

December 2, 2024

To: Members of the Budget and Finance Committee

From: Sheryl M.M. Long, City Manager

Subject: Emergency Ordinance – Approving and Authorizing a Historic CRA Extension with Market Square I, LLC

Attached is an Emergency Ordinance captioned:

APPROVING AND AUTHORIZING the City Manager to execute a First Amendment to Community Reinvestment Area LEED Tax Exemption Agreement with Market Square I, LLC and 1826 Race Street, LLC, affiliates of The Model Group, thereby authorizing a ten-year extension to an existing tax exemption for 100 percent of the value of improvements made to real property at 24 W. Elder Street, 1804-1814 Race Street, 1818 Race Street, and adjoining properties in the Over-the-Rhine neighborhood of Cincinnati.

BACKGROUND/CURRENT CONDITIONS

Market Square I is a mixed use commercial and residential development, with twenty (20) residential units, located at 24 W. Elder Street, 1804-1814 Race Street, 1818 Race Street, and adjoining properties in the Over-the-Rhine neighborhood of Cincinnati. It was renovated in 2016 and received a 12-year CRA property tax abatement, effective through 2028. These buildings are of historic significance, and are, therefore, eligible to have the abatement extended up to an additional ten years under Ohio Revised Code (ORC) Section 3736.36(D)(1). The attached ordinance extends the abatement for an additional ten years, the maximum allowed under the above cited section of the ORC. The property does not presently have any income restrictions for its rental units.

AFFORDABILITY COMMITMENT

The Administration was approached by the property owner, who requested a ten-year extension based on historic requirements. As a condition of the extension, the property owner has committed to holding forty percent (40%) of the development's rental units, totaling eight units, at rates affordable to households earning 80% AMI.

RECOMMENDATION

The Administration recommends approval of this Emergency Ordinance, based on the property owner's affordability commitment.

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