city of CINCINNATI
Interdepartment Correspondence Sheet

August 4, 2026

To: Members of the Housing & Growth Committee

From: Sheryl M.M. Long, City Manager

202602538

Subject: **Emergency Ordinance – Approving And Authorizing CRA Tax Exemption Agreement with Kettering Lofts LLC**

Attached is an Emergency Ordinance captioned:

> **APPROVING, AND AUTHORIZING** the City Manager to execute a Community Reinvestment Area Tax Exemption Agreement (LEED or Living Building Challenge) with Kettering Lofts Cincinnati LLC, thereby authorizing a fifteen-year tax exemption for 100 percent of the value of improvements made to real property located at 3210, 3212, 3220, 3230, and 3232 Jefferson Avenue in the CUF neighborhood of Cincinnati, in connection with the construction of a new building comprised of approximately 118,218 square feet of residential space, consisting of approximately 79 residential rental units, which construction shall be completed in compliance with Leadership in Energy and Environmental Design Silver, Gold, or Platinum standards or Living Building Challenge standards, at a total construction cost of approximately $23,995,025.

I. LEGISLATIVE SUMMARY

Approving and authorizing a Community Reinvestment Area Tax Exemption Agreement with Kettering Lofts, LLC, a subsidiary of Hallmark Communities, to support the construction of two new residential buildings on the properties located at 3210, 3212, 3220, 3230, and 3232 Jefferson Avenue.

The Administration recommends approval of this Emergency Ordinance.

Key Information

- Developing several mostly vacant structures into 79 residential units of student housing (approximately 232 beds)
- Creates 4 permanent FTE jobs and 150 temporary construction jobs.
- Total Development Cost: $36,600,000
  - *Private Funding: $12,608,002*
- Public Benefits Returned: $3,992,093 over 15 years + neighborhood economic impact.

Impact Statement

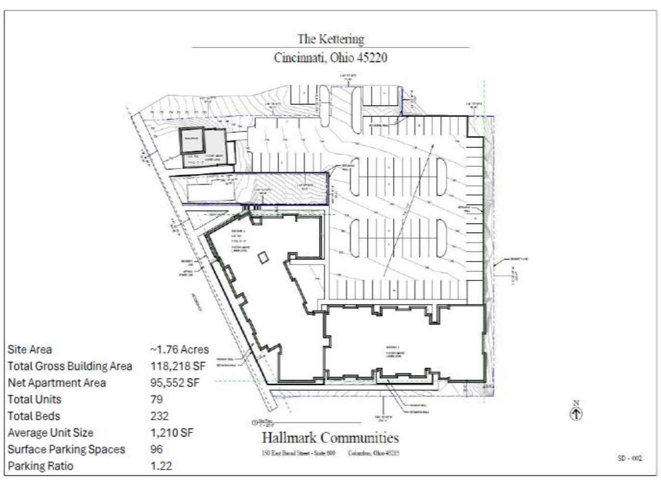
Projects that incorporate sustainable design or environmental building priorities—such as LEED certification, PACE financing, or other green building certifications—help position

Cincinnati as a leader in climate resilience and responsible growth. By setting higher standards for sustainable construction, these investments improve health outcomes, advance climate change mitigation, and ensure that Cincinnati grows in ways that safeguard the city for future generations.

II. SITE INFORMATION

Address	3210, 3212, 3220, 3230, and 3232 Jefferson Avenue.
Neighborhood	CUF :(Statistical Neighborhood Approximations) Corryville: (TIF District and Community Council Boundaries)
Current Condition	3 residential and 2 commercial/self- proprietor tenants have been on a month to month lease since the developer acquired the properties in March 2024
Zoning/Use; District	CN-M-T
Location Context	Located along Jefferson Ave near Nixon Street and adjacent to the Developer's other student housing project; University Edge.
Transit & Pedestrian Accessibility	Pedestrian access to the University of Cincinnati

Property Map	Property Picture (if applicable)



III. DEVELOPER INFORMATION

Developer(s)	Kettering Lofts, LLC (a subsidiary of Hallmark Communities)
Previous Projects/Experience:	University Edge (Corryville), Gateway Lofts (CUF), Park Ave Lofts (Walnut Hills), Summit at Choates Run (Athens, OH)

IV. PROJECT INFORMATION

Project Name: Kettering Lofts
Project Type: New Construction (Residential – Student Housing)
Construction Completion Target: 9/15/2026

		Created	Retained
Payroll	FTE (Permanent)	$300,000	
	Construction (Temporary)	$10,000,000	
Jobs	FTE (Permanent)	4	
	Construction (Temporary)	150	
Use	Sq Ft: Office	N/A	
	Sq. Ft: Residential	118,218	
	Sq Ft: Commercial	N/A	
	Sq Ft: Industrial	N/A	
	Total	***118,218***	
Housing*	Affordable (AMI-Restricted)	0	
	Market Rate	79	
	Total	***79***	

Additional Housing Information

Rent-Restricted Units

Area Median Income (AMI)**	Number of Units
<30% AMI	
<50% AMI	
<60% AMI	
<80% AMI	
<120% AMI	
Total	

Type of Housing Unit

Unit Type	Estimated Rent Range	Number of Units
Studio	N/A	0
1-Bedroom	$1,625	15
2-Bedroom	$2,500	13
3-Bedroom	N/A	0

Other (4-Bedroom)	$4,600	47
Total	***$1625-$4,600***	***79***

** For Reference: 2026 Cincinnati MSA Area Median Income Limits

AMI	1	2	3	4	5	6	7	8
30%	$23,100	$26,400	$29,700	$32,950	$35,600	$38,250	$40,900	$43,500
50%	$38,500	$44,000	$49,500	$54,950	$59,350	$63,750	$68,150	$72,550
60%	$46,200	$52,800	$59,400	$65,950	$71,220	$76,500	$81,780	$87,060
80%	$61,550	$70,350	$79,150	$87,900	$94,950	$102,000	$109,000	$116,050

Additional Information

Environmental / "Green" Building	LEED Silver
Planning Commission Approval	N/A
Community Engagement	Developer has worked proactively with both neighborhoods. A representative met with Corryville Community Council and agreed to make changes to reduce the initial size of the project based on the community's concerns

V. FINANCES + INCENTIVE INFORMATION

Project Cost	Hard Construction Costs		$23,995,025
	Acquisition Costs		$5,500,000
	Soft Costs		$7,112,976
	Total Development Cost		***$36,608,002***
Funding Sources	Construction Equity		$12,608,002
	Mortgage		$24,000,000
	Total Private Investment		***$36,608,002***
Proposed Incentive	Application Process		Commercial CRA (LEED Silver)
	Terms		15-year, net 52% abatement
	Total Value of Abatement	***Annual***	***$288,318***
		Over Term	***$4,324,768***

	(Taxes Forgone to City, CPS PILOT, VTICA)		
	Value of City's Portion of Taxes Forgone	***Over Term***	***$1,378,135***
Public Benefit	CPS PILOT	Annual	$182,971
		Over Term	$2,744,564
	VTICA	Annual	$83,169
		Over Term	$1,247,529
	Income Tax (Maximum)	Over Term	$522,498
	Total Value of Public Benefit	***Over Term***	***$1,715,343***
		ROI *(Return on Investment for Every $1 Tax Forgone)*	***$.98***
Financial Feasibility ("But For" Test)	Without Abatement		15 Year Average return = 4%
	With Abatement		15 Year Average return = 7%
	Conclusion		***The project would not proceed without the City's support. Cash on cash return without an incentive warrants City support.***

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cc: Brandon Rudd, *Deputy Director*, Office of Strategic Growth