

August 2, 2021

To: Members of the Budget and Finance Committee

From: Paula Boggs Muething, City Manager *Wld
PT PBM*

202102518

Subject: EMERGENCY ORDINANCE – APPROVING THE SALE OF CITY-OWNED PROPERTY LOCATED AT 1712 LOGAN STREET

Attached is an Emergency Ordinance captioned:

AUTHORIZING the City Manager to execute any and all agreements and take such other steps as may be necessary in order to sell City-owned real property at 1712 Logan Street in the Over-the-Rhine neighborhood of Cincinnati to Southwest Ohio Housing Development, Inc. (an affiliate of Cincinnati Metropolitan Housing Authority), or other affiliated organization acceptable to the City Manager, to facilitate an affordable housing development by the company in partnership with Urban Sites Capital Advisors, LLC.

BACKGROUND/CURRENT CONDITIONS

The City owns the property located at 1712 Logan Street in Over-the-Rhine. The property is currently leased to the Corporation for Findlay Market and is used as a public surface parking lot. The City proposes to sell the property to Southwest Ohio Housing Development, Inc., an affiliate of Cincinnati Metropolitan Housing Authority (CMHA), and Urban Sites Capital Advisors, LLC to facilitate their mixed-use development project known as Logan Commons, which will add new, quality senior affordable housing units and a mix of office and retail space to the Findlay Market district of Over-the-Rhine.

DEVELOPER INFORMATION

Southwest Ohio Housing Development, Inc., a non-profit affiliate of CMHA, is partnering with Urban Sites to develop the Logan Commons project. CMHA provides affordable rental housing opportunities for individuals and families throughout Hamilton County. Urban Sites is a privately-owned real estate development company with over \$62 million invested in projects located in the City of Cincinnati. Together, CMHA and Urban Sites are also partnering to develop Bennett Point, which is \$17 million Low Income Housing Tax Credit (LIHTC) project adding 56 affordable housing units to the Pendleton neighborhood of Cincinnati.

PROJECT DESCRIPTION

The Developer is proposing to construct a new mixed-use development on the City-owned property at 1712 Logan Street consisting of (i) approximately 42 units of senior housing

that will be leased and made affordable to households earning 60% or less of the area median income, as established by the U.S. Department of Housing and Urban Development for the Cincinnati metropolitan area; (ii) an approximately 6,000 square foot senior community center, to be operated by Cincinnati Area Senior Services (CASS); and (iii) approximately 2,000 square feet of ground-floor commercial space. Total project cost is estimated to be approximately \$13,792,775. The Developer estimates the project will support the creation of 8 new full-time equivalent permanent jobs (FTEs) with a total annual payroll of \$320,000 and 162 full-time temporary construction jobs with a total annual payroll of \$6,371,913.

PROPOSED INCENTIVE

DCED is recommending the sale of City-owned real property located at 1712 Logan Street for less than fair market value.

The fair market value of the City-owned property was determined by appraisal to be \$650,000. However, to facilitate the development of new affordable housing units and ensure the project's financial feasibility, the City is agreeable to selling the City Property to Developer for less than fair market value; namely, for \$1.

PROJECT TEAM & TIMELINE

The project's legislative team (listed below) is available to answer questions regarding this project.

- Assistant City Manager: Billy Weber (Ext. 3318)
- DCED Deputy Director: Dan Bower (Ext. 1955)
- Project Attorney: Samantha Brandenburg (Ext 4704)

The anticipated council timeline is as follows:

- August 2, 2021: Budget and Finance
- August 4, 2021: City Council for Final Approval

RECOMMENDATION

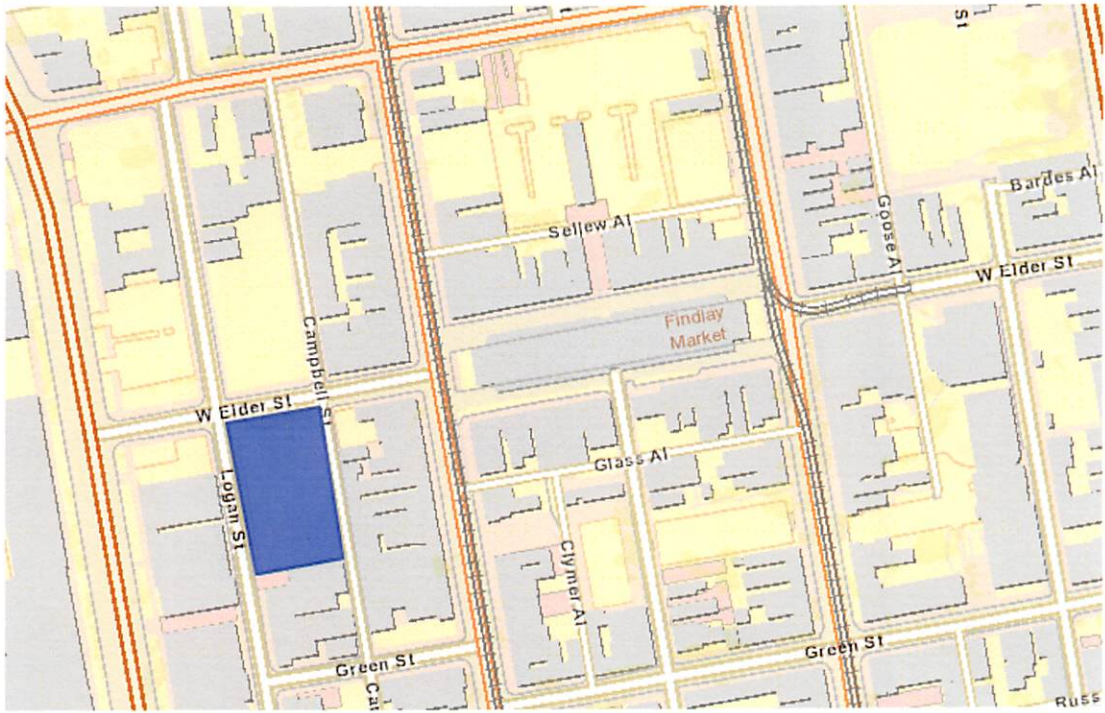
The Administration recommends approval of this Emergency Ordinance. The emergency clause is needed so that the project can meet its financial closing and construction commencement deadlines.

Attachment: A. Property location and photographs



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

Attachment A: Location and Photographs



1712 Logan Street

