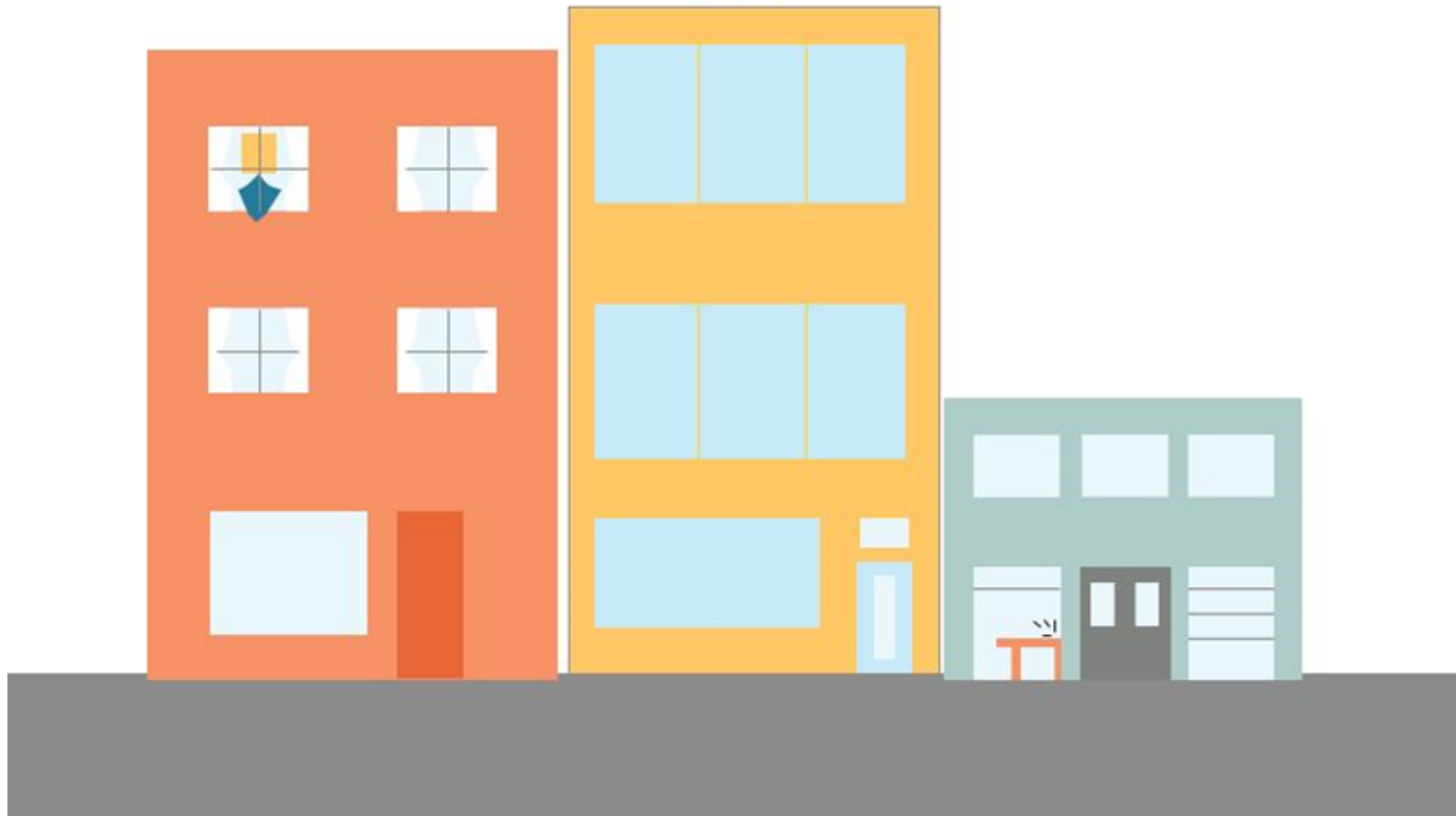


RESIDENTIAL PROPERTY TAX ABATEMENT 101

RESIDENTIAL CRA

COMMERCIAL CRA

Industrial, Office, Commercial, 4+ Residential Units



RESIDENTIAL CRA

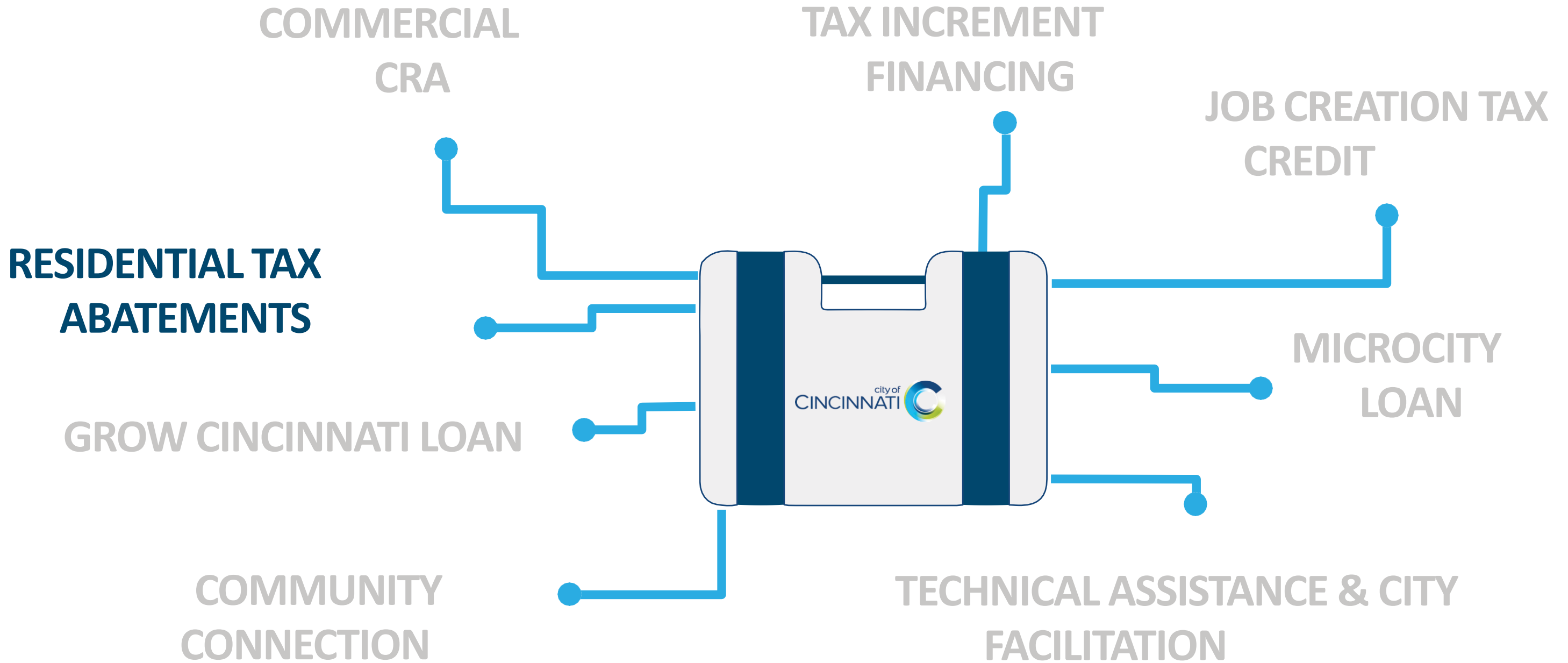
1-3 Residential Units



HAVE A PLAN TO INVEST IN RENOVATIONS OR BUILD A NEW HOME?



HOW CAN THE CITY HELP?

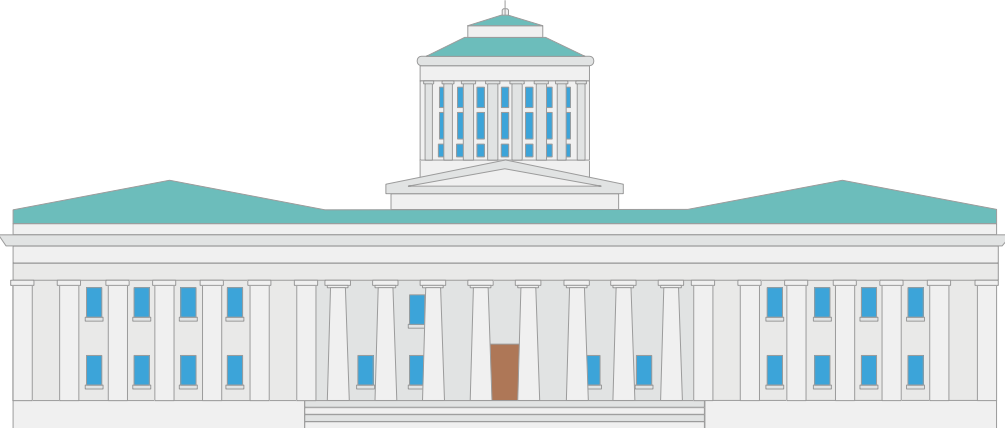


WHAT EXACTLY IS A RESIDENTIAL PROPERTY TAX ABATEMENT?

When you build a new home or invest in renovations, your property taxes can go up. The Residential Property Tax Abatement program enables property owners to **pay taxes on the pre-improvement value** of their property for 10-15 years.

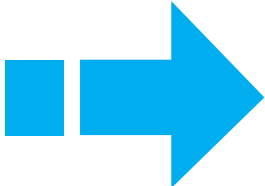
An abatement is available for any increased valuation, as determined by the Hamilton County Auditor, that results from improvements to the property for new construction and renovation.

WHAT EXACTLY IS A RESIDENTIAL PROPERTY TAX ABATEMENT?



STATE OF OHIO

The State of Ohio authorizes municipalities to abate property taxes in certain circumstances. According to Ohio Revised Code 3735.65–3735.70, each municipality must appoint a “Housing Officer” for each community reinvestment area.



CITY OF CINCINNATI

According to Cincinnati City Council Ordinance No. 276-2017, Residential CRAs are authorized up to the maximum real property tax exemptions for newly constructed and remodeled one-, two-, and three-bedroom unit residential structures. City Council appointed DCED to be the “Housing Officer” for this program.

CINCINNATI CITY COUNCIL – PROGRAM BENEFITS

(through 12/31/2021) 1-3 Unit Dwellings

CONSTRUCTION TYPE	CONDITIONS	MAXIMUM MARKET IMPROVEMENT VALUE	TERM (YEARS)
REMODELING	Non-LEED/Non-LBC Qualified	\$275,000	10
	HERS Qualified	\$275,000	12
	Visitable	\$275,000	12
	HERS + Visitable	\$275,000	14
	LEED Certified	\$275,000	15
	LEED Silver	\$400,000	15
	LEED Gold or LBC Net Zero	\$562,000	15
	LEED Platinum, LBC Full, or LBC Petal (must include "Energy Petal")	No maximum	15
NEW CONSTRUCTION	Non-LEED/Non-LBC Qualified	\$275,000	10
	Visitable	\$275,000	12
	LEED Certified	\$275,000	12
	LEED Certified + Visitable	\$275,000	14
	LEED Silver	\$400,000	15
	LEED Gold or LBC Net Zero	\$562,000	15
	LEED Platinum, LBC Full, or LBC Petal (must include "Energy Petal")	No Maximum	15

CINCINNATI CITY COUNCIL – PROGRAM BENEFITS (Effective 1/1/2022) 1-4 Unit Dwellings

CONSTRUCTION TYPE	CONDITIONS	MAXIMUM MARKET IMPROVEMENT VALUE	TERM (YEARS)
REMODELING	Non-LEED/Non-LBC Qualified	\$200,000*	10
	HERS Qualified	\$300,000*	15
	LEED Silver	\$500,000	15
	LEED Gold or LBC Net Zero	\$650,000	15
	LEED Platinum, LBC Full, or LBC Petal (must include “Energy Petal”)	\$800,000	15
	*If the Residential Improvement is certified to the Cincinnati Visitability and Universal Design Standards or is a Historic Restoration, then the maximum market improved value is increased by \$100,000		
NEW CONSTRUCTION	Non-LEED/Non-LBC Qualified	\$200,000*	10
	LEED Silver	\$400,000	15
	LEED Gold or LBC Net Zero	\$500,000	15
	LEED Platinum, LBC Full, or LBC Petal (must include “Energy Petal”)	\$650,000	15
	*If the Residential Improvement is certified to the Cincinnati Visitability and Universal Design, then the maximum market improved value is increased by \$100,000		

PROPERTY TAX BREAKDOWN

BEFORE

CURRENT TAX LIABILITY

AFTER

POST-IMPROVEMENT TAX LIABILITY



APPLICATION CRITERIA

- ✓ Full application & \$250 non-refundable application fee
- ✓ Limited to rehab or new construction of condominiums, one, two, or three-unit, residential-only structures
- ✓ At least \$2,500 (one and two-unit structures) or \$5,000 (three-unit) in construction costs
- ✓ Properly permitted
- ✓ Pass an exterior inspection

RESIDENTIAL CRA TIMELINE

8-Week Process



FINDING ACTIVE CRA INFORMATION

- Cincinnati has provided information on its Residential CRA program on its Open Data platform since 2018.

The screenshot displays the City of Cincinnati Open Data platform interface. At the top, the 'city of CINCINNATI' logo is visible, along with a search bar and a notification banner stating: 'Our servers are currently undergoing maintenance, resulting in updates to the City of Cincinnati's public data being stalled. We will update this website when maintenance is complete.' The navigation menu includes 'Home', 'Suggest a Dataset', 'Open Data How-To', and 'CincyInsights'. The main content area is titled 'City of Cincinnati- Residential Tax Abatements' and includes a 'View Data' button, a 'Visualize' dropdown menu, and 'Export' and 'API' options. Below the title, there is a 'Thriving Neighborhoods' tag and a 'Data Description' section explaining that Residential Tax Abatements (CRAs) are designed to help property owners minimize taxes. A 'More' link is provided for additional details. To the right, the 'Updated' date is listed as October 11, 2021, and the 'Data Provided by' is identified as the City of Cincinnati - Department of Community & Economic Development (DCED). A 'Featured Content Using this Data' section highlights an interactive dashboard for exploring residential tax abatement data. At the bottom, there is an 'About this Dataset' section and a 'Mute Dataset' button.

CINCINNATI CITY COUNCIL

Residential CRA Study 2021

The City of Cincinnati's Residential Tax Abatement (RTA) program exists to both encourage reinvestment in existing housing units and to facilitate the construction of new housing for single to three family homes within the entire City of Cincinnati. In 2022 the program will change to also include four family dwellings.

The City of Cincinnati is seeking a study to review existing program and recommend changes that continue to foster reinvestment within the City as a whole. The study will consider whether to provide different levels of incentive to different neighborhoods.

The City of Cincinnati is seeking a Housing Study for the purposes of modifying its Residential Tax Abatement (RTA) Program. The City desires to have current information on the City's housing market including information pertinent to single family and multi-family housing and the availability and affordability of housing to various income levels for the purpose of better targeting its housing incentive programs including the RTA program to maximize the overall housing stock available within the City of Cincinnati.

To date, the City of Cincinnati, has completed a competitive procurement for this study, and has awarded and contracted with HR&A Advisors, Inc.