



November 10, 2021

To: Mayor and Members of City Council

From: Paula Boggs Muething, City Manager *PM* 202103073

Subject: **Emergency Ordinance – DCED: The Barrister Affordable Housing Project – TIF Project**

Attached is an Emergency Ordinance captioned:

AUTHORIZING the establishment of new capital improvement program project account no. 980x162x221604, “Barrister Affordable Housing - TIF,” for the purpose of providing resources for the Barrister Project, an affordable Low-Income Housing Tax Credit housing development located in Downtown Cincinnati; **AUTHORIZING** the transfer and appropriation of \$945,000 from the unappropriated surplus of Downtown/OTR East Equivalent Fund 483 to newly established capital improvement program project account no. 980x162x221604, “Barrister Affordable Housing - TIF,” to provide resources for construction and development costs associated with the Barrister Project housing development; and further **DECLARING** that expenditures from capital improvement program project account no. 980x162x221604, “Barrister Affordable Housing - TIF,” will serve a public purpose because the project will create additional affordable housing in Downtown Cincinnati.

Approval of this Emergency Ordinance authorizes the establishment of new capital improvement program project account no. 980x162x221604, “Barrister Affordable Housing - TIF,” for the purpose of providing resources for the Barrister Project, an affordable Low-Income Housing Tax Credit (LIHTC) housing development located in Downtown Cincinnati. Approval of this Emergency Ordinance also authorizes the transfer and appropriation of \$945,000 from the unappropriated surplus of Downtown/OTR East Equivalent Fund 483 to newly established capital improvement program project account no. 980x162x221604, “Barrister Affordable Housing - TIF,” to provide resources for construction and development costs associated with the Barrister Project housing development. Finally, the Emergency Ordinance will declare that expenditures from capital improvement program project account no. 980x162x221604, “Barrister Affordable Housing - TIF,” will serve a public purpose because the project will create additional affordable housing in Downtown Cincinnati.

Downtown Cincinnati is currently experiencing substantial development activity, creating a significant need for quality affordable housing. The Barrister Project will result in the renovation of two adjacent, historic, vacant buildings located at 214 and 216 East 9th Street. All residential units will serve households earning no more than

sixty percent of the area median income, as established by the United States Department of Housing and Urban Development (HUD). The residential units will include six studios, six one-bedroom units, twenty-four two-bedroom units, and eight three-bedroom units. This project will also result in 2,000 square feet of street level commercial space.

The sum of \$900,000 will be allocated for housing construction costs, and \$45,000 will be allocated for project delivery costs.

The City hosted a Community Engagement Meeting on October 19, 2021, regarding this project. All attendees were given the opportunity to speak and most expressed curiosity and support for the Barrister Project. The developers also engaged the Downtown Residents Council, who provided two letters of support for the use of the Downtown/OTR East Equivalent Fund 483 resources for this project. Both letters are attached.

The creation and funding of capital improvement program project account no. 980x162x221604, "Barrister Affordable Housing Project - TIF" is in accordance with Ordinance No. 0206-2020, which designates 25% of payments in lieu of taxes in the Tax Increment Financing (TIF) districts to affordable housing.

The developers, Urban Sites and Over-The-Rhine Community Housing, wish to include this gap financing in their applications for Ohio Housing Finance Agency low-income housing tax credits, which has a deadline of January 2022 for submission of full funding commitment for the credits.

The Barrister Project is in accordance with the "Live" goal to "Provide a full spectrum of housing options, and improve housing quality and affordability" as described on pages 164-177 of Plan Cincinnati (2012).

The reason for the emergency is the immediate need to allow the developers to include gap financing in their application for Ohio Housing Finance Agency low-income housing tax credits, which has a deadline of January 2022 for submission of applications for full funding commitment for the credits.

The Administration recommends passage of this Emergency Ordinance.

cc: Andrew M. Dudas, Budget Director
Karen Alder, Finance Director

Attachment

