

City of Cincinnati

SSB/C

AWB

An Ordinance No. 70

- 2021

ESTABLISHING a City Council policy for evaluating real property tax incentives authorized by the City of Cincinnati.

WHEREAS, City Council has the authority to declare up to 100% of the increase in the assessed value of improvements to be exempt from real property taxation by means of (i) project-based tax increment financing incentives pursuant to Ohio Revised Code (“ORC”) Sections 5709.40(B) and 5709.41; and (ii) “Community Reinvestment Area” incentives pursuant to ORC Sections 3735.65 through 3735.70; and

WHEREAS, Motion No. 201901811, as adopted by this Council on December 11, 2019, recommended updates to how the City Administration evaluates the public benefits created by projects receiving real property tax incentives pursuant to the aforementioned ORC provisions, with a focus on prioritizing projects that create good, local jobs; preserve and/or create affordable housing; minimize displacement of residents and businesses; and/or commit to project-specific inclusion goals; and

WHEREAS, to incentivize balanced development throughout the City of Cincinnati as recommended in the aforementioned Motion, City Council desires to adopt the *Balanced Development Priorities*, a copy of which is attached hereto as Attachment A, to (i) communicate City Council’s policy objectives to developers applying for City incentives; (ii) assist City Council in evaluating development projects when qualifying real property tax exemptions or abatements are recommended; and (iii) establish certain City Council policy objectives that can be memorialized and monitored as part of an eventual incentive agreement between the City and the developer; and

WHEREAS, this Council intends to (i) reevaluate the *Balanced Development Priorities* no later than one year from the date of passage of this ordinance, and (ii) request that the City Administration provide feedback on the *Balanced Development Priorities* in the form of a report or FYI memorandum in approximately 6 months; now therefore,

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

Section 1. That City Council adopts the *Balanced Development Priorities* attached to this ordinance as Attachment A, establishing a City Council policy relating to qualifying real property tax abatements and exemptions.

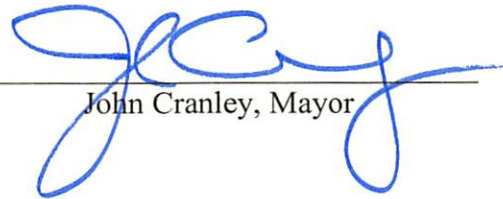
Section 2. That Council intends that the *Balanced Development Priorities* attachment be prepared by the Administration as a policy tool to be utilized for evaluating the public benefits

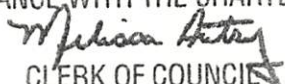
associated with economic and community development projects for which (a) the total estimated costs of the project exceed \$5,000,000, and (b) the proposed City assistance includes a real property tax incentive authorized pursuant to Ohio Revised Code (“ORC”) Section 5709.40(B), ORC Section 5709.41, or ORC Sections 3735.65 through 3735.70 with a present value exceeding \$3,000,000. Council desires that the Administration (i) include the form *Balanced Development Priorities* as part of its applicable incentive applications and (ii) present project-based *Balanced Development Priorities* information for Council consideration as part of the Administration’s recommendation to Council. Council intends that the Administration have latitude to create additional criteria and update the *Balanced Development Priorities* form as appropriate to ensure the City’s tax incentives support the City’s residents and neighborhoods while attracting local investment. City Council further acknowledges that the *Balanced Development Priorities* process is a policy tool to guide City Council decision making and does not diminish the Administration’s executive authority under the Charter of the City of Cincinnati, which authority includes the power to (1) determine whether and on what terms to recommend development deals for Council consideration and (2) enforce any such related agreement.

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

Passed: March 10, 2021

Attest: 
Clerk


John Cranley, Mayor

I HEREBY CERTIFY THAT ORDINANCE NO 10-2021
WAS PUBLISHED IN THE CITY BULLETIN
IN ACCORDANCE WITH THE CHARTER ON 3-23-2021

CLERK OF COUNCIL