city of CINCINNATI
Interdepartment Correspondence Sheet

August 4, 2026

To: Members of the Housing and Growth Committee

From: Sheryl M.M. Long, City Manager

202602528

Subject: **Emergency Ordinance – Approving and Authorizing CRA Tax Exemption Agreement for 30 Garfield Place**

Attached is an Emergency Ordinance captioned:

> **APPROVING AND AUTHORIZING** the City Manager to execute a Community Reinvestment Area Tax Exemption Agreement with Cincy Club BRESSDG, LLC, thereby authorizing a twelve-year tax exemption for 100 percent of the value of improvements made to real property located at 30 Garfield Place in the Central Business District of Cincinnati, in connection with the remodeling of an existing building into approximately 165,132 square feet of commercial space including a boutique hotel with approximately 150 rooms, at a total construction cost of approximately $31,565,115.

I. LEGISLATIVE SUMMARY

Approving and authorizing a 12-year, 100% (Net-52%) Community Reinvestment Area (CRA) tax exemption ("Commercial CRA") agreement to support the renovation of the 10-story multi-tenant Cincinnati Club office building located at 30 Garfield Place in the Central Business District.

The Administration recommends approval of this Emergency Ordinance.

Key Information

- Adds much-needed hotel units in the City of Cincinnati, creating more opportunities to advance our convention and tourism industry.
- Retains McHales Catering and Event spaces, providing for a mixture of hospitality uses within the same building.
- Creates 12 permanent FTE jobs and 90 temporary construction jobs.
- Total Development Cost: $64,500,000
  - *Private Funding: $64,500,000 (100%)*
- Public Benefits Returned: $4,143,826 over 12 years + downtown economic impact.

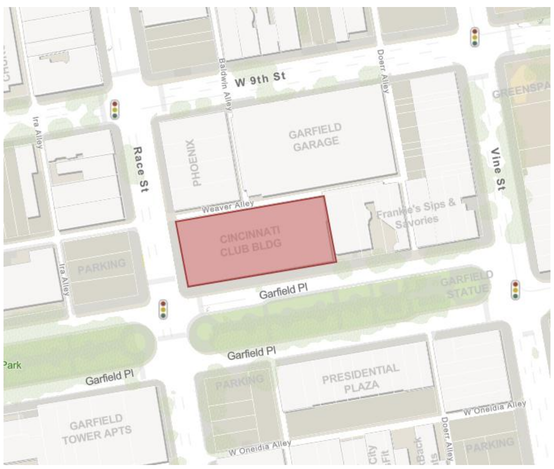
Impact Statement

The addition of these hotel rooms will relieve Cincinnati's existing and worsening hotel demand issue; a healthy hotel room supply benefits residents by increasing tourist's spending within city-limits instead of regional alternatives and decreasing necessity for the widespread proliferation of short-term-rentals (STR), ultimately allowing for more STR to long-term housing conversion.

II. SITE INFORMATION

Address	30 Garfield Place
Neighborhood	Central Business District
Current Condition	Partially Vacant
Zoning/Use; District	DD – Downtown Development District
Transit & Pedestrian Accessibility	Proximity to Race and 8th Street Bus Stop, 5-minute walk to Cincinnati Connector stop.

Property Map



Property Picture

III. DEVELOPER INFORMATION

Developer(s)	Cincy Club BRESSDG, LLC (an affiliate of Sunflower Development Group)
Previous Projects/Experience:	Sunflower Development Group is a Kansas City, Missouri based real estate development and tax credit consulting firm specializing in historic renovation and adaptive reuse, urban infill, and residential and commercial development. Recent projects include the mixed-use American Electric Building in St. Joseph, MO and the Margaritaville Hotel in Kansas City, KS.

IV. PROJECT INFORMATION

Project Name: The Cincinnati Club
Project Type: Renovation
Construction Completion Target: March 2028

Project Goals

		Created	Retained
Payroll	FTE (Permanent)	$1,535,000	$238,550
	Construction (Temporary)	$4,500,000	
Jobs	FTE (Permanent)	12	5
	Construction (Temporary)	90	
Use	Sq Ft: Office	N/A	
	Sq. Ft: Residential	N/A	
	Sq Ft: Commercial	165,132	
	Sq Ft: Industrial	N/A	
	Total	***165,132***	
Housing	Affordable (AMI-Restricted)	N/A	
	Market Rate	N/A	
	Total	***N/A***	

Additional Information

Environmental / "Green" Building	N/A
Planning Commission Approval	N/A
Community Engagement	The Development Team will continue to engage with the Downtown Residents Council through project approvals and construction.

V. FINANCES + INCENTIVE INFORMATION

Project Cost	Hard Construction Costs	$31,565,115
	Acquisition Costs	$7,498,451

	Soft Costs		$25,436,434
	Total Development Cost		***$64,500,000***
Funding Sources	Private Financing		$36,586,512
	Historic Tax Credit Equity		$10,913,488
	Key Money		$1,000,000
	Deferred Developer Fee		$2,000,000
	Developer Equity		$14,000,000
	Total Private Investment		***$64,500,000***
Proposed Incentive	Application Process		Commercial CRA (Non-LEED)
	Terms		12-year, 100% (Net 52%) abatement
	Total Value of Abatement *(Taxes Forgone to City, CPS PILOT, VTICA)*	***Annual***	***$328,542***
		Over Term	***$3,942,510***
	Value of City's Portion of Taxes Forgone	***Over Term***	***$1,244,696***
Public Benefit	CPS PILOT	Annual	$208,498
		Over Term	$2,501,977
	VTICA	Annual	$94,772
		Over Term	$1,137,262
	Income Tax (Maximum)	Over Term	$504,587
	Total Value of Public Benefit	***Over Term***	***$4,143,826***
		ROI *(Return on Investment for Every $1 Tax Forgone)*	***$1.05***
Financial Feasibility ("But For" Test)	The Project only yields a 7.31% average cash-on-cash rate of return for 12 years without the proposed incentive. With the proposed incentive, the Project yields a 10.08% average cash-on-cash rate of return for 12 years.		

	Conclusion	***Project would not proceed without abatement.***

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cc: Brandon Rudd, *Deputy Director*, Office of Strategic Growth