

June 11, 2025

To: Mayor and Members of City Council

From: Sheryl M.M. Long, City Manager



202501219

Subject: Ordinance – 3301 MADISON ROAD – PUBLIC PARKING IMPROVEMENTS – MADTREE BREWING CO.

Attached is an Ordinance captioned:

AUTHORIZING the transfer and appropriation of \$130,000 from the unappropriated surplus of Oakley Equivalent Fund 499 (Oakley TIF District) to the Department of Community and Economic Development non-personnel operating budget account no. 499x164x7200 to provide resources for public parking improvements at the MadTree Brewing Co. public parking lot; **AUTHORIZING** the transfer and appropriation of \$15,000 from the unappropriated surplus of Oakley Equivalent Fund 499 to the Department of Community and Economic Development personnel operating budget account no. 499x164x7100 to provide resources for administrative project delivery costs associated with the public parking improvements at the MadTree Brewing Co. public parking lot; and **DECLARING** expenditures related to MadTree Brewing Co.'s public parking lot improvements to be a public purpose and constitute a "Public Infrastructure Improvement" (as defined in Section 5709.40(A)(8) of the Ohio Revised Code) that will benefit and/or serve the District 20 – Oakley Incentive District, subject to compliance with Ohio Revised Code Sections 5709.40 through 5709.43.

STATEMENT

Investment in public infrastructure improvements provides resources to effectively enhance public parking access in the Oakley Neighborhood Business District.

BACKGROUND/CURRENT CONDITIONS

In 2016, MadTree Brewing Co. received \$1.25 million in Oakley Tax Increment Financing (TIF) to acquire and construct a parking lot to serve its facility, adjacent businesses, and the general public. The existing covenant requires that the Developer operate and maintain public parking on the site until the covenant expires on January 1, 2035.

In 2023, the Developer worked with the Port Authority to demolish the coal boiler through a \$150,000 Brownfield Remediation Grant awarded by the Ohio Department of Development. At that time, the Developer requested \$75,000 from the Oakley TIF, as part of the demolition and remediation of the coal boiler. On June 14, 2023, City Council passed Ordinance No. 224-2023 to fund that work. Since then, the scope and budget of

the remediation work has changed, and the Developer is now requesting \$130,000 to complete the project.

\$130,000 of Oakley TIF funds will fund the complete site preparation work for the public parking lot, public parking lot paving work, and the installation of fencing on the public parking lot. An additional \$15,000 of Oakley TIF funds will cover administrative project delivery costs related to the project. The Developer's total request is \$145,000. Following the completion of these public parking lot improvements, the Developer will operate and maintain the additional 14 parking spaces.

The Department of Community and Economic Development has reviewed the request for assistance and is recommending the use of District TIF funds from the Oakley Tax Increment Financing District. The Oakley Community Council has written a letter in support of this assistance request. The City will also host a Community Engagement Meeting to seek feedback on the assistance request. That engagement request is being coordinated.

DEVELOPER INFORMATION

MadTree House, LLC, is an Ohio limited liability company and a wholly-owned subsidiary of MadTree Brewing, LLC. Kenneth McNutt, Jr. and Brady Robert Duncan own 68% of MadTree Brewing, LLC, the parent company of MadTree House, LLC, and are the only two managing members.

The Developer has successfully executed several construction projects since MadTree Brewing Co.'s inception in 2013, facilitating its rapid growth. In 2016, the Developer acquired and constructed the existing parking lot at its Oakley brewhouse location. The project received \$1.25 M in City funds, with approximately \$1.4 M of private investment. Concurrently, the Developer managed the construction of its Oakley brewhouse building, which totaled over \$20 M. In 2023, the Developer worked with the Port Authority to demolish the coal boiler on the Oakley property, utilizing \$150,000 in grant funds from ODOD and approximately \$60,000 from MadTree. Additionally, in 2022, the Developer opened Alcove Kitchen + Bar (a LEED Gold Certified facility) in Over-the-Rhine, and in 2025, the Developer opened its newest facility (Parks & Rec) in Blue Ash.

The Developer employs approximately 200 workers in the City: approximately 145 employees at its Oakley location and 45 employees at its OTR location. MadTree Brewing Co. is the only B-Corp Certified brewery in the state of Ohio. As member of the international organization 1% For the Planet, 1% of all their revenues (topline dollars) are given to local environmental non-profits—much of these funds have gone to Cincinnati Parks to plant trees in neighborhoods lacking sufficient tree canopy.

RECOMMENDATION

The Administration recommends approval of this Ordinance.

Attachment: Project Outline

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