the important South Main/Water Street intersection. The removal of the wall enables the Park to now reach out to both downtown and the River. A restoration of the Lock and a recreated portion of the former Erie and Miami Canal, along with updated interactive exhibitry, will return the lock and canal to its prominence as a focal point of the Park. Expanded amenities for seating, events, and river trail connections will further cement the newly designed Lock Nine Park as the center point of Piqua’s riverfront.



3. The Redevelopment of the Zollinger Building into Market Rate Residential Units

The ability to seed a redevelopment area such as this one with some initial residential units is always a high priority, as nothing helps propel an area as much as people living there and “investing” in the area, whether they own or lease. It need not require a large number of residents for this effect to begin to have benefits, as long as there are enough in an early stage that their presence is felt and they take ownership in the progress being made. Often times, however, it may be difficult to find a suitable property.

In the case of Piqua, however, the Zollinger Building matches quite well the most suitable property to consider for residential use, with the property with the highest likely market demand. Properties similar to Zollinger, many of which are far less attractive or architecturally interesting, tend to generate strong demand due to the interesting and efficient units can be created within in, what typically is termed “loft-style housing.” The proximity of the Zollinger Building to the riverfront, both in terms of views and access to water and landside recreation, provides a strong market amenity, and interest in living in Zollinger – and

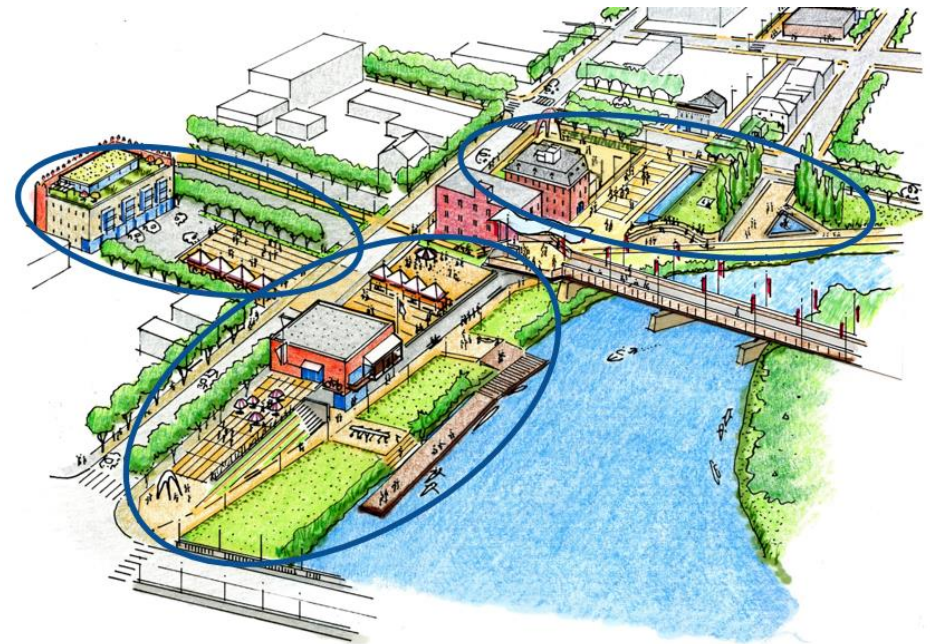


potentially other properties downtown - will increase as activity along the River increases.

The decision of the City of Piqua to acquire and demolish the small building at the DP&L substation at 102 and 110 South Main Street will open up a direct connection and vista across Main Street and directly to the River.

Aggregate Impacts

Each of these three “catalytic” projects are modest in size (certainly paling in cost and complexity with the Fort Piqua Plaza) and are viable within the financial and managerial capacity of the City and its civic partners. However, when viewed cumulatively (especially when combined with the adjacent parcels that would be part of their implementation), these three interventions would have a significant positive impact on the transformation of Piqua’s riverfront. This is exactly what is meant by the term “catalytic impact.” Although there are some property ownership and control issues that remain to be further defined with property owners, who have been extremely cooperative, these three projects should move forward without delay as the first phase of the implementation of the Riverfront Redevelopment Strategy.



Development Financing Options

The targeted actions recommended in the Piqua Riverfront Development Strategy will require a variety of public and private financing mechanisms, with a somewhat different set of financing tools appropriate to each specific project. These include the following:

Public Financing Tools

- Local public general funds (property acquisition, demolition, park redesign)
- Tax Increment Financing (infrastructure, park redesign, property acquisition)
- Ohio Department of Natural Resources (docking and river edge facilities, canal restoration)
- Community Development Block Grant funds (public infrastructure)
- State and Federal Brownfields funds (environmental assessments and remediation)
- State and Federal Historic Tax Credits (property redevelopment)
- State and Federal New Market Tax Credits (property redevelopment)

Private Financing Tools

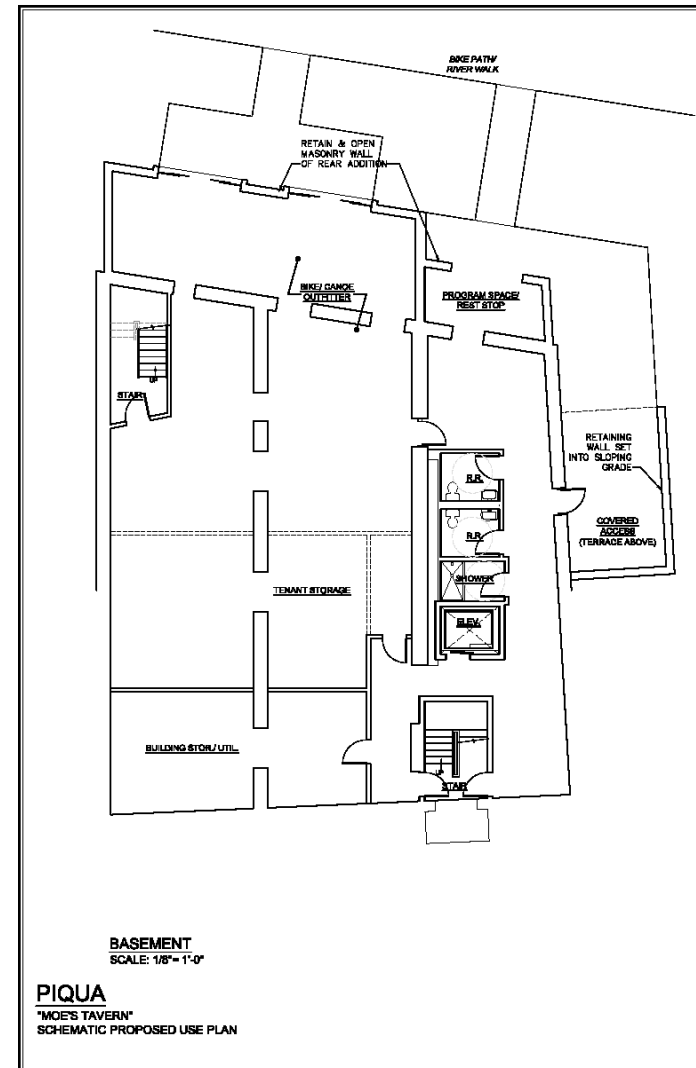
- Local Investor funds (individual and/or mutual investment funds)
- Property purchase/donations
- Public space sponsorships
- Purchase of tax credits
- Master leasing
- Tenant/operator guarantees
- Residential unit guarantees

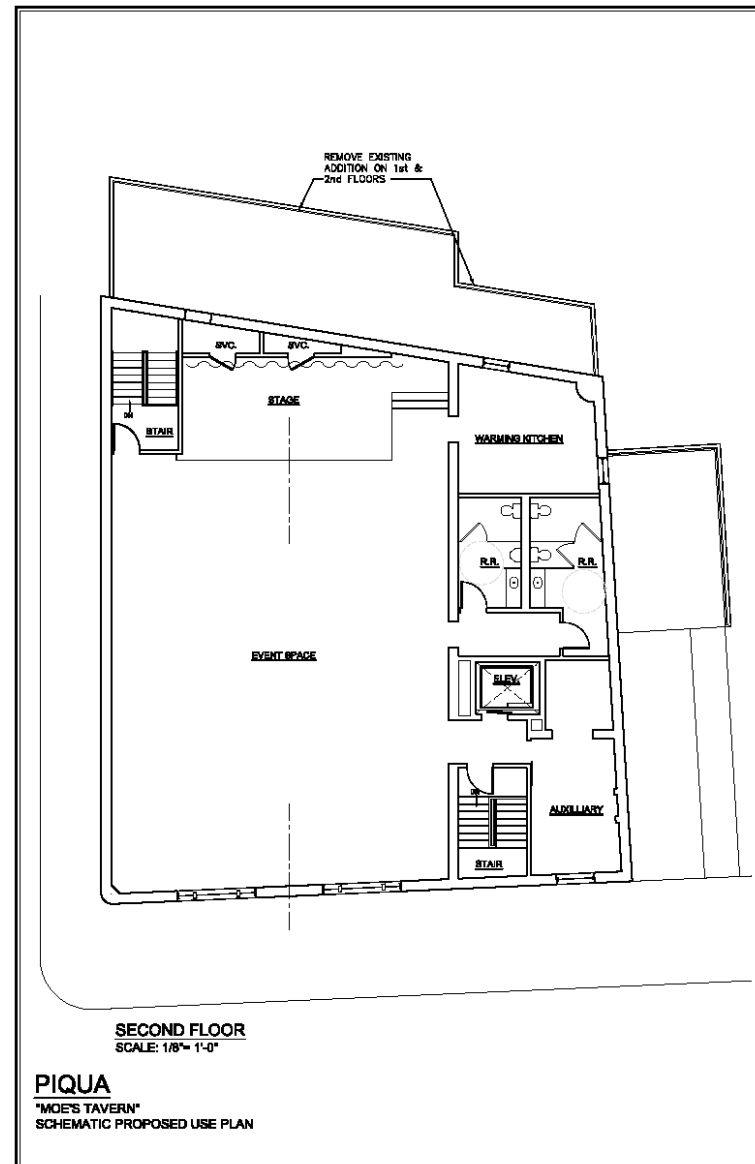
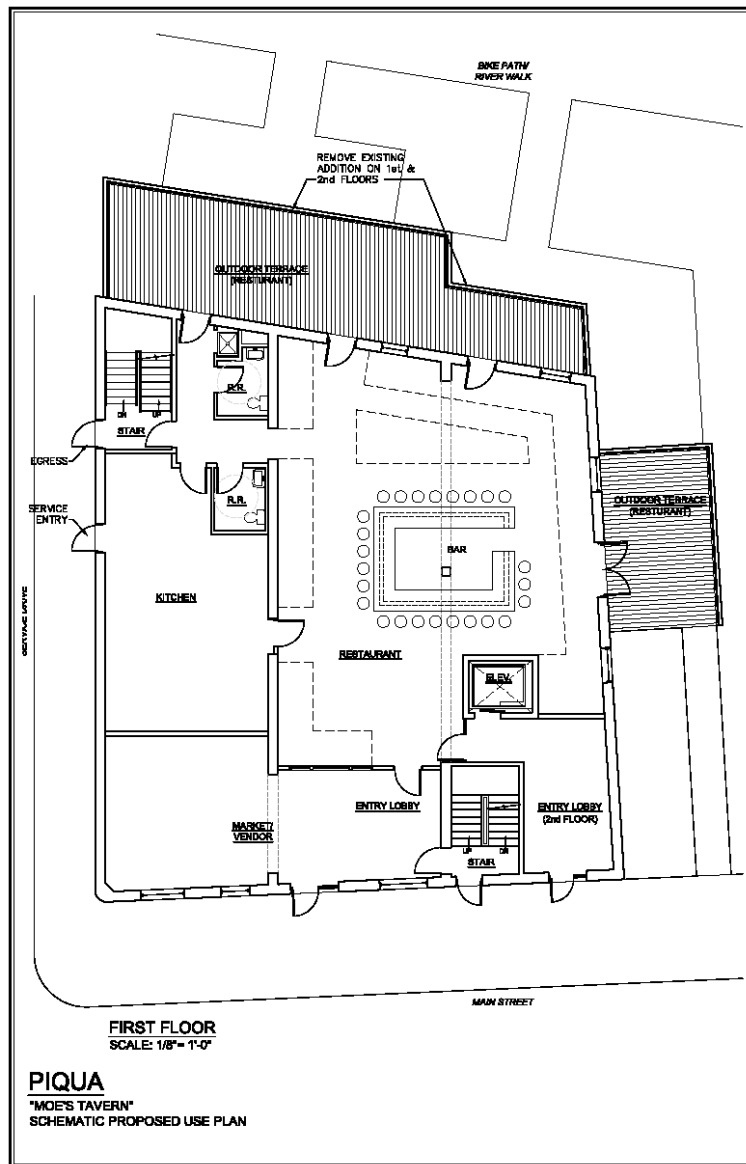
Mo's Lounge

A preliminary development pro forma has been developed for the potential redevelopment of Mo's Lounge. The approximately 9,200 square foot building is proposed to be tenanted with a boat/bike recreational outfitter on the lower level and a café/restaurant operation on the main and second floors. Overall development costs are estimated to be approximately \$1,637,000, and the project assumes that Federal and State Historic tax credits of \$650,000 will be available to potential investors paying \$1.00 for each \$1.00 of tax credits used.

While initial discussions with potential operators of each tenant space suggest that demand would be positive, the leasing market in Piqua suggests that initial base rental rates would likely be low, necessitating some type of master tenancy or an equivalent mechanism to provide necessary flow and/return to investors. But given the overall size of the project, this actual or imputed project "civic subsidy" is rather small given the project's catalytic nature as a key element of the riverfront's initial transformation.

The City of Piqua already has invested in the project by executing a purchase contract. EPA Brownfield funds would be used for any necessary environmental





Mo's Lounge Property		Piqua, OH.	Master Lease Option
Sources & Uses of Funds			
CITY Visions Associates			
25-Oct-13			
Building Area	S.F.		
Bsmt	2400		
First	3400		
Second	3400		
Third	0		
TOTAL	9200		
Estimated Constuction Cost per sq ft.		\$125.00	\$1,150,000
Soft Costs			
0.50% Architectural Concept			\$5,750
2.50% Architectural Schematic/DD Docs			\$28,750
2.50% Architectural Construction Docs			\$28,750
3.50% Engineering			\$40,250
1.00% Coordination			\$11,500
0.90% Environmental/ Appraisal/ Special Inspections			\$15,300
2.50% Prof/ Legal/ Accounting			\$78,750
2.00% Historic			\$34,000
0.60% Taxes & Insurance			\$6,900
Marketing & Leasing (1.5% not eligible for HTC)			\$0
7.00% Construction Financing			\$80,500
5.00% Developer Fee			\$57,500
28.00% TOTAL			\$387,950
38% Soft costs toward HTC, counting a 15% developer fee			\$487,000
Estimated basis for HTC w/ construction & soft costs			\$1,637,000

Site costs	\$92,000
20% Estimated federal historic tax credit	\$327,400
20% Estimated State historic tax credit	\$327,400
Financing	\$1,149,200
Annual Costs yrs 1-5 int only	\$68,952
Existing Mortgage	8,700
ITC Preferred return	\$16,370
Annual Expense	\$94,022
Rental Income	
basement @ 8.00/sf	\$19,200
first floor @ 12.00/sf	\$40,800
second floor @ 10.00 sf	\$34,000
	\$94,000

assessments and remediation (which are likely to be rather minimal, based on the existing information available at this time).

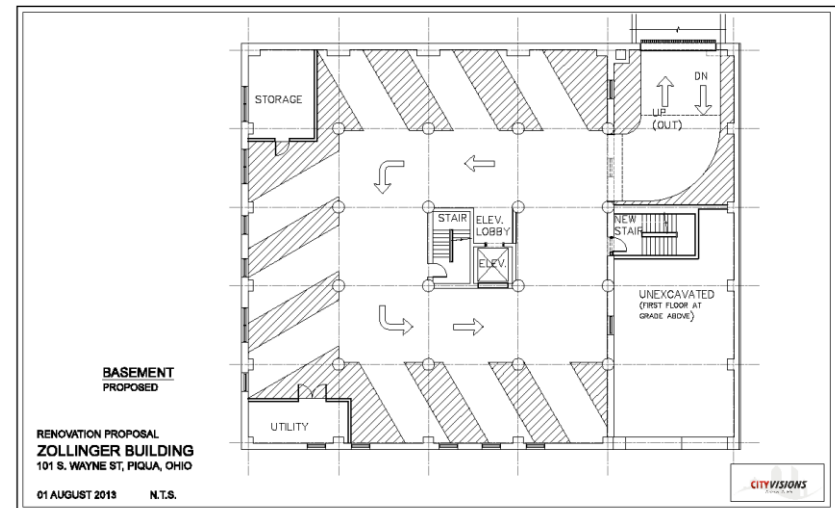
Private parties would participate in the development of the project via a combination of direct investment as tax credit investments; investment as limited partners; execution of a master tenancy; underwriting or guaranteeing tenant leases; and providing favorable financing for tenant loans.

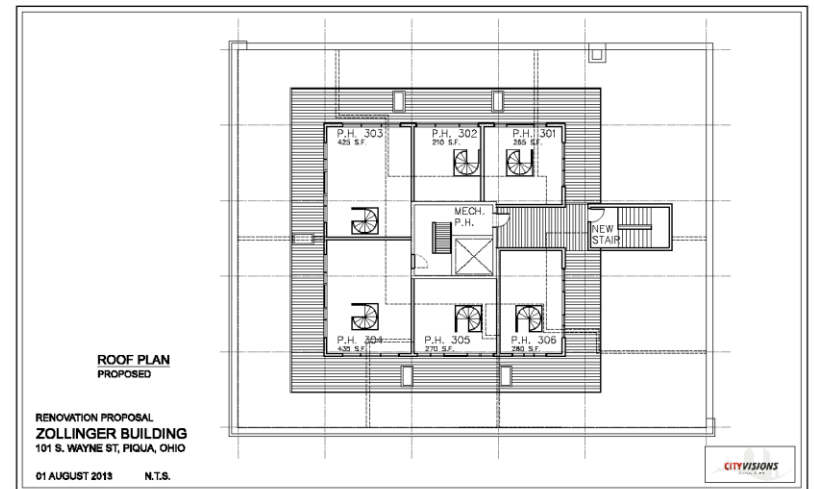
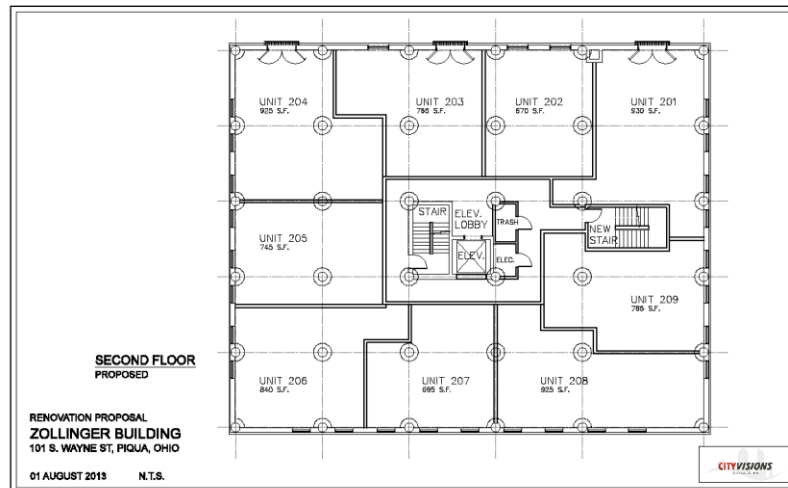
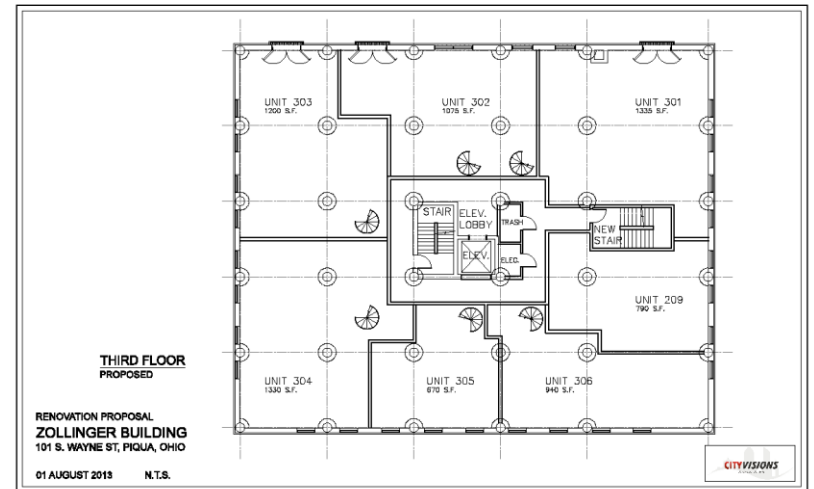
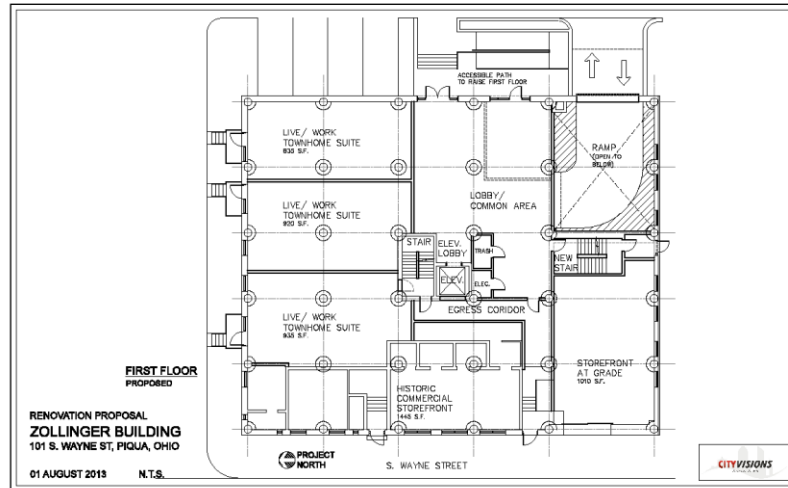
Zollinger Building

The second public/private development partnership suggested as an initial phase catalytic project is the rehabilitation of and the redevelopment of the Zollinger Building into approximately 20 residential units. A redevelopment project pro forma was also developed for this 30,000 square foot, three story (plus basement) structure. Its overall development cost is estimated at approximately \$5,225,000. The project could utilize both State and Federal Historic Tax Credits (either a 20% or 10% credit, depending upon the eligibility of its redesign). Up to \$1.7 million in tax credits could be sold, assuming that the units are leased units for a minimum of five years. A modest rental rate is presumed, again due to the fact that the market demand, while likely strong, has not yet demonstrated its price point.

The property is privately held, and the owner has indicated a willingness to work cooperatively with the City on this direction. That could result in the owner undertaking the project himself, partnering with a private development entity, partnering with the City, or selling the property to the City or a private entity. In any of these scenarios, the City should be encouraged to participate financially, in a variety of ways, to support the placement of this property

back in service and seed the downtown and riverfront with market rate housing. Public support could be in the form of property purchase; infrastructure/streetscape/parking improvements; tax abatements.





Private parties could participate in the development of the project via a combination of property acquisition; direct investment as tax credit investors; investment as limited partners, individual or corporate unit leases; and as tenancy guarantors.

Zollingers Building		Piqua, OH.
Sources & Uses of Funds		
CITYVisions Associates		
18-Dec-13		
Building Area	S.F.	
Bsm't	3000	
First	9000	
Second	9000	
Third	9000	
TOTAL	30000	
Estimated Construction Cost per sq. ft.	\$125.00	\$3,750,000
Soft Costs		
0.50% Architectural Concept		\$18,750
2.50% Architectural Schematic/DD Docs		\$93,750
2.50% Architectural Construction Docs		\$93,750
3.50% Engineering		\$131,250
1.00% Coordination		\$37,500
0.90% Environmental/ Appraisal/ Special Inspections		\$33,750
2.50% Prof/ Legal/ Accounting		\$143,750
2.00% Historic		\$125,000
0.60% Taxes & Insurance		\$22,500
Marketing & Leasing (1.5% not eligible for HTC)		\$0
7.00% Construction Financing		\$262,500
5.00% Developer Fee		\$187,500
28.00% TOTAL		\$1,150,000
38% Soft costs toward HTC, counting a 15% developer fee		\$1,475,000
Estimated basis for HTC w/ construction & soft costs		\$5,225,000

Site costs		\$300,000
20% Estimated federal historic tax credit @ \$.90		\$940,500
20% Estimated State historic tax credit @ \$.75		\$780,000
Financing		\$3,804,500
Annual Costs yrs 1-5 int only		\$190,225
Rental Income	basement @ 6.00/sf	\$6,600
	first floor @ 12.00/sf	\$66,600
	second floor @ 12.00 sf	\$88,200
	third floor @ 12.00/sf	\$88,200
		\$249,600
Operating Expenses		\$56,160
Net Operating Income		\$193,440
Finance Costs		\$190,225
Net Revenue		\$3,215
prior to preferred returns and distributions		
Conversion to Condominium regime after year 5 @ \$150/sf		
Conversion to Condominium regime after year 5 @ \$175/sf		
Conversion to Condominium regime after year 5 @ \$200/sf		

The redevelopment of Mo's Lounge and the Zollinger Building are each examples of modest sized projects that both individually and collectively (in combination with the publicly funded redesign of Lock Nine Park) will have significant benefits to the community and the economic feasibility of future redevelopment and investment in and adjacent to the riverfront area. They are viable projects for the City of Piqua, given the capacity and willingness to take on important projects that the community has exhibited in the recent past. These initial projects can be designed and managed effectively so that - with a variety of creative financing tools as outlined above - both their public and private investors can feel confident that such investment is prudent. However, such investment should be considered as "patient" investment, with modest returns in early years and a return on this investment likely not seen until later years. Such is the norm with projects that require civic investors. Due diligence in their underwriting and a set of development skills that come with experience in the vicissitudes of developing historic properties must be demanded, but with an understanding that these investments' returns will likely be modest.



Phasing and Implementation

The Piqua Riverfront Development Strategy described herein is an ambitious yet eminently viable program of a series of targeted strategic actions that will begin, in the very near future, to transform the 26 acre riverfront tract and its immediate environs from an area characterized by vacant buildings and lack of investment and activity, into an area that embraces the riverfront and connects it more directly to the activity in Piqua's downtown area. Three initial projects are recommended to move forward immediately to begin this transition. However, a series of additional initiatives, also a combination of public and private investment, can follow shortly thereafter and/or as the market dictates. The transformation will grow exponentially with every new project that is undertaken.

Phase I Public Actions: Property

- Acquisition of Old Laundry and Mo's Lounge (currently in process)
- Acquisition of surface and vacant lots (currently in process)
- Acquisition of DP&L and Piqua Power properties/102 South Main St. (currently in process)
- Agreement to relocate Piqua Granite and acquire property (currently in process)
- Demolition of DP&L, Piqua Power and 102 South Main Street properties
- Required environmental assessments and remediation

Phase I Public Actions: Design

- Initiate design for the redesign and expansion of Lock Nine Park
- Initiate design for railroad bridge enhancement
- Initiate design for civic space from Zollingers to Main Street
- Initiate investigation of Floating Boat Dock

Phase I Private Investment

- Invest in the redevelopment of Mo's Lounge Building
- Private restaurant/café tenant
- Private recreation outfitter tenant
- Invest in the redevelopment of Zollinger Building
- Support/guarantee unit leasing

Phase I: Public/Private Actions

- Enhanced programming/events at riverfront
- Increased marketing and outreach to river recreation community and organizations

Phase II Public Actions (design and construction)

- Upgrade streetscape along South Main Street
- Upgrade streetscape along Spring Street from Ash to Water Street
- Create new interpretive "Canal Walk" from Water Street to Ash Street
- Visitor Center/Canal Interpretive Center at Piqua Granite garage

Phase II Private Investment

- Rehabilitation/commercial reuse of Weavers (Edison Illumination) Building
- Rehabilitation/commercial reuse of Piqua Milling Company
- Re-tenanting of Piqua Granite showroom

Phase II Public/Private Actions

- Continued and more intensive riverfront events and programming

Riverfront District Development Strategy Piqua, Ohio

December 2013

Prepared for the
Development Department

City of Piqua, Ohio

Prepared by
CityVisions Associates
Louisville, Kentucky

