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Dayton is on a roll with major initiatives underway in all areas of the our community. CityWide is proud to have been a part of the renewal and rebirth efforts in the neighborhoods, industrial parks, commercial corridors and downtown for the past 45 years.

Inside our annual report you will read about progress on our three main areas of focus centered on Community Development, Downtown Mixed Use Residential Development and Economic Development. We are proud that our targeted strategic blueprint developed a few years ago continues to guide us as we continue moving Dayton forward.

A few of the key highlights for 2016 include:

- **HUD Choice Grant** – In 2014, the Dayton City Commission adopted the Greater West Dayton Corridor Study: A Strategic Framework for Investment. This blueprint was instrumental in the Dayton community receiving a Department of Housing and Urban Development $1.5 million Choice Planning and Action Grant in June 2016.

- **Levitt Pavilion** – The re-imaging and reactivation of the Dave Hall Plaza was identified as being a strategic key to changing market perception and future opportunities for the nine blocks surrounding the future site of the Levitt Pavilion.

- **First Floor Fund** – As the Greater Downtown Plan has continued to gain momentum, CityWide has focused on growing the First Floor Fund as a major financing program for businesses in Dayton’s core. We believe that vibrant businesses on the street level are absolutely needed to make Dayton a great place to work, live, learn and play.

CityWide’s board and staff consider our organization to be the Champion of Dayton’s urban center now and into the future. We hope you enjoy reading the highlights of the past year.

Sincerely,

Steven J. Budd
President, CityWide
Adding public space amenities to neighborhood project areas continues to be a hallmark of the community development strategy that CityWide employs. Adding public green space and park areas create a sense of place, enhance neighborhood gateways, and provide safe and exciting places for residents to gather and play. In 2016, CityWide completed two such projects.

After two years of fundraising and design efforts, the Children’s Garden, located in the Old North Dayton Neighborhood and directly across from Dayton Children’s Hospital’s main campus, opened to the public. The garden, an over $800K privately funded investment, focuses on natural play, learning, and healthy living. A playground, hillside slide, sculptures, vegetable gardens, and maze attract and enchant the 1200 children who live in the Greater Old North Dayton neighborhoods, but has also been an asset to the local schools, childcare centers, and the families using the hospital and their services.

The Salem and Catalpa Gateway is a welcoming green space located in the Phoenix Project area. The gateway, that highlights the Salem Avenue corridor and the Fairview and Dayton View neighborhoods, was first developed in 2008. In 2016, after acquiring additional adjacent property, the gateway was expanded significantly and now boasts a 3.5 acre passive park welcoming residents and visitors into this area of Northwest Dayton.

Besides adding additional green space to the Gateway, a Little Free Library was installed. The design of the Library was created by Nicole Steele, an architect and Project Manager with CityWide who has been leading development work with the Phoenix project for over a decade. Local carpenter, Tom Risk volunteered to build the library which offers books for residents of all ages.
In 2015, Wright Dunbar, Inc. (WDI) entered into a three-year contract with CityWide to provide the historic district with professional real estate management and development services. This partnership has yielded great results as 2016 proved to be a banner year for the Business District. Highlights include the location of new businesses, the completion of additional housing units and the sale of two buildings which will allow future expansion of the National Park.

Adding vibrancy and amenities to the corridor benefits both surrounding neighborhoods and visitors while creating increased demand in the district. The following new businesses chose to locate in Wright Dunbar in 2016: Texas Beef and Cattle Company, Flawless Barbershop, PayCo, and Pelican Technologies.

In addition to the new businesses, the renovation of 1117 West Third Street added eight more units of affordable housing. WDI now manages a total of 20 residential apartments, all currently leased.

WDI was also able to sell two of its historic buildings to Aviation Trail Inc. for future expansion of the National Park. The National Park continues to be a strong partner to WDI and the neighborhood and a regional and national draw into Wright Dunbar.
CityWide has had the opportunity to work with Dayton Metro Library on two of their new facilities. In 2012, voters passed a bond issue to allow Dayton Metro Library to undergo a system-wide upgrade of its aged and outdated facilities. We were fortunate enough to help facilitate two of these new libraries.

The Northwest Branch located in the Phoenix Project area is a $12M investment located on the site of the former Fairview High School and is a true asset to the Northwest quadrant of Dayton and beyond.

Because of these successes and CityWide’s mission to lead the West Dayton Strategy, we are once again working with Dayton Metro Library on their West Dayton branch which will be located at the former Inland Manufacturing Plant on West Third Street. Dayton Metro Library is teaming with the National Aviation Heritage Alliance (NAHA) to bring this vacant land back into productive use. The 52 acre site will be the home of the new West Dayton Library, and NAHA will restore the Wright Brothers original airplane factory into a museum. These assets and the remaining land will catalyze future development in this long neglected part of town. CityWide is working with these partners and the City to best position the site and infrastructure for future successes.
This year, campus welcomed many new tenants including Ascend Innovations/GDAHA, CH2M, Dayton Children’s Medical Center Office of Technology, and Deloitte. Today campus enjoys a 95% occupancy rate with nearly 120,000 SF of leased space. Given the limited supply of existing space, efforts are under way to engage potential developers and end-users to construct new facilities on campus. Potential sites can accommodate buildings ranging from 20,000 SF to 150,000 SF.

More importantly, the year 2016 might well be remembered as the year when Tech Town began to fulfill its grander promise to anchor and drive an innovation network extending throughout the greater downtown area. Significant efforts to integrate with the surrounding neighborhood, other innovation drivers, and the greater downtown community are helping to develop a broader ecosystem designed to attract and maintain talent in the urban core.

As campus has grown to house nearly 40 businesses with more than 450 employees, surrounding properties such as the 804 E. Monument Ave., 444 E. 2nd Street, and the Water Street Project are examples of extensive redevelopment efforts that stem from the Tech Town mission to create a vibrant live, work, play, and learn district. Working with Tech Town, the developers of 804 E. Monument Ave. have expanded its original concept as a storage facility to include amenities that will serve campus tenants including a coffee house, lunch spot, and conference facilities. AFRL, which made an initial connection with the downtown area as a partner with the University of Dayton Research Institute at Tech Town II, has partnered with Wright Brothers Institute to lease space at the 444 E. 2nd Street building. The project will experiment with how AFRL might engage with businesses in Tech Town and the downtown area with a long-term goal to promote a surrounding district of entrepreneurs, incubation, research and development. Meanwhile, the Water Street Project has expanded and now borders the western edge of campus. Both parties are exploring opportunities to partner and complement efforts.

Campus outreach has also included work with the Webster Station Business Association to create a master plan, various “start-up” initiatives, the Makers Movement, and an initiative to create a fiber advantage to neighborhood businesses. The overarching goal is to connect stakeholders, physical assets, and to collectively promote the advantages of the emerging area of innovation.
After spending much time in 2014 and 2015 quietly laying the groundwork to address growing vacancies in a number of operating and abandoned office buildings in and around the Main Street core, 2016 began to demonstrate progress in the effort to reactivate a number of individual buildings and set a new course to energize the southern end of the Main Street corridor as a learn/live/work/play/create urban neighborhood.

CityWide and the City of Dayton began to emerge a development strategy for the 9 blocks surrounding, and including, Dave Hall Plaza. The re-imaging and reactivation of Dave Hall Plaza was identified as being a strategic key to changing market perception and future opportunity for those 9 blocks during the quiet development planning efforts through 2014 and 2015. ‘The Nine’ redevelopment concept began to come to life on multiple fronts:

- A community effort was launched to raise funds and begin design for a new Levitt Pavilion that has been envisioned to transform Dave Hall Plaza and the area around it in anticipation of a May 2018 opening to kick off the first of many years with at least 50 free community concerts;
- The Ellway Group assembled many of the underutilized buildings in the Fire Blocks National Register Historic District. They submitted and received an award from the Ohio Development Services Agency (ODSA) State Historic Tax Credit program for the adaptive reuse of the David Building (formerly occupied for office uses) to be redeveloped for a mix of market-rate rental apartments in the upper floors and active urban lifestyle uses at the street level. Rehabilitation activity is expected to be underway in the latter half of 2017;
- An adaptive reuse developer acquired the Historic Center City Building with the intention of undertaking an adaptive reuse to reposition the 240,000 square foot building into 165 apartments and active street-level retail uses;
- Cross Street Partners and Miller-Valentine took major steps forward to redevelop the Dayton Arcade with a submission and an award from the Ohio Housing Finance Agency (OHFA) in June of 2016. A $20M two-phase, two-year award will anchor the mixed-use historic renovation with 125 units of market-rate and income restricted housing units for Dayton creatives.

In addition, CityWide and City of Dayton moved forward with detailed visioning and planning of the The Nine’s development area. They went beyond those nine blocks to identify additional opportunities for adaptive reuse and new construction investments in order to capitalize on the ascending downtown housing market and the supporting street-level, urban lifestyle amenities.
As an impact-driven lender, CityWide continues to ensure that our financial products are attuning to the economic and community development plans important to the Dayton community. As the Greater Downtown Dayton Plan continues to gain momentum, CityWide has solidified the First Floor Fund as a financing tool for businesses in the core creating vibrancy for our Downtown. In 2016, during the program’s pilot, CityWide lent $285,762 to businesses in the Greater Downtown Dayton area. An additional $682,000 was lent to “First Floor Fund” type projects from a CityWide affiliated company. Projects sizes ranged from $95,000 to $900,000 and leveraged total Downtown investment of $3.39M.

Projects that participated in the First Floor Fund loan program include the new Basil’s on Market located in the Crawford Hoying/Woodard Development Water Street District project. The riverfront restaurant owned by Chef Todd Uhlir and Jeff Finklestein builds off their initial success with Basil’s on Market in historic Troy, Ohio. The American fare restaurant mixes the warm charm of reclaimed wood with modern, industrial finishes for a unique, urban ambiance. Mid-2016, Hall’s Jewelers moved their company into the 110 N. Main Street Premier Health headquarters’ first floor retail shops. Dayton natives Larry and Abby Hall provide fine jewelry for men and women, jewelry and watch repair, and watch battery replacement. Staged to open in early summer 2017, Mudlick Tap House founded in Germantown, Ohio, with a name inspired by the 1830’s Mudlick Distillery, will set roots at 135 E.
CITYWIDE GARNERS EARLY SUPPORT FROM THE CDFI FUND

Dayton Region New Market Fund, a subsidiary company of CityWide, was awarded a maximum Technical Assistance (TA) grant of $125,000 from the U.S. Department of Treasury’s CDFI Fund in late 2016, the same time CityWide celebrated its first year of being a Certified Financial Development Institution (CDFI). The CDFI certification and TA Award are part of a strategic initiative CityWide began in order to build the capacity of the organization as a leader in economic and community development finance. What excites staff and governing boards about this competitive award moves beyond the financial reward alone, and is the vote of confidence from the CDFI Fund that our vision for CityWide’s evolution in development finance is well-positioned. There were five awards made in Ohio (including ours), of which two others were Technical Assistance awards. It is a highly, highly competitive process to get financial awards from the CDFI Fund, with only a 35% success rate. Dayton Region New Market Fund will use the TA award to bolster our lending operations and expand our financial product offerings into 2017. Stay tuned for continued updates on this evolving line of business.

Second Street. The adaptive reuse repurposes a three-story building, initially a Ford Model T dealership in the early 1900s, that sat vacant for three years prior. Born by craft beer enthusiast and owner of Ale Fest, Jennifer Dean and her business partner Forrest Williams, who both saw the need for a place to stop for a quiet beer and conversation with friends in the city they called home.

First Floor Fund and SBA financing supports real estate acquisition and improvements for borrowers like Interpreters of the Deaf, who made a permanent home in Downtown Dayton at 732 S. Ludlow St. Founded in 2007 by Deron Emmons and Arlon Nash, it is the region’s only deaf owned interpreting firm. The company provides American Sign Language interpretation services and C-Print captioned services to those who are deaf and hearing impaired. The company also has a KODA (Kids of Deaf Adults) Camp in Clarksville, Ohio. Lock 27 Brewing will call the Delco Building its home in 2017. The brewery and restaurant, located in the Water Street District across from Fifth Third Field, will occupy 12,000 sq. ft. of basement and first floor brewing equipment extending through the ceiling as a visual centerpiece. Owner, Steve Barnhart intends to keep the industrial and rustic charm of this early 21st century building with 12-foot columns and concrete floors.

Other notable investments financed downtown included the acquisition of 317 S. Main Street by The Hathaway Group, a marketing firm owned by Theresa Hathaway. GoHypersonic completed their real estate acquisition and adaptive reuse project at 848 W. Monument Avenue neighboring the Tech Town campus. Flanagan’s Pub, a legacy establishment for Dayton basketball fans, continues to make improvements along E. Stewart Street near the University of Dayton.
ECONOMIC DEVELOPMENT

COMMERCIAL REAL ESTATE ACTIVITY ON THE RISE

CityWide is glad to see commercial investment on the rise. SBA 504 lending activity continues to climb with over $3.3M in lending activity in 2016. Business acquisitions and expansions continue to gain traction in the market. Brighter Days Dental recently purchased and renovated its new facility located at 1295 Archer Drive, Troy, Ohio. The principal, Laura Castle, D.D.S., has been in practice since 2010 and offers complete family dental services as well as cosmetic and implant dentistry.

Continued development along the Interstate 75 corridor spurred MNR Oil to expand to a fifth gas station location, with the new construction of a BP gas station in the Middletown Renaissance project at the SR122 exit near Atrium Medical Center. The location includes a Subway and incorporates a new concept for BP including a craft beer growler filling station and soft-serve yogurt shop within the retail store. The family owned company owns other successful operations throughout the region and has plans for continued growth of the company, focusing on providing high-quality gas stations that incorporate retail amenities local customers seek.

Similarly after nearly 10 years in business, GoKeyless, a distributor of keyless lock and security systems outgrew their leased space and sought to acquire a property. In late 2016, GoKeyless acquired a site located at The Mound in Miamisburg. The company owned by Brandon Atchley and Joshua Stamps found this location along the 1-75 corridor to be an ideal location to draw on talent from both the north and south markets. The building was built in partnership with the Department of Energy and the Miamisburg Mound Improvement Corporation, with a redevelopment strategy for the Miamisburg community looking to attract commercial and light industrial users like GoKeyless.
CityWide’s subsidiary Community Development Entity (CDE), Dayton Region New Market Fund, was awarded $40M in New Markets Tax Credits (NMTC) by the U.S. Department of Treasury’s CDFI Fund on November 17, 2016. New Markets Tax Credits are a financing tool that leverages investments from tax credit investors, banks and businesses for transformative development projects. In 2017, the Dayton region will benefit from the capital generated from the NMTC to finance projects that have the potential to change the physical landscape of a neighborhood, including large-scale historic redevelopment efforts and newly constructed facilities that serve a community. The theme of NMTC in Dayton promotes collaboration, where organizations can come together in one facility to provide goods and services holistically. A healthy, vibrant community is found and quality of life is realized where there is access to education, healthcare, childcare, fresh food, housing, cultural amenities, recreation, and high quality employment. We seek to finance projects that make goods and services affordable and accommodating, especially where it promotes additional investment in a neighborhood and aligns to community driven goals. Prospective borrowers will be evaluated by Dayton Region New Market Fund and NMTC deployment will begin in early 2017.

CITYWIDE CONTINUES WORK IN WEST DAYTON WITH HUD CHOICE GRANT

In 2014, the Dayton City Commission adopted the Greater West Dayton Corridor Study: A Strategic Framework for Investment. The study summarized the assets of the community and identified opportunities for community and economic development. In 2015, The City Commission asked CityWide to use this framework as a starting point for creating comprehensive community development strategies for West Dayton neighborhoods.

This effort received a substantial boost when the Department of Housing and Urban Development awarded Dayton a $1.5M Choice Planning and Action grant in June and CityWide was selected as the Planning Coordinator for the Choice effort.

The evolution of Choice is in line with the Community Development Model CityWide subscribes to and recognizes that rebuilding a community is more than replacing housing. The Choice Neighborhood model places an equal focus on the support services that allow people to lead productive, self-sufficient lives and the neighborhood amenities that are necessary to support a healthy family life, including good jobs, schools, churches, and parks.

Through this effort, CityWide has developed a robust Transformation Plan through community partnerships, resident organizing, and planning within the five neighborhoods that make up the Choice Neighborhood area.

Karen DeMasi, Director of Community Development, stated, “We were very proud of the local commitment we organized for this effort which included 25 local partners and over $1M in committed financial investments. This will make a huge impact on this community.”
NEIGHBORHOOD BUSINESSES NEEDED

CityWide continues its commitment to financing businesses locating, expanding and investing in our Dayton neighborhoods, especially projects that meet goals identified in comprehensive community development projects. With the launch of the West Dayton Development Strategy in 2015 and underway in 2016, we were pleased to finance, Positive Solutions Counseling Center, a business locating near the corner of West Grand and Salem Avenue in the historic Grafton Hill neighborhood. Owned by child therapist Frances Duncan, MSSW, LISW, the company provides quality counseling services by caring, skilled and licensed Psychotherapists. Duncan was interested in acquiring the historic property after brief tenancy in the building because she fell in love with the character of the property, once the home of famous poet Helen Steiner Rice.