

December 2, 2024

To: Members of the Budget and Finance Committee

From: Sheryl M.M. Long, City Manager *SW*

202402458

Subject: Ordinance – Approving and Authorizing a Historic CRA Extension with Paramount Square, LLC

Attached is an Ordinance captioned:

APPROVING AND AUTHORIZING the City Manager to execute a First Amendment to Community Reinvestment Area Tax Exemption Agreement (LEED or Living Building Challenge) with Paramount Square, LLC, an affiliate of The Model Group, and the Port of Greater Cincinnati Development Authority, thereby authorizing a ten-year extension to an existing tax exemption for 100 percent of the value of improvements made to real property located at 900 E. McMillan Street in the Walnut Hills neighborhood of Cincinnati.

BACKGROUND/CURRENT CONDITIONS

Paramount Square is a mixed use commercial and residential development, with fifteen (15) residential units, located at 900 E. McMillan Street in the Walnut Hills neighborhood of Cincinnati. It was renovated in 2018 and received a 15-year CRA property tax abatement, effective through 2033. These buildings are of historic significance, and are, therefore, eligible to have the abatement extended up to an additional ten years under Ohio Revised Code (ORC). Section 3736.36(D)(1). The attached ordinance extends the abatement for an additional ten years, the maximum allowed under the above cited section of the ORC. The property does not presently have any income restrictions for its rental units.

AFFORDABILITY COMMITMENT

The Administration was approached by the property owner, who requested a ten-year extension based on historic requirements. As a condition of the extension, the property owner has committed to holding forty percent (40%) of the development's rental units, totaling six units, at rates affordable to households earning 80% AMI.

RECOMMENDATION

The Administration recommends approval of this Ordinance, based on the property owner's affordability commitment.

Copy: Markiea L. Carter, Director, Department of Community & Economic Development