



Re-Imagining Affordable Housing

Cincinnati Metropolitan Housing Authority



The Grand Re-Opening of Marianna Terrace after the RAD transformation



**Cincinnati Metropolitan Housing Authority
Economic Impact Report FY 2024 - 1st Quarter**



Table of Contents

I. Community Impact

Operating Dollars	3
Property Management	4
Need for Affordable Housing	5
Housing Choice Voucher	6
Community Expenditures	7
Keeping Contracts Local	8
Contracts Awarded.....	9

II. Economic Impact—Development

Phases	11
Economic Activity	12
Projected Impact	13
Self Development	14
Development FY 20—25	15
Projected Impact of RAD	16

III. Economic Inclusion

What is Economic Inclusion.....	17
Section 3.....	18
MBE/WBE	19
RAD Job Creation.....	20

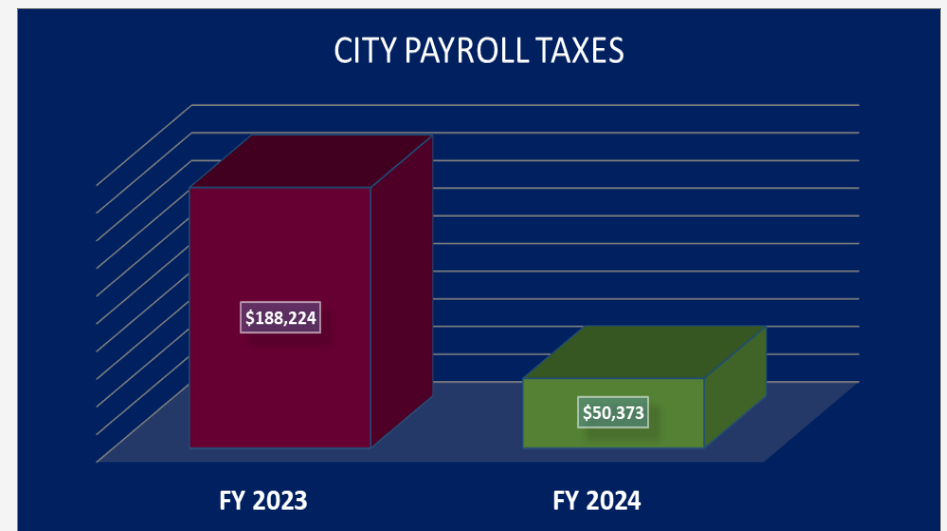
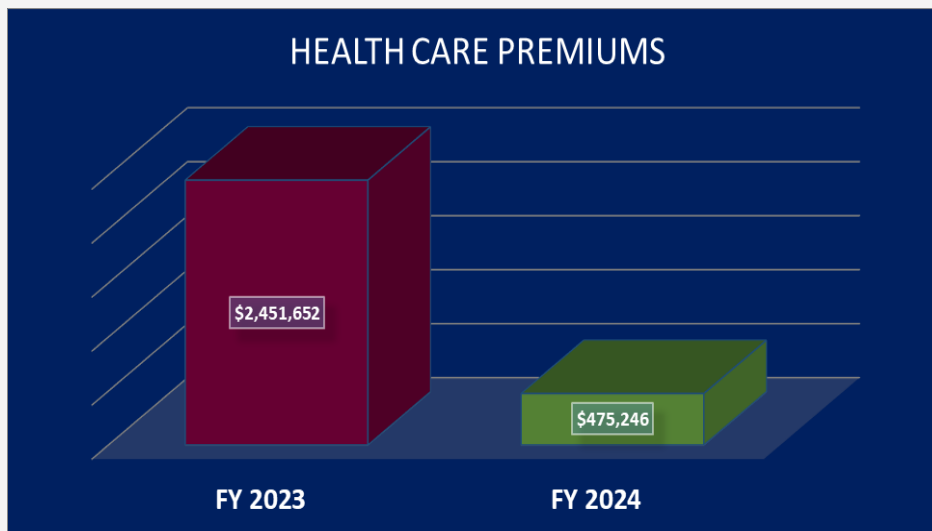


Community Impact at a Glance

CMHA currently employs approximate 200 people and paid over \$10.9 million in payroll in fiscal year 2023. There is an induced impact to the community when CMHA employees spend these earnings at local retailers, restaurants and service providers.

CMHA contributes to the local economy in variety of ways such as healthcare premiums and claims as well as City of Cincinnati payroll taxes. These dollars contribute to local job creation and an increase in demand for related goods and services. The tax funds are used for things like improvement of local infrastructure and programs, including first responders, road maintenance and parks.

In fiscal year 2023, CMHA has contributed \$2,451,652 in healthcare premiums and claims as well as paying \$188,224 to the City of Cincinnati in payroll taxes. For the first quarter of fiscal year 2024, CMHA has paid \$475,246 in healthcare premiums and \$50,373 in City payroll taxes.





Community Impact at a Glance—Property Management

CMHA is the largest landlord in Hamilton county providing homes to approximately 8,000 individuals in 4300 units. Operating and Capital funds are utilized for operations and capital improvements of affordable housing within the Property Management program (Public Housing). In FY 2022 CMHA has received:

\$24,589,712 in Operating Funds and \$12,875,946 in Capital Funds

In fiscal year 2023, CMHA received:

\$24,443,070 in Operating Funds and \$12,088,119 in Capital Funds.

According to the *Center for Housing Policy*:

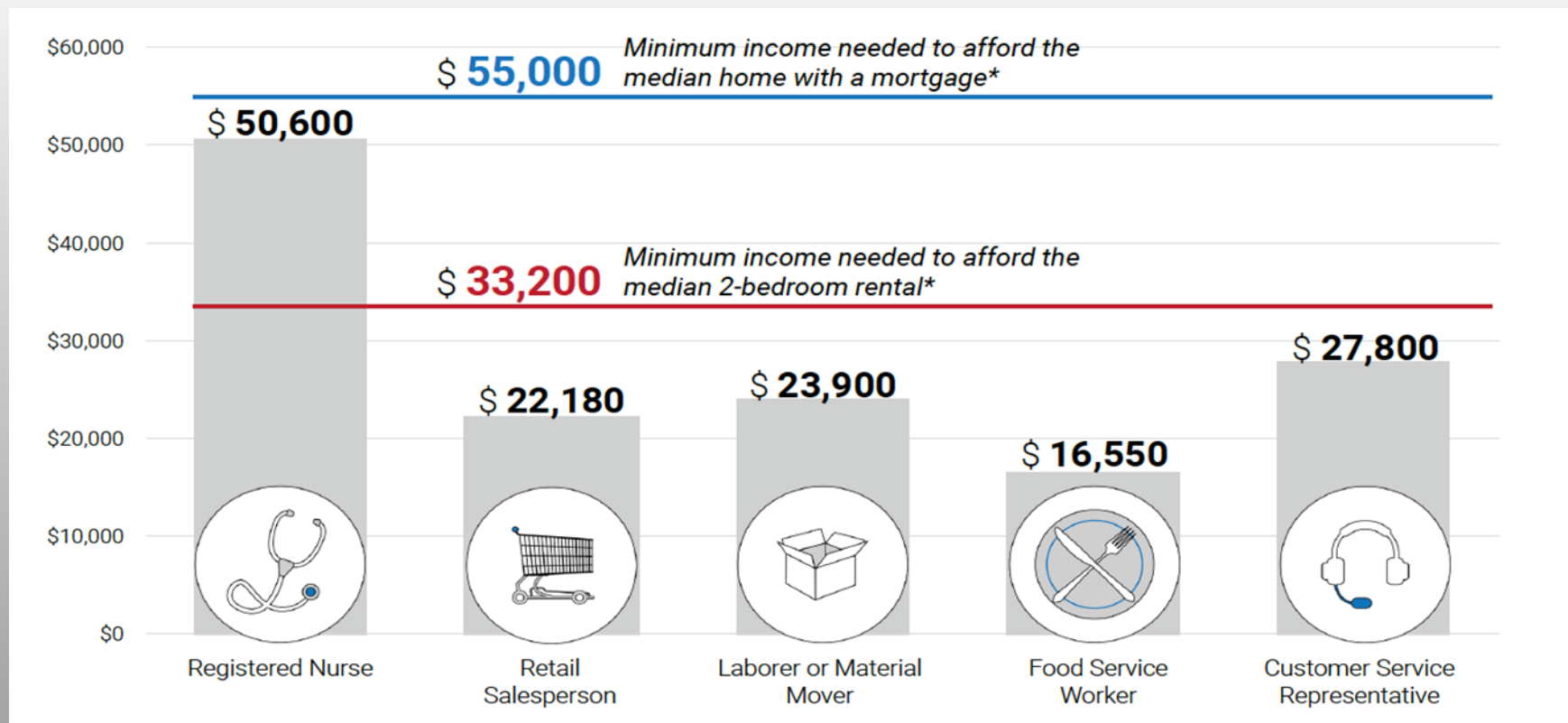
- Every dollar of public housing operating expenditures generates an additional \$0.93 of economic activity in the local market. That is an additional \$22,732,055 impact in the local economy, totaling a \$47,175,125 impact in FY 2023.**
- For every dollar of direct Federal spending on capital and maintenance, an additional \$1.12 of indirect and induced expenditures is generated by suppliers, vendors, and wage-earners. This was a significant additional impact of \$13,538,693 going back to the community, with a total impact of \$25,626,812 in FY2023.**

Data Source: Center for Housing Policy



Community Impact at a Glance—Need for Affordable Housing

The top 5 jobs in the Cincinnati region do not pay enough to afford housing

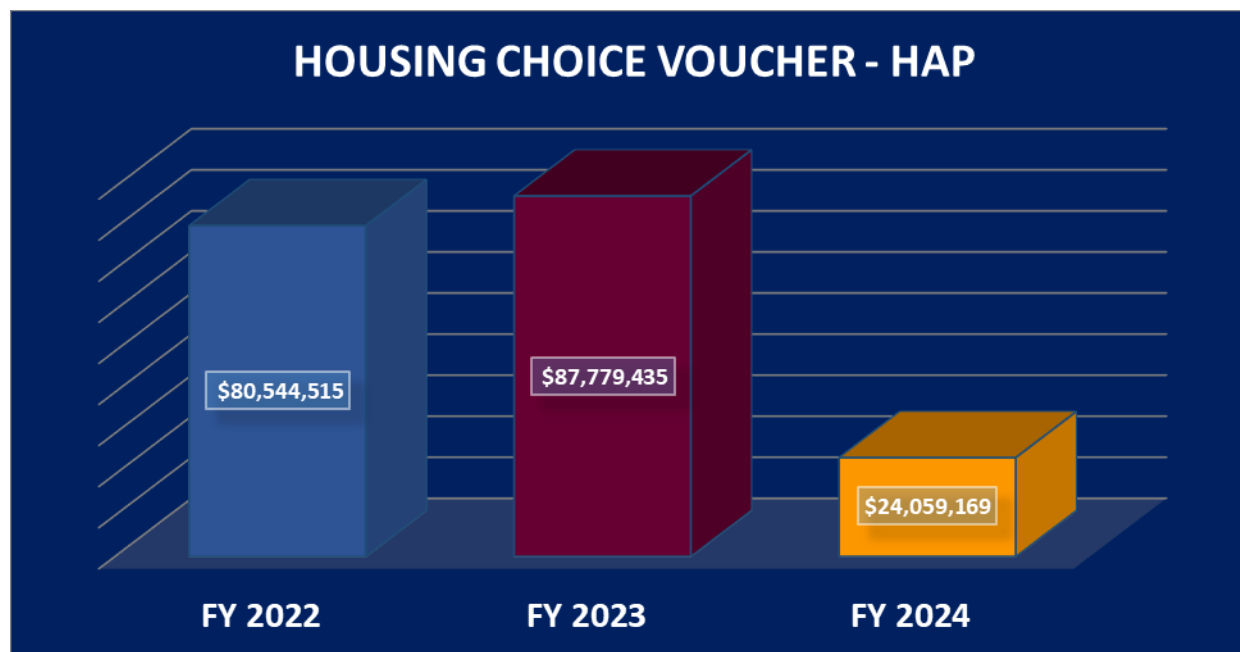




Community Impact at a Glance—HCV

The Housing Choice Voucher (HCV) program, provides rental subsidy to over 11,000 families in Hamilton County. The rental subsidy pays the difference between 30% of the residents income and the market rental rate.

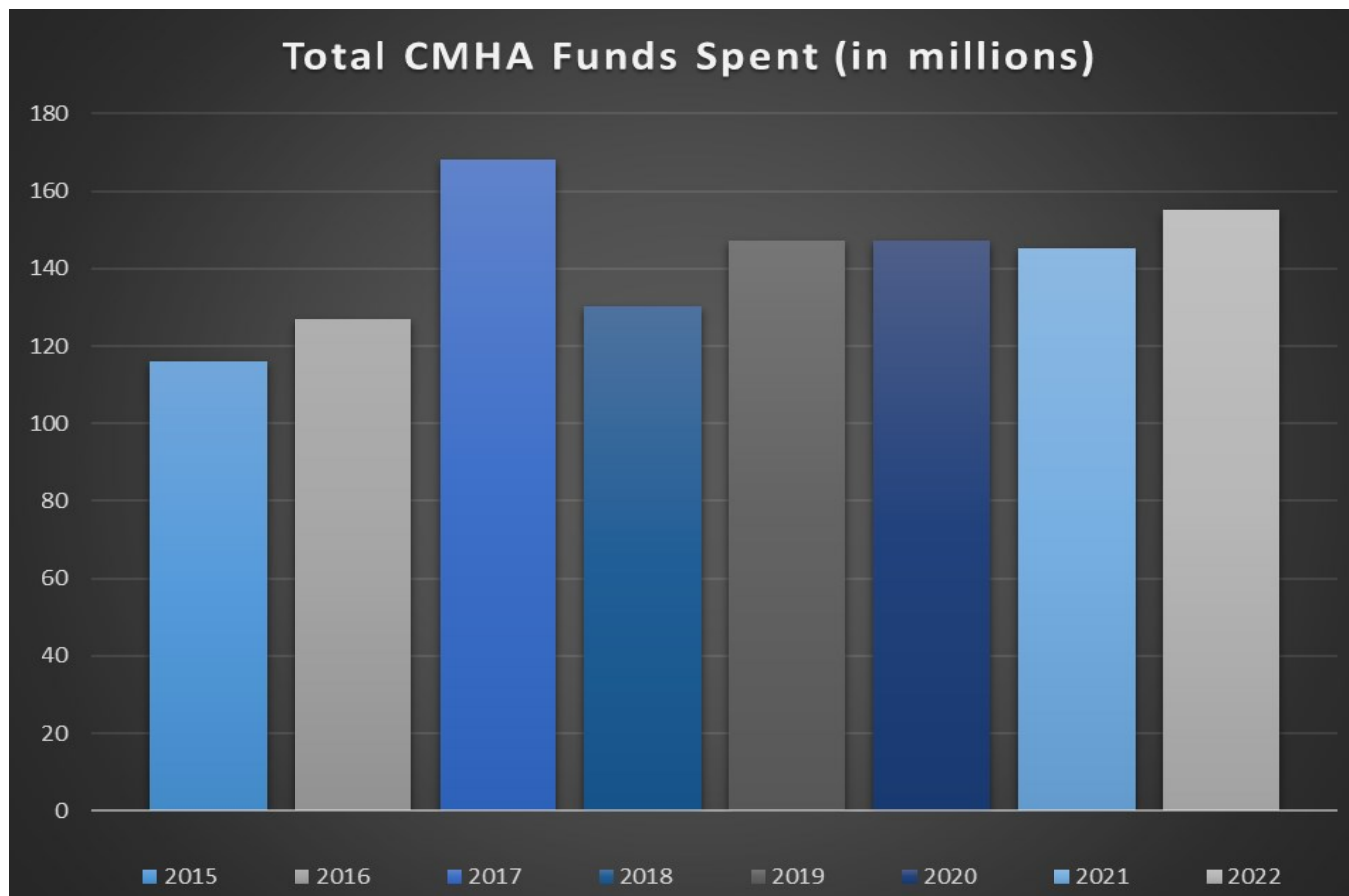
In FY 2023 CMHA administrated \$87,779,435 (HAP) of rental income provided to landlords for properties they own in Hamilton County. In the first quarter of FY 2024 CMHA has paid over \$24 million in rental income to landlords. There are currently about 4982 landlords that receive revenue from CMHA.





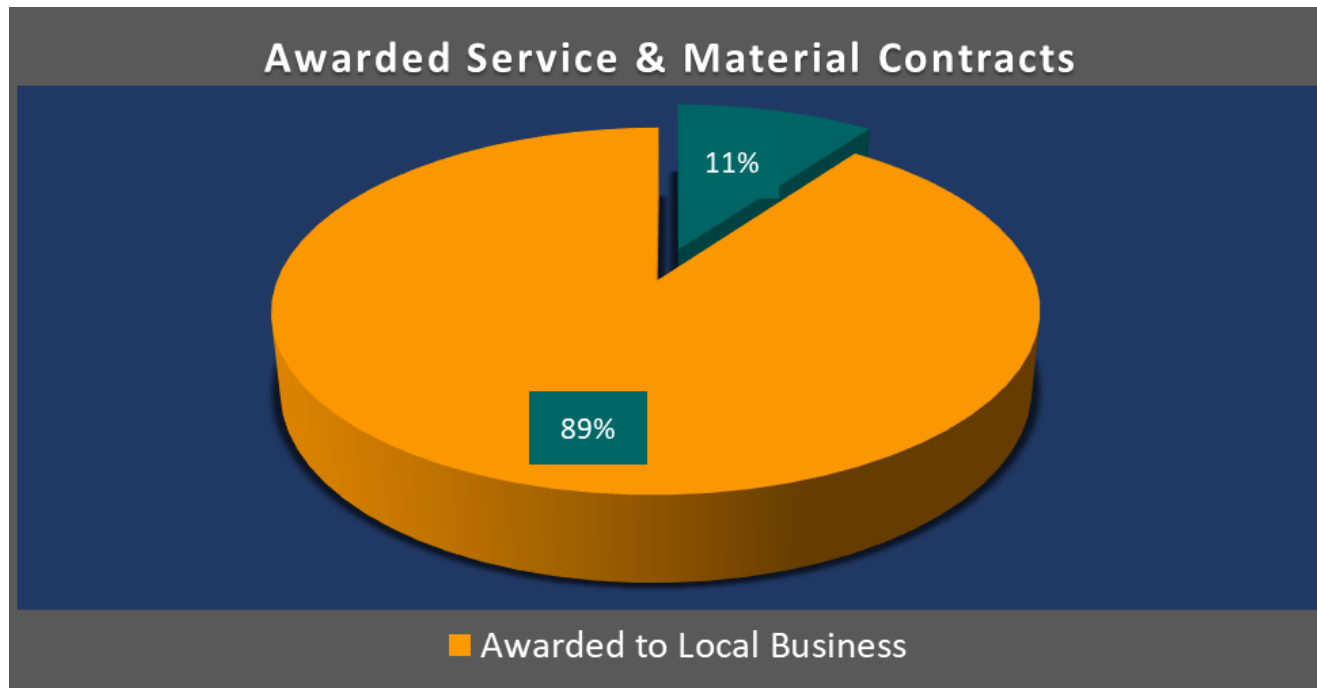
Community Impact at a Glance

CMHA has added over \$1.1 billion to the community's economy over the last several years with funds going to landlords, contractors, suppliers, wages and taxes.





Community Impact at a Glance—Local Impact

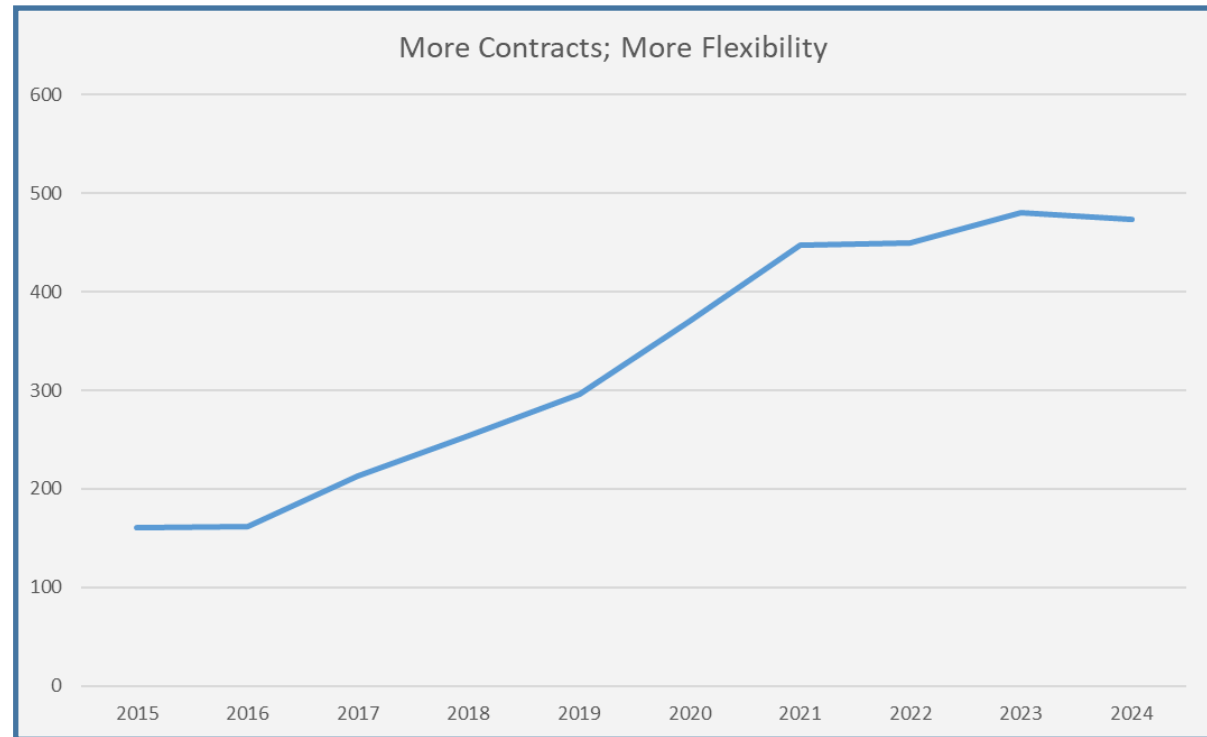


CMHA awarded 38 new service and material contracts this quarter. Of those, 34 went to local businesses, impacting the community by keeping 89% of contracts in the region.



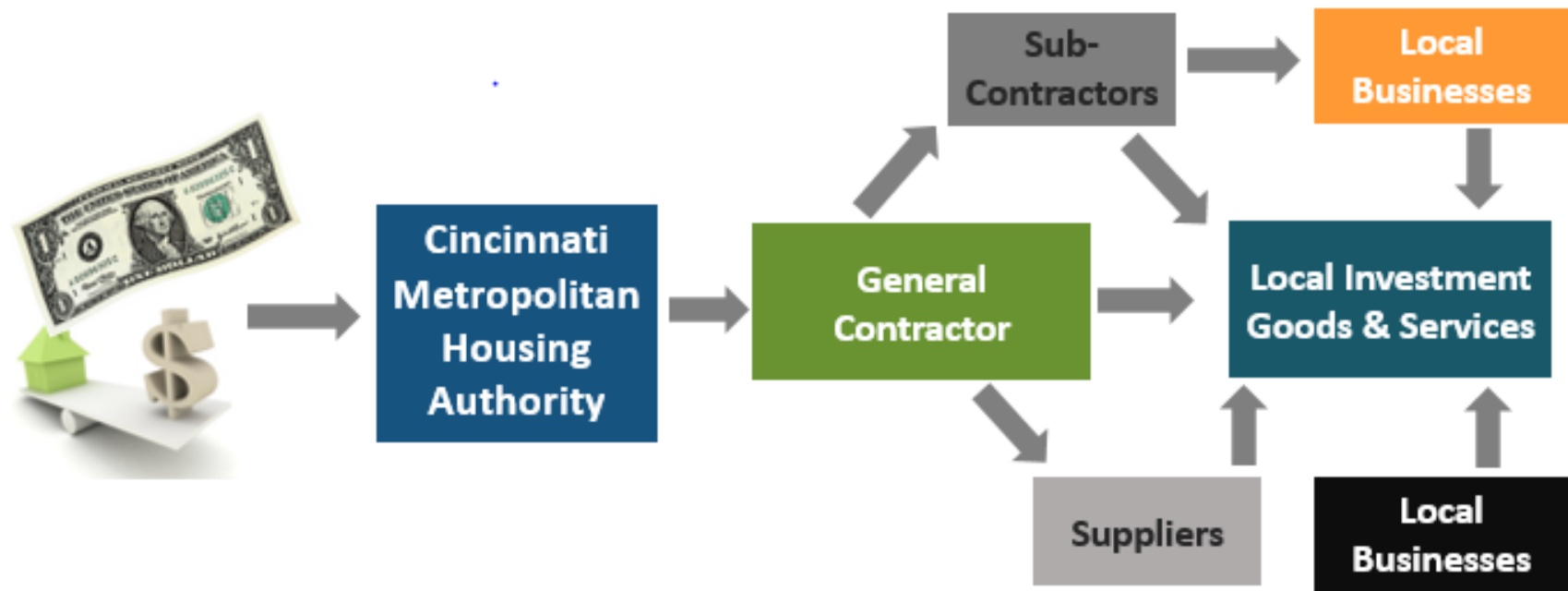
Community Impact at a Glance—Local Impact

Fiscal Year	Contracts
2015	160
2016	162
2017	213
2018	254
2019	296
2020	370
2021	447
2022	450
2023	480
2024	474



CMHA continues to increase the number of contracts it awards for goods and services each year. The more contracts awarded, the more flexibility it offers CMHA for the day to day operations.

CMHA's Economic Impact





Economic Impact



Phase I

Local industries involved in affordable housing

Jobs, wages and local taxes (including permit, utility connection, and other fees) generated by the actual affordable housing construction and related activities.

Phase II

Ripple effect

Wages and profits for local area residents earned during the construction period are spent on other locally produced goods and

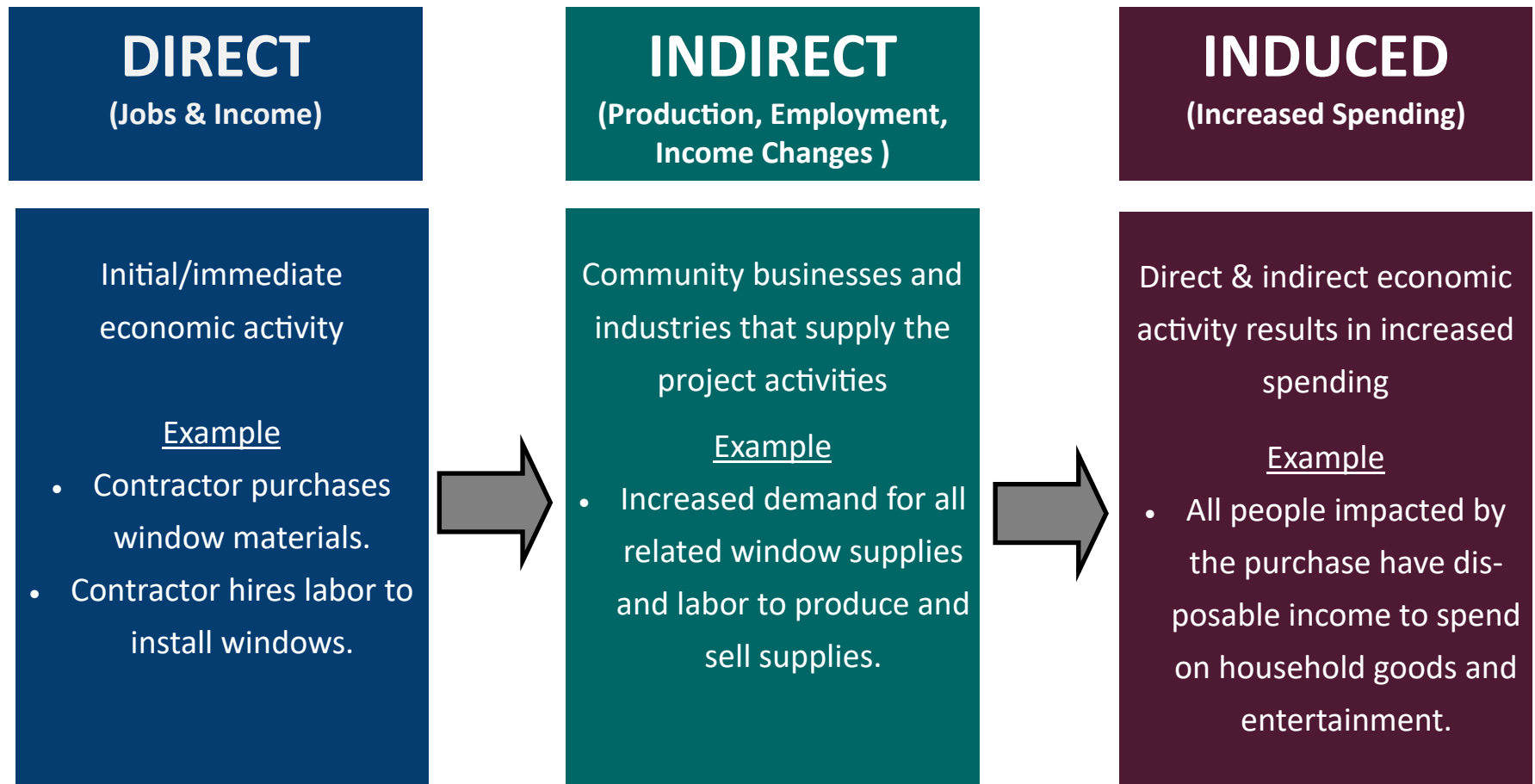
Phase III

Ongoing, annual effect

Local jobs, income, and taxes generated as a result of the creation of new communities and a greater number of apartment homes being occupied.

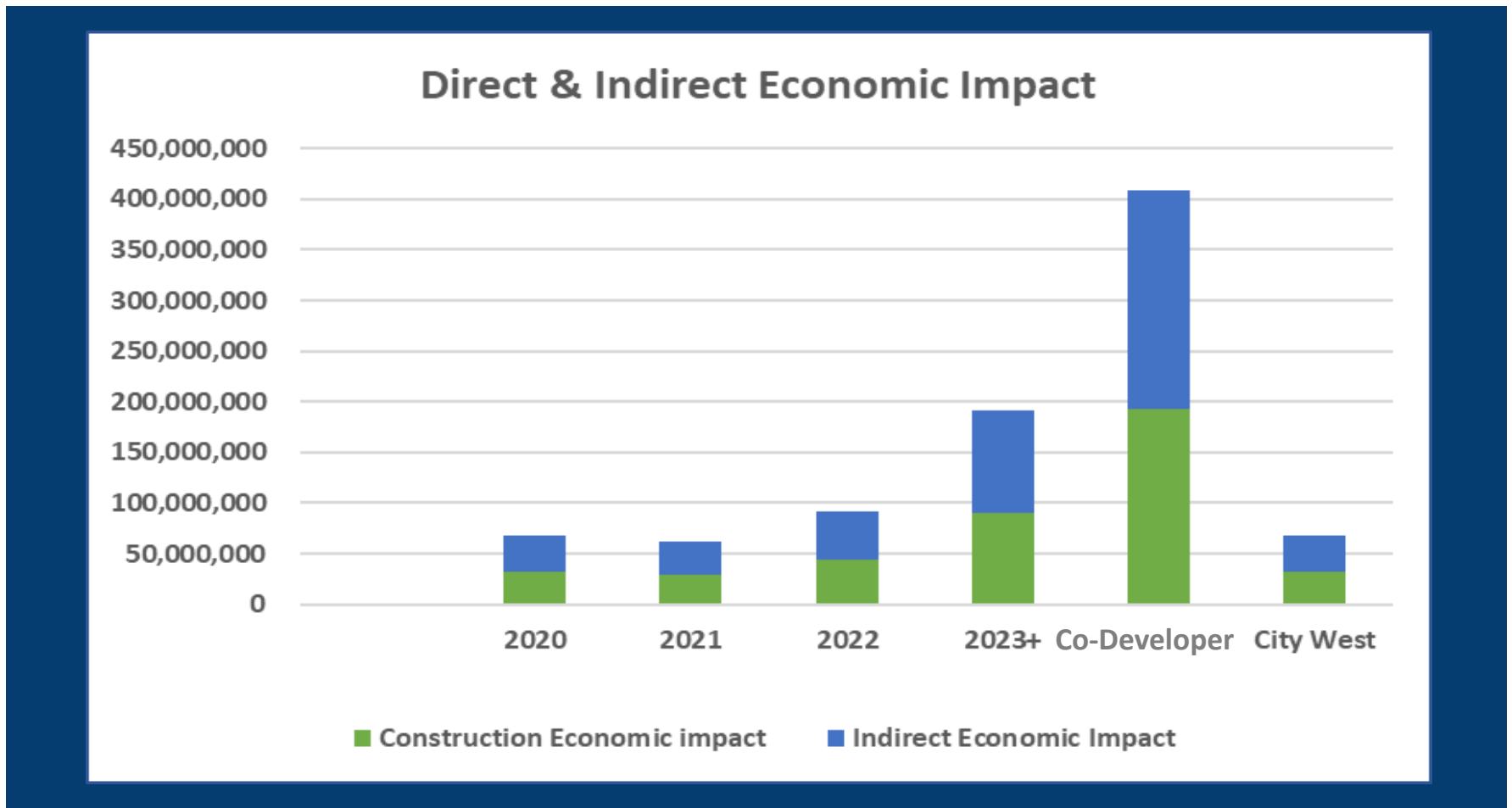


Economic Activity Generated from CMHA's Development





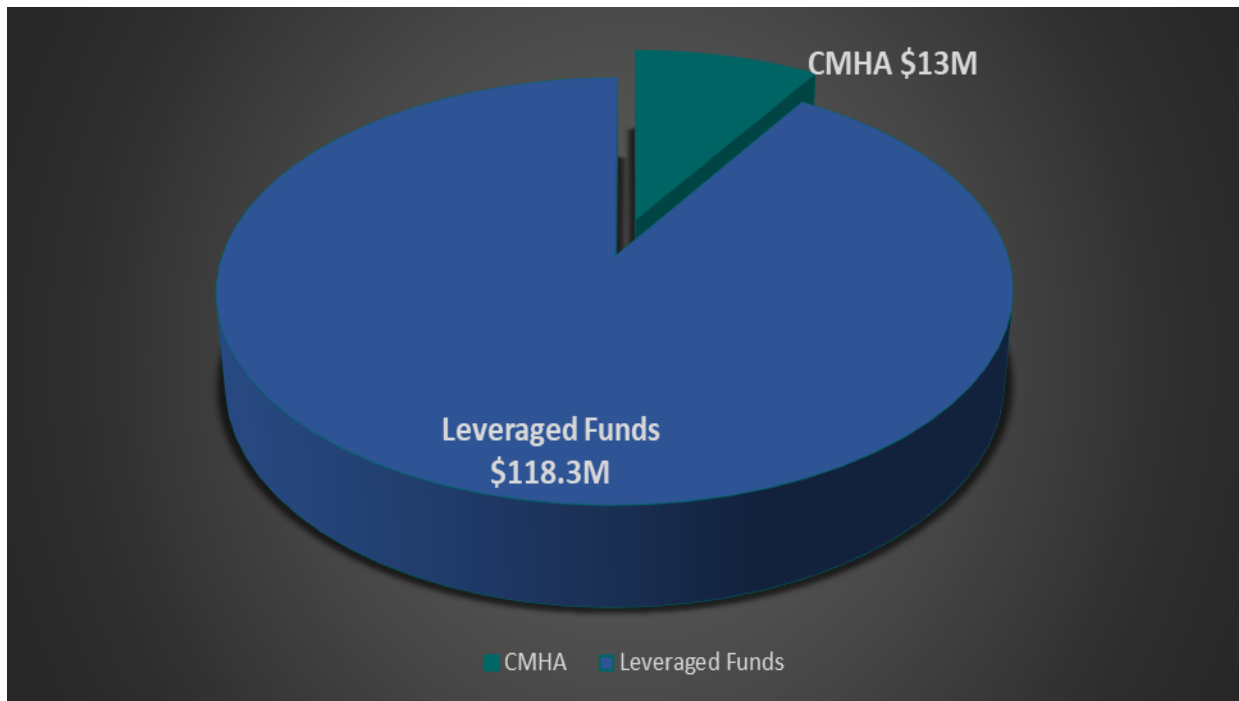
Projected Economic Impact from CMHA's Development



According to the Center for Housing Policy, for every direct federal dollar spent on capital and maintenance, an additional \$1.12 of direct and induced expenditures is generated



CMHA Self Developed Projects 2019-2023



Total Development Cost \$132.2 Million

**Significant Investment in
Rehabilitation (686) apartments)**

Sutter View Townhomes
(114 apartments) Construction 2019

Evanston
(100 apartments) Construction 2020

Park Eden
(176 apartments) Construction 2020

Pinecrest
(190 apartments) Construction 2020

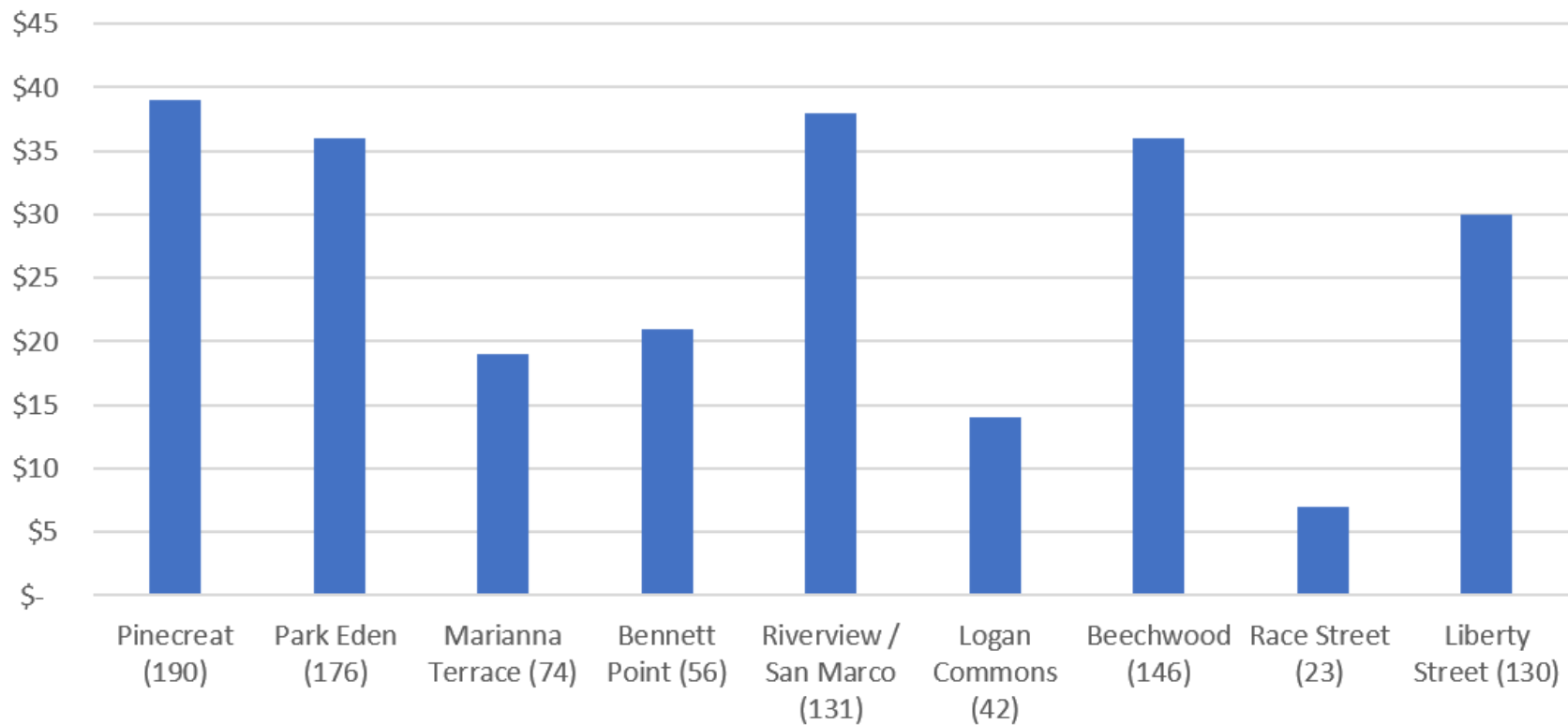
Horizon Hills
(32 apartments) Construction 2021

Mariana Terrace
(74 apartments) Construction 2022



Development Projects - 2020 and 2025

989 Units with a Total Development Cost of \$240 Million





Projected Impact of RAD Projects

The RAD Conversion is projected to award:

\$126,611,832 to Section 3 businesses

\$87,429,131 to minority owned businesses

\$21,857,283 to women owned businesses

The RAD Conversion is projected to create tax revenue in the amounts of:

Sales tax 5.75% in Ohio = \$9,982,010

Sales tax 1.25% in Hamilton County = \$2,170,002

City Earning Tax 2.1% = \$2,201,904

Ohio Employment tax 12.4% = \$16,261,818



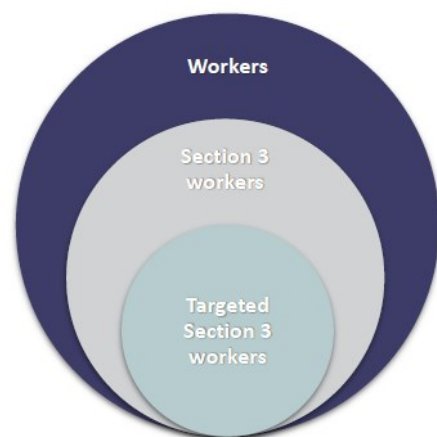
Economic Inclusion

CMHA's nationally recognized Economic Inclusion program includes:

Women Owned Businesses (WBE)
Minority Owned Businesses (MBE)
Section 3

Section 3 is a provision of the Housing and Urban Development (HUD) Act of 1968 that helps foster local economic development, neighborhood economic improvement and individual self-sufficiency. The Section 3 program requires that recipients of certain HUD financial assistance, to the greatest extent feasible, provide job training, employment, and contracting opportunities for low or very-low income residents in connection with projects and activities in their neighborhoods.

HUD has recently implemented new goals for the Section 3 program that focuses on labor hours for workers on site to ensure employment to low-income individuals as well as individuals who reside in CMHA housing to help lead to self-sufficiency. The new goals are:



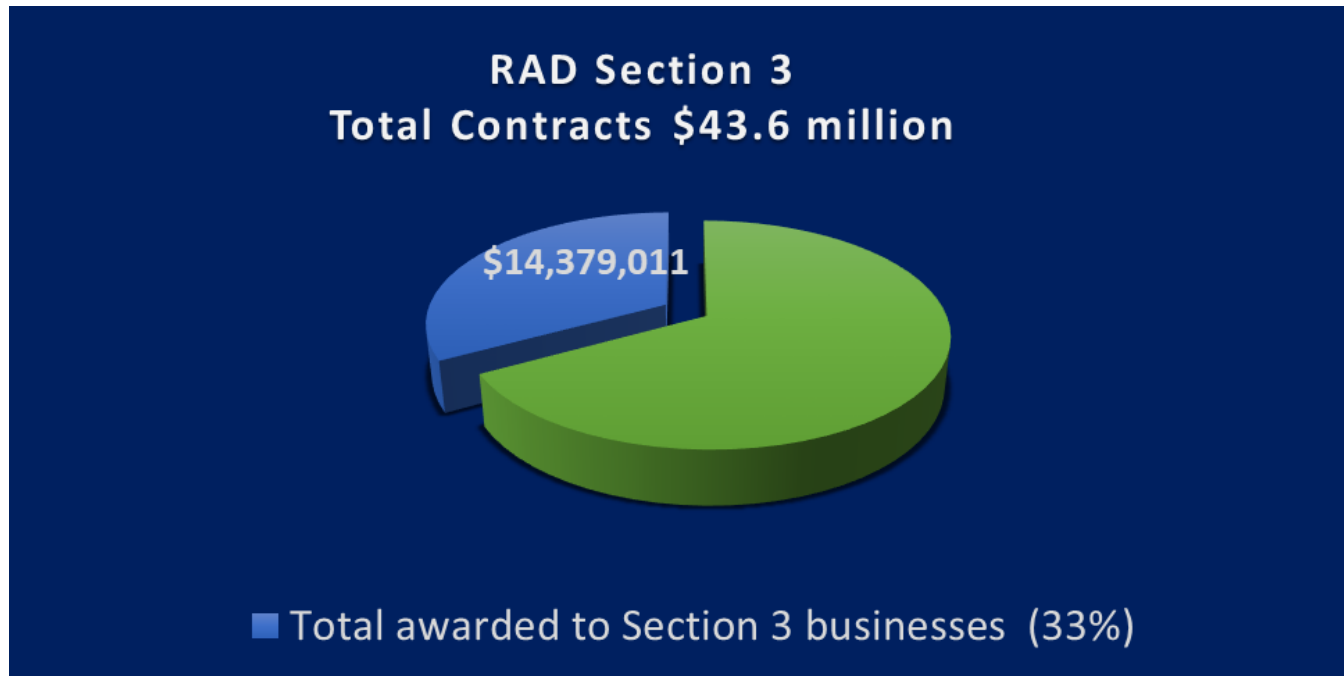
25% of all project labor hours go to Section 3 workers and
5% of all project labor hours go to Target Section 3 workers





RAD Projects Economic Inclusion

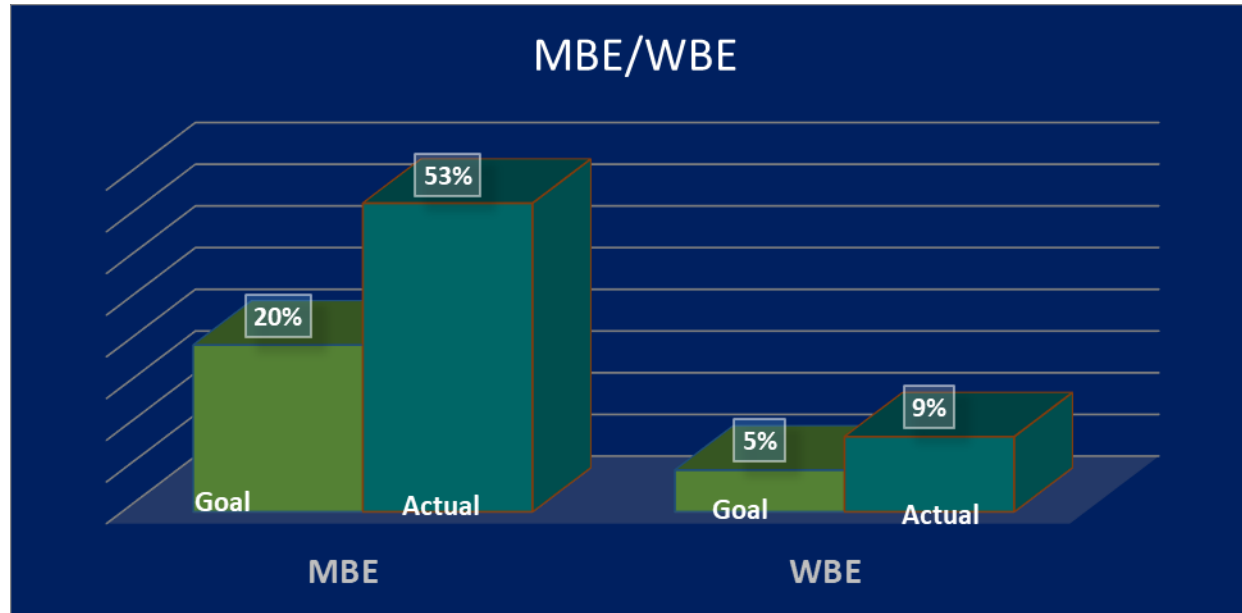
RAD Totals for Section 3 Businesses
Total Construction Contracts FY 22 = \$43.6 million
Awarded to Sec 3's = \$14,379,011





1st Quarter Economic Inclusion

Agency Goals for Minority Owned (MBE) and Women Owned (WBE) Businesses vs Actual Awarded Contracts to MBE and WBE Business for the 1st Quarter of Fiscal Year 2024.





RAD Projects Job Creation

Job creation is one of the many direct impact and community benefits of the RAD transformation. Creating economic opportunities for low-income individuals is paramount to CMHA. These jobs pay a living wage in high demand fields, leading the way to self-sufficiency.

RAD projects have created 56 new jobs. Of that, 30 of the jobs went to Section 3 individuals.

RAD Job Creation

