

June 10, 2026

To: Mayor and Members of City Council

From: Sheryl M.M. Long, City Manager

202601987

Subject: Emergency Ordinance – Approving and Authorizing CRA Tax Exemption Agreement with Brandon Larkey and Andrew Zofkie

Attached is an Emergency Ordinance captioned:

APPROVING AND AUTHORIZING the City Manager to execute a Community Reinvestment Area Tax Exemption Agreement with Brandon Larkey and Andrew Zofkie, thereby authorizing a fifteen-year tax exemption for 100 percent of the value of improvements made to real property located at 522 E. 12th Street in the Pendleton neighborhood of Cincinnati, in connection with the remodeling of an existing building into approximately 6,060 square feet of residential space consisting of six residential rental dwelling units, at a total construction cost of approximately \$173,000.

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.

BACKGROUND/CURRENT CONDITIONS

The project entails the renovation of a currently vacant building located at 522 East 12th Street in the Pendleton neighborhood. This project consists of the rehabilitation and reconfiguration of 3 units into 6 residential units. The residential rents as proposed are naturally affordable at 60% of Area Median Income. As presented, the project will be funded solely by owner equity and a construction loan.

DEVELOPER INFORMATION.

Brandon Larkey and Andrew Zofkie are partners that have extensive experience in real estate development and construction management. Collectively they have renovated nearly a dozen residential units across six properties overseeing projects from planning and design through construction and completion. They both work full time in the development and construction management fields, bringing practical expertise in project execution, cost and coordination with design and construction teams.

RECOMMENDATION

The Administration recommends approval of this Emergency Ordinance. This is an Emergency Ordinance so that the developer can close on the project financing and commence construction in a timely manner during the current construction season.

Attachment: Project Outline and Proposed Incentive

Copy: Brandon Rudd, Deputy Director, Office of Strategic Growth

Project Outline

Project Name	522 E 12 th Street
Street Address	522 E 12 th Street
Neighborhood	Pendleton
Property Condition	Vacant residential building
Project Type	Rehabilitation
Project Cost	Hard Construction Costs: \$170,600 Acquisition Costs: \$585,000 Soft Costs: \$60,115 Total Project Cost: \$815,715
Private Investment	Private Financing: \$518,000 Developer Equity: \$297,715
Sq. Footage by Use	Residential: 6060 SF
Number of Units and Rent Ranges	2 Studio Unit; Rent \$750 3 2-BR Unit; Rent \$1,567 1 1-BR Units; Rent \$1,350 6 Total Units
Median 2-BD Rent Affordable To	Salary: \$62,680 City Job Classification: Budget Analyst, Administrative Specialist
Jobs and Payroll	Created FTE Positions: 0 Total Payroll for Created FTE Positions: \$0 Average Salary for Created FTE Positions: \$0 Construction FTE Positions: 11 Total Payroll for Construction FTE Positions: \$56,000
Location and Transit	Transit score: 74 (within a 24-hour bus route) Project is located within Pendleton
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

522 E 12th Street



Proposed Incentive

Incentive Terms	15-year, net 67%
Incentive Application Process	N/A
“But For”	The project has a financial hardship.
Environmental Building Certification	Not LEED certified
VTICA	N/A
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	\$1,806
Total Term Incentive to Developer	\$27,088
City's Portion of Property Taxes Forgone (Term)	\$0
City's TIF District Revenue Forgone (Term)	\$29,514

Public Benefit	Value	
CPS PILOT	Annual	\$889
	Total Term	\$13,342
VTICA	Annual	\$0
	Total Term	\$0
Income Tax Total Term (Maximum)	\$46,374	
Total Public Benefit (CPS PILOT, VTICA, Income Tax)	\$59,716	

Total Public Benefit ROI*	\$2.20
City's ROI**	\$1.57

* 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