



## **Process to sell 76-acre former City Heights under way**

Housing Authority of Covington envisions new neighborhood;  
proceeds to 'save' hundreds of public housing units

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COVINGTON, Ky. – June 18, 2025 – The Housing Authority of Covington is searching for a developer to buy the former City Heights housing complex and transform the site into a vibrant, walkable, mixed-use neighborhood.

The 76.5-acre property – which sits atop a wooded hillside between Madison Pike and Highland Avenue – is noteworthy for its immense size, proximity to downtown, and potential views.

Officials say proceeds from the sale will fund millions of dollars in desperately needed improvements at two of the Housing Authority's complexes for low-income residents – the 235-apartment Latonia Terrace and the 16-story Golden Tower high-rise for seniors.

"We have an incredible opportunity here to do two things – to turn what was once a run-down complex plagued with crime into a vibrant home for people of all incomes, and to dramatically improve – in essence, save – hundreds and hundreds of affordable housing units in jeopardy at Latonia Terrace and Golden Tower," said Steve Arlinghaus, executive director of the Housing Authority.

"Our mission is to provide housing that people are proud to call 'home,' no matter what their income, and this will help us do that," Arlinghaus said.

Today, the agency released a formal Request for Qualifications (RFQ), the first step in the months-long two-stage process of selecting a developer. Interested developers or development teams have until July 31 to answer the RFQ, which can be seen in its entirety at [www.redevelopcityheights.com](http://www.redevelopcityheights.com).

The Housing Authority hired Yard & Co. of Cincinnati to assist in the marketing of the property. Yard has an extensive network of developers it has worked with throughout the United States.



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The authority expects to select three finalists and invite them to submit more detailed proposals by early October that will include a bid proposal (i.e. purchase price) as well as a conceptual master site plan and sample building plans and elevations. A selection panel would then select a developer based on the proposed sale price and “how closely their proposals match what we’re looking for,” Arlinghaus said.

### **The vision**

Arlinghaus said the Authority is looking for qualified developers who are familiar with the site, Covington, and the region and who have experience building the type of mixed-use neighborhood that the agency envisions. The objective is to find a team that would:

- Buy the property “as-is” and demolish the shuttered City Heights complex, whose official address is 2500 Todd Court.
- Redevelop the site into a cohesive, walkable neighborhood composed of a mix of residential types as well as possible retail and commercial spaces.
- Preserve as much as possible the unique character of the site, including the surrounding tree canopy, the topography, and viewsheds of the Cincinnati skyline and river valleys.

Arlinghaus said the board wants a neighborhood – not a line of cookie-cutter single-family homes – filled with houses, condominiums, and apartments aimed at various price points. To establish a community feel, it also wants public spaces and trails that offer recreation and access to the views and beauty of the site. And it expects traffic pressures to be alleviated with the building of an additional access road or roads. Currently, the site is accessible only via Benton Road off of Highland Avenue.

### **Public input**

The vision for the site was largely driven by the input of the residents in nearby neighborhoods, including Monte Casino, Peaseburg, and Pointe Benton, Arlinghaus said. Officials answered questions at a large neighborhood meeting and solicited feedback through a focus group and a community survey, he said. They also sought input from the City of Covington.

“Neighbors made it clear that they did not want the site to become City Heights 2.0, but they also did not want the site to become an affluent, gated community reserved for a handful of people,” he said. “They wanted a community that added to the vibrancy of Covington, and we listened to their concerns and wishes.”

### **The fate of City Heights**

City Heights, formerly called Ida Spence Homes, began operation in 1953 and, at 366 units, was for years the largest public housing complex in Northern Kentucky.

But the isolation and remoteness of the site worked against residents, and many found it difficult to access work, education and job training, as well as basic necessities like grocery stores and health care. The isolation also served to concentrate poverty and crime, and the complex proved challenging to police who responded frequently to incidents of violence and drug activity.

Then in 2018, after decades of deferred maintenance, a third-party’s assessment of the 65-year-old complex’s physical condition estimated that it would cost \$51 million to restore the complex to safe, decent and sanitary conditions, with a more complete modernization costing over \$84 million.

Problems included deteriorating natural gas lines and electrical service, leaking sanitation, and dangerous erosion.

With those costs completely out of reach of available resources, federal officials approved the closing of the complex in late 2021, with relocation assistance available for most residents. The final tenant moved out in April 2024.

### **Protecting affordable housing**

The Housing Authority still operates 485 public housing units at a range of sites, including Latonia Terrace and Golden Tower. But the condition of those two complexes is deteriorating, and many of the apartments are considered substandard, Arlinghaus said. Absent an influx of funds, officials risk the complexes following the fate of City Heights.

Proceeds from the pending sale, however, will help fund a range of work, including:

- Repair or replacement of two elevators at the 155-unit Golden Tower high-rise, whose frequent breakdowns not only inconvenience its senior residents but also create safety concerns.
- Tuck-pointing the upper floors of the high-rise to fix leaks.
- A \$3.2 million replacement of all windows at Latonia Terrace, and the beginning of work to modernize bathrooms, kitchens, and flooring.

Some of the work is already under way in anticipation of future funds, Arlinghaus said. Buildings on either side of the Latonia Terrace offices on Madison have been vacated in preparation.

Under federal rules, proceeds from the sale of City Heights originally would have passed to the federal government.

“But given our commitment to our residents, we were able to get special permission to invest the funds in preserving affordable housing in the city,” Arlinghaus said. “We want to restore the reputation of Latonia Terrace to what it was in the 1960s and ’70s.”

As for the City Heights site, “we can’t wait to see who is interested and the quality of the proposals we receive,” he said.

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*Photographs of the site can be seen at*

[https://drive.google.com/drive/folders/1t2dJlI9YBm\\_jUc8FBX8gf38EXhJuYoH](https://drive.google.com/drive/folders/1t2dJlI9YBm_jUc8FBX8gf38EXhJuYoH)

*An aerial video of the site can be seen at*

<https://www.dropbox.com/sc/fi/2gefzu01846mtxus85jad/cityheightsdronestring.mp4?rlkey=aivm5mnhvhhc12iqewffw2vri&e=1&dl=0>

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