

City of Cincinnati

WPW

BWB

An Ordinance No. 301

- 2020

ESTABLISHING a City Council policy relating to the expenditure of payments in lieu of taxes received by the City of Cincinnati from tax increment financing incentive districts established pursuant to Section 5709.40(C) of the Ohio Revised Code.

WHEREAS, pursuant to ordinances passed on or before the date of this ordinance, City Council has enacted legislation to establish several tax increment financing incentive districts (collectively, the "TIF Districts") pursuant to Section 5709.40(C) of the Ohio Revised Code ("ORC"); and

WHEREAS, pursuant to such ordinances the City has declared the "Improvement" (as defined in ORC Section 5709.40(A)(4)) to properties within the TIF Districts to be a public purpose and exempt from taxation but has required owners of such properties to make payments in lieu of taxes ("PILOTs") on such Improvement; and

WHEREAS, Council believes that the TIF Districts are useful tools for supporting investment in City neighborhoods, but PILOT expenditure decisions should include an informed public discussion; and

WHEREAS, on June 24, 2020 City Council passed Ordinance No. 206-2020 (the "Affordable Housing Policy") that established a policy to expend 25% of PILOTs, either currently held or those collected in the future, for affordable housing projects within the TIF Districts; and

WHEREAS, City Council desires to build upon the Affordable Housing Policy and establish additional policy with respect to the expenditure of PILOTs received by the City in order to promote public transparency on expenditures of PILOTs and to further community engagement on recommended expenditures of PILOTs; now, therefore,

BE IT ORDAINED by the Council of the City of Cincinnati, State of Ohio:

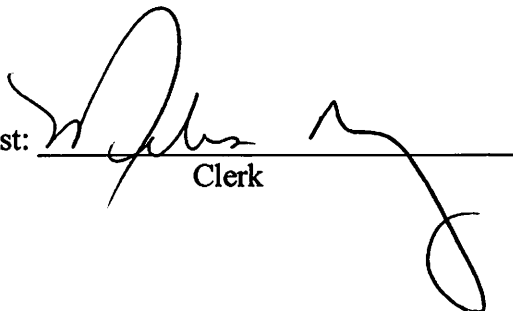
Section 1. That City Council hereby adopts the *TIF Transparency Policy* attached to this ordinance as Attachment A, which establishes certain City Council policies relating to proposed expenditures of payments in lieu of taxes received by the City of Cincinnati from tax increment financing districts created pursuant to Section 5709.40(C) of the Ohio Revised Code ("ORC").

Section 2. That it is hereby found and determined that all formal actions of Council concerning and relating to the passage of this ordinance were taken in an open meeting of this

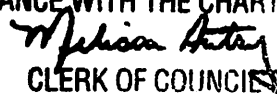
Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action were taken in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the ORC.

Section 3. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.

Passed: September 16, 2020

Attest: 
Clerk

John Cranley, Mayor

I HEREBY CERTIFY THAT ORDINANCE NO. 301-2020
WAS PUBLISHED IN THE CITY BULLETIN
IN ACCORDANCE WITH THE CHARTER ON 9-29-2020

CLERK OF COUNCIL

ATTACHMENT A

TIF Transparency Policy

Posting of PILOT Information to Public Website

In order to increase transparency and to ensure that the public has access to clear and comprehensible information on payments in lieu of taxes (“PILOTs”) collected and expended for each of the City’s tax increment financing incentive districts (each a “TIF District”) established pursuant to Section 5709.40(C) of the Ohio Revised Code, the City should post the following information on the City’s “Cincy Insights” website or other successor website to provide user-friendly public access to such information:

- (i) The current balance of PILOTs available to be expended for each TIF District;
- (ii) A list of all expenditures of PILOTs arising from the applicable TIF District, beginning with any expenditures since the applicable TIF District was established and then on an ongoing basis and accounting for any planned or committed expenditures to the extent possible; and
- (iii) Information on the permissible uses of PILOTs.

Such posted information shall be updated at least bi-annually to reflect any recent activity.

Community Engagement

In order to ensure community awareness and participation in PILOT expenditure decisions, the City should do the following:

- (i) present to the applicable community council(s) any proposed project to be funded by PILOTs; and
- (ii) request (a) a vote from the applicable community council(s) to demonstrate the level of support for such proposed project and (b) submission of a letter from the community council(s) to City Council and the City Administration on the results of any such vote; and
- (iii) directly report the results of any such vote to City Council.

For clarity, the intention of this policy is that each project is presented to an applicable community council one time for a vote, even if PILOTs will be expended over a period of time. If the subject PILOT expenditure and associated project will take place in a neighborhood different than the neighborhood(s) encompassed by the subject TIF District, then the “applicable community council(s)” for purposes of this policy shall include the community council of the neighborhood in which the proposed project is located and, for any contemplated expenditure that will support a new debt issuance, the community council for each neighborhood within the subject TIF District. This community engagement subsection is only applicable to new projects proposed after the date of City Council’s adoption of this policy.