Impact Investment Opportunity
Homeless to Homes Facilities Plan

Cincinnati Center City Development Corporation (3CDC) – Phase I - Closed

The Issue
The lack of affordable housing is considered to be the main cause of homelessness in the United States today. According to the Greater Cincinnati Coalition for the Homeless, a person working a minimum-wage job must work 72 hours a week to be able to afford a two-bedroom apartment at market rates. Data show that the social and mental challenges faced by chronically homeless people can be stabilized more quickly when homelessness is eliminated. A 2008 City of Cincinnati ordinance called for a transparent approach to serving homeless individuals as well as enhancement of emergency and ongoing care. The 2009 Homeless to Homes Plan outlines recommendations for improving service delivery systems.

Social Return
The Homeless to Homes Plan creates an expanded, coordinated systematic approach to individuals experiencing homelessness. In Phase I (see description below), there will be a net increase of 18 new beds for single women. The facility will enable the provision of help and support (through wrap-around programming), not just overnight housing. The YWCA expects to serve 600 women per year through this new facility.

Strategy:
The City of Cincinnati’s 2009 Homeless to Homes Plan calls for an expansion and redesign of inadequate facilities for homeless individuals by increasing the number of permanent supportive housing units and reconfiguring existing emergency shelters for homeless individuals to provide more appropriate gender- and age-specific solutions.

Phase I: 60 emergency beds and general shelter services, and 50-60 transitional housing units, for homeless single women (partner: YWCA of Greater Cincinnati)
Phases II & III: 63 permanent supportive housing for homeless veterans (partner: Continuum of Care/Talbert House) and 50 emergency beds and general shelter services for homeless men (partner: City Gospel Mission; construction soon)
Phase IV: relocate and redesign the 222-bed Drop Inn Center

Nonprofit Organization/Borrower
Cincinnati Center City Development Corporation (3CDC) was formed as a 501(c)(3) in 2003 to increase the efficiency and effectiveness of development efforts in the core assets of downtown Cincinnati. 3CDC’s focus is on Foundation Square District, the Central Business District and Over-The-Rhine. Since 2004, 3CDC and its partners have invested more than $319 million in these three areas, with plans for an additional $111 million of investment in 2012. In 2010, GCF funded 3CDC to close a gap from construction to permanent financing of the Parvis Lofts apartments on Vine Street in OTR. The $1 million loan was repaid prior to maturity (2% interest). 3CDC was tapped as the development partner for the City of Cincinnati’s Homeless to Homes Plan facilities implementation. The City has contributed $10 million to the $25 million project to renovate or build four permanent housing facilities and emergency shelters.

Financial Return
$1 million pre-development fund to be used on a project-by-project basis. 2-year term; 2% charitable return. Repayment source: permanent financing, capital grants.

Investment Opportunity
GCF has approved a $1 million pre-development fund to cover up-front Phase I costs such as site prep, architectural work, consulting fees, historic preservation services, and tax credit services. Donor advised funds are invited to participate in this project in $25,000 increments.