

February 11, 2026

To: Mayor and Members of City Council

202600453

From: Sheryl M.M. Long, City Manager

Subject: Emergency Ordinance – Approving and Authorizing CRA Tax Exemption Agreement with The Citadel at 8th, LLC

Attached is an Emergency Ordinance captioned:

APPROVING, AND AUTHORIZING the City Manager to execute a Community Reinvestment Area Tax Exemption Agreement with The Citadel at 8th LLC, thereby authorizing an eight-year tax exemption for 100 percent of the value of improvements made to real property located at 114 E. Eighth Street in Downtown Cincinnati, in connection with the remodeling of an existing building into approximately 7,500 square feet of commercial office space and approximately 7,500 square feet of residential space consisting of eight residential rental dwelling units, at a total construction cost of approximately \$950,000.

STATEMENT

This project supports the City's housing and economic stability goals by returning a currently vacant, contributing historic building in the Central Business District to productive use through mixed-use redevelopment.

The addition of new residential units will help alleviate pressure on Cincinnati's strained housing market by increasing supply in an area experiencing rising affordability challenges due to limited availability, while preserving a historic structure. Additionally, the continued use of the lower floors as office space supports economic activity in the urban core by maintaining and expanding opportunities for future employment through additional leasable commercial space.

BACKGROUND/CURRENT CONDITIONS

The project involves the renovation of a currently vacant, four-story building located at 114 E. 8th Street in the Central Business District. The existing structure contains approximately 16,000 square feet of space. The developer proposes rehabilitating the top two floors and convert them into eight residential units totaling approximately 7,500 square feet, while retaining the bottom two floors as approximately 7,500 square feet of office space.

The project will be financed through a combination of owner equity, a private construction loan, and state historic tax credit equity. While the residential units will be market rate, the proposed rents are naturally affordable to households earning approximately 60% to 120% of Area Median Income (AMI), a level of affordability in the

urban core that is typically achieved with significant public subsidy. This project achieves that level of affordability without the use of public subsidy.

DEVELOPER INFORMATION

Citadel 8th LLC is an affiliate of Yolo Investments LLC; a development and construction services firm focused on the revitalization of historic assets within Cincinnati's urban core. The firm has demonstrated experience with historic preservation projects, including 312 W. 4th Street in the Central Business District and 700 Chalfonte Place in Avondale.

RECOMMENDATION

The Administration recommends approval of this Emergency Ordinance. Emergency designation is necessary to allow the developer to lock in construction pricing, close on project financing, and commence construction without delay.

Attachment: Project Outline and Proposed Incentive

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

Project Outline

Project Name	The Citadel at 8th
Street Address	114 E. Eighth Street
Neighborhood	Central Business District
Property Condition	Vacant Property
Project Type	Rehabilitation
Project Cost	Hard Construction Costs: \$950,000 Acquisition Costs: \$1,000,000 Soft Costs: \$61,353 Total Project Cost: \$2,011,353
Private Investment	Private Financing: \$1,530,000 Developer Equity: \$233,853 Historic Tax Credit Equity: \$247,500
Sq. Footage by Use	Residential: ~7,500 SF Commercial ~7,500 SF
Number of Units and Rent Ranges	2 Studio Unit; Rent \$1,300 4 2-BR Unit; Rent \$1,550 2 1-BR Units; Rent \$1,900 8 Total Units
Median 2-BD Rent Affordable To	Salary: \$62,000 City Job Classification: Budget Analyst, Administrative Specialist
Jobs and Payroll	Created FTE Positions: 2 Total Payroll for Created FTE Positions: \$110,000 Average Salary for Created FTE Positions: \$110,000 Construction FTE Positions: 16 Total Payroll for Construction FTE Positions: \$500,000
Location and Transit	Transit score: 48 (within a 24-hour bus route) Project is located within Central Business 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

114 E 8th Street



Proposed Incentive

Incentive Terms	8-year, net 52%
Incentive Application Process	Commercial CRA – Streetcar VTICA
“But For”	Using the but for analysis the project is estimated to have a financial return at 9% without the abatement and 12% with the abatement. The project will voluntarily contribute to the VTICA the term of the abatement and preserve a historic building.
Environmental Building Certification	Not LEED certified
VTICA	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	\$7,211
Total Term Incentive to Developer	\$57,691
City's Portion of Property Taxes Forgone (Term)	\$0
City's TIF District Revenue Forgone (Term)	\$80,989

Public Benefit		Value
CPS PILOT	Annual	\$4,576
	Total Term	\$36,611
VTICA	Annual	\$2,080
	Total Term	\$16,642
Income Tax Total Term (Maximum)		\$28,583
Total Public Benefit (CPS PILOT, VTICA, Income Tax)		\$81,836

Total Public Benefit ROI*	\$1.42
City's ROI**	\$0.35

* 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