

NKU US-27 Mixed-Use Gateway Development

Project Overview and Q&A

Brief History and Description of the Project

Northern Kentucky University (NKU), located in Highland Heights, KY about 7 miles south of downtown Cincinnati, was founded in 1968. The campus sits on rolling land near the intersection of I-275 and I-471. Due to topography, many locations on campus have attractive views, including views of the Cincinnati skyline. NKU has grown to become a preeminent metropolitan University while maintaining the founding principles that have set it apart since its creation.

For many years, a local community stakeholder aspiration has been the creation of a high quality, engaging mixed-use “gateway” to the University that would elevate the shared profile of both Highland Heights and NKU, as outlined in NKU’s Campus Plan (2009) and the City of Highland Heights’ Comprehensive Plan (2012). The Campus Gateway development area is located at the intersection of Nunn Drive and US-27 and is designated as site 1A (to the south of Nunn Dr.) and 1B (to the north of Nunn Dr.). The +/- 16 acre land area designated for the NKU Campus Gateway was strategically acquired by the NKU over a period of years. Situated at the main campus entry, the US-27 development site is ideally located to be a bridge or link between the campus and the community.

A number of Campus Gateway redevelopment attempts have been made in recent decades, with none being successful due to a number of reasons, including burdensome site development costs and infrastructure requirements. In 2016, NKU issued a competitive Request for Proposal (RFP) seeking a redevelopment plan and partner, selecting Fairmount Properties to oversee the execution of the vision. To learn more about Fairmount Properties, please visit www.fairmountproperties.com.

Per the 2016 RFP, the goal of the mixed-use Gateway redevelopment is to achieve a walkable, multi-use community hub of mixed restaurant/retail, office, market rate housing, structured parking, and hotel uses serving the campus, the Highland Heights community and the larger Campbell County region.

The mixed-use development will be characterized by high quality land use types, architecture, landscaping and signage. It will be pedestrian friendly and sustainable, with a quality which will endure over time. By definition, Town Centers as imagined in the 2012 Comp Plan are retail, dining and leisure-centric developments that leverage meaningful public space to serve as a community anchor, create sought-after destinations, generate regional competitive advantage, increase the tax base and perhaps most importantly, provide authenticity. Such environments are then leveraged to enhance and justify additional investment.

The City of Highland Heights joins the University in being focused on creation of an identifiable, well-planned, and pedestrian oriented town center. The development team’s challenge is to meet this objective. Both Sites 1A and 1B are included in the approved Highland Heights Tax Increment Financing (TIF) District. Campbell County has also pledged a portion of its TIF revenues the project as well. State of Kentucky TIF participation is being requested as well to help make the project vision a reality.

Additional Goals for the Mixed-Use Development

A. Connectivity: Good pedestrian connectivity between the mixed-use development and the BB&T Arena as well as surrounding residential and commercial areas are important.

B. Office space: Medical office and/or professional office space is planned. This use group supplements to the daytime population and helps sustain the retail and restaurant uses. New payroll taxes collected locally benefit the community.

C. Greenspace/Sustainability: The development will contain green space, pedestrian and bike connectivity, and provide for outdoor activity and entertainment. Outdoor seating, water features and other public amenities are planned.

D. Parking: The development plan must include sufficient parking to support all proposed development components. Structured parking is necessary.

E. Retail: New retail, entertainment and dining options that are a good fit with the Highland Heights' community and NKU campus will be included. Retail uses such as gas stations, liquor stores and fast food establishments would not be compatible with the goals of the local community.

G. Hotel: A hotel at this location would be convenient for campus and community. The campus hosts many conferences and meetings whose attendees are from outside the region. The BB&T Arena is host to a variety of entertainment events and home of the NKU men's and women's basketball teams. NKU competes at the NCAA D1 level in the Horizon League conference. The basketball season included 31 home games, many of which require overnight lodging for teams, coaches, staff and fans. Other NKU sports host comparable on-campus games/matches.

H. Conference Space: Conference space may be included as a hospitality amenity.

In response to the vision for the redevelopment, which has been shaped by collaborative stakeholder input and community dialogue, the mixed-use development includes an approximately 65,000 SF medical office building (MOB), an approximately 115-room select-service hotel, approximately 30,000 SF of new unique local and regional restaurants and retail, +/- 130 sophisticated market rate apartments geared to medical professionals, faculty and staff at NKU and area residents, as well as surface and structured parking facilities, greenspace and public gathering places meant to encourage university and community interactions, both spontaneous and planned. In addition, a later phase of development on the west end of the 1A site is under consideration but not yet planned.

Embracing alternative modes of transportation within the plan will result in better connectivity and less reliance on automobiles, which in turn lessens the congestion and air quality issues associated with new development. Transit is an important guiding principal in the plan as well and the local transit authority, TANK, has collaborated on the potential inclusion of a transit loop in the development which will make it easier for medical patients to access care safely, and provide a convenient bus stop for students, residents, workforce and professionals frequenting the district.

Development Questions & Answers

Question: What is the proximity of parking and buildings to US-27?

Answer: The creation of an appropriate proximity of parking and buildings to US-27 is found in achieving a balance between the establishment of a comfortable, safe and pleasant pedestrian experience (including outdoor patio dining and other public amenity spaces) with the conditions required by today's commercial tenants and the customers they serve. The master plan seeks to push the buildings closer to US-27 than a traditional retail outparcel, strip center or suburban office building would typically specify. Consistent with the City's Comprehensive Plan, in an effort to create the "districted" look and feel of a neighborhood, or a walkable CBD, from a planning perspective ample room for landscape and hardscape buffers must be included between vehicular zones and people. From a New Urban standpoint, ideally all parking would be tucked behind the buildings so as to be shielded from Right of Way views to the extent possible; however, this development strives to implement Urban principles in a suburban environment and thus, where appropriate, a row of customer parking between the retail storefronts and the adjacent Right of Way is included; the inclusion of these more proximate parking stalls has become an important ingredient of successful retail development in the New Urban context given many customers' desire to visually see parking stalls as close to their destination as possible.

Question: Is the parking to serve the development only or also commuter traffic?

Answer: The parking will be available to the the public but isn't expected to serve commuter traffic.

Question: What is the anticipated timing of development phases?

Answer: Phase 1 (medical office building on the "1B" site) is expected to commence in August 2018 with a delivery in early 2020.

Phase 2 (3 mixed-use buildings consisting of ground floor retail with market rate apartments and a hotel above, and associated infrastructure improvements) is expected to commence mid-2019 with a delivery in late 2020 / early 2021.

Question: How will parking be handled?

Answer: Because of the existing topography of the development sites (both 1A and 1B), the development of structured parking positioned below the grade of the various buildings' first floors (due to the general sloping of the sites from east to west) is a possibility for both sites. In developing below grade parking, the objective is, to the extent possible, to hide the parking from important view perspectives such as main thoroughfares and primary public vantage points. Similarly, surface parking is tucked behind buildings to the extent possible and positioned so as not to be the primary view for those travelling through the community.

Question: How will this development set the tone for the US-27 corridor?

Answer: As I-471 ends and transitions into US-27, the Gateway to NKU approaches immediately for those travelling south. Pursuant to the City's Comprehensive Plan a mixed-use Town Center is envisioned, inclusive of NKU's redevelopment site but extending further south as well. This development will establish a mixed-use environment that can act as a catalyst for future development to the south and over time, the community has expressed a desire to see similar types of development in the immediate area. Although the transition of any area's character from suburban to a more walkable and urban-inspired mixed-use is challenging and often takes years to implement, the launch of that redevelopment strategy is made easier when large tracts of land are available, as is the case here. It would be the development team's hope that the NKU Gateway district can be a catalyst to influence the surrounding areas toward a Town Center focus in keeping with the City's Comprehensive Plan from which many of NKU's redevelopment objectives derive.

Question: How will this development connect to and provide continuation of the future Highland Heights downtown development to the south (Comprehensive Plan)?

Answer: The City's Comprehensive Plan has been, and will continue to be, an instrumental tool in the creation of this redevelopment. As addressed earlier, the introduction of "Town Center" principles within the redevelopment area are intended to set a precedent for adjacent development occurring to the south so that over time the fabric of the area between Faren Drive and Johns Hill Road can more closely capture the essence of the vision outlined in the Comprehensive Plan. Physically, the planning for the NKU Gateway contemplates an approach to the city streets by embracing better connectivity through the progression toward a grid pattern and a reimagined street character that ties the district together with great public rights of way that accommodate not only vehicles but pedestrians, bicycles and other alternative forms of transportation.

Question: What are the future building plans along Marshall?

Answer: Marshall Drive takes on increased importance once the US-27 development is created. Opportunities exist to change the character and use of Marshall Dr. so that it becomes a more utilized street for the access of both the mixed-use development but also to the aforementioned larger Town Center area. Given potential limitations of access from both US-27 and Nunn Drive, Marshall Dr. is envisioned as both a primary access point to the NKU Gateway development and also, as the Town Center vision takes shape over time, a vital public Right of Way that will potentially provide a new path for vehicles to access the Johns Hill Rd area and alternative path to access parts of NKU's campus. The NW corner of Marshall Dr. and US-27 is envisioned as a strong urban street edge that welcomes visitors into both the development and the Town Center area with a mixed-use form and high quality landscaping and hardscaping features. Additionally, 4-sided architecture on the buildings is critical due to the increased visibility expected from Marshall Drive lines of sight.

Question: What are the plans for landscaping on site along US 27 frontage, public streetscape along US- 27?

Answer: Landscaping along the frontage of US-27 is an important element of the overall plan. Although a final landscaping plan is not in place, civil engineering and planning is underway. Landscaping buffers are envisioned which will enhance the interaction between the public Rights of Way and the mixed-use development. Landscaping will serve to assist in shielding or screening views of parking fields within the development.

Question: What are the traffic impacts of the Development?

Answer: Although the Traffic Impact analysis and agency review is still ongoing, the development team has been meeting regularly with the KY Transportation Cabinet since the project's early stages and will continue to prioritize the mitigation of traffic impacts of the development to surrounding streets. The development team recognizes the importance of managing traffic in the already-congested areas around the site and is committed to encouraging and developing alternative modes of transportation such as transit, bikeways, and better pedestrian connectivity, all of which encourage less reliance on automobiles.

Question: What is the role of this project as first in the Highland Heights Tax Increment Financing (TIF) district?

Quite simply, this project would not be possible without the TIF. Although the TIF district was established in 2015, prior to this development, it was done so in part for the express purpose of enabling the future development such as this project. TIF is a very common public finance tool utilized to bridge the funding gap that often exists between the high cost of new, high-quality mixed-use redevelopment investments and the market rents that are realistically achievable in that area. In areas that do not demand market rents which correspond to new mixed-use investments being made, or investments being made that respond to a community's desired investments, TIF is often essential for the development to occur. By implementing the TIF in advance of this project, Highland Heights and Campbell County have made a very important strategic commitment to enabling 21st century mixed-use development that helps grow the local economy by generating major economic impact and increasing the quality of life amenities for residents, businesses, institutions and visitors. The TIF helps Highland Heights maximize its role in the region by growing the tax base while also elevating its competitive position in the marketplace with respect to recruiting and retaining businesses and residents.

Question: How does the TIF provide specific benefits to infrastructure, roads, and the community?

TIF incentives can benefit all qualified public infrastructure components by making funding available for those improvements which may not otherwise have a source of funding. As mentioned above, TIF enables private investment to occur in communities where an imbalance exists between the high costs of development and the realistic rents achievable in that marketplace. By underwriting some of the costs of development, TIF is a form of public-private partnership that brings investment into communities that want to see the right kind of high quality investments made in the right places.