

September 24, 2025

To: Mayor and Members of City Council

From: Sheryl M.M. Long, City Manager

Subject: **Emergency Ordinance – Approving and Authorizing CRA Tax Exemption Agreement with 209 Limited, LLC**

Attached is an Emergency Ordinance captioned:

APPROVING AND AUTHORIZING the City Manager to execute a Community Reinvestment Area Tax Exemption Agreement with 209 Limited, a subsidiary of Urban Sites, thereby authorizing a fifteen-year tax exemption for 100 percent of the value of improvements made to real property located at 1425 Main Street, 209 Woodward Street and 1227 Walnut Street in the Over-the-Rhine neighborhood of Cincinnati, in connection with the remodeling of three existing buildings to into approximately 16,498 square feet of residential space, consisting of seventeen residential units, and approximately 2,680 square feet of commercial space, consisting of two commercial units, at a total remodeling cost of approximately \$4,200,000.

STATEMENT

HOUSING: The additional housing units this project will provide will go toward helping to alleviate Cincinnati's strained housing market, which is currently experiencing increasing affordability issues due to lack of supply.

OFFICE/COMMERCIAL: The addition of these office units will help contribute to Cincinnati's economic stability by opening more potential for future job opportunities through increased space for new tenants.

BACKGROUND/CURRENT CONDITIONS

The project entails the historic renovation of three vacant scattered-site buildings located at 1227 Walnut Street, 1425 Main Street, and 209 Woodward Street in the Over-the-Rhine neighborhood. This project rehabilitates and revitalizes 17 residential units (~16,500 sq ft) and 2 units of commercial space (~2,700 sq ft). The residential rents as proposed are naturally affordable at 60% - 120% AMI. As presented, the project will be funded solely from owner equity and federal historic tax credit equity with an assumed value of ~\$900,000.

DEVELOPER INFORMATION

209 Limited, LLC, an affiliate Urban Sites LLC, is the developer of this project. Urban Sites is a development, property management and construction services company with a focus on revitalization of historic assets in the urban core. Urban Sites is best known for its catalytic work in Over the Rhine as well as the historic Woodburn Corridor in east Walnut Hills and their current activity in Convington.

RECOMMENDATION

The Administration recommends approval of this Emergency Ordinance.

Attachment: Project Outline and Proposed Incentive

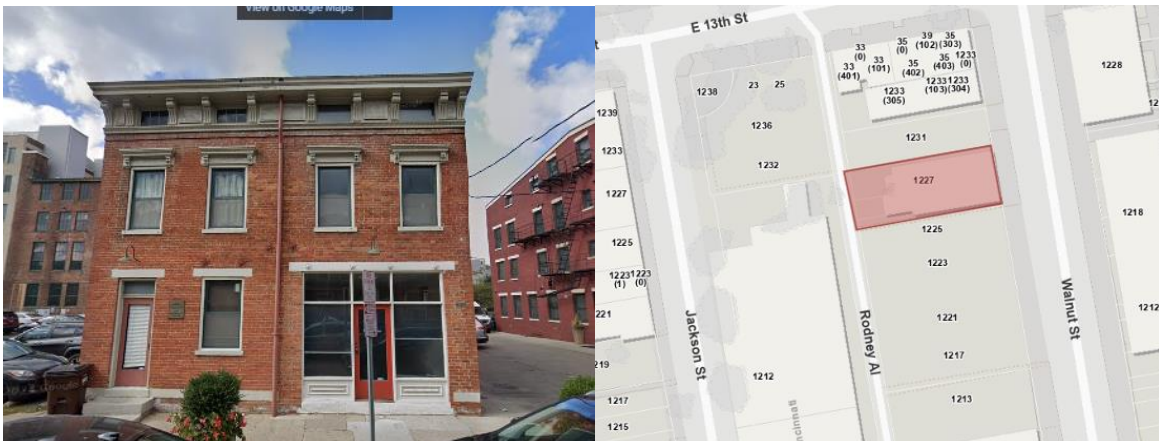
Copy: Markiea L. Carter, Director, Department of Community & Economic Development

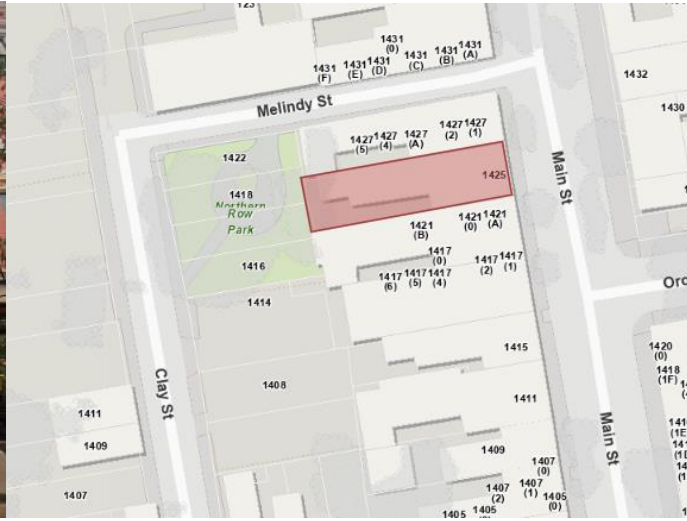
Project Outline

Project Name	209 Limited, LLC
Street Address	1425 Main Street, 209 Woodward Street, 1227 Walnut Street
Neighborhood	OTR
Property Condition	Vacant Property
Project Type	Rehabilitation
Project Cost	Hard Construction Costs: \$4,218,415 Acquisition Costs: \$0 (all three addresses have been owned for 10 years or more) Soft Costs: \$570,386 Total Project Cost: \$4,788,801
Private Investment	Private Financing: \$0 Developer and Tax Credit Equity: \$4,788,801
Sq. Footage by Use	Residential: 16,498 SF Commercial 2,680 SF
Number of Units and Rent Ranges	5 Studio Unit; Rent \$1,085-\$1,750 2 2-BR Unit; Rent \$1,725-\$1,750 10 1-BR Units; Rent \$1,215 - \$2,895 17 Total Units
Median 2-BD Rent Affordable To	Salary: \$69,000 City Job Classification: Contract Compliance Officer, Assistant Spvr of WW Coll Mnt
Jobs and Payroll	Created FTE Positions: 6 Total Payroll for Created FTE Positions: \$187,200 Average Salary for Created FTE Positions: \$187,200 Construction FTE Positions: 21 Total Payroll for Construction FTE Positions: \$1,782,787
Location and Transit	Transit score: 76 (within a 24-hour bus route) Project is located within OTR Historic District
Community Engagement	No documented community engagement
Plan Cincinnati Goals	Live Initiative Area Goal 3 (p. 164-168), Sustain Initiative Area Goal 2 (p.193-198)

Project Image and Site Map

1227 Walnut Street



1425 Main Street**209 Woodward Street****Proposed Incentive**

Incentive Terms	15-year, net 52%
Incentive Application Process	Commercial CRA – Streetcar VTICA
“But For” (0-3 points)	Without Abatement the project has a very low rate of return With Abatement: The rate of return increases making the project feasible (stabilized) Project would not proceed without an abatement.

	(Commercial CRAs in streetcar areas are not subject to the point system under the Commercial CRA policy)
Environmental Building Certification (0-5 points)	Not LEED certified
VTICA (0-8 points)	Streetcar VTICA – 15%
SBE/MBE/WBE Goals	SBE Goal of 30%
Planning Commission Approval	N/A
Other Incentives & Approvals	N/A

Potential Taxes Forgone & Public Benefit

Taxes Forgone	Value
Annual Net Incentive to Developer	\$34,657
Total Term Incentive to Developer	\$519,853
City's Portion of Property Taxes Forgone (Term)	\$0
City's TIF District Revenue Forgone (Term)	\$729,794

Public Benefit		Value
CPS PILOT	Annual	\$21,994
	Total Term	\$329,907
VTICA	Annual	\$9,997
	Total Term	\$149,958
Income Tax Total Term (Maximum)		\$104,180
Total Public Benefit (CPS PILOT, VTICA, Income Tax)		\$584,045

Total Public Benefit ROI*	\$1.12
City's ROI**	\$0.14

* This figure represents the total dollars returned for public purposes (City/Schools/Other) over the benefit received.

**This figure represents the total dollars returned for City/ over the City's property taxes forgone.

For Reference: 2025 Cincinnati MSA Area Median Income Limits

AMI	1	2	3	4	5	6	7	8
30%	\$23,500	\$26,850	\$30,200	\$33,550	\$37,650	\$43,150	\$48,650	\$54,150
50%	\$39,150	\$44,750	\$50,350	\$55,900	\$60,400	\$64,850	\$69,350	\$73,800
60%	\$46,980	\$53,700	\$60,420	\$67,080	\$72,480	\$77,820	\$83,220	\$88,560
80%	\$62,650	\$71,600	\$80,550	\$89,450	\$96,650	\$103,800	\$110,950	\$118,100