

EMERGENCY

City of Cincinnati

CMZ

AWB

An Ordinance No. _____

- 2020

ESTABLISHING the Economic Development Reform Panel (“Panel”), which shall have the mission of studying the City’s development process, in particular negotiations with private developers, and making recommendations to the citizens of the City of Cincinnati, the Mayor, and City Council regarding best practices and ways to improve the development process and better insulate it from political influence and cronyism; **AUTHORIZING** the transfer of \$100,000 from the General Fund balance sheet reserve account no. 050x2580, “Reserve for Weather Related Events, Other Emergency and One-Time Needs,” to the unappropriated surplus of General Fund 050; and further **AUTHORIZING** the transfer of \$100,000 from the unappropriated surplus of General Fund 050 to the City Manager’s Office General Fund personnel operating budget account no. 050x101x7100 for the purpose of implementing the Economic Development Reform Panel.

WHEREAS, the citizens of Cincinnati have lost trust and confidence in City Council as a result of the conviction and indictments of members of City Council related to allegations of payments in exchange for votes supporting certain economic development projects; and

WHEREAS, it is essential that Council take immediate action to restore citizens’ confidence in the integrity of Council and the decisions it makes regarding economic development projects; and

WHEREAS, an initial step in restoring that confidence is to establish an independent Economic Development Reform Panel (“Panel”) that is balanced and diverse and whose members are not personally or directly involved in development in the City; and

WHEREAS, the goal of the Panel is to present recommendations to the citizens of the City, the Mayor, and City Council by May 1, 2021 that address reforms to the economic development approval process to better insulate it from political influence and cronyism, which recommendations could include appropriate amendments to the City Charter; and

WHEREAS, the membership of the Panel shall be appointed by the Mayor and approved by Council and consist of no more than nine members; and

WHEREAS, the Panel shall be co-chaired by academic and business leaders not personally or directly involved in development with the City, and the Panel shall further include some members with expertise in managing ethics issues; now, therefore,

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

Section 1. That City Council hereby establishes the Economic Development Reform Panel (“Panel”), which shall have the mission of making recommendations to the citizens of the City of Cincinnati, the Mayor, and City Council by May 1, 2021 regarding best practices and ways to improve the City’s economic development approval process to better insulate it from political influence and cronyism, which recommendations could include appropriate amendments to the City Charter.

Section 2. That the Panel shall consist of no more than nine members appointed by the Mayor and approved by Council.

Section 3. That the Panel shall be co-chaired by academic and business leaders not personally or directly involved in development with the City, and that its membership shall be balanced and diverse and have no direct or personal connections to the development community, and that some members of the Panel shall have expertise in managing ethics issues.

Section 4. That, without limiting its work and scope, the Panel should engage in the following:

- a. Consult municipal finance, development, and campaign contribution experts;
- b. Review and evaluate the City’s use of public incentives for development, including direct awards, loans, and tax abatements;
- c. Determine how well and with what clarity the City establishes and then achieves its goals in providing public incentives to development projects without allowing developers to benefit at a higher level than justified by the public benefit to the City;
- d. Review best practices in other cities across the country;
- e. Study possible links between campaign contributions and the award of development contracts and/or significant changes in the final form of a development contract;
- f. Propose ways in which the City could track connections between campaign contributions and the award of public incentives to developments;
- g. Propose a Code of Conduct for the City’s elected officials and developers, which Code should require developers to report inappropriate requests from the City’s elected officials;

- h. Recommend whether contract awards should be prohibited to developers who made campaign contributions to council candidates within the prior twenty-four months;
- i. Recommend whether the City should establish a hotline by which any citizen, including developers, can report in confidence any inappropriate request or demand from any public servant, elected or otherwise.

Section 5. That the Panel shall convene no later than 30 days after the effective date of this ordinance and the approval of all initial appointments, and shall provide a final report to the citizens of Cincinnati, the Mayor, and Council by May 1, 2021.

Section 6. That the Panel's work will occur in public meetings in compliance with Ohio's open meeting requirements.

Section 7. That Council hereby authorizes the transfer of the sum of \$100,000 from the General Fund balance sheet reserve account no. 050x2580, "Reserve for Weather Related Events, Other Emergency and One-Time Needs," to the unappropriated surplus of General Fund 050.

Section 8. That the sum of \$100,000 is hereby appropriated from the unappropriated surplus of General Fund 050 to the City Manager's Office General Fund personnel operating budget account no. 050x101x7100 for the purpose of implementing the Economic Development Reform Panel.

Section 9. That, in accordance with the provisions of this ordinance, the City Manager is hereby authorized to take all appropriate financial and administrative actions necessary in order that the Panel can complete its work successfully, including taking appropriate steps to ensure that City departments provide appropriate support to the Panel.

Section 10. That the City Manager is hereby authorized to take all necessary and appropriate steps to carry out such legislative policies as Council enacts based on the forthcoming recommendations of the Panel.

Section 11. That this ordinance shall be an emergency measure necessary for the preservation of the public peace, health, safety, and general welfare and shall, subject to the terms of Article II, Section 6 of the Charter, be effective immediately. The reason for the emergency is the immediate need to take action to restore citizens' confidence in the integrity of Council and the decisions it makes regarding economic development projects and so that the Panel can complete its work by May 1, 2021.

Passed: _____, 2020

John Cranley, Mayor

Attest: _____
Clerk