

December 17, 2024

Cincinnati City Council City Hall 801 Plum Street Cincinnati, OH 45202

Dear Honorable Members of Cincinnati City Council:

On behalf of the REALTOR® Alliance of Greater Cincinnati (RAGC), and its over 5,700 members, I am writing to urge your strong support for Councilmember Mark Jeffreys' motion to pilot modular and manufactured housing developments on city-owned lots. This proposal represents an innovative and practical approach to addressing Cincinnati's urgent housing needs while fostering economic growth and community well-being.

The housing crisis in Cincinnati cannot be overstated. Housing inventory has not kept pace with demand, which drives up prices and limits options for families, workers, and seniors alike. According to the National Association of Realtors (NAR), for every 1,000 housing units built, an estimated 2,900 full-time jobs are created and over \$110 million in economic impact is generated. Housing development not only provides direct construction jobs but also stimulates industries like retail, healthcare, and professional services by attracting new residents and supporting a vibrant workforce.

Modular and manufactured housing offers a compelling solution to many of the barriers facing traditional construction. This approach significantly reduces costs—up to 20% compared to conventional methods—and shortens construction timelines by as much as 50%. With much of the work completed in controlled factory settings, these projects also reduce material waste and environmental impact, aligning with Cincinnati's sustainability goals. Cities like Columbus have demonstrated the effectiveness of such developments, and it is time for Cincinnati to join the movement.

The motion also makes strategic use of underutilized city-owned lots. Transforming vacant or underperforming spaces into residential housing brings additional benefits: revitalizing neighborhoods, boosting property tax revenues, and creating the density needed to support local businesses. For every 100 new housing units, local governments collect an average of \$828,000 annually in property taxes, according to the Urban Land Institute. This is revenue that can be reinvested in critical public services, infrastructure, and community programs.

A pilot project is the right first step. By starting with controlled, manageable initiatives downtown and in neighborhoods, the city can evaluate the effectiveness of modular housing while minimizing risks. Lessons learned from these projects can then inform a broader, more scalable strategy for addressing Cincinnati's housing crisis.

RAGC firmly believes that a vibrant housing market is critical to the health of our local economy and the well-being of our residents. Approving this pilot project will position Cincinnati as a leader in innovative housing solutions and send a strong message to residents and businesses alike: that this city is committed to meeting its challenges with smart, forward-thinking action.

Thank you for considering this motion, and for your ongoing efforts to make Cincinnati a thriving, inclusive community. If RAGC can provide additional data or support as you deliberate this issue, please do not hesitate to reach out.

Sincerely,

Tracy Dunne

President, Board of Directors

Realtors Alliance of Greater Cincinnati