

April 17, 2024

**To:** Mayor and Members of City Council  
**From:** Sheryl M.M. Long, City Manager **202401058**  
**Subject:** Report on High-Potential City-Owned Properties Along Major Transit Corridor

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**Ref. Doc. #202301025**

City Council, at its session on April 12, 2023, referred the following item for review and report:

**MOTION**, submitted by Councilmembers Jeffreys, Owens and Harris, To understand opportunities for further development along or near transit corridors, **WE MOVE** that the Administration report back to Council within ninety days (90) on: An audit of high-potential surface parking and vacant lots owned by the City along or near transit corridors. Recommendations on which among those properties should be candidates for issuing a Request for Proposal (RFP) to develop housing, retail, office space, or other development. (STATEMENT ATTACHED).

**OVERVIEW**

In early 2023, the Southwest Ohio Regional Transit Authority (“SORTA”) announced plans to create the region’s first bus rapid transit (“BRT”) corridors along Hamilton Avenue and Reading Road. This historic investment in transit has high potential to increase regional connectivity, increase the vibrancy of communities located along the BRT routes, and spur regional economic growth.

At the direction of City Council, the Department of Community and Economic Development (“DCED”) has been exploring ways that the City Administration can encourage growth along major transit corridors. The City of Cincinnati presently owns various surface parking lots and vacant or underutilized parcels located along or near major transit corridors. At City Council’s request, DCED recently completed an audit of all City-owned surface parking lots and vacant parcels along or near these corridors. The goal of this audit was to identify sites with high development potential. The results of the audit can be found in the report below.

DCED recommends that the City issue Requests for Proposals/Qualifications (“RFP/Q”) for the redevelopment of select high-potential sites identified in the audit. These RFP/Qs will seek to attract proposals from qualified developers interested in partnering with the City to

realize its vision of transit oriented development. DCED is seeking a variety of uses, including the development of new housing stock, commercial and office space, and mixed-use property.

DCED further recommends extensive community engagement surrounding the redevelopment of these key parcels throughout the development process.

### **AUDIT OF HIGH-POTENTIAL SURFACE PARKING AND VACANT LOTS**

As per the directive of City Council, DCED conducted an audit of surface parking and vacant or underutilized lots owned by the City along or near major transit corridors. For the purposes of this report, “major transit corridors” are defined as 24-hour Metro bus routes. The scope of this audit was narrowed following discussions with Councilmembers and City leadership. Properties located along or within roughly a block of major transit corridors were included in the audit. Adjacent and adjoining multi-parcel properties were considered single “sites” for the purpose of this audit.

In total, 48 different sites were identified. A full list of the sites can be found in Attachment B. Collectively, these sites represent roughly 73.804 acres of potentially developable land, with an average size of 1.538 acres. The sites had a variety of different zoning designations, which are listed below from most common to least common. Some sites held multiple zoning designations.

- SF-2 – Single Family (8)
- DD – Downtown Development (5)
- RM-1.2 – Residential Multifamily (5)
- PR – Parks and Recreation (4)
- RMX – Residential Mixed (4)
- CC-P – Commercial Community – Pedestrian (4)
- CC-M – Commercial Community – Mixed (3)
- IR – Institutional Residential (3)
- MG – Manufacturing General (3)
- T3N – T3 Neighborhood (2)
- T5MS-O – T5 Main Street – Open (2)
- OL – Office Limited (2)
- CC-A – Commercial Community – Auto (2)
- SF-20 – Single Family (1)
- SF-6 – Single Family (1)
- RM-0.7 – Residential Multifamily (1)
- CN-P – Commercial Neighborhood – Pedestrian (1)
- CG-A – Commercial General (1)

These sites are located across 20 different neighborhoods, including Downtown, Over-the-Rhine, Pendleton, Mount Auburn, Corryville, CUF, Avondale, North Avondale, Bond Hill, Northside, College Hill, Lower Price Hill, East Price Hill, West Price Hill, Westwood, East Westwood, Mount Airy, East Walnut Hills, Oakley, and Madisonville.

## **IDENTIFICATION OF PROPERTIES FOR DEVELOPMENT**

More detailed analysis of the audit revealed several parcels of land with significant potential for development. Properties were assessed on a variety of factors including location, size, current zoning designation, and current market demand. Based upon this assessment, sites were then organized into three “tiers” ranging from most developable to least developable. Properties for which the City has already designated a preferred developer or upon which future redevelopment is already planned were excluded from the tier rankings. DCED’s Tier 1 recommendations focus on properties that align with the City’s long-term development goals and have the capacity to catalyze economic growth along transit corridors. The sites determined to have the highest potential for redevelopment are strategically located in areas with high transit accessibility. A breakdown of the tier rankings can be found below. Site specific tier designations can be found in Attachment B.

- Tier 1 Sites – Most Potential for Redevelopment: 22
- Tier 2 Sites – Redevelopment May be Challenging: 18
- Tier 3 Sites – Highly Unlikely to be Developable: 5
- Excluded – Existing Development Rights or Planned Redevelopment: 3

## **RECOMMENDATIONS FOR ISSUING REQUESTS FOR PROPSAL (RFP/Q)**

Tier 1 sites were further analyzed to determine which could be most readily released for RFP/Q to maximize impact. DCED recommends that the City Administration consider the release of RFP/Qs for the redevelopment of the following sites:

- Hughes Street & Schiller Street Properties
- 5103 Kenwood Road
- 3362 Reading Road
- 3916 Reading Road

## **STAKEHOLDER ENGAGEMENT AND PUBLIC INPUT**

As the Administration moves to issue RFP/Qs for these high-potential sites, it is imperative that the City engage with critical neighborhood stakeholders and solicit public input throughout the development process. Community engagement sessions, public forums, and stakeholder meetings will provide opportunities for residents, business owners, and other key stakeholders to share their perspectives and contribute to the decision-making process. By fostering inclusive dialogue and collaboration, the Administration can ensure that development initiatives reflect the needs and aspirations of the community.

## **ADDITIONAL CONSIDERATIONS AND FUNDING OPPORTUNITIES**

DCED is aware of several federal funding sources available to support transit-oriented development projects. Sites identified in this report and released for future RFP/Qs present the City and qualified developers with an opportunity to leverage historic amounts of federal funding. To encourage utilization of this funding, DCED would like to highlight two federal loan programs:

- US Department of Transportation – Transportation Infrastructure Finance and Innovation Act (“TIFIA”)
  - o TIFIA gives the USDOT up to \$70 billion in lending capacity and can be used to provide transit-oriented development projects located along or within walking distance of transit facilities. The loans offered under TIFIA can be used to finance certain predevelopment costs, construction and rehabilitation costs, and certain interest, reserve, and project carrying costs. Up to 49% of total eligible costs for a transit-oriented development project can be financed by a TIFIA loan.
  
- US Department of Transportation – Railroad Rehabilitation & Improvement Financing (“RRIF”)
  - o The RRIF gives the USDOT \$35 billion in revolving loan authority and can be used to finance economic development, including commercial and residential development. Eligible projects must be physically connected to or within a half mile of a transit station and must be able to demonstrate that the project can generate new revenue for the relevant transit service. Eligible costs under the loan program can include construction and rehabilitation costs, and certain interest, reserve, and project carrying costs. Up to 75% of total eligible costs for a transit-oriented development project can be financed by an RRIF loan.

## **NEXT STEPS**

DCED will proceed with the following steps:

- Initiate the process of seeking leadership approval to pursue the issuance of RFP/Qs for select high-potential properties identified in the audit.
- Engage with stakeholders and seek public input to inform the development process.
- Evaluate proposals submitted in response to RFP/Qs and select preferred developers based on predefined criteria.
- Work closely with select developers to facilitate the implementation of approved projects and monitor progress to ensure compliance with established guidelines and standards.

## **CONCLUSION**

The opportunities to further development along major transit corridors in Cincinnati are abundant, and with strategic planning and collaboration, the City can unlock the full potential of these sites to create vibrant, sustainable, and inclusive communities. DCED looks forward to working closely with the Council and other stakeholders to advance these initiatives and realize our shared vision for the City of Cincinnati.

Attachment A: Statement from Councilmembers Jefferys, Owens, and Harris

Attachment B: List of City-owned Properties located along Major Transit Corridors

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