


March 31, 2025

To: Members of the Budget and Finance Committee

From: Sheryl M.M. Long, City Manager 

202500611

Subject: **Emergency Ordinance – AUTHORIZING** the City Manager to execute a HOME Investment Partnerships Program Funding Agreement with Oskamp Flats Limited Partnership

Attached is an Emergency Ordinance captioned:

AUTHORIZING the City Manager to execute a HOME Investment Partnerships Program Funding Agreement with Oskamp Flats Limited Partnership to facilitate the renovation of existing buildings on the real property located at 223 W. 4th Street and 26 W. 7th Street in the Downtown neighborhood of Cincinnati into a new residential development; **AUTHORIZING** the transfer and appropriation of \$1,810,000 from the unappropriated surplus of Downtown South/Riverfront Equivalent Fund 481 to the Department of Community and Economic Development non-personnel operating budget account no. 481x164x7200 to provide resources for the renovation and construction activities of the residential component of the project at 223 W. 4th Street in the Downtown neighborhood of Cincinnati; **AUTHORIZING** the transfer and appropriation of \$30,000 from the unappropriated surplus of Downtown South/Riverfront Equivalent Fund 481 to the Department of Community and Economic Development personnel operating budget account no. 481x164x7100 to provide staffing resources in support of the renovation and construction activities of the residential component of the project at 223 W. 4th Street in the Downtown neighborhood of Cincinnati; and further **DECLARING** expenditures from Department of Community and Economic Development non-personnel operating budget account no. 481x164x7200 and Department of Community and Economic Development personnel operating budget account no. 481x164x7100 related to the renovation and construction activities associated with the new residential development at 223 W. 4th Street in the Downtown neighborhood to be a public purpose and constitute a “Housing Renovation” (as defined in Ohio Revised Code Section 5709.40(A)(3)) that is located within the District 2 - Downtown South/Riverfront District Incentive District, subject to compliance with Ohio Revised Code Sections 5709.40 through 5709.43.

STATEMENT

The additional housing units this project will provide will go toward helping to alleviate Cincinnati’s strained housing market, which is currently experiencing increasing affordability issues due to lack of supply.

BACKGROUND/CURRENT CONDITIONS

Oskamp Flats is a 9% Low-Income Housing Tax Credit (LIHTC) Project that involves the historic renovation and adaptive reuse of two vacant buildings in the Downtown neighborhood. The 70 units will target seniors aged 55+ with incomes at 30-80% AMI. The project submitted a request for financial assistance in 2024 to support the project's application to 9% LIHTC.

DEVELOPER INFORMATION

Oskamp Flats Limited Partnership is a subsidiary of the Model Group, Inc., which has been developing market rate and affordable residential and commercial property in Cincinnati since 1978. Model Group has extensive experience with a wide range of funding mechanisms and specifically historic rehabilitation. Model Group, Inc. recently completed the Peebles Apartments (also a 9% LIHTC project) and Paramount Launch projects in Walnut Hills.

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	Oskamp Flats
Street Address	26 W. 7th St and 223 W. 4th Street
Neighborhood	Downtown
Property Condition	Vacant Buildings
Project Type	Renovation
Project Cost	Hard Construction Costs: \$16,288,317 Acquisition Costs: \$4,000,000 Soft Costs: \$6,228,809 Total Project Cost: \$26,517,126
Private Investment	Private Financing: \$22,818,118 Developer Equity: \$1,199,008
Sq. Footage by Use	Residential: 68,704 SF
Number of Units and Rent Ranges	34 Studio Units; Rent Range \$531-\$1,015 36 1-BR Units; Rent Range \$568-\$1,125 70 Total Units
Median 1-BD Rent Affordable To	Salary: \$33,996 City Job Classification: Municipal Worker, Law Clerk, Parking Attendant, Clerk Typist 1
Jobs and Payroll	Created FTE Positions: 1.5 Total Payroll for Created FTE Positions: \$126,560 Average Salary for Created FTE Positions: \$63,280 Construction FTE Positions: 225 Total Payroll for Construction FTE Positions: \$2.5MM
Location and Transit	Located within the Downtown Historic District Transit Score: 80
Community Engagement	Presented at Community Council (CC) on 1/13/25. Community Engagement Meeting held on 2/18/25. CC has provided letter of support.
Plan Cincinnati Goals	Live Initiative Area Goal 3 (pages 164-178) and Sustain Initiative Area Goal 2 (pages 193-198)

Project Image and Site Map

26 West 7th Street



223 West 4th Street**Proposed Incentive**

Incentive Terms	\$1,800,000 deferred loan for the construction of the residential units located within the 223 West Fourth Street building
“But For”	Project would not proceed without the deferred loan.
SBE/MBE/WBE Goals	SBE Goal of 30%
Other Incentives & Approvals	The City Administration is also providing a \$700,000 HOME loan to the project and is proposing a 15 year net 67% CRA property tax incentive.

For Reference: 2024 Cincinnati MSA Area Median Income Limits

AMI	1	2	3	4	5	6	7	8
30%	\$22,050	\$25,200	\$28,350	\$31,450	\$34,000	\$36,500	\$39,000	\$41,550
50%	\$36,700	\$41,950	\$47,200	\$52,400	\$56,600	\$60,800	\$65,000	\$69,200
60%	\$44,040	\$50,340	\$56,640	\$62,880	\$67,920	\$72,960	\$78,000	\$83,040
80%	\$58,700	\$67,100	\$75,500	\$83,850	\$90,600	\$97,300	\$104,000	\$110,700