

**December 3, 2025**

**To:** Mayor and Members of City Council

**From:** Sheryl M.M. Long, City Manager

202502082

**Subject: EMERGENCY ORDINANCE – APPROVING AND AUTHORIZING  
CRA TAX EXEMPTION AGREEMENT WITH REID FLATS, LLC**

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Attached is an Emergency Ordinance captioned:

**APPROVING AND AUTHORIZING** the City Manager to execute a Community Reinvestment Area Tax Exemption Agreement with Reid Flats, LLC, an affiliate of The Model Group, Inc., thereby authorizing a fifteen-year tax exemption for 100% of the value of improvements made to real property located at 1711 Elm Street, 1713 Elm Street, 212 W. Liberty Street, 214 W. Liberty Street, 211 W. Fourth Street, 1524 Republic Street, 1526 Republic Street, and 1519 Vine Street in the Over-the-Rhine and Central Business District neighborhoods of Cincinnati, in connection with the remodeling of existing buildings into, in aggregate, approximately 6,707 square feet of commercial retail space and approximately 56,452 square feet of residential space consisting of 90 residential rental dwelling units, at a total construction cost of approximately \$22,270,162; and further **AUTHORIZING** a ten-year historic extension of such fifteen-year tax exemption.

### **STATEMENT**

**HOUSING:** 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 a lack of supply.

**OFFICE/COMMERCIAL:** The addition of these office units will help contribute to Cincinnati's economic stability by opening up more potential for future job opportunities through increased space for new tenants.

### **BACKGROUND/CURRENT CONDITIONS**

Reid Flats involves the historic renovation and adaptive reuse of ten existing buildings in Cincinnati's urban core. Located in Over-the-Rhine and the Central Business District, the project will include 90 residential dwelling units, with 62 units targeting individuals with incomes between 60-80% of the Area Median Income (AMI). The remaining 28 units will be market rate. Additionally, the project is estimated to create 701 temporary construction jobs and 55 full-time employees after construction.

Reid Flats is receiving funds from the Cincinnati Development Fund via the Affordable Housing Leverage Fund, and in accordance with Ordinance 28-2024, the Administration can approve the maximum community reinvestment area real property tax exemption without further approval by council. However, statute authorizes council to extend for up to an additional ten years the real property tax exemption for multifamily dwelling structures of historical or architectural significance that have been certified historic structures, that have been subject to federal tax treatment under 26 U.S.C. 47 and 170(h), and that have had units within such structures leased to individual tenants for at least five consecutive years.

Reid Flats LLC is seeking council to authorize a ten-year extension of such fifteen-year tax exemption, provided the company satisfies certain conditions as described in the agreement, including compliance with all statutory requirements. Additionally, Reid Flats LLC is seeking council to authorize administrative approval of said historic extension after the conditions described in the agreement are met, including compliance with all statutory requirements.

### **DEVELOPER INFORMATION**

Reid Flats, LLC, is a shell corporation for Model Property Development and 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.

### **RECOMMENDATION**

The Administration recommends approval of this Emergency Ordinance.

Attachment: Project Outline

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

**Project Outline**

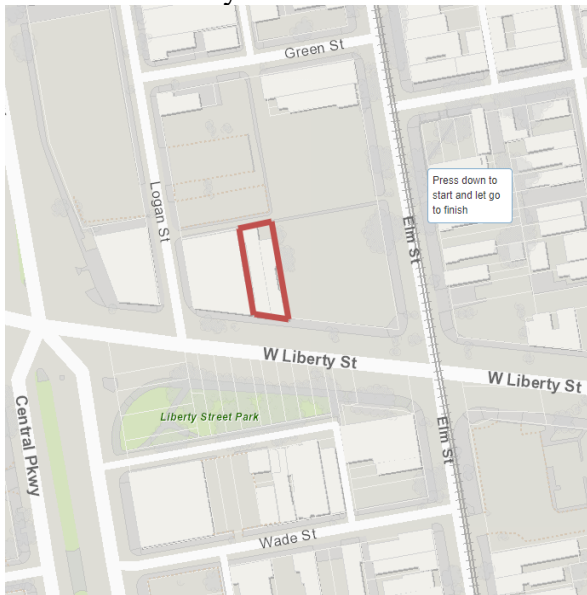
Project Name	Reid Flats
Street Address	212 W Liberty St, 214 W Liberty St, 1711 Elm St, 1713 Elm St, 1519 Vine St, 1524 Republic St, 1526 Republic St and 211-219 W 4 <sup>th</sup> St
Neighborhood	Over-the-Rhine & Central Business District
Property Condition	Vacant buildings
Project Type	Rehabilitation
Project Cost	Hard Construction Costs: \$22,270,162 Acquisition Costs: \$3,565,000 Soft Costs: \$7,556,866 Total Project Cost: \$33,392,028
Source of Funds	OTR W TIF (affordable set aside) \$2,227,016 Catalytic Housing Fund \$2,372,984 Affordable Housing Leverage Fund \$950,000 Senior Loan \$10,000,000 Mezzanine Loan \$1,000,000 Sponsor Equity \$3,186,829 Federal OZ Equity \$3,500,000 State OZ Equity \$1,353,272 Federal Historic Tax Credits \$4,859,427 State Historic Tax Credits \$3,942,500
Sq. Footage by Use	Residential: 56,452 SF Commercial: 6,707 SF
Number of Units and Rent Ranges	38 Studio Units; Average Rent Range \$819-\$1,245 44 1-BR Units; Rent Range \$1,034-\$1,742 8 2-BR Units; Rent Range \$1,800-\$2,408 90 Total Units
Jobs and Payroll	Created FTE Positions: 55 Total Payroll for Created FTE Positions: \$3,660,800 Temporary Construction Positions: 701 Total Payroll for Temporary Construction Positions: \$19,628,000
Location and Transit	Located within the OTR Historic District and Central Business District Transit Score: 70 and 81
Community Engagement	Not supported by Over-the-Rhine Community Council, but project aligns with neighborhood stated economic revitalization goals and Over-the-Rhine comprehensive plan.
Plan Cincinnati Goals	Live Goal 3 (p. 164-167) to Provide a full spectrum of housing options, and to improve housing quality and affordability, Sustain Goal 2 (p.197-198) to Preserve and built environment.

**For Reference: 2025 Cincinnati MSA Area Median Income Limits**

AMI	1	2	3	4	5	6	7	8
30%	\$23,500	\$26,850	\$30,200	\$33,550	\$36,250	\$38,950	\$41,650	\$44,300
50%	\$39,150	\$44,750	\$50,350	\$55,900	\$60,400	\$64,850	\$69,350	\$73,800
60%	\$46,980	\$53,700	\$60,420	\$67,080	\$72,480	\$77,820	\$83,220	\$88,560
80%	\$62,650	\$71,600	\$80,550	\$89,450	\$96,650	\$103,800	\$110,950	\$118,100

**Project Image and Site Map**

212 & 214 W. Liberty

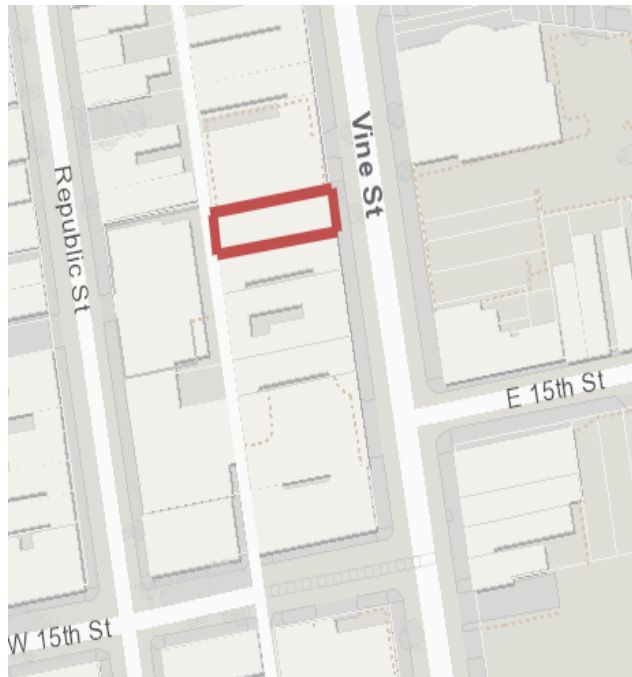


1711 & 1713 Elm

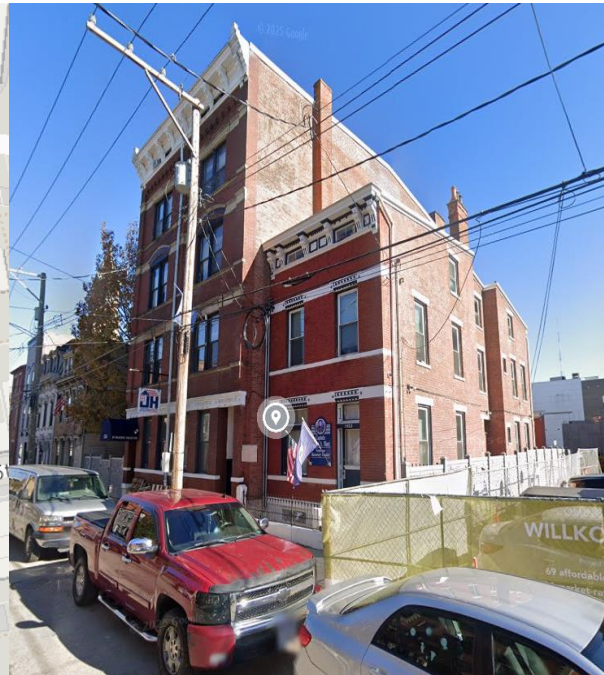
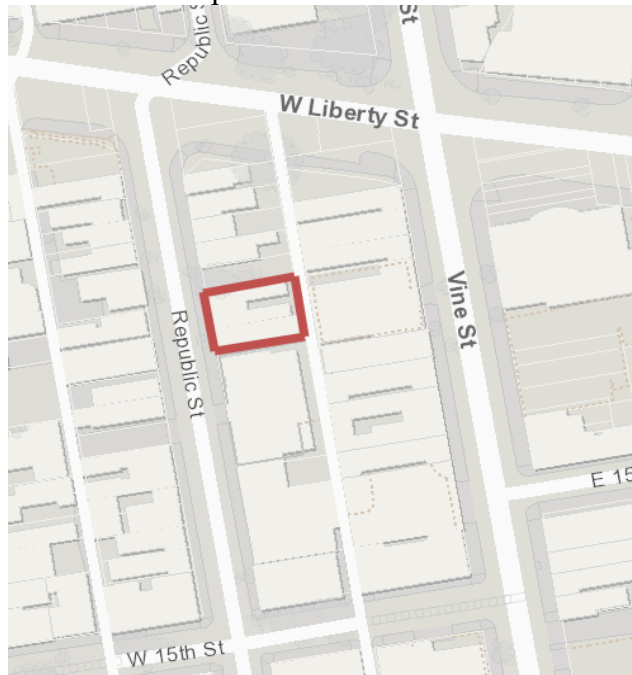




1519 Vine



1524 & 1526 Republic



211-219 W. 4<sup>th</sup> Street

