

December 3, 2025

To: Mayor and Members of City Council

202502074

From: Sheryl M.M. Long, City Manager

Subject: Emergency Ordinance – Approving and Authorizing an Amendment to a CRA Tax Exemption with Ate Fourth Street, LLC

Attached is an Emergency Ordinance captioned:

APPROVING AND AUTHORIZING the City Manager to execute a First Amendment to Community Reinvestment Area Tax Exemption Agreement with BAM Realty Group, LLC, and Ate Forth Street LLC, authorizing a five-year extension to an existing tax exemption previously authorized by Council for 75 percent of the value of improvements made to real property located at 8 E. Fourth Street, in the Central Business District of Cincinnati.

STATEMENT

By supporting AGAR’s acquisition and occupancy of this Property, the City is advancing its broader economic development strategy by reinforcing a commitment to business retention, encouraging private capital investment, strengthening downtown’s economic vitality, and anchoring local businesses in Cincinnati long-term.

BACKGROUND/CURRENT CONDITIONS

In December 2016, City Council approved an eight-year, net 67% CRA tax exemption agreement with BAM Realty Group, LLC (“BAM”) to support the renovation of the Property in the Central Business District. BAM invested approximately \$2,000,000 to redevelop the 18,000-square-foot building, creating a ground-floor restaurant space, offices on the second and third floors, and bar and event space on the upper level. While they remain compliant with the terms of the CRA—the restaurant Sleepy Bee continues to operate successfully on the first floor—the upper-floor office space has remained largely unoccupied.

During a Business Retention and Expansion (“BR&E”) visit in April 2025, staff from the Department of Community and Economic Development (“DCED”) learned that local experiential marketing firm AGAR sought new office space to accommodate their growth and operational needs. They have since acquired the Property and intend to move staff into the second and third floors and retain Sleepy Bee as a tenant on the first floor.

Assigning the existing CRA agreement for the Property to AGAR and extending the term an additional five years will help offset their relocation and renovation costs, enabling them to make necessary capital investments in the underutilized upper floors, retain 27 existing jobs in Cincinnati, and create one additional position.

In addition to the CRA extension, the City Administration intends to support the project with a BR&E grant to further reduce relocation expenses.

COMPANY INFORMATION

AGAR is a leading experiential marketing firm currently located in Over-the-Rhine. Founded in 2009 and rebranded in 2014, it specializes in brand development services, commercial space identity consulting, and placemaking and public art. The company plays a significant role in shaping the city's creative economy and is a founding and executive partner of the BLINK Cincinnati festival.

RECOMMENDATION

The Administration recommends approval of this Emergency Ordinance.

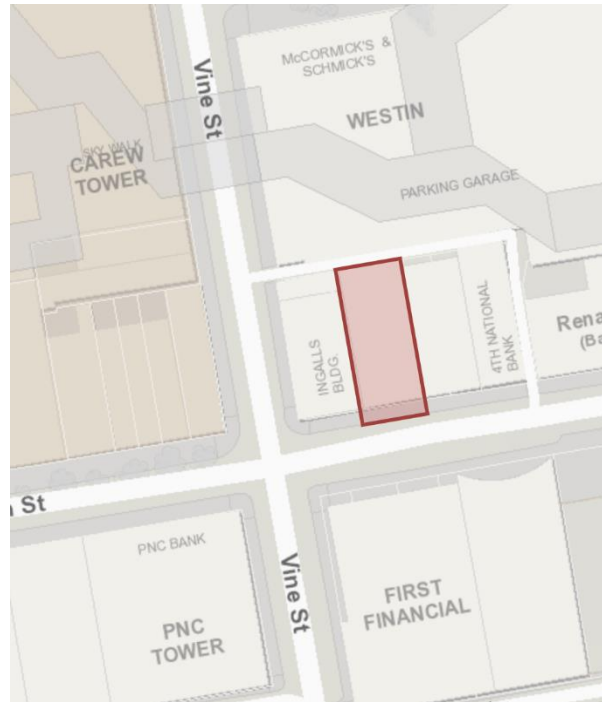
Attachment: Project Outline and Proposed Incentive

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

Project Outline

Project Name	AGAR Relocation
Street Address	8 E 4 th Street
Neighborhood	Central Business District
Property Condition	Partially occupied building
Project Type	Renovation
Project Cost	Hard Construction Costs: \$400K FF&E Costs: \$75K Acquisition Costs: \$1.8MM Soft Costs: \$15K Total Project Cost: \$2.3MM
Private Investment	Private Financing: \$1.8MM Developer Equity: \$440K
Sq. Footage by Use	Restaurant: 6K SF Office: 12K SF
Jobs and Payroll	Created FTE Positions: 1 Total Payroll for Created FTE Positions: \$97,400 Retained FTE Positions: 27 Total Payroll for Retained FTE Positions: \$2.7MM
Location and Transit	Transit Score: 82
Community Engagement	None reported.
Plan Cincinnati Goals	Compete Initiative Area Goal 2 (p. 114-120)

Project Image and Site Map



Proposed Incentive

Incentive Terms	5-year extension of existing 8 year CRA
Incentive Application Process	BRE Grant Intake Form
VTICA	Streetcar VTICA – 15%
Other Incentives & Approvals	\$50K BRE Grant

Potential Taxes Forgone & Public Benefit

Taxes Forgone	Value
Annual Net Incentive to Developer (CRA)	\$12,527
Total Term Incentive to Developer (CRA and BRE Grant)	\$112,636
City's Portion of Property Taxes Forgone (Term)	\$0
City's TIF District Revenue Forgone (Term)	\$87,931

Public Benefit		Value
CPS PILOT	Annual	\$7,950
	Total Term	\$39,750
VTICA	Annual	\$3,614
	Total Term	\$18,068
Income Tax Total Term (Maximum)		\$268,776
Total Public Benefit (CPS PILOT, VTICA , Income Tax)		\$326,594

Total Public Benefit ROI*	\$2.90
City's ROI**	\$3.06

* 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.