



City of Cincinnati

801 Plum Street
Cincinnati, OH 45202

Agenda - Final

Budget and Finance Committee

Chairperson Reggie Harris
Vice Chair Jeff Cramerding
Councilmember Mark Jeffreys
Councilmember Scotty Johnson
Vice Mayor Jan-Michele Kearney
Councilmember Liz Keating
Councilmember Meeka Owens
Councilmember Seth Walsh
President Pro Tem Victoria Parks

Monday, May 15, 2023

1:00 PM

Council Chambers, Room 300

AGENDA

COMMUNITY REINVESTMENT AREA AGREEMENTS

1. [202301299](#) **ORDINANCE (EMERGENCY)** submitted by Sheryl M. M. Long, City Manager, on 5/3/2023, **APPROVING, AND AUTHORIZING** the City Manager to execute a Community Reinvestment Area Tax Exemption Agreement with Allez Bar & Bakery, LLC, thereby authorizing a fifteen-year tax exemption for one hundred percent of the value of improvements made to real property located at 6012 Madison Road in the Madisonville neighborhood of Cincinnati, in connection with the remodeling of an existing building into approximately 5,056 square feet of commercial space, at a total construction cost of approximately \$1,600,000.

Sponsors: City Manager

Attachments: [Transmittal](#)
[Ordinance](#)
[Attachment](#)

2. [202301358](#) **ORDINANCE (EMERGENCY)** submitted by Sheryl M. M. Long, City Manager, on 5/10/2023, **APPROVING AND AUTHORIZING** the City Manager to execute a Community Reinvestment Area Tax Exemption Agreement (LEED or Living Building Challenge) with Fair Oaks Enterprises, Ltd., thereby authorizing an eleven-year tax exemption for 100 percent of the value of improvements made to real property located at 3005 Vandercar Way in the Oakley neighborhood of Cincinnati, in connection with the construction of a new hotel consisting of approximately 117 rooms, containing approximately 71,000 square feet of commercial space in aggregate, which construction shall be completed in compliance with Leadership in Energy and Environmental Design Silver, Gold or Platinum standards or Living Building Challenge standards, at a total construction cost of approximately \$15,500,000. (Subject to the [Temporary Prohibition List](#) <<https://www.cincinnati-oh.gov/law/ethics/city-business>>)

Sponsors: City Manager

Attachments: [Transmittal](#)
[Ordinance](#)
[Exhibit A](#)

3. [202301359](#) **ORDINANCE (EMERGENCY)** submitted by Sheryl M. M. Long, City Manager, on 5/10/2023, **APPROVING AND AUTHORIZING** the City Manager to execute a Community Reinvestment Area Tax Exemption Agreement (LEED or Living Building Challenge) with Lot 3 Local Oakley, LLC, thereby authorizing an eleven-year tax exemption for 100 percent of the value of improvements made to real property located at 2910 Disney Street in the Oakley neighborhood of Cincinnati, in connection with the construction of a new hotel, consisting of approximately 116 rooms, containing approximately 73,621 square feet of commercial space in aggregate, which construction shall be completed in compliance with Leadership in Energy and Environmental Design Silver, Gold or Platinum standards or Living Building Challenge standards, at a total construction cost of approximately \$11,400,000. (Subject to the [Temporary Prohibition List <https://www.cincinnati-oh.gov/law/ethics/city-business>](https://www.cincinnati-oh.gov/law/ethics/city-business))

Sponsors: City Manager

Attachments: [Transmittal](#)
[Ordinance](#)
[Exhibit A](#)

4. [202301360](#) **ORDINANCE** submitted by Sheryl M. M. Long, City Manager, on 5/10/2023, **APPROVING AND AUTHORIZING** the City Manager to execute a *Community Reinvestment Area Tax Exemption Agreement (LEED or Living Building Challenge)* with Pleasant Cake LLC, thereby authorizing a fifteen-year tax exemption for one hundred percent of the value of improvements made to real property located at 1527-1531 Pleasant Street in the Over-the-Rhine neighborhood of Cincinnati, in connection with the construction of a mixed-use building consisting of approximately 959 square feet of commercial office space and approximately 7,208 square feet of residential space, comprised of approximately five residential rental units, which construction shall be completed in compliance with Leadership in Energy and Environmental Design Silver, Gold or Platinum standards or Living Building Challenge standards, at a total construction cost of approximately \$3,158,393. (Subject to the [Temporary Prohibition List <https://www.cincinnati-oh.gov/law/ethics/city-business>](https://www.cincinnati-oh.gov/law/ethics/city-business))

Sponsors: City Manager

Attachments: [Transmittal](#)
[Ordinance](#)
[Exhibit A](#)

GRANTS AND DONATIONS

5. [202301354](#) **ORDINANCE** submitted by Sheryl M. M. Long, City Manager, on 5/10/2023, **AUTHORIZING** the City Manager to apply for, accept, and appropriate a grant

in the amount of up to \$175,000 in FY 2023 Microgrants - Community Policing Development funds from the U.S. Department of Justice, Office of Community Oriented Policing Services (ALN 16.710), to aid in piloting the Cincinnati Police Department's Workforce Development Program to recruit and retain cadets; and AUTHORIZING the Director of Finance to deposit the grant funds into Law Enforcement Grant Fund 368, project account no. 23WDEV.

Sponsors: City Manager

Attachments: [Transmittal](#)
[Ordinance](#)

6. [202301362](#) **ORDINANCE** submitted by Sheryl M. M. Long, City Manager, on 5/10/2023, **AUTHORIZING** the City Manager to apply for, accept, and appropriate a grant of up to \$6,250,000 from the U.S. Department of Justice, Office of Community Oriented Policing Services, FY 2023 COPS Hiring Program (ALN 16.710) to hire up to fifty entry-level police officers; and further AUTHORIZING the Director of Finance to deposit the grant funds into Law Enforcement Grant Fund 368, Project Account No. 23COPS.

Sponsors: City Manager

Attachments: [Transmittal](#)
[Ordinance](#)

7. [202301364](#) **ORDINANCE (EMERGENCY)** submitted by Sheryl M. M. Long, City Manager, on 5/10/2023, **AUTHORIZING** the establishment of capital improvement program project account nos. 980x233x232324, "WHV - CEO LBR 2018 Grant," 980x233x232325, "WHV - CEO LBR 2018 HC Match," 980x233x232326, "WHV - OKI STBG 2019 Grant," and 980x233x232327, "WHV - OKI STBG 2019 HC Match," for the purpose of providing resources for the design, right-of-way acquisition, and construction of the Western Hills Viaduct project; and AUTHORIZING the City Manager to appropriate grant and matching resources in an amount up to \$12,375,000 according to the attached Schedule of Appropriation.

Sponsors: City Manager

Attachments: [Transmittal](#)
[Ordinance](#)
[Attachment](#)

8. [202301365](#) **ORDINANCE** submitted by Sheryl M. M. Long, City Manager, on 5/10/2023, **AUTHORIZING** the City Manager to apply for grants from the federal Surface Transportation Block Grant and Congestion Mitigation and Air Quality (ALN 20.205) grant programs in an amount of up to \$8,000,000, and to apply for a grant in an amount of up to

\$1,000,000 from the Transportation Alternatives Grant (ALN 20.205) awarded by the Ohio-Kentucky-Indiana Regional Council of Governments, all for the timely completion of several transportation projects managed by the City's Department of Transportation & Engineering.

Sponsors: City Manager

Attachments: [Transmittal](#)
[Ordinance](#)
[Attachment](#)

9. [202301422](#) **ORDINANCE (EMERGENCY)** submitted by Emily Smart Woerner, City Solicitor, **AUTHORIZING** the City Manager and the employees of the Department of Economic Inclusion, along with the employees of the Office of Councilmember Harris, to solicit and accept donations of money, in-kind contributions, and other things of value from the Cincinnati business community, individual benefactors, and other available sources to support the 2023 Black Developers Conference; and **AUTHORIZING** the Director of Finance to deposit funds donated to the City of Cincinnati for the 2023 Black Developers Conference into Fund No. 314, "Special Events".

Sponsors: Harris

Attachments: [Ordinance](#)
[Transmittal](#)

PAYMENTS

10. [202301361](#) **ORDINANCE (EMERGENCY)** submitted by Sheryl M. M. Long, City Manager, on 5/10/2023, **AUTHORIZING** a payment of \$5,184 from Cincinnati Fire Department General Fund non-personnel operating budget account no. 050x271x5000x7276 to Specific Waste Industries, LLC as a moral obligation of the City of Cincinnati for pharmaceutical waste removal services provided to the Cincinnati Fire Department.

Sponsors: City Manager

Attachments: [Transmittal](#)
[Ordinance](#)

AMENDMENTS

11. [202301363](#) **ORDINANCE (EMERGENCY)** submitted by Sheryl M. M. Long, City Manager, on 5/10/2023, **AMENDING** Ordinance No. 317-2022 to authorize the City Manager to accept and appropriate grant resources in an amount up to \$35,000 from the United States Environmental Protection Agency, Region 5 (ALN 66.034) and to authorize the Director of Finance to deposit the grant resources into Environmental

Studies Fund revenue account no. 436x8543.

Sponsors: City Manager

Attachments: [Transmittal](#)
[Ordinance](#)

FINAL ADJUSTMENT ORDINANCES

12. [202301366](#) **ORDINANCE (EMERGENCY)** submitted by Sheryl M. M. Long, City Manager, on 5/10/2023, **AUTHORIZING** the transfer of the sum of \$4,395,307 within the Restricted Funds, from and to various operating accounts and the unappropriated surplus of the respective Restricted Funds according to the attached Schedules of Transfer, to realign and provide funds for the ongoing needs of City departments; and further **AUTHORIZING** the transfer and return to source of the sum of \$10,009,632 to the unappropriated surplus of various Restricted Funds in accordance with the attached Schedules of Transfer to realign funds for City departments.

Sponsors: City Manager

Attachments: [Transmittal](#)
[Ordinance](#)
[Attachments](#)

13. [202301380](#) **ORDINANCE (EMERGENCY)** submitted by Sheryl M. M. Long, City Manager, on 5/10/2023, **AUTHORIZING** the transfer of \$12,806,912 within the General Fund, from and to various operating accounts and the unappropriated surplus of the General Fund according to the attached Schedules of Transfer, for the purpose of realigning and providing funds for the ongoing needs of City departments; **AUTHORIZING** the transfer and return to source of the sum of \$70,000 from the Department of Human Resources General Fund non-personnel operating budget account no. 050x121x7200 to the unappropriated surplus of the General Fund; **AUTHORIZING** the transfer and return to source of the sum of \$26,000 from the non-departmental Lump Sum Payments personnel operating budget account no. 050x924x7100 to the unappropriated surplus of the General Fund; **AUTHORIZING** the transfer and appropriation of the sum of \$96,000 from the unappropriated surplus of the General Fund to existing capital improvement program project account no. 980x981x232505, "Fleet Replacements," for the purpose of providing resources for automotive and motorized equipment for City agencies supported by the General Fund with the intent of purchasing a truck for

use by the Department of Human Resources for Commercial Driver's License training; **AUTHORIZING** the transfer and return to source of the sum of \$72,739 from the Department of City Planning and Engagement General Fund personnel operating budget account no. 050x171x7100 and \$19,261 from the Department of City Planning and Engagement General Fund fringe benefit operating budget account no. 050x171x7500 to the unappropriated surplus of the General Fund; **ESTABLISHING** new capital improvement program project account no. 980x255x232520, "Centennial II Office Renovation," for the purpose of providing resources for renovating space in Centennial II including, but not limited to, expansion of office space to accommodate additional staff in the Department of City Planning and Engagement; **AUTHORIZING** the transfer and appropriation of the sum of \$42,000 from the unappropriated surplus of the General Fund to capital improvement program project account no. 980x255x232520, "Centennial II Office Renovation," for the purpose of providing resources for renovating space in Centennial II including, but not limited to, expansion of office space to accommodate additional staff in the Department of City Planning and Engagement; **AUTHORIZING** the transfer and appropriation of the sum of \$50,000 from the unappropriated surplus of the General Fund to capital improvement program project account no. 980x091x220920, "Video Conference Room Equipment," for the purpose of providing resources for the acquisition and installation of audio/visual equipment and other equipment necessary to support video conferencing capabilities in Centennial II with the intent to support the City Planning Commission; **AUTHORIZING** the transfer and return to source of the sum of \$15,000 from the balance sheet reserve account no. 050x2535, "Reserve for Operating Budget Contingencies," to the unappropriated surplus of the General Fund; **AUTHORIZING** the transfer and appropriation of the sum of \$15,000 from the unappropriated surplus of the General Fund to City Planning and Engagement General Fund non-personnel operating budget account no. 050x171x7200 for the purpose of providing resources to support the 2023 Cincinnati Housing Solutions Summit; **AUTHORIZING** the transfer and return to source of the sum of \$63,196 from the Cincinnati Parks Department General Fund non-personnel operating budget account no. 050x202x7200 to the unappropriated surplus of the General Fund; **ESTABLISHING** new capital improvement program project account no. 980x203x232038, "Parks Fleet Replacement - GF FAO," for the purpose of providing resources for automotive and motorized equipment including but not limited to mowers for the Cincinnati Parks Department; and **AUTHORIZING** the transfer and appropriation of the sum of \$63,196 from the unappropriated surplus of the General Fund to capital improvement program project account no. 980x203x232038, "Parks Fleet Replacement - GF FAO," for the purpose of providing resources for automotive and motorized equipment including, but not limited to, mowers for the Cincinnati Parks Department.

Sponsors: City Manager

Attachments: [Transmittal](#)
[Ordinance](#)
[Attachments](#)

MOTIONS

14. [202301379](#) **MOTION**, submitted by Vice Mayor Kearney, **WE MOVE** that Cincinnati City Council add an additional \$25,000.00 to the Safe & Clean Fund, managed by Keep Cincinnati Beautiful, from the FY23 Council Contingency Fund in order to provide an avenue to support gun violence reduction initiatives led by community-based organizations during the summer of 2023 and beyond. Priority should be given to those organizations or programs serving neighborhoods experiencing the most gun violence (shootings). The City should contract with Keep Cincinnati Beautiful to manage the Safe & Clean Fund with the understanding that the application process should be expedited so that funds are available by June 1, 2023.

Sponsors: Kearney

Attachments: [Motion](#)

ADJOURNMENT

May 3, 2023

To: Mayor and Members of City Council

202301299

From: Sheryl M.M. Long, City Manager

Subject: Emergency Ordinance – Approving and Authorizing CRA Tax Exemption Agreement with Allez Bar & Bakery, LLC

Attached is an Emergency Ordinance captioned:

APPROVING, AND AUTHORIZING the City Manager to execute a Community Reinvestment Area Tax Exemption Agreement with Allez Bar & Bakery, LLC, thereby authorizing a fifteen-year tax exemption for one hundred percent of the value of improvements made to real property located at 6012 Madison Road in the Madisonville neighborhood of Cincinnati, in connection with the remodeling of an existing building into approximately 5,056 square feet of commercial space, at a total construction cost of approximately \$1,600,000.

BACKGROUND/CURRENT CONDITIONS

The property, located at 6012 Madison Road, is a vacant, historic building in the Madisonville NBD. It has been in a distressed and hazardous condition (including a collapsed roof and other structural issues) for many years. The focus of the project thus far has been to prevent continued deterioration and promote the building's return to productive economic use. To date, the City has awarded a total of \$947,750 in CDBG funds to Madisonville Community Urban Revitalization Corporation (MCURC) and the Hamilton County Land Reutilization Corporation (HCLRC) for the purchase and stabilization of the property. The following is summary of the use of funds:

- **FY19 - \$275K NBDIP grant awarded to MCURC for acquisition, stabilization, and renovation.** The property was acquired; however, the project stalled due to a lack of funds needed to complete the scale of stabilization required.
- **FY21 – Additional \$200K in NBDIP funds awarded to MCURC for building stabilization.** This award was an amendment to the 2019 funding agreement, and the contract was structured so that the loan would be forgiven upon completion of the construction and project milestones.
- **FY22 – \$200K in FY21 funds folded into a \$672,750 CDBG grant to the HCLRC and MCURC.** Building stabilization is currently underway and anticipated to be completed by June 2023.

After stabilization, MCURC will sell the property to Allez Bar & Bakery LLC (“Allez”). Allez applied for a Commercial CRA Tax Exemption to help defray the cost of the business's expansion to this second, much larger location in Madisonville, which will include a \$2M privately financed investment by Allez.

BUSINESS INFORMATION

Tom McKenna and Patrick Hague are the principal owners of Allez OTR, which has operated out of a 950-sf location on Main St. for 5+ years. Despite the limited size of the current location, the owners have been highly successful in growing the business, which has received both local and national recognition. In 2021, Food & Wine Magazine listed Allez OTR among the 100 best bakeries in America.

The expansion to Madisonville will enable Allez to fuel business growth through a second, much larger location, Allez Bar & Bakery. With expanded capacity and retail offerings, Allez will 1) add 15 new jobs (FTEs include bread manufacturing, restaurant, retail, sales and part-time positions include dishwashers, nighttime porter, host/hostess, retail clerk, barista, and delivery driver for a total annual payroll of \$499,200), 2) broaden services in the Madisonville NBD, and 3) bring a once hazardous and blighted property back to productive use.

RECOMMENDATION

The Administration recommends approval of this Emergency Ordinance.

Attachment: Project Outline

Copy: Markiea L. Carter, Director, Department of Community & Economic Development

Project Outline

<u>Project Description Details</u>	<u>Explanation</u>
Project Name	Allez Bar & Bakery
Street Address	6012 Madison Road
Property Condition	Historic building currently vacant and undergoing stabilization; The business will acquire the building after stabilization is complete.
Neighborhood	Madisonville
Incentive Application Process	Commercial CRA application
Recent or other projects by Developer	The business currently operates out of a 950-sf location on Main St. in Over-the-Rhine, which it has operated out of for 5 yrs. It will keep its current location.
Approval at planning commission/Neighborhood support	Planning Commission N/A
Plan Cincinnati Goals	Achieves the Compete Initiative Area Goal 2 (pages 114-120) and Sustain Initiative Area Goal 2 (pages 193-198) of Plan Cincinnati

Project Image



<u>Incentive Summary Category</u>	<u>Explanation</u>
Abatement Term and amount	15-yr CRA 100% (Net 52%).
Construction Cost & Private investment committed	\$1,600,000 in hard construction costs, \$52,000 in acquisition costs, and \$413,500 in soft costs; Allez is working with Cincinnati Development Fund and National Development Council to finance construction and business expansion.
Sq. Footage by Use	5,056 sf - commercial
Number of units and rental ranges	No residential units
Jobs created/retained and payroll (living wage)	Projected to create 15 FTE positions at \$499,200 in annual payroll.
“But For”	Allez is seeking a Commercial CRA to help defray the costs of their expansion

	into this much larger second location. Allez is privately financing the \$1,600,000 redevelopment of the property. The estimated total cost of the project, including soft costs & acquisition, is \$2,065,500. While the business will be taking on new loan payments to finance the construction, this tax incentive will reduce the annual cost of ownership to the business resulting from the expansion.
Cash on Cash Return for developer (Market return between 8-12%, depends on investment risk)	The project will not result in an income-producing property for the applicant as they will occupy the property with their business. This metric does not apply to company expansion initiatives where the company is the owner/occupant.
LEED or other environmental build	Non-LEED
Neighborhood VTICA	Neighborhood VTICA – 15%
Total Public Benefit (Benefits Realized vs Taxes Forgone)	\$6.25 of new CPS/VTICA/Income taxes for each \$1 forgone
Projected Income Tax Revenue	\$163,944
MBE/WBE Goals	SBE Goal of 30%
Transit Access/Walkability	Sits along Route 11 24/7 Bus Route, and Route 12 Madisonville Commuter Service Route
Geography	Located in Madisonville NRSA
Historic Preservation/Existing Building Renovation	This project will bring a once hazardous and blighted historic building back to productive use. Allez will be redeveloping 5,056 square feet for the following: <ul style="list-style-type: none"> • Increasing bread and pastry production capacity (50% of first floor) • Café/bistro that will be open 5-6 days a week (40% of building) • Retail outlet for breads, pastries, and sandwiches (10% of building)
Public Infrastructure Improvements	N/A

EMERGENCY

TJL

- 2023

APPROVING, AND AUTHORIZING the City Manager to execute a Community Reinvestment Area Tax Exemption Agreement with Allez Bar & Bakery, LLC, thereby authorizing a fifteen-year tax exemption for one hundred percent of the value of improvements made to real property located at 6012 Madison Road in the Madisonville neighborhood of Cincinnati, in connection with the remodeling of an existing building into approximately 5,056 square feet of commercial space, at a total construction cost of approximately \$1,600,000.

WHEREAS, to encourage the development of real property and the acquisition of personal property, Council by Ordinance No. 274-2017 passed on September 27, 2017, designated the area within the corporate boundaries of the City of Cincinnati as a “Community Reinvestment Area” pursuant to Ohio Revised Code (“R.C.”) Sections 3735.65 through 3735.70 (the “Statute”); and

WHEREAS, Ordinance No. 275-2017 passed by Council on September 27, 2017, as amended by Ordinance No. 339-2018, passed by Council on October 31, 2018, sets forth certain additional policies, conditions, and limitations regarding newly constructed or remodeled commercial and residential structures in the Community Reinvestment Area; and

WHEREAS, effective October 23, 2017, the Director of Development of the State of Ohio determined that the area within the corporate boundaries of the City of Cincinnati contains the characteristics set forth in the Statute and confirmed such area as a Community Reinvestment Area under the Statute; and

WHEREAS, Allez Bar & Bakery, LLC (the “Company”) desires to remodel an existing building into approximately 5,056 square feet of commercial space on real property at 6012 Madison Road located within the corporate boundaries of the City of Cincinnati (the “Improvements”), provided that the appropriate development incentives are available to support the economic viability of the Improvements; and

WHEREAS, to provide an appropriate development incentive for the Improvements, the City Manager has recommended a Community Reinvestment Area Tax Exemption Agreement, in substantially the form of Attachment A to this ordinance, to authorize a real property tax exemption for the Improvements in accordance with the Statute; and

WHEREAS, the property is located within the Cincinnati City School District; and

WHEREAS, the Board of Education of the Cincinnati City School District (the “Board of Education”), pursuant to that certain Tax Incentive Agreement effective as of April 28, 2020 (as may be amended, the “Board of Education Agreement”), has approved exemptions of up to one hundred percent of Community Reinvestment Area projects, waived advance notice and the

right to review such projects, and waived sharing or allocation of municipal income taxes in connection with such projects; and

WHEREAS, pursuant to the Board of Education Agreement, the Company has entered into (or will enter into) an agreement with the Board of Education requiring the Company to pay the Board of Education amounts equal to thirty-three percent of the exempt real property taxes; and

WHEREAS, the City's Department of Community and Economic Development estimates that the real property tax exemption for the Improvements will provide an annual net benefit to the Company in the amount of approximately \$14,269; and

WHEREAS, the Company has represented that it has entered into (or will enter into) a voluntary tax incentive contribution agreement with a third-party organization for amounts equal to fifteen percent of the exempt real property taxes, which funds shall be committed by the third-party organization to facilitate permanent improvements and neighborhood services furthering redevelopment in the neighborhood of the Improvements and to support affordable housing on a City-wide basis; and

WHEREAS, the Improvements do not involve relocation of part or all of the Company's operations from another county or municipal corporation in Ohio or, if there is relocation, notice has been given per R.C. Section 3735.673; now, therefore,

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

Section 1. That Council approves a Community Reinvestment Area Tax Exemption Agreement with Allez Bar & Bakery, LLC (the "Agreement"), thereby authorizing a fifteen-year tax exemption for one hundred percent of the assessed value of improvements to be made to real property located at 6012 Madison Road in Cincinnati, as calculated by the Hamilton County Auditor, in connection with the remodeling of an existing building into approximately 5,056 square feet of commercial space, to be completed at a total construction cost of approximately \$1,600,000.

Section 2. That Council authorizes the City Manager:

- (i) to execute the Agreement on behalf of the City of Cincinnati (the "City") in substantially the form of Attachment A to this ordinance; and
- (ii) to submit on behalf of Council annual reports on the Agreement to the Director of the Ohio Department of Development, in accordance with Ohio Revised Code Section 3735.672, and to the Board of Education of the Cincinnati City School District, as necessary; and

- (iii) to take all necessary and proper actions to fulfill the City’s obligations under the Agreement.

Section 3. 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 allow the remodeling described in this ordinance and the corresponding revitalization of the City of Cincinnati and the benefits to the City’s economic welfare to begin at the earliest possible time.

Passed: _____, 2023

Aftab Pureval, Mayor

Attest: _____
Clerk

Community Reinvestment Area Tax Exemption Agreement

This Community Reinvestment Area Tax Exemption Agreement (this "Agreement") is made and entered into as of the Effective Date (as defined on the signature page hereof) by and between the CITY OF CINCINNATI, an Ohio municipal corporation (the "City"), and ALLEZ BAR & BAKERY, LLC, an Ohio limited liability company (the "Company").

Recitals:

- A. The City, through the adoption of Ordinance No. 274-2017 on September 27, 2017, designated the entire City of Cincinnati as a Community Reinvestment Area to encourage the development of real property and the acquisition of personal property in that area, pursuant to Ohio Revised Code Sections 3735.65 through 3735.70 (the "Statute").
- B. In accordance with the Statute, the Ohio Director of Development has forwarded to the City the Director's determination dated October 23, 2017, stating that the findings contained in Ordinance No. 274-2017 are valid and that the entire City is a Community Reinvestment Area under the Statute. By such determination, the Director of Development of the State of Ohio determined that the area within the corporate boundaries of the City of Cincinnati contains the characteristics set forth in the Statute and confirmed such area as a Community Reinvestment Area under the Statute.
- C. The Council of the City of Cincinnati has also passed Ordinance No. 275-2017 as of September 27, 2017, as amended by Ordinance No. 339-2018, passed on October 31, 2018, Ordinance No. 370-2020, passed on November 12, 2020, and Ordinance No. 24-2022, passed on February 2, 2022 (as amended, the "Commercial Policy Ordinance"), which sets forth certain additional policies, conditions and limitations regarding newly constructed or remodeled commercial and residential structures in the Community Reinvestment Area.
- D. The Company is the sole owner of certain real property within the City, located at 6012 Madison Road, Cincinnati, Ohio 45227 (the "Property"), as further described in Exhibit A (Legal Description of Property) hereto. Notwithstanding the foregoing, the Property shall not include any residential condominiums being developed in connection with the Project (as defined below) (the "Excluded Property"), and the Company acknowledges and agrees that the City's Community Reinvestment Area program entails separate applications by the owner of any residential condominium units included within the Project. For the avoidance of doubt, the Excluded Property shall not be exempt under this Agreement; however, this provision shall not be deemed to prohibit any owners from time to time of any Excluded Property from separately applying for a tax abatement in accordance with applicable law.
- E. The Company has proposed the remodeling of a building located on the Property, within the boundaries of the City of Cincinnati, as more fully described in Section 1 herein (the "Project"); provided that the appropriate development incentives are available to support the economic viability of the Project.
- F. The Statute provides that if any part of a project is to be used for commercial or industrial purposes, including projects containing five or more dwelling units, in order to be eligible for tax exemption the City and the Company must enter into an agreement pursuant to Ohio Revised Code Section 3735.671 prior to commencement of construction or remodeling.
- G. The City, having appropriate authority under the Statute for this type of project, agrees (as provided herein and subject to all conditions herein) to provide the Company with the tax exemption incentives stated herein, available under the Statute, for development of the Project.

- H. The Company has submitted to the City an application for this tax exemption agreement (the "Application"), a copy of which is attached hereto as Exhibit B, has remitted with the Application the City application fee of One Thousand Two Hundred Fifty Dollars (\$1,250) made payable to the City.
- I. The Director of the City's Department of Community and Economic Development has recommended approval of the Application on the basis that the Company is qualified by financial responsibility and business experience to create and preserve employment opportunities and improve the economic climate of the City.
- J. The Board of Education of the Cincinnati City School District (the "Board of Education"), pursuant to that certain *Tax Incentive Agreement* effective as of April 28, 2020, has approved exemptions of up to one hundred percent (100%) of Community Reinvestment Area projects, waived advance notice and right to review such projects, and waived sharing or allocation of municipal income taxes in connection with such projects.
- K. The Company has entered into (or will enter into) an agreement with the Board of Education requiring the Company to pay the Board of Education amounts equal to thirty-three percent (33%) of the full amount of exempt real property taxes that would have been paid to Hamilton County if this Agreement were not in effect (the "Board of Education Agreement").
- L. The Company represents and warrants to the City that the Company and its major tenants, if any, do not intend to relocate part or all of their operations to the City from another county or municipal corporation in the State of Ohio (the "State").
- M. The Company represents that within the past three (3) years neither the Company, nor any related member of the Company, nor any entity to which the Company is a successor has discontinued operations at a project site in the State during the term of a property tax exemption agreement (under Ohio Revised Code Section 3735.671, 5709.62, 5709.63 or 5709.632) applicable to that site, and the Company acknowledges that misrepresentation hereunder will result in voiding of this Agreement.
- N. The Company represents and warrants to the City that the Company is not subject to an Enterprise Zone Agreement with the City of Cincinnati for the Property or the Project.
- O. The Company acknowledges that the Madisonville neighborhood is a rising neighborhood in need of resources for development, neighborhood improvements, amenities, and organizations oriented towards neighborhood services. The Company anticipates that future development, improvements, amenities and organizations will contribute to the quality and vitality of the neighborhood, therefore increasing the value of the Property and directly and indirectly contributing to the Project's success. The Project's success, in turn, will benefit the neighborhood. Although this feedback effect will promote the revitalization and redevelopment of the City, it could also impact the affordability of property in the area. Therefore, in support of the Madisonville neighborhood and with the intention of preserving and improving the availability of quality, reliable affordable housing on a City-wide basis, as a material inducement to the City to enter into this Agreement, the Company hereby represents to the City that it will enter into a voluntary tax incentive contribution agreement ("VTICA") with a City-designated third-party non-profit administrative organization (the "Third-Party Administrator") to contribute to the Third-Party Administrator an amount equal to fifteen percent (15%) of the real property taxes that would have been payable on the abated property but for the City-authorized tax abatement (the "VTICA Contribution"). Half of such VTICA Contribution is to be committed by the Third-Party Administrator to facilitate permanent improvements and neighborhood services furthering urban redevelopment in the Madisonville neighborhood and the other half of such VTICA Contribution is to be committed by the Third-Party Administrator in supporting quality affordable housing on a City-wide basis. The Company hereby represents and warrants that it will pay the VTICA Contribution for the full term of the abatement.

- P. This Agreement has been authorized by Ordinance No. _____-2023, passed by Cincinnati City Council on _____, 2023.
- Q. In determining to recommend and authorize this Agreement, the Department of Community and Economic Development and City Council, respectively, have acted in material reliance on the Company's representations in the Application and herein regarding the Project including, but not limited to, representations relating to the number of jobs to be created and/or retained by the Company, the Board of Education Agreement, the VTICA Contribution, and the Project's effect in promoting the general welfare of the people of Cincinnati by, for example, encouraging the development of real property located in the Community Reinvestment Area and thereby promoting economic growth and vitality in Cincinnati.

NOW, THEREFORE, pursuant to Ohio Revised Code Section 3735.67(A) and in conformity with the format required under Ohio Revised Code Section 3735.671, in consideration of the mutual covenants contained herein and the benefit to be derived by the parties from the execution hereof, the parties agree as follows:

Section 1. Project. Upon issuance of the necessary zoning and building approvals, the Company agrees to remodel the existing building on the Property to create approximately 5,056 square feet of commercial space (the "Improvements") at an estimated aggregate cost of \$1,600,000 to commence after the execution of this Agreement and to be completed no later than December 31, 2025; *provided*, however, that the Director of the Department of Community and Economic Development (the "Housing Officer") may, in his or her discretion, extend such deadline for a period of up to 12 months by written notice if, in the Director's judgment, the Company is proceeding in good faith towards completion. The remodeling shall be in compliance with applicable building code requirements and zoning regulations. In addition to the foregoing, (A) the Project shall comply with the Americans with Disabilities Act, together with any and all regulations or other binding directives promulgated pursuant thereto (collectively, the "**ADA**"), and (B) if (i) any building(s) within the Project is subject to the accessibility requirements of the ADA (e.g., by constituting a "place of public accommodation" or another category of structure to which the ADA is applicable) and (ii) such building(s) is not already required to meet the Contractual Minimum Accessibility Requirements (as defined below) pursuant to the ADA, applicable building code requirements, or by any other legal requirement, then the Company shall cause such building(s) to comply with the Contractual Minimum Accessibility Requirements in addition to any requirements pursuant to the ADA and the applicable building code or legal requirement. As used herein, "**Contractual Minimum Accessibility Requirements**" means that a building shall, at a minimum, include (1) at least one point of entry (as used in the ADA), accessible from a public right of way, with respect to which all architectural barriers (as used in the ADA) to entry have been eliminated, and (2) if such accessible point of entry is not a building's primary point of entry, conspicuous signage directing persons to such accessible point of entry.

Section 2. Real Property Tax Exemption. Subject to the satisfaction of the conditions set forth in this Agreement, the City approves exemption from real property taxation, pursuant to and to the fullest extent authorized by the Statute, of 100% of the amount by which the Improvements increase the assessed value of the Property as determined by the Hamilton County Auditor, for a period of 15 years, provided that the Company shall have entered into the Board of Education Agreement. Within 120 days after completion of the Project (unless otherwise extended in writing by the City's Housing Officer), the Company must file the appropriate application for tax exemption with the City's Housing Officer. The Company is solely responsible to take this action. Upon receipt of the application for tax exemption, the City will proceed with the exemption authorized by this Agreement. In accordance with Ohio Revised Code Section 3735.67, the exemption is conditioned on verification by the Housing Officer of (A) the completion of remodeling, (B) the cost of remodeling, (C) the facts asserted in the application for exemption, and (D) if a remodeled structure is a structure of historical or architectural significance as designated by the City, state or federal government, that the appropriateness of the remodeling has been certified in writing by the appropriate agency. If the required verification is made, the Housing Officer will forward the exemption application to the Hamilton County Auditor with the necessary certification by the Housing Officer. Subject to the conditions set forth in this Agreement, the exemption commences the first tax year for which the Improvements would first be taxable were the Improvements not exempted from taxation. The dates

provided in this paragraph refer to tax years in which the subject property is assessed, as opposed to years in which taxes are billed. No exemption shall commence after tax year 2026 nor extend beyond the earlier of (i) tax year 2040 or (ii) the end of the fifteenth (15th) year of exemption.

Section 3. Use; Maintenance; Inspections. The Company shall use the Property solely for the purposes described in Section 1 hereof and shall properly maintain and repair the Property throughout the period of tax exemption authorized herein. The Company authorizes the Housing Officer, or the Housing Officer's designees, to enter upon the Property as reasonably required to perform property inspections in accordance with Ohio Revised Code Section 3735.68.

Section 4. Compliance with Board of Education Agreement. As a condition of the tax exemption authorized under this Agreement, the Company agrees to enter into and comply with its obligation under the Board of Education Agreement.

Section 5. Duty of Company to Pay Taxes. As required by Ohio Revised Code Section 3735.671(B)(3), the Company shall pay such real property taxes as are not exempted under this Agreement and are charged against the Property and shall file all tax reports and returns as required by law. If the Company fails to pay such taxes or file such returns and reports, exemptions from taxation granted or authorized under this Agreement are rescinded beginning with the year for which such taxes are charged or such reports or returns are required to be filed and continuing thereafter.

Section 6. Company Certifications Regarding Non-Delinquency of Tax Obligations. As required by Ohio Revised Code Section 3735.671(B)(4), the Company certifies that at the time this Agreement is executed, the Company does not owe any delinquent real or tangible personal property taxes to any taxing authority of the State, and does not owe delinquent taxes for which the Company is liable under Ohio Revised Code Chapters 5735, 5739, 5741, 5743, 5747 or 5753, or if such delinquent taxes are owed, the Company currently is paying the delinquent taxes pursuant to an undertaking enforceable by the State or an agent or instrumentality thereof, has filed a petition in bankruptcy under 101, et seq., or such a petition has been filed against the Company. For the purposes of this certification, delinquent taxes are taxes that remain unpaid on the latest day prescribed for payment without penalty under the chapter of the Ohio Revised Code governing payment of those taxes.

Section 7. Covenant of Satisfaction of Tax and Other Obligations. In accordance with Ohio Revised Code Section 9.66, (A) the Company affirmatively covenants that it does not owe: (i) any delinquent taxes to the State or to a political subdivision of the State; (ii) any moneys to the State or a State agency for the administration or enforcement of any environmental laws of the State; or (iii) any other moneys to the State, a State agency or a political subdivision of the State that are past due, regardless of whether the amounts owed are being contested in a court of law or not; (B) the Company authorizes the City and/or the State to inspect the personal financial statements of the Company, including tax records and other similar information not ordinarily open to public inspection; and (C) the Company authorizes the Ohio Environmental Protection Agency and the Ohio Department of Taxation to release information to the City and or other State departments in connection with the above statements. As provided by statute, a knowingly false statement under this section may be prosecuted as a first degree misdemeanor under Ohio Revised Code Section 2921.13, may render the Company ineligible for any future economic development assistance from the State or any political subdivision of the State, and will result in the City requiring the Company's repayment of any assistance provided by the City in connection with the Project.

Section 8. City Cooperation. As required by Ohio Revised Code Section 3735.671(B), upon specific request from the Company, the City shall perform such acts as are reasonably necessary or appropriate to effect, claim, reserve and maintain exemptions from taxation granted under this Agreement including, without limitation, joining in the execution of all documentation and providing any necessary certificates required in connection with such exemptions.

Section 9. Continuation of Exemptions. As provided in Ohio Revised Code Section 3735.671(B), if for any reason the City revokes the designation of the City of Cincinnati as a Community Reinvestment Area, entitlements granted under this Agreement shall continue for the number of years

specified under this Agreement, unless the Company materially fails to fulfill its obligations under this Agreement and the City terminates or modifies the exemptions from taxation authorized pursuant to this Agreement.

Section 10. City Not Liable. The Company acknowledges that the exemption authorized in this Agreement is subject to approval and implementation by the appropriate state and/or county taxing authorities. The Company acknowledges that the City does not give any guarantee or assurance that the exemption approved in this Agreement will be so approved, and the Company agrees that in no event shall the Company seek to hold the City liable in any way in the event such exemption is not granted or implemented.

Section 11. Small Business Enterprise Program.

A. Compliance with Small Business Enterprise Program. The policy of the City is that a fair share of contracts be awarded to Small Business Enterprises (as such term is defined in Cincinnati Municipal Code (“CMC”) Section 323-1-S, “SBEs”). Pursuant to CMC Section 323-11, the City’s annual goal for SBE participation shall be thirty percent (30%) of the City’s total dollars spent for construction (as such term is defined in CMC Section 323-1-C4), supplies (as such term is defined in CMC Section 323-1-S5), services (as such term is defined in CMC Section 323-1-S) and professional services (as such term is defined in CMC Section 323-1-P2). Accordingly, the Company shall use its best efforts and take affirmative steps to achieve the City’s goal of voluntarily meeting thirty percent (30%) SBE participation. A list of SBEs may be obtained from the City’s Department of Economic Inclusion. The Company may refer interested firms to the City’s Department of Economic Inclusion for review and possible certification as an SBE. The Company shall comply with the provisions of CMC Chapter 323, including without limitation taking at least the following affirmative steps:

- (i) Including qualified SBEs on solicitation lists.
- (ii) Assuring that SBEs are solicited whenever they are potential sources. The Company must advertise, on at least two separate occasions, both in local minority publications and in other local newspapers of general circulation, invitations to SBEs to provide services, to supply materials, or to bid on construction contracts, as applicable.
- (iii) When economically feasible, dividing total requirements into small tasks or quantities so as to permit maximum SBE participation.
- (iv) If any subcontracts are to be let, the Company shall require the prime contractor (if different from the Company) to take the above affirmative steps.
- (v) Prior to the commencement of work under any subcontracts, the Company shall provide to the City a list of such subcontractors, including information as to the dollar amount of the subcontracts and such other information as may be requested by the City. The Company shall update the report monthly.
- (vi) The Company shall periodically document its best efforts and affirmative steps to meet the above SBE participation goals by submitting such information as may be requested from time to time by the City.

B. Remedies for Noncompliance with Small Business Enterprise Program. Failure of the Company or its contractors and subcontractors to take the affirmative steps specified above, to provide fair and equal opportunity to SBEs, or to provide technical assistance to SBEs as may be necessary to reach SBE participation as set out in CMC Chapter 323 may be construed by the City as failure of the Company to use its best efforts, and, in addition to other remedies under this Agreement, may be a cause for the City to file suit in Common Pleas Court to enforce specific performance of the terms of this Section. The provisions of CMC Section 323-99 are hereby incorporated by reference into this Agreement.

Section 12. Jobs. The Company represents that, as of the date of the execution of this Agreement, the Company has (a) 3 full-time equivalent employees in the City of Cincinnati, with a total annual payroll of \$108,000, and (b) no existing employment at the Property or at other locations in the State.

Section 13. Job Creation and Retention.

A. Jobs to be Retained by Company. The Company agrees to use its best efforts to (i) relocate and retain 2 of the 3 existing full-time equivalent employees to the Property, with a total annual payroll of \$75,000, in connection with the Project, and (ii) retain 1 existing full-time equivalent employee in the City of Cincinnati, with a total annual payroll of \$33,000.

B. Jobs to be Created by Company. The Company agrees to use its best efforts to create (i) 15 full-time permanent jobs, and (ii) 48 full-time temporary construction jobs, at the Property in connection with the Project. In the case of the construction jobs, the job creation and retention period shall be concurrent with remodeling, and in the case of the other jobs described herein, the job creation period shall begin upon completion of remodeling and shall end three (3) years thereafter.

C. Company's Estimated Payroll Increase. The Company's increase in the number of employees will result in approximately (i) \$499,200 of additional annual payroll with respect to the full-time permanent jobs, and (ii) \$615,223 of additional annual payroll prior to the completion of the Project with respect to the full-time temporary construction jobs.

D. Community Reinvestment Area Employment. The Company shall (i) adopt hiring practices to ensure that at least twenty-five percent (25%) of the new employees shall be residents of the City of Cincinnati and (ii) give preference to residents of the City relative to residents of the State who do not reside in the City when hiring new employees under this Agreement.

E. Posting Available Employment Opportunities. To the extent allowable by law, the Company shall use its best efforts to post available employment opportunities within the Company's organization or the organization of any subcontractor working with the Company with the Ohio Means Jobs Center, 1916 Central Parkway, Cincinnati, Ohio 45214-2305, through its Employer Services Unit Manager at 513-746-7200.

Section 14. Equal Employment Opportunity. This Agreement is subject to the City's Equal Employment Opportunity Program contained in CMC Chapter 325. The Equal Employment Opportunity Clause in CMC Section 325-9 is incorporated by reference in this Agreement. The term "Company" is substituted for "Contractor" throughout CMC Section 325-9 in the context of this Agreement.

Section 15. Compliance with Immigration and Nationality Act. In the performance of its obligations under this Agreement, the Company agrees to comply with the provisions of the Immigration and Nationality Act codified at 8 U.S.C. §§ 1324a(a)(1)(A) and (a)(2). Any noncompliance with such provisions shall be solely determined by either the federal agencies authorized to enforce the Immigration and Nationality Act or the U.S. Attorney General, in accordance with Executive Order 12989 of the U.S. President dated February 13, 1996, and as amended by Executive Order 13465 of the U.S. President dated June 6, 2008.

Section 16. Default. As provided in Ohio Revised Code Section 3735.671(B), if the Company materially fails to fulfill its obligations under this Agreement, or if the City determines that the certification as to delinquent taxes required by this Agreement (Section 6 hereof) or the covenant of satisfaction of tax and other obligations (Section 7 hereof) is fraudulent, the City may terminate or modify the exemptions from taxation granted or authorized under this Agreement and may require the repayment by the Company of the amount of taxes that would have been payable had the Improvements not been exempted from taxation pursuant to this Agreement. A modification of exemption may be in the form of reduction in the number of years that eligible property is exempt and/or a reduction in the exemption percentage. The City shall provide written notice to the Company prior to finding the Company in default under this section. The notice shall provide the Company with not less than thirty (30) days to cure the default prior to City termination or modification of the exemptions under this Agreement. The City may extend the cure period as reasonably necessary under the circumstances. In the event of such termination or modification, the City is authorized

to so notify the appropriate taxing authorities in order to effect the termination or modification. If repayment of previously exempt taxes is required by the City under this Section, such amount shall be paid as directed by the City within thirty (30) days of written demand. The City may secure repayment of such taxes by a lien on the Property in the amount required to be repaid. Such a lien shall attach, and may be perfected, collected, and enforced, in the same manner as a mortgage lien on real property, and shall otherwise have the same force and effect as a mortgage lien on real property. Amounts due and not paid when due under this Section 16 shall bear interest at the rate specified in Ohio Revised Code Section 1343.03(A) (as in effect on the date of the City's payment demand).

Section 17. Annual Review and Report. As required by Ohio Revised Code Sections 3735.671(B)(5) and 5709.85, the Company shall provide to the City's Tax Incentive Review Council (or to the City Manager if so requested by the City) any information reasonably required by the Council or the City Manager to evaluate the Company's compliance with this Agreement, including returns filed pursuant to Ohio Revised Code Section 5711.02 if requested by the Council or City Manager. The performance of the Company's obligations stated in this Agreement shall be subject to annual review by the City's Tax Incentive Review Council (the "Annual Review and Report"). The Company shall submit information for the Annual Review and Report to the City no later than March 1 of each year.

Section 18. Revocation.

A. Generally. Pursuant to Ohio Revised Code Section 3735.68, the housing officer shall make annual inspections of the properties within the community reinvestment area upon which are located structures or remodeling for which an exemption has been granted under Ohio Revised Code Section 3735.67. If the housing officer finds that the property has not been properly maintained or repaired due to the neglect of the Company, the housing officer may revoke the exemption at any time after the first year of exemption. If the Company has materially failed to fulfill its obligations under this Agreement, or if the owner is determined to have violated division (E) of that section (see Section 18(B) of this Agreement), City Council, subject to the terms of the agreement, may revoke the exemption at any time after the first year of exemption. The housing officer or City Council shall notify the county auditor and the Company that the tax exemption no longer applies. If the housing officer or legislative authority revokes a tax exemption, the housing officer shall send a report of the revocation to the community reinvestment area housing council and to the tax incentive review council established pursuant to section 3735.69 or 5709.85 of the Revised Code, containing a statement of the findings as to the maintenance and repair of the property, failure to fulfill obligations under the written agreement, or violation of division (C) of Ohio Revised Code Section 3735.671, and the reason for revoking the exemption.

B. Prior Statutory Violations. The Company represents and warrants to the City that it is not prohibited by Ohio Revised Code Section 3735.671(C) from entering into this Agreement. As required by Ohio Revised Code Section 3735.671(B)(7), exemptions from taxation granted or authorized under this Agreement shall be revoked if it is determined that the Company, any successor to the Company or any related member (as those terms are defined in division (C) of Ohio Revised Code Section 3735.671 has violated the prohibition against entering into this Agreement under division (C) of Ohio Revised Code Section 3735.671 or under Ohio Revised Code Sections 5709.62, 5709.63, or 5709.632 prior to the time prescribed by that division or either of those sections.

Section 19. False Statements; Penalties; Material Representations.

A. Generally. As required in connection with Ohio Revised Code Section 9.66(C), the Company affirmatively covenants that it has made no false statements to the State or the City in the process of obtaining approval for this Agreement. If any representative of the Company has knowingly made a false statement to the State or the City to obtain approval for this Agreement, or if the Company fails to provide any information expressly required under the Application, the Company shall be required to immediately return all benefits received under this Agreement (by payment of the amount of taxes exempted hereunder, paid as directed by the City within thirty (30)

days of written demand) and the Company shall be ineligible for any future economic development assistance from the State, any State agency or any political subdivision of the State pursuant to Ohio Revised Code Section 9.66(C)(1). Amounts due and not paid under this Section 19 shall bear interest at the rate of twelve percent (12%) per year. Any person who provides a false statement to secure economic development assistance (as defined in Ohio Revised Code Section 9.66) may be guilty of falsification, a misdemeanor of the first degree, pursuant to Ohio Revised Code Section 2921.13(F)(1), which is punishable by fine of not more than One Thousand Dollars (\$1,000) and/or a term of imprisonment of not more than six (6) months.

B. Material Representations – Board of Education Agreement and VTICA. The Parties acknowledge and agree that a material failure by the Company to comply with its representations concerning the Board of Education Agreement or VTICA Contribution shall constitute an event of default for purposes of Section 16 (Default) and the basis for revocation under Section 18 (Revocation). Subject to the terms of the VTICA, if the VTICA is unenforceable for reasons of infeasibility or otherwise, the Company shall enter into alternative arrangements providing for the economic equivalent of the VTICA Contribution. Such arrangements may include, but are not limited to, providing for the economic equivalent of the VTICA Contribution through formation of a special improvement district. For purposes of this Section 19.B, alternative arrangements must result in services substantially similar to those that would have been supported through the VTICA and at a value that is the economic equivalent of the VTICA Contribution, which value shall not be required to exceed the VTICA Contribution amount that would have been payable by the Company. Any determination of infeasibility or mechanism for providing alternative arrangements is subject to approval by the City at its sole discretion. Nothing in this Section 19.B shall operate to limit the City's enforcement authority under this Agreement including, without limitation, Section 16, Section 18, and Section 19.A.

Section 20. Conflict of Interest. The Company covenants that, to the Company's knowledge, no employee of the City has any personal interest, direct or indirect, in any matters pertaining to the Project, and the Company agrees to take appropriate steps to prevent any employee of the City from obtaining any such interest throughout the term of this Agreement.

Section 21. Annual Fee. The Company shall pay an annual fee of Five Hundred Dollars (\$500) or one percent (1%) of the annual taxes exempted under this Agreement, whichever is greater, but not to exceed Two Thousand, Five Hundred Dollars (\$2,500) per annum. This fee is due with submission of the information for Annual Review and Report by March 1 of each year.

Section 22. Discontinued Operations. As provided in Ohio Revised Code Section 3735.671(C), if, prior to the expiration of the term of this Agreement, the Company discontinues operations at the Project so that the Property is no longer being used for the purposes described in Section 1 hereof, then the Company, its successors, and any related member shall not enter into an agreement under Ohio Revised Code Sections 3735.671, 5709.62, 5709.63, or 5709.632, and no legislative authority shall enter into such an agreement with the Company, its successors or any related member prior to the expiration of three (3) years after the discontinuation of operations. As used in this Section 22, "successors" and "related member" shall have the meanings set forth in Ohio Revised Code Section 3735.671(C).

Section 23. Notices. Unless otherwise specified herein, each party shall address written notices, demands and communications in connection with this Agreement to the other party as follows (or to such other address as is communicated in accordance with this Section):

To the City:

City of Cincinnati
Attention: Director of the Department of Community and Economic Development
Centennial Plaza Two, Suite 700
805 Central Avenue
Cincinnati, Ohio 45202

To the Company:

Allez Bar & Bakery, LLC
Attention: Mr. Patrick Hague
6420 Desmond St.
Cincinnati, Ohio 45227

If the Company sends a notice to the City alleging that the City is in default under this Agreement, the Company shall simultaneously send a copy of such notice to: City Solicitor, City of Cincinnati, 801 Plum Street, Room 214, Cincinnati, OH 45202.

Section 24. Acknowledgment of City Participation. The Company agrees to acknowledge the support of the City on construction signs, project and exhibition signage, and any publicity such as that appearing on the internet, television, cable television, radio, or in the press or any other printed media. In identifying the City as a Project partner, the Company shall use either the phrase "Project Assistance by the City of Cincinnati" or a City of Cincinnati logotype or other form of acknowledgement that has been approved in advance in writing by the City.

Section 25. Entire Agreement. This Agreement and the Exhibits attached hereto constitute the entire agreement between the City and the Company with respect to the subject matter herein, superseding any prior or contemporaneous agreement with respect thereto.

Section 26. Governing Law. This Agreement is entered into and is to be performed in the State. The City and the Company agree that the law of the State of Ohio shall govern the rights, obligations, duties and liabilities of the parties to this Agreement and shall govern the interpretation of this Agreement.

Section 27. Waiver. The City's waiver of any breach by the Company of any provision of this Agreement shall not constitute or operate as a waiver by the City of any other breach of such provision or of any other provisions, nor shall any failure or delay by the City to enforce any provision hereof operate as a waiver of such provision or of any other provision.

Section 28. Severability. This Agreement shall be severable; if any part or parts of this Agreement shall for any reason be held invalid or unenforceable by a court of competent jurisdiction, all remaining parts shall remain binding and in full force and effect.

Section 29. Amendment. This Agreement may be modified or amended only by a written agreement duly executed by the parties hereto or their representatives.

Section 30. Non-Assignment. As required by Ohio Revised Code Section 3735.671(B)(6), this Agreement is not transferable or assignable by the Company without the express written approval of the City Manager of the City. If the Company has entered into a Board of Education Agreement or VTICA in connection with the Property, the City shall not approve the assignment of this Agreement unless the assignee has assumed the Company's remaining obligations under the Board of Education Agreement and VTICA, as applicable. Failure to assign or otherwise perform the Company's obligations under the Board of Education Agreement or VTICA upon transfer of the Property during the term of the tax abatement authorized by this Agreement shall be basis for revocation of the tax exemption under Section 18.

Section 31. Recording. At its election, the City may record this Agreement at the City's expense in the Hamilton County Recorder's Office.

Section 32. Legislative Action Required. As provided in Ohio Revised Code Section 3735.671, the Company and the City acknowledge that this Agreement must be approved by formal action of the City Council of the City as a condition for this Agreement to take effect. Notwithstanding anything to the contrary herein, this Agreement shall take effect after the later of the date of such approval or the final date of execution of this Agreement by all parties.

Section 33. Additional Representations and Warranties of Company. The Company represents and warrants that (a) it is duly organized and existing and it has full power and authority to take, and has taken, all action necessary to execute and deliver this Agreement and any other documents required or permitted to be executed or delivered by it in connection with this Agreement, and to fulfill its obligations hereunder; (b) no notices to, or consents, authorizations or approvals of, any person are required (other than any already given or obtained) for its due execution, delivery and performance of this Agreement; and (c) this Agreement has been duly executed and delivered by it and constitutes the legal, valid and binding obligation of the Company.

Section 34. Certification as to Non-Debarment. The Company represents that neither it nor any of its principals is presently debarred by any federal, state, or local government agency. In completing the Project, the Company shall not solicit bids from any contractors or subcontractors who are identified as being debarred by any federal, state, or local government agency. If the Company or any of its principals becomes debarred by any federal, state, or local government agency during the term of this Agreement, the company shall be considered in default under this Agreement.

Section 35. Appeals. Pursuant to Ohio Revised Code Section 3735.70, a person aggrieved under the Statute or this Agreement may appeal to the community reinvestment area housing council, which shall have the authority to overrule any decision of a housing officer. Appeals may be taken from a decision of the council to the court of common pleas of the county where the area is located.

Section 36. Wage Enforcement.

(i) Applicability. Council passed Ordinance No. 22-2016 on February 3, 2016, which ordained Chapter 326 (Wage Enforcement) of the Cincinnati Municipal Code (the "Wage Enforcement Chapter"). The Wage Enforcement Chapter was then amended by Ordinance No. 96-2017, passed May 17, 2017. As amended, the Wage Enforcement Chapter imposes certain requirements upon persons entering into agreements with the City whereby the City provides an incentive or benefit that is projected to exceed \$25,000, as described more particularly in the Wage Enforcement Chapter. Cincinnati Municipal Code Section 326-5 requires that the language below be included in contracts subject to the Wage Enforcement Chapter.

(ii) Required Contractual Language. Capitalized terms used, but not defined, in this clause (ii) have the meanings ascribed thereto in the Wage Enforcement Chapter.

(a) This contract is or may be subject to the Wage Enforcement provisions of the Cincinnati Municipal Code. These provisions require that any Person who has an Agreement with the city or with a Contractor or Subcontractor of that Person shall report all Complaints or Adverse Determinations of Wage Theft and Payroll Fraud (as each of those terms is defined in Chapter 326 of the Cincinnati Municipal Code) against the Contractor or Subcontractors to the Department of Economic Inclusion within 30 days of notification of the Complaint or Adverse Determination.

(b) If this contract is subject to the Wage Enforcement provisions of Chapter 326 of the Cincinnati Municipal Code, the Person entering into this contract is required to include provisions in solicitations and contracts regarding a Development Site that all employers, Contractors or Subcontractors performing or proposing to perform work on a Development Site provide an initial sworn and notarized "Affidavit Regarding Wage Theft and Payroll Fraud" on a form prescribed by the city manager or his or her designee and, within 30 days of an Adverse Determination or Complaint of Wage Theft or Payroll Fraud, shall provide an "Amended Affidavit Regarding Wage Theft and Payroll Fraud" on a form prescribed by the city manager or his or her designee.

(c) If this contract is subject to the Wage Enforcement provisions of Chapter 326 of the Cincinnati Municipal Code, the Person entering into this contract is required to authorize, and does hereby specifically authorize, any local, state or federal agency, court, administrative body or other entity investigating a complaint of Wage Theft or Payroll Fraud against the Person (collectively "investigative bodies") to release to the City's Department of Economic Inclusion any and all evidence, findings,

complaints and determinations associated with the allegations of Wage Theft or Payroll Fraud upon the City's request and further authorizes such investigative bodies to keep the City advised regarding the status of the investigation and ultimate determination. If the investigative bodies require the Person to provide additional authorization on a prescribed form or in another manner, the Person shall be required to provide such additional authorization within 14 days of a request by the City.

(d) If this Agreement is subject to the Wage Enforcement provisions of Chapter 326 of the Cincinnati Municipal Code, the Person entering into this Agreement shall include in its contracts with all Contractors language that requires the Contractors to provide the authorizations set forth in subsection (c) above and that further requires each Contractor to include in its contracts with Subcontractors those same obligations for each Subcontractor and each lower tier subcontractor.

(e) If this Agreement is subject to the Wage Enforcement provisions of Chapter 326 of the Cincinnati Municipal Code, the Person entering into this Agreement shall post a conspicuous notice on the Development Site throughout the entire period work is being performed pursuant to the Agreement indicating that the work being performed is subject to Cincinnati Municipal Code Chapter 326, Wage Enforcement, as administered by the City of Cincinnati Department of Economic Inclusion. Such notice shall include contact information for the Department of Economic Inclusion as provided by the department.

(f) Under the Wage Enforcement provisions, the City shall have the authority, under appropriate circumstances, to terminate this contract or to reduce the incentives or subsidies to be provided under this contract and to seek other remedies, including debarment.

Section 37. Legal Requirements. In completing and operating the Project, the Company shall comply with all applicable statutes, ordinances, regulations, and rules of the government of the United States, State of Ohio, County of Hamilton, and City of Cincinnati.

Section 38. Counterparts and Electronic Signatures. This Agreement may be executed by the parties hereto in two or more counterparts and each executed counterpart shall be considered an original but all of which together shall constitute one and the same instrument. This Agreement may be executed and delivered by electronic signature; any original signatures that are initially delivered electronically shall be physically delivered as soon as reasonably possible.

Remainder of this page intentionally left blank. Signature page follows.

Executed by the parties on the dates indicated below, effective as of the later of such dates (the "Effective Date").

CITY OF CINCINNATI,
an Ohio municipal corporation

ALLEZ BAR & BAKERY, LLC,
an **Error! Reference source not found.**

By: _____
Sheryl M. M. Long, City Manager

Date: _____, 2023

By: _____

Printed Name: _____

Title: _____

Date: _____, 2023

Authorized by resolution dated _____

Approved as to Form:

Assistant City Solicitor

Certified Date: _____

Fund/Code: _____

Amount: _____

By: _____
Karen Alder, City Finance Director

Exhibit A to CRA Agreement

LEGAL DESCRIPTION OF PROPERTY

SITUATED IN THE COUNTY OF HAMILTON, IN THE STATE OF OHIO AND IN THE CITY OF CINCINNATI AND BEING ALL OF LOTS NUMBERED SEVEN (7) AND EIGHT (8) OF H.B. PRICE'S SUBDIVISION OF LOTS IN SAID TOWN OF MADISONVILLE (NOW CINCINNATI) HAMILTON COUNTY, STATE OF OHIO. SAID LOTS SEVEN (7) AND EIGHT (8) HAVING A TOTAL FRONTAGE OF FORTY-NINE (49) FEET ON THE NORTH SIDE OF MAIN STREET IN SAID TOWN OF MADISONVILLE, CINCINNATI, OHIO AND EXTENDING BACK NORTHWARDLY BETWEEN PARALLEL LINES TO AN ALLEY, BEING THE SAME WIDTH IN REAR AS IN FRONT.

PARCEL # 035-0003-0141-00 **CONS**
ST **142** -----

Exhibit B to CRA Agreement
APPLICATION FOR TAX EXEMPTION

TO BE ATTACHED

May 10, 2023

To: Mayor and Members of City Council

202301358

From: Sheryl M.M. Long, City Manager

Subject: Emergency Ordinance – Approving and Authorizing CRA Tax Exemption Agreement with Fair Oaks Enterprises, LTD

Attached is an Emergency Ordinance captioned:

APPROVING AND AUTHORIZING the City Manager to execute a Community Reinvestment Area Tax Exemption Agreement (LEED or Living Building Challenge) with Fair Oaks Enterprises, Ltd., thereby authorizing an eleven-year tax exemption for 100 percent of the value of improvements made to real property located at 3005 Vandercar Way in the Oakley neighborhood of Cincinnati, in connection with the construction of a new hotel consisting of approximately 117 rooms, containing approximately 71,000 square feet of commercial space in aggregate, which construction shall be completed in compliance with Leadership in Energy and Environmental Design Silver, Gold or Platinum standards or Living Building Challenge standards, at a total construction cost of approximately \$15,500,000.

BACKGROUND/CURRENT CONDITIONS

Fair Oak Enterprises, LTD, plans to develop the property located at 3005 Vandercar Street in the Oakley neighborhood of Cincinnati. Prior to the proposed development, the City assisted the development of Oakley Station by financing the demolition and environmental remediation of the former Milacron factory site, as well as construction of new public infrastructure through State grant funding and project tax increment financing. The total assistance amounted to \$17,540,645. The project currently places a hotel on a parcel that consists of vacant land and a parking lot.

DEVELOPER INFORMATION

Fair Oak Enterprises, LTD is owned by Allen W. Schmidthorse, Preston Stegman, Douglas Steinke, and Thomas and Sandra Shoemaker. These individuals collectively have over 100 years of hotel and/or real estate experience. Specifically, this includes 20 award winning hotels constructed by S & S Management, Inc., which was founded by Thomas Shoemaker and Douglas Steinke. A recent project from the Development Team included the adjacent 108-unit hotel (Homewood Suites by Hilton).

RECOMMENDATION

The Administration recommends approval of this Emergency Ordinance. This is an Emergency Ordinance so construction financing can be closed, and construction commences at the earliest possible time.

Attachment: Project Outline

Copy: Markiea L. Carter, Director, Department of Community & Economic Development

Project Outline

<u>Project Description Details</u>	<u>Explanation</u>
Project Name	Fairfield Inn TownePlace Suites by Marriott
Street Address	3005 Vandercar Way
Property Condition	Vacant 1.5 Acre Lot in Oakley Station Development.
Neighborhood	Oakley
Incentive Application Process	Commercial CRA – Neighborhood (LEED or LBC)
Recent or other projects by Developer	108-unit hotel (Homewood Suites by Hilton) located at 4605 Factory Colony Lane
Approval at planning commission/Neighborhood support	City Council and Planning Commission approved the Major Amendment to the Concept Plan and Development Program Statement in September 2022 (Ordinance No. 290-2022). Oakley Community Council is supportive of the project.
Plan Cincinnati Goals	Achieves the Compete Initiative Area Goal 2 (pages 114-120) and Sustain Initiative Area Goal 1 (pages 181-186) of Plan Cincinnati

Project Image



<u>Incentive Summary Category</u>	<u>Explanation</u>
Abatement Term and amount	11-year, net 52%
Construction Cost & Private investment committed	\$15,500,000 in hard construction costs, \$4,000,000 in acquisition and soft costs
Sq. Footage by Use	71,000 SQFT - Commercial
Number of units and rental ranges	No Residential Units
Jobs created/retained and payroll (living wage)	Projected to create 22 FTE positions at \$850,000 in annual payroll (avg. of \$ 38,636.36 annually per job). Projected to create 200 temporary construction positions at \$3,000,000 in total payroll.
“But For”	No Points were assigned for “But For.” The Developer will receive an acceptable Cash on Cash return in Year 5 of the abatement (8.90%). However, DCED utilized the established Neighborhood Scorecard to review this incentive request. Because the Developer was awarded 2 points from LEED Silver and 8 points for full 15% Neighborhood VTICA contribution, DCED recommends the 11-year tax abatement, per established City Council Policy.
Cash on Cash Return for developer (Market return between 8-12%, depends on investment risk)	Without Abatement: Year 5: 7.02% (stabilized) With Abatement: Year 5: 8.90% (stabilized)
LEED or other environmental build	LEED Silver
Neighborhood VTICA	Neighborhood VTICA – 15%
Total Public Benefit (Benefits Realized vs Taxes Forgone)	\$1.09 of new CPS/VTICA/Income taxes for each \$1 forgone
Projected Income Tax Revenue	\$249,300
MBE/WBE Goals	SBE Goal of 30%
Transit Access/Walkability	Located within ½ mile of Metro’s Oakley Transit Center (24-hour service to Routes 11 and 51)
Geography	Located within ½ mile of a neighborhood business district
Historic Preservation/Existing Building Renovation	Not Applicable
Public Infrastructure Improvements	Not Applicable

EMERGENCY

EVK

- 2023

APPROVING AND AUTHORIZING the City Manager to execute a *Community Reinvestment Area Tax Exemption Agreement (LEED or Living Building Challenge)* with Fair Oaks Enterprises, Ltd., thereby authorizing an eleven-year tax exemption for 100 percent of the value of improvements made to real property located at 3005 Vandercar Way in the Oakley neighborhood of Cincinnati, in connection with the construction of a new hotel consisting of approximately 117 rooms, containing approximately 71,000 square feet of commercial space in aggregate, which construction shall be completed in compliance with Leadership in Energy and Environmental Design Silver, Gold or Platinum standards or Living Building Challenge standards, at a total construction cost of approximately \$15,500,000.

WHEREAS, to encourage the development of real property and the acquisition of personal property, Council by Ordinance No. 274-2017 passed on September 27, 2017, designated the area within the corporate boundaries of the City of Cincinnati as a “Community Reinvestment Area” pursuant to Ohio Revised Code (“R.C.”) Sections 3735.65 through 3735.70 (the “Statute”); and

WHEREAS, Ordinance No. 275-2017 passed by Council on September 27, 2017, as amended by Ordinance No. 339-2018, passed by Council on October 31, 2018 (as amended, the “Commercial Policy Ordinance”), sets forth certain additional policies, conditions, and limitations regarding newly constructed or remodeled commercial and residential structures in the Community Reinvestment Area; and

WHEREAS, to encourage the development of real property in a more environmentally-friendly manner, the Commercial Policy Ordinance incentivizes: (i) construction and remodeling to Leadership in Energy and Environmental Design (“LEED”) standards (as defined by the U.S. Green Building Council); and (ii) construction and remodeling that obtains (a) Living Building Challenge Net Zero certification, (b) Living Building Challenge Full certification, or (c) solely in circumstances where the construction or remodeling complies with the requirements of the “Energy Petal” of the Living Building Challenge, Living Building Challenge Petal certification, in each case as defined by the International Living Future Institute and the Cascadia Green Building Council (collectively, “LBC” standards), all pursuant to the Statute; and

WHEREAS, effective October 23, 2017, the Director of Development of the State of Ohio determined that the area within the corporate boundaries of the City of Cincinnati contains the characteristics set forth in the Statute and confirmed such area as a Community Reinvestment Area under the Statute; and

WHEREAS, Fair Oaks Enterprises, Ltd. (the “Company”) desires to construct a new hotel consisting of approximately 117 rooms, containing approximately 71,000 square feet of commercial space in aggregate on real property at 3005 Vandercar Way located within the

corporate boundaries of the City of Cincinnati, to LEED or LBC standards (the “Improvements”), provided that the appropriate development incentives are available to support the economic viability of the Improvements; and

WHEREAS, to provide an appropriate development incentive for the Improvements, the City Manager has recommended a *Community Reinvestment Area Tax Exemption Agreement (LEED or Living Building Challenge)*, in substantially the form of Attachment A to this ordinance, to authorize a real property tax exemption for the Improvements in accordance with the Statute; and

WHEREAS, the property is located within the Cincinnati City School District; and

WHEREAS, the Board of Education of the Cincinnati City School District (the “Board of Education”), pursuant to that certain *Tax Incentive Agreement* effective as of April 28, 2020 (as may be amended, the “Board of Education Agreement”), has approved exemptions of up to 100 percent of Community Reinvestment Area projects, waived advance notice and the right to review such projects, and waived sharing or allocation of municipal income taxes in connection with such projects; and

WHEREAS, pursuant to the Board of Education Agreement, the Company has entered into (or will enter into) an agreement with the Board of Education requiring the Company to pay the Board of Education amounts equal to 33 percent of the exempt real property taxes; and

WHEREAS, the City’s Department of Community and Economic Development estimates that the real property tax exemption for the Improvements will provide an annual net benefit to the Company in the amount of approximately \$138,228; and

WHEREAS, the Company has represented that it has entered into (or will enter into) a voluntary tax incentive contribution agreement with a third-party organization for amounts equal to fifteen percent of the exempt real property taxes, which funds shall be committed by the third-party organization to facilitate permanent improvements and neighborhood services furthering redevelopment in the neighborhood of the Improvements and to support affordable housing on a City-wide basis; and

WHEREAS, the Improvements do not involve relocation of part or all of the Company’s operations from another county or municipal corporation in Ohio or, if there is relocation, notice has been given per R.C. Section 3735.673; now, therefore,

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

Section 1. That Council approves a *Community Reinvestment Area Tax Exemption Agreement (LEED or Living Building Challenge)* with Fair Oaks Enterprises, Ltd. (the “Agreement”), thereby authorizing an eleven-year tax exemption for 100 percent of the assessed value of improvements to be made to real property located at 3005 Vandercar Way in

Cincinnati, as calculated by the Hamilton County Auditor, in connection with the construction of a new hotel consisting of approximately 117 rooms, containing approximately 71,000 square feet of commercial space in aggregate, to be constructed in compliance with Leadership in Energy and Environmental Design Silver, Gold or Platinum standards (as defined by the U.S. Green Building Council) or Living Building Challenge standards (as described in the Agreement and as determined by the International Living Future Institute and the Cascadia Green Building Council, as applicable) at a total construction cost of approximately \$15,500,000.

Section 2. That Council authorizes the City Manager:

- (i) to execute the Agreement on behalf of the City of Cincinnati (the “City”) in substantially the form of Attachment A to this ordinance; and
- (ii) to submit on behalf of Council annual reports on the Agreement to the Director of the Ohio Department of Development, in accordance with Ohio Revised Code Section 3735.672, and to the Board of Education of the Cincinnati City School District, as necessary; and
- (iii) to take all necessary and proper actions to fulfill the City’s obligations under the Agreement.

Section 3. 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 allow the construction described in this ordinance and the corresponding revitalization of the City of Cincinnati and the benefits to the City’s economic welfare to begin at the earliest possible time.

Passed: _____, 2023

Aftab Pureval, Mayor

Attest: _____
Clerk

Community Reinvestment Area Tax Exemption Agreement
(LEED or Living Building Challenge)

This Community Reinvestment Area Tax Exemption Agreement (this “Agreement”) is made and entered into as of the Effective Date (as defined on the signature page hereof) by and between the CITY OF CINCINNATI, an Ohio municipal corporation (the “City”), and FAIR OAKS ENTERPRISES, LTD., an Ohio limited liability company (the “Company”), an affiliate of Vandercar Holdings, LLC.

Recitals:

- A. The City, through the adoption of Ordinance No. 274-2017 on September 27, 2017, designated the entire City of Cincinnati as a Community Reinvestment Area to encourage the development of real property and the acquisition of personal property in that area, pursuant to Ohio Revised Code Sections 3735.65 through 3735.70 (the “Statute”).
- B. In accordance with the Statute, the Ohio Director of Development has forwarded to the City the Director’s determination dated October 23, 2017, stating that the findings contained in Ordinance No. 274-2017 are valid and that the entire City is a Community Reinvestment Area under the Statute. By such determination, the Director of Development of the State of Ohio determined that the area within the corporate boundaries of the City of Cincinnati contains the characteristics set forth in the Statute and confirmed such area as a Community Reinvestment Area under the Statute.
- C. The Council of the City of Cincinnati has also passed Ordinance No. 275-2017 as of September 27, 2017, as amended by Ordinance No. 339-2018, passed on October 31, 2018, Ordinance No. 370-2020, passed on November 12, 2020, and Ordinance No. 24-2022, passed on February 2, 2022 (as amended, the “Commercial Policy Ordinance”), which sets forth certain additional policies, conditions and limitations regarding newly constructed or remodeled commercial and residential structures in the Community Reinvestment Area.
- D. Pursuant to the Commercial Policy Ordinance, a project that is constructed or remodeled to (1) Leadership in Energy and Environmental Design (“LEED”) Silver, Gold or Platinum standards (as defined by the U.S. Green Building Council), or (2) receives a (a) Living Building Challenge Net Zero certification, (b) Living Building Challenge Full certification, or (c) solely in circumstances where the construction or remodeling complies with the requirements of the “Energy Petal” of the Living Building Challenge, Living Building Challenge Petal certification, in each case as defined by the International Living Future Institute and the Cascadia Green Building Council (such qualifying remodeling or construction is referred to, collectively, as “LBC” remodeling or construction), may qualify for a longer term and/or greater abatement.
- E. The Company is the sole owner of certain real property within the City, located at 3005 Vandercar Way, Cincinnati, Ohio 45209 (the “Property”), as further described in Exhibit A (Legal Description of Property) hereto. Notwithstanding the foregoing, the Property shall not include any residential condominiums being developed in connection with the Project (as defined below) (the “Excluded Property”), and the Company acknowledges and agrees that the City’s Community Reinvestment Area program entails separate applications by the owner of any residential condominium units included within the Project. For the avoidance of doubt, the Excluded Property shall not be exempt under this Agreement; however, this provision shall not be deemed to prohibit any owners from time to time of any Excluded Property from separately applying for a tax abatement in accordance with applicable law.
- F. The Company has proposed the construction of a building located on the Property to LEED Silver standards, as defined by the U.S. Green Building Council, within the boundaries of the City of Cincinnati, as more fully described in Section 1 herein (the “Project”); provided that the appropriate development incentives are available to support the economic viability of the Project.

- G. The Statute provides that if any part of a project is to be used for commercial or industrial purposes, including projects containing five or more dwelling units, in order to be eligible for tax exemption the City and the Company must enter into an agreement pursuant to Ohio Revised Code Section 3735.671 prior to commencement of construction or remodeling.
- H. The City, having appropriate authority under the Statute for this type of project, agrees (as provided herein and subject to all conditions herein) to provide the Company with the tax exemption incentives stated herein, available under the Statute, for development of the Project.
- I. The Company has submitted to the City an application for this tax exemption agreement (the "Application"), a copy of which is attached hereto as Exhibit B, has remitted with the Application the City application fee of One Thousand Two Hundred Fifty Dollars (\$1,250) made payable to the City.
- J. The Director of the City's Department of Community and Economic Development has recommended approval of the Application on the basis that the Company is qualified by financial responsibility and business experience to create and preserve employment opportunities and improve the economic climate of the City.
- K. The Board of Education of the Cincinnati City School District (the "Board of Education"), pursuant to that certain *Tax Incentive Agreement* effective as of April 28, 2020, has approved exemptions of up to one hundred percent (100%) of Community Reinvestment Area projects, waived advance notice and right to review such projects, and waived sharing or allocation of municipal income taxes in connection with such projects.
- L. The Company has entered into (or will enter into) an agreement with the Board of Education requiring the Company to pay the Board of Education amounts equal to thirty-three percent (33%) of the full amount of exempt real property taxes that would have been paid to Hamilton County if this Agreement were not in effect (the "Board of Education Agreement").
- M. The Company represents and warrants to the City that the Company and its major tenants, if any, do not intend to relocate part or all of their operations to the City from another county or municipal corporation in the State of Ohio (the "State").
- N. The Company represents that within the past three (3) years neither the Company, any related member of the Company, nor any entity to which the Company is a successor has discontinued operations at a project site in the State during the term of a property tax exemption agreement (under Ohio Revised Code Section 3735.671, 5709.62, 5709.63 or 5709.632) applicable to that site, and the Company acknowledges that misrepresentation hereunder will result in voiding of this Agreement.
- O. The Company represents and warrants to the City that the Company is not subject to an Enterprise Zone Agreement with the City of Cincinnati for the Property or the Project.
- P. The Company acknowledges that the Oakley neighborhood is a rising neighborhood in need of resources for development, neighborhood improvements, amenities, and organizations oriented towards neighborhood services. The Company anticipates that future development, improvements, amenities and organizations will contribute to the quality and vitality of the neighborhood, therefore increasing the value of the Property and directly and indirectly contributing to the Project's success. The Project's success, in turn, will benefit the neighborhood. Although this feedback effect will promote the revitalization and redevelopment of the City, it could also impact the affordability of property in the area. Therefore, in support of the Oakley neighborhood and with the intention of preserving and improving the availability of quality, reliable affordable housing on a City-wide basis, as a material inducement to the City to enter into this Agreement, the Company hereby represents to the City that it will enter into a voluntary tax incentive contribution agreement ("VTICA") with a City-designated third-party non-profit

administrative organization (the “Third-Party Administrator”) to contribute to the Third-Party Administrator an amount equal to fifteen percent (15%) of the real property taxes that would have been payable on the abated property but for the City-authorized tax abatement (the “VTICA Contribution”). Half of such VTICA Contribution is to be committed by the Third-Party Administrator to facilitate permanent improvements and neighborhood services furthering urban redevelopment in the Oakley neighborhood and the other half of such VTICA Contribution is to be committed by the Third-Party Administrator in supporting quality affordable housing on a City-wide basis. The Company hereby represents and warrants that it will pay the VTICA Contribution for the full term of the abatement.

- Q. This Agreement has been authorized by Ordinance No. _____-2023, passed by Cincinnati City Council on _____, 2023.
- R. In determining to recommend and authorize this Agreement, the Department of Community and Economic Development and City Council, respectively, have acted in material reliance on the Company’s representations in the Application and herein regarding the Project including, but not limited to, representations relating to the number of jobs to be created and/or retained by the Company, the Board of Education Agreement, the VTICA Contribution, and the Project’s effect in promoting the general welfare of the people of Cincinnati by, for example, encouraging the development of real property located in the Community Reinvestment Area and thereby promoting economic growth and vitality in Cincinnati.

NOW, THEREFORE, pursuant to Ohio Revised Code Section 3735.67(A) and in conformity with the format required under Ohio Revised Code Section 3735.671, in consideration of the mutual covenants contained herein and the benefit to be derived by the parties from the execution hereof, the parties agree as follows:

Section 1. Project. Upon issuance of the necessary zoning and building approvals, the Company agrees to construct a new hotel on the Property, consisting of approximately 117 rooms, containing approximately 71,000 square feet of commercial space in aggregate (the “Improvements”) at an estimated aggregate cost of \$15,500,000 to commence after the execution of this Agreement and to be completed no later than December 31, 2024; *provided*, however, that the Director of the Department of Community and Economic Development (the “Housing Officer”) may, in his or her discretion, extend such deadline for a period of up to 12 months by written notice if, in the Director’s judgment, the Company is proceeding in good faith towards completion. The construction shall be in compliance with applicable building code requirements and zoning regulations, as well as complying with LEED Silver standards. The Company hereby represents that it has registered with the U.S. Green Building Council with intent to certify compliance with LEED Silver. In addition to the foregoing, (A) the Project shall comply with the Americans with Disabilities Act, together with any and all regulations or other binding directives promulgated pursuant thereto (collectively, the “**ADA**”), and (B) if (i) any building(s) within the Project is subject to the accessibility requirements of the ADA (e.g., by constituting a “place of public accommodation” or another category of structure to which the ADA is applicable) and (ii) such building(s) is not already required to meet the Contractual Minimum Accessibility Requirements (as defined below) pursuant to the ADA, applicable building code requirements, or by any other legal requirement, then the Company shall cause such building(s) to comply with the Contractual Minimum Accessibility Requirements in addition to any requirements pursuant to the ADA and the applicable building code or legal requirement. As used herein, “**Contractual Minimum Accessibility Requirements**” means that a building shall, at a minimum, include (1) at least one point of entry (as used in the ADA), accessible from a public right of way, with respect to which all architectural barriers (as used in the ADA) to entry have been eliminated, and (2) if such accessible point of entry is not a building’s primary point of entry, conspicuous signage directing persons to such accessible point of entry.

Section 2. Real Property Tax Exemption. Subject to the satisfaction of the conditions set forth in this Agreement, the City approves exemption from real property taxation, pursuant to and to the fullest extent authorized by the Statute, of 100% of the amount by which the Improvements increase the assessed value of the Property as determined by the Hamilton County Auditor, for a period of 11 years,

provided that the Company shall have entered into the Board of Education Agreement. Within 120 days after completion of the Project (unless otherwise extended in writing by the City's Housing Officer), the Company must file the appropriate application for tax exemption with the City's Housing Officer. The Company is solely responsible to take this action. Upon receipt of the application for tax exemption, the City will proceed with the exemption authorized by this Agreement. In accordance with Ohio Revised Code Section 3735.67, the exemption is conditioned on verification by the Housing Officer of (A) the completion of construction, (B) the cost of construction, (C) the facts asserted in the application for exemption, (D) compliance with LBC and/or LEED standards identified in Section 1, and (E) if a remodeled structure is a structure of historical or architectural significance as designated by the City, state or federal government, that the appropriateness of the construction has been certified in writing by the appropriate agency. If the required verification is made, the Housing Officer will forward the exemption application to the Hamilton County Auditor with the necessary certification by the Housing Officer. Subject to the conditions set forth in this Agreement, the exemption commences the first tax year for which the Improvements would first be taxable were the Improvements not exempted from taxation. The dates provided in this paragraph refer to tax years in which the subject property is assessed, as opposed to years in which taxes are billed. No exemption shall commence after tax year 2025 nor extend beyond the earlier of (i) tax year 2035 or (ii) the end of the eleventh (11th) year of exemption.

Section 3. Use; Maintenance; Inspections. The Company shall use the Property solely for the purposes described in Section 1 hereof and shall properly maintain and repair the Property throughout the period of tax exemption authorized herein. The Company authorizes the Housing Officer, or the Housing Officer's designees, to enter upon the Property as reasonably required to perform property inspections in accordance with Ohio Revised Code Section 3735.68.

Section 4. Compliance with Board of Education Agreement. As a condition of the tax exemption authorized under this Agreement, the Company agrees to enter into and comply with its obligation under the Board of Education Agreement.

Section 5. Duty of Company to Pay Taxes. As required by Ohio Revised Code Section 3735.671(B)(3), the Company shall pay such real property taxes as are not exempted under this Agreement and are charged against the Property and shall file all tax reports and returns as required by law. If the Company fails to pay such taxes or file such returns and reports, exemptions from taxation granted or authorized under this Agreement are rescinded beginning with the year for which such taxes are charged or such reports or returns are required to be filed and continuing thereafter.

Section 6. Company Certifications Regarding Non-Delinquency of Tax Obligations. As required by Ohio Revised Code Section 3735.671(B)(4), the Company certifies that at the time this Agreement is executed, the Company does not owe any delinquent real or tangible personal property taxes to any taxing authority of the State, and does not owe delinquent taxes for which the Company is liable under Ohio Revised Code Chapters 5735, 5739, 5741, 5743, 5747 or 5753, or if such delinquent taxes are owed, the Company currently is paying the delinquent taxes pursuant to an undertaking enforceable by the State or an agent or instrumentality thereof, has filed a petition in bankruptcy under 101, et seq., or such a petition has been filed against the Company. For the purposes of this certification, delinquent taxes are taxes that remain unpaid on the latest day prescribed for payment without penalty under the chapter of the Ohio Revised Code governing payment of those taxes.

Section 7. Covenant of Satisfaction of Tax and Other Obligations. In accordance with Ohio Revised Code Section 9.66, (A) the Company affirmatively covenants that it does not owe: (i) any delinquent taxes to the State or to a political subdivision of the State; (ii) any moneys to the State or a State agency for the administration or enforcement of any environmental laws of the State; or (iii) any other moneys to the State, a State agency or a political subdivision of the State that are past due, regardless of whether the amounts owed are being contested in a court of law or not; (B) the Company authorizes the City and/or the State to inspect the personal financial statements of the Company, including tax records and other similar information not ordinarily open to public inspection; and (C) the Company authorizes the Ohio Environmental Protection Agency and the Ohio Department of Taxation to release information to the City and or other State departments in connection with the above statements.

As provided by statute, a knowingly false statement under this section may be prosecuted as a first degree misdemeanor under Ohio Revised Code Section 2921.13, may render the Company ineligible for any future economic development assistance from the State or any political subdivision of the State, and will result in the City requiring the Company's repayment of any assistance provided by the City in connection with the Project.

Section 8. City Cooperation. As required by Ohio Revised Code Section 3735.671(B), upon specific request from the Company, the City shall perform such acts as are reasonably necessary or appropriate to effect, claim, reserve and maintain exemptions from taxation granted under this Agreement including, without limitation, joining in the execution of all documentation and providing any necessary certificates required in connection with such exemptions.

Section 9. Continuation of Exemptions. As provided in Ohio Revised Code Section 3735.671(B), if for any reason the City revokes the designation of the City of Cincinnati as a Community Reinvestment Area, entitlements granted under this Agreement shall continue for the number of years specified under this Agreement, unless the Company materially fails to fulfill its obligations under this Agreement and the City terminates or modifies the exemptions from taxation authorized pursuant to this Agreement.

Section 10. City Not Liable. The Company acknowledges that the exemption authorized in this Agreement is subject to approval and implementation by the appropriate state and/or county taxing authorities. The Company acknowledges that the City does not give any guarantee or assurance that the exemption approved in this Agreement will be so approved, and the Company agrees that in no event shall the Company seek to hold the City liable in any way in the event such exemption is not granted or implemented.

Section 11. Small Business Enterprise Program.

A. Compliance with Small Business Enterprise Program. The policy of the City is that a fair share of contracts be awarded to Small Business Enterprises (as such term is defined in Cincinnati Municipal Code ("CMC") Section 323-1-S, "SBEs"). Pursuant to CMC Section 323-11, the City's annual goal for SBE participation shall be thirty percent (30%) of the City's total dollars spent for construction (as such term is defined in CMC Section 323-1-C4), supplies (as such term is defined in CMC Section 323-1-S5), services (as such term is defined in CMC Section 323-1-S) and professional services (as such term is defined in CMC Section 323-1-P2). Accordingly, the Company shall use its best efforts and take affirmative steps to achieve the City's goal of voluntarily meeting thirty percent (30%) SBE participation. A list of SBEs may be obtained from the City's Department of Economic Inclusion. The Company may refer interested firms to the City's Department of Economic Inclusion for review and possible certification as an SBE. The Company shall comply with the provisions of CMC Chapter 323, including without limitation taking at least the following affirmative steps:

(i) Including qualified SBEs on solicitation lists.

(ii) Assuring that SBEs are solicited whenever they are potential sources.

The Company must advertise, on at least two separate occasions, both in local minority publications and in other local newspapers of general circulation, invitations to SBEs to provide services, to supply materials, or to bid on construction contracts, as applicable.

(iii) When economically feasible, dividing total requirements into small tasks or quantities so as to permit maximum SBE participation.

(iv) If any subcontracts are to be let, the Company shall require the prime contractor (if different from the Company) to take the above affirmative steps.

(v) Prior to the commencement of work under any subcontracts, the Company shall provide to the City a list of such subcontractors, including information as to the dollar amount of the subcontracts and such other information as may be requested by the City. The Company shall update the report monthly.

(vi) The Company shall periodically document its best efforts and affirmative steps to meet the above SBE participation goals by submitting such information as may be requested from time to time by the City.

B. Remedies for Noncompliance with Small Business Enterprise Program. Failure of the Company or its contractors and subcontractors to take the affirmative steps specified above, to provide fair and equal opportunity to SBEs, or to provide technical assistance to SBEs as may be necessary to reach SBE participation as set out in CMC Chapter 323 may be construed by the City as failure of the Company to use its best efforts, and, in addition to other remedies under this Agreement, may be a cause for the City to file suit in Common Pleas Court to enforce specific performance of the terms of this Section. The provisions of CMC Section 323-99 are hereby incorporated by reference into this Agreement.

Section 12. Jobs. The Company represents that, as of the date of the execution of this Agreement, the Company has no existing employment at the Property or in the State.

Section 13. Job Creation and Retention.

A. Jobs to be Created by Company. The Company agrees to use its best efforts to create (i) 18 full-time permanent jobs, and (ii) 200 full-time temporary construction jobs at the Property in connection with the Project. In the case of the construction jobs, the job creation and retention period shall be concurrent with construction, and in the case of the other jobs described herein, the job creation period shall begin upon completion of construction and shall end three (3) years thereafter.

B. Company's Estimated Payroll Increase. The Company's increase in the number of employees will result in approximately (i) \$850,000 of additional annual payroll with respect to the full-time permanent jobs, and (ii) \$3,000,000 of additional annual payroll prior to the completion of the Project with respect to the full-time temporary construction jobs.

C. Community Reinvestment Area Employment. The Company shall (i) adopt hiring practices to ensure that at least twenty-five percent (25%) of the new employees shall be residents of the City of Cincinnati and (ii) give preference to residents of the City relative to residents of the State who do not reside in the City when hiring new employees under this Agreement.

D. Posting Available Employment Opportunities. To the extent allowable by law, the Company shall use its best efforts to post available employment opportunities within the Company's organization or the organization of any subcontractor working with the Company with the Ohio Means Jobs Center, 1916 Central Parkway, Cincinnati, Ohio 45214-2305, through its Employer Services Unit Manager at 513-746-7200.

Section 14. Equal Employment Opportunity. This Agreement is subject to the City's Equal Employment Opportunity Program contained in CMC Chapter 325. The Equal Employment Opportunity Clause in CMC Section 325-9 is incorporated by reference in this Agreement. The term "Company" is substituted for "Contractor" throughout CMC Section 325-9 in the context of this Agreement.

Section 15. Compliance with Immigration and Nationality Act. In the performance of its obligations under this Agreement, the Company agrees to comply with the provisions of the Immigration and Nationality Act codified at 8 U.S.C. §§ 1324a(a)(1)(A) and (a)(2). Any noncompliance with such provisions shall be solely determined by either the federal agencies authorized to enforce the Immigration and Nationality Act or the U.S. Attorney General, in accordance with Executive Order 12989 of the U.S. President dated February 13, 1996, and as amended by Executive Order 13465 of the U.S. President dated June 6, 2008.

Section 16. Default. As provided in Ohio Revised Code Section 3735.671(B), if the Company materially fails to fulfill its obligations under this Agreement, or if the City determines that the certification as to delinquent taxes required by this Agreement (Section 6 hereof) or the covenant of satisfaction of tax and other obligations (Section 7 hereof) is fraudulent, the City may terminate or modify the exemptions from taxation granted or authorized under this Agreement and may require the repayment by the Company of the amount of taxes that would have been payable had the Improvements not been exempted from taxation pursuant to this Agreement. A modification of exemption may be in the form of reduction in the number of years that eligible property is exempt and/or a reduction in the exemption percentage. The City shall provide written notice to the Company prior to finding the Company in default under this section. The notice shall provide the Company with not less than thirty (30) days to cure the default prior to City termination or modification of the exemptions under this Agreement. The City may extend the cure period as reasonably necessary under the circumstances. In the event of such termination or modification, the City is authorized to so notify the appropriate taxing authorities in order to effect the termination or modification. If repayment of previously exempt taxes is required by the City under this Section, such amount shall be paid as directed by the City within thirty (30) days of written demand. The City may secure repayment of such taxes by a lien on the Property in the amount required to be repaid. Such a lien shall attach, and may be perfected, collected, and enforced, in the same manner as a mortgage lien on real property, and shall otherwise have the same force and effect as a mortgage lien on real property. Amounts due and not paid when due under this Section 16 shall bear interest at the rate specified in Ohio Revised Code Section 1343.03(A) (as in effect on the date of the City's payment demand).

Section 17. Annual Review and Report. As required by Ohio Revised Code Sections 3735.671(B)(5) and 5709.85, the Company shall provide to the City's Tax Incentive Review Council (or to the City Manager if so requested by the City) any information reasonably required by the Council or the City Manager to evaluate the Company's compliance with this Agreement, including returns filed pursuant to Ohio Revised Code Section 5711.02 if requested by the Council or City Manager. The performance of the Company's obligations stated in this Agreement shall be subject to annual review by the City's Tax Incentive Review Council (the "Annual Review and Report"). The Company shall submit information for the Annual Review and Report to the City no later than March 1 of each year.

Section 18. Revocation.

A. Generally. Pursuant to Ohio Revised Code Section 3735.68, the housing officer shall make annual inspections of the properties within the community reinvestment area upon which are located structures or remodeling for which an exemption has been granted under Ohio Revised Code Section 3735.67. If the housing officer finds that the property has not been properly maintained or repaired due to the neglect of the Company, the housing officer may revoke the exemption at any time after the first year of exemption. If the Company has materially failed to fulfill its obligations under this Agreement, or if the owner is determined to have violated division (E) of that section (see Section 18(B) of this Agreement), City Council, subject to the terms of the agreement, may revoke the exemption at any time after the first year of exemption. The housing officer or City Council shall notify the county auditor and the Company that the tax exemption no longer applies. If the housing officer or legislative authority revokes a tax exemption, the housing officer shall send a report of the revocation to the community reinvestment area housing council and to the tax incentive review council established pursuant to section 3735.69 or 5709.85 of the Revised Code, containing a statement of the findings as to the maintenance and repair of the property, failure to fulfill obligations under the written agreement, or violation of division (C) of Ohio Revised Code Section 3735.671, and the reason for revoking the exemption.

B. Prior Statutory Violations. The Company represents and warrants to the City that it is not prohibited by Ohio Revised Code Section 3735.671(C) from entering into this Agreement. As required by Ohio Revised Code Section 3735.671(B)(7), exemptions from taxation granted or authorized under this Agreement shall be revoked if it is determined that the Company, any successor to the Company or any related member (as those terms are defined in division (C) of

Ohio Revised Code Section 3735.671. has violated the prohibition against entering into this Agreement under division (C) of Ohio Revised Code Section 3735.671 or under Ohio Revised Code Sections 5709.62, 5709.63, or 5709.632 prior to the time prescribed by that division or either of those sections.

Section 19. False Statements; Penalties; Material Representations.

A. Generally. As required in connection with Ohio Revised Code Section 9.66(C), the Company affirmatively covenants that it has made no false statements to the State or the City in the process of obtaining approval for this Agreement. If any representative of the Company has knowingly made a false statement to the State or the City to obtain approval for this Agreement, or if the Company fails to provide any information expressly required under the Application, the Company shall be required to immediately return all benefits received under this Agreement (by payment of the amount of taxes exempted hereunder, paid as directed by the City within thirty (30) days of written demand) and the Company shall be ineligible for any future economic development assistance from the State, any State agency or any political subdivision of the State pursuant to Ohio Revised Code Section 9.66(C)(1). Amounts due and not paid under this Section 19 shall bear interest at the rate of twelve percent (12%) per year. Any person who provides a false statement to secure economic development assistance (as defined in Ohio Revised Code Section 9.66) may be guilty of falsification, a misdemeanor of the first degree, pursuant to Ohio Revised Code Section 2921.13(F)(1), which is punishable by fine of not more than One Thousand Dollars (\$1,000) and/or a term of imprisonment of not more than six (6) months.

B. Material Representations – Board of Education Agreement and VTICA. The Parties acknowledge and agree that a material failure by the Company to comply with its representations concerning the Board of Education Agreement or VTICA Contribution shall constitute an event of default for purposes of Section 16 (Default) and the basis for revocation under Section 18 (Revocation). Subject to the terms of the VTICA, if the VTICA is unenforceable for reasons of infeasibility or otherwise, the Company shall enter into alternative arrangements providing for the economic equivalent of the VTICA Contribution. Such arrangements may include, but are not limited to, providing for the economic equivalent of the VTICA Contribution through formation of a special improvement district. For purposes of this Section 19.B, alternative arrangements must result in services substantially similar to those that would have been supported through the VTICA and at a value that is the economic equivalent of the VTICA Contribution, which value shall not be required to exceed the VTICA Contribution amount that would have been payable by the Company. Any determination of infeasibility or mechanism for providing alternative arrangements is subject to approval by the City at its sole discretion. Nothing in this Section 19.B shall operate to limit the City's enforcement authority under this Agreement including, without limitation, Section 16, Section 18, and Section 19.A.

Section 20. Conflict of Interest. The Company covenants that, to the Company's knowledge, no employee of the City has any personal interest, direct or indirect, in any matters pertaining to the Project, and the Company agrees to take appropriate steps to prevent any employee of the City from obtaining any such interest throughout the term of this Agreement.

Section 21. Annual Fee. The Company shall pay an annual fee of Five Hundred Dollars (\$500) or one percent (1%) of the annual taxes exempted under this Agreement, whichever is greater, but not to exceed Two Thousand, Five Hundred Dollars (\$2,500) per annum. This fee is due with submission of the information for Annual Review and Report by March 1 of each year.

Section 22. Discontinued Operations. As provided in Ohio Revised Code Section 3735.671(C), if, prior to the expiration of the term of this Agreement, the Company discontinues operations at the Project so that the Property is no longer being used for the purposes described in Section 1 hereof, then the Company, its successors, and any related member shall not enter into an agreement under Ohio Revised Code Sections 3735.671, 5709.62, 5709.63 or 5709.632, and no

legislative authority shall enter into such an agreement with the Company, its successors or any related member prior to the expiration of three (3) years after the discontinuation of operations. As used in this Section 22, "successors" and "related member" shall have the meanings set forth in Ohio Revised Code Section 3735.671(C).

Section 23. Notices. Unless otherwise specified herein, each party shall address written notices, demands and communications in connection with this Agreement to the other party as follows (or to such other address as is communicated in accordance with this Section):

To the City:

City of Cincinnati
Attention: Director of the Department of Community and Economic Development
Centennial Plaza Two, Suite 700
805 Central Avenue
Cincinnati, Ohio 45202

To the Company:

Fair Oaks Enterprises, Ltd.
Attn: Douglas L. Steinke
550 Folkerth Avenue, Suite 100
Sidney, Ohio 45365

If the Company sends a notice to the City alleging that the City is in default under this Agreement, the Company shall simultaneously send a copy of such notice to: City Solicitor, City of Cincinnati, 801 Plum Street, Room 214, Cincinnati, OH 45202.

Section 24. Acknowledgment of City Participation. The Company agrees to acknowledge the support of the City on construction signs, project and exhibition signage, and any publicity such as that appearing on the internet, television, cable television, radio, or in the press or any other printed media. In identifying the City as a Project partner, the Company shall use either the phrase "Project Assistance by the City of Cincinnati" or a City of Cincinnati logotype or other form of acknowledgement that has been approved in advance in writing by the City.

Section 25. Entire Agreement. This Agreement and the Exhibits attached hereto constitute the entire agreement between the City and the Company with respect to the subject matter herein, superseding any prior or contemporaneous agreement with respect thereto.

Section 26. Governing Law. This Agreement is entered into and is to be performed in the State. The City and the Company agree that the law of the State of Ohio shall govern the rights, obligations, duties and liabilities of the parties to this Agreement and shall govern the interpretation of this Agreement.

Section 27. Waiver. The City's waiver of any breach by the Company of any provision of this Agreement shall not constitute or operate as a waiver by the City of any other breach of such provision or of any other provisions, nor shall any failure or delay by the City to enforce any provision hereof operate as a waiver of such provision or of any other provision.

Section 28. Severability. This Agreement shall be severable; if any part or parts of this Agreement shall for any reason be held invalid or unenforceable by a court of competent jurisdiction, all remaining parts shall remain binding and in full force and effect.

Section 29. Amendment. This Agreement may be modified or amended only by a written agreement duly executed by the parties hereto or their representatives.

Section 30. Non-Assignment. As required by Ohio Revised Code Section 3735.671(B)(6), this Agreement is not transferable or assignable by the Company without the express written approval of the City Manager of the City. If the Company has entered into a Board of Education Agreement or VTICA in connection with the Property, the City shall not approve the assignment of this Agreement unless the assignee has assumed the Company's remaining obligations under the Board of Education Agreement and VTICA, as applicable. Failure to assign or otherwise perform the Company's obligations under the Board of Education Agreement or VTICA upon transfer of the Property during the term of the tax abatement authorized by this Agreement shall be basis for revocation of the tax exemption under Section 18.

Section 31. Recording. At its election, the City may record this Agreement at the City's expense in the Hamilton County Recorder's Office.

Section 32. Legislative Action Required. As provided in Ohio Revised Code Section 3735.671, the Company and the City acknowledge that this Agreement must be approved by formal action of the City Council of the City as a condition for this Agreement to take effect. Notwithstanding anything to the contrary herein, this Agreement shall take effect after the later of the date of such approval or the final date of execution of this Agreement by all parties.

Section 33. Additional Representations and Warranties of Company. The Company represents and warrants that (a) it is duly organized and existing and it has full power and authority to take, and has taken, all action necessary to execute and deliver this Agreement and any other documents required or permitted to be executed or delivered by it in connection with this Agreement, and to fulfill its obligations hereunder; (b) no notices to, or consents, authorizations or approvals of, any person are required (other than any already given or obtained) for its due execution, delivery and performance of this Agreement; and (c) this Agreement has been duly executed and delivered by it and constitutes the legal, valid and binding obligation of the Company.

Section 34. Certification as to Non-Debarment. The Company represents that neither it nor any of its principals is presently debarred by any federal, state, or local government agency. In completing the Project, the Company shall not solicit bids from any contractors or subcontractors who are identified as being debarred by any federal, state, or local government agency. If the Company or any of its principals becomes debarred by any federal, state, or local government agency during the term of this Agreement, the company shall be considered in default under this Agreement.

Section 35. Appeals. Pursuant to Ohio Revised Code Section 3735.70, a person aggrieved under the Statute or this Agreement may appeal to the community reinvestment area housing council, which shall have the authority to overrule any decision of a housing officer. Appeals may be taken from a decision of the council to the court of common pleas of the county where the area is located.

Section 36. Wage Enforcement.

(i) Applicability. Council passed Ordinance No. 22-2016 on February 3, 2016, which ordained Chapter 326 (Wage Enforcement) of the Cincinnati Municipal Code (the "Wage Enforcement Chapter"). The Wage Enforcement Chapter was then amended by Ordinance No. 96-2017, passed May 17, 2017. As amended, the Wage Enforcement Chapter imposes certain requirements upon persons entering into agreements with the City whereby the City provides an incentive or benefit that is projected to exceed \$25,000, as described more particularly in the Wage Enforcement Chapter. Cincinnati Municipal Code Section 326-5 requires that the language below be included in contracts subject to the Wage Enforcement Chapter.

(ii) Required Contractual Language. Capitalized terms used, but not defined, in this clause (ii) have the meanings ascribed thereto in the Wage Enforcement Chapter.

(a) This contract is or may be subject to the Wage Enforcement provisions of the Cincinnati Municipal Code. These provisions require that any Person who has an Agreement with

the city or with a Contractor or Subcontractor of that Person shall report all Complaints or Adverse Determinations of Wage Theft and Payroll Fraud (as each of those terms is defined in Chapter 326 of the Cincinnati Municipal Code) against the Contractor or Subcontractors to the Department of Economic Inclusion within 30 days of notification of the Complaint or Adverse Determination.

(b) If this contract is subject to the Wage Enforcement provisions of Chapter 326 of the Cincinnati Municipal Code, the Person entering into this contract is required to include provisions in solicitations and contracts regarding a Development Site that all employers, Contractors or Subcontractors performing or proposing to perform work on a Development Site provide an initial sworn and notarized "Affidavit Regarding Wage Theft and Payroll Fraud" on a form prescribed by the city manager or his or her designee and, within 30 days of an Adverse Determination or Complaint of Wage Theft or Payroll Fraud, shall provide an "Amended Affidavit Regarding Wage Theft and Payroll Fraud" on a form prescribed by the city manager or his or her designee.

(c) If this contract is subject to the Wage Enforcement provisions of Chapter 326 of the Cincinnati Municipal Code, the Person entering into this contract is required to authorize, and does hereby specifically authorize, any local, state or federal agency, court, administrative body or other entity investigating a complaint of Wage Theft or Payroll Fraud against the Person (collectively "investigative bodies") to release to the City's Department of Economic Inclusion any and all evidence, findings, complaints and determinations associated with the allegations of Wage Theft or Payroll Fraud upon the City's request and further authorizes such investigative bodies to keep the City advised regarding the status of the investigation and ultimate determination. If the investigative bodies require the Person to provide additional authorization on a prescribed form or in another manner, the Person shall be required to provide such additional authorization within 14 days of a request by the City.

(d) If this Agreement is subject to the Wage Enforcement provisions of Chapter 326 of the Cincinnati Municipal Code, the Person entering into this Agreement shall include in its contracts with all Contractors language that requires the Contractors to provide the authorizations set forth in subsection (c) above and that further requires each Contractor to include in its contracts with Subcontractors those same obligations for each Subcontractor and each lower tier subcontractor.

(e) If this Agreement is subject to the Wage Enforcement provisions of Chapter 326 of the Cincinnati Municipal Code, the Person entering into this Agreement shall post a conspicuous notice on the Development Site throughout the entire period work is being performed pursuant to the Agreement indicating that the work being performed is subject to Cincinnati Municipal Code Chapter 326, Wage Enforcement, as administered by the City of Cincinnati Department of Economic Inclusion. Such notice shall include contact information for the Department of Economic Inclusion as provided by the department.

(f) Under the Wage Enforcement provisions, the City shall have the authority, under appropriate circumstances, to terminate this contract or to reduce the incentives or subsidies to be provided under this contract and to seek other remedies, including debarment.

Section 37. Legal Requirements. In completing and operating the Project, the Company shall comply with all applicable statutes, ordinances, regulations, and rules of the government of the United States, State of Ohio, County of Hamilton, and City of Cincinnati.

Section 38. Counterparts and Electronic Signatures. This Agreement may be executed by the parties hereto in two or more counterparts and each executed counterpart shall be considered an original but all of which together shall constitute one and the same instrument. This Agreement may be executed and delivered by electronic signature; any original signatures that are initially delivered electronically shall be physically delivered as soon as reasonably possible.

Remainder of this page intentionally left blank. Signature page follows.

Executed by the parties on the dates indicated below, effective as of the later of such dates (the "Effective Date").

CITY OF CINCINNATI,
an Ohio municipal corporation

FAIR OAKS ENTERPRISES, LTD.,
an Ohio limited liability company

By: _____
Sheryl M. M. Long, City Manager

Date: _____, 2023

By: _____

Printed Name: _____

Title: _____

Date: _____, 2023

Authorized by resolution dated _____

Approved as to Form:

Assistant City Solicitor

Certified Date: _____

Fund/Code: _____

Amount: _____

By: _____
Karen Alder, City Finance Director

Exhibit A to CRA Agreement

LEGAL DESCRIPTION OF PROPERTY

Property Address: 3005 Vandercar Way, Cincinnati, Ohio 45209

Auditor's Parcel No.: 051-0001-0113-00

Situate in the State of Ohio, County of Hamilton, City of Cincinnati, Section 28, Town 4, Fractional Range 2, Miami Purchase, being a 1.4981 acre parcel and part of Lot 3, Oakley Station, a plat of record in Plat Book 439, Page 94, and also being a part of the lands conveyed to USS Realty, LLC by deed recorded in Official Record 11973, Page 1921, all references herein being to the records located in the Hamilton County, Ohio Recorder's Office and being more particularly described as follows:

Beginning in an "X" Cut in Concrete Found in a southeasterly corner of a parcel conveyed to Net Lease Realty I, LLC by deed recorded in Official Record 12120, Page 1844 and also being in the northeasterly corner of said Lot 3 and also being in the westerly right of way line of Factory Colony Lane (71' R/W); thence In said westerly right of way line of Factory Colony Lane, South 05° 44' 30" West, 333.35 feet to a Magnail Found in the northeasterly corner of a parcel conveyed to Oakley Hotel Enterprises, Ltd. by deed recorded in Official Record 13125, Page 1719; thence Leaving said westerly right of way line of Factory Colony Lane and in the northerly line of said Oakley Hotel Enterprises, Ltd., North 84° 14' 39" West, 173.09 feet to a Magnail Set and being the **TRUE PLACE OF BEGINNING** of the parcel herein described; thence the following 6 courses:

1. In the line common to said Oakley Hotel Enterprises, Ltd., South 05° 44' 30" West, 160.14 feet to a Magnail Set; thence
2. Continuing in said common to said Oakley Hotel Enterprises, Ltd., North 84° 15' 30" West, 44.00 feet to a Magnail Set; thence
3. Continuing in said common to said Oakley Hotel Enterprises, Ltd., South 05° 44' 30" West, 62.00 feet to an Iron Pin Set in the northerly right of way line of Vandercar Way (RW=76'); thence
4. In said northerly right of way line of Vandercar Way, North 84° 15' 30" West, 262.00 feet to an Iron Pin Set; thence
5. Leaving said northerly right of way line of Vandercar Way, North 05° 44' 31" East, 222.22 feet to a Magnail Set; thence
6. South 84° 14' 39" East, 306.00 feet to the **TRUE PLACE OF BEGINNING** of the parcel herein described.

Containing 65,259 Square Feet or 1.4981 Acres.

iron Pins Set consist of a 5/8" x 30" rebar with a plastic cap inscribed "FINN S-7181 OH."

This description was prepared by Patrick Finn, IBI Group, Cincinnati, Ohio.

Exhibit B to CRA Agreement
APPLICATION FOR TAX EXEMPTION

TO BE ATTACHED

**APPLICATION FOR COMMERCIAL TAX ABATEMENT
CITY OF CINCINNATI COMMUNITY REINVESTMENT AREA**



COMMERCIAL, INDUSTRIAL, MIXED-USE, MULTI-UNIT (5+ UNITS)

*Note: After review and recommendation by the Department of Community & Economic Development, all applications must be reviewed and approved by the City of Cincinnati Council before commencing construction. Any projects that start construction before City Council approval will be **INELIGIBLE** for a Commercial CRA Tax Abatement.*

The City requires that the Applicant provide the following documentation with this application:

- o A detailed breakdown of all Sources and Uses of Funds for the project (templates are available upon request). A minimum of \$40,000 in costs must be documented.
- o Supporting documentation for ALL sources of funding for the project. For instance, if a bank loan will be obtained, a letter or term sheet from the bank specifying, among other things, the loan amount and term. A contact person must be identified for each funding source.
- o A post-construction operating pro forma for the building and cash flow analysis. NOTE: Please submit a copy of the pro forma used to apply for any bank financing as required and a contact person considering the application for bank financing.
- o A \$1,250 application fee in the form of check, money order, or cashier's check payable to "City of Cincinnati". Note the application fee is nonrefundable.
- o Corporate Resolution, Articles of Incorporation, and an Operating/Partnership Agreement for entity applying for abatement showing who is authorized to sign for the organization
- o Copy of the Deed or other Legal Description of the Property
- o A copy of the proposed construction plans/rendering/etc.
- o Estimated pre-construction, and post construction real estate taxes
- o If this project is seeking LEED or Living Building Challenge (Full, Net Zero, or Petal [must include "Energy Petal"]) Certification, provide confirmation of registration

SECTION I – Applicant/Project Information

Applicant Information:

Legal Name of Property Owner Applying for Abatement: Fair Oak Enterprises LTD

Form of business enterprise Corporation (corporation, partnership, proprietorship, LLC, non-profit, or other)

Is the Applicant affiliated with a larger developer or development entity? Yes No. If Yes, please provide the name of this developer or development entity: VanderCar Oakley Station

Legal Address of real property owner: 550 Folkerth Ave, Sidney, OH 45365

Federal Tax ID #(s): 8-4325694

Applicant Contact Person: Doug Steinke Title: Member

Phone: 937.726.1787 Main Contact email address: doug.steinke@yahoo.com

Address of subject property 3005 VanderCar Way, Cincinnati, OH Zip: 45209

Hamilton County Auditor Parcel ID#: 051 - 0001 - 0089 (attach a page listing all parcels and addresses if more than one parcel)

City of Cincinnati Neighborhood: Oakley Station

Is any other financial assistance being requested from the City of Cincinnati for this project? Yes No
If yes, please indicate the Development Analyst with whom you are working:

Space/Units to be constructed/renovated:

Construction Type: New Construction Renovation
What percentage of the existing structure is currently occupied: _____ %

Total sqft/units to be constructed/renovated:

Commercial: 71,000 (sqft) Office: _____ (sqft) Industrial: _____ (sqft)
Residential: _____ (sqft) Residential: _____ (# of units)

Project Type:

- Commercial (Retail, Office etc)
 - Industrial
 - Multi-Unit Residential (5 or more units)
 - Mixed-Use (Residential & Commercial)
- Describe the break down in use in SF below:

If approved for an abatement, does the Applicant intend to enter into a Voluntary Tax Incentive Contribution Agreement (VTICA)?

Yes 15 % No

(A VTICA is an agreement with a third-party non-profit designated by the City in which the Applicant would contribute a portion of the abated taxes to support neighborhood-based projects and services as well as City-wide affordable housing initiatives [note that VTICAs in the vicinity of the Streetcar are used to support streetcar operations]. As indicated the applicable City legislation & policies as this is a significant factor in determining the terms of the abatement.)

Please indicate if the project intends to meet Leadership in Energy and Environmental Design (LEED) levels as defined by the U.S. Green Building Council (www.usgbc.org).

- Project is not LEED-certified
- LEED Silver
- LEED Gold
- LEED Platinum

Please indicate if the project will be qualified under the Living Building Challenge program (<http://living-future.org/lbc>):

- Project is not LBC qualified
- LBC Full
- LBC Net Zero
- LBC Petal (requires "Energy Petal")

General Project Information:

Project Name (of Applicable): Marriott Fairfield Inn/TownPlace Suites

Description of the project:

117 Room Marriott Hotel

Please provide a brief description of the applicant's development experience:

Have developed 20 hotel over the last 27 years.

Please state why this project deserves a tax exemption from the City of Cincinnati and what benefits the project will bring to the neighborhood where it is located:

We will provide new tax revenue and new employment opportunity. Also, this location will attract new businesses to the area (such as restaurants and small entrepreneurs)>

If Commercial or Industrial, state the nature of commercial/industrial activity (manufacturing, warehousing, wholesale or retail stores, or other) to be conducted at the site: Hotel/Office - RAS Code 7911

Please detail the project's planned community engagement (link for community council boundaries):

N/A
Oakley Community Council.

*already meet with Colleen Reynolds of
OAKLEY Community Council.*

SECTION II – Job Creation/Retention

Job Creation and Retention:

The Company will agree to use its best efforts to retain and/or create at least the following estimated number of employee positions at the Property in connection with the Project, in accordance with the specified schedule, and to maintain the minimum employment levels throughout the period of the incentive. The Job numbers below are to be listed in Full Time Equivalent (FTE) positions. FTEs are calculated by the number of total hours worked divided by the maximum number of compensable hours for a full-time work schedule (40hrs/week).

Existing positions at the site of the company to be retained:

Full-Time Equivalent _____ employees; total annual payroll \$ _____

Will the project involve relocation of positions from another company location in the State of Ohio to the City of Cincinnati? Yes No

Existing positions at other company locations in Ohio to be relocated:

Address of Other Location(s): N/A

Full-Time Equivalent _____ employees; total annual payroll \$ _____

Address of Other Location(s): _____

Full-Time Equivalent _____ employees; total annual payroll \$ _____

*Please attach additional sheets if other locations exceed spaces provided above.

Will the project involve relocation of positions from another company location outside of the State of Ohio to the City of Cincinnati? N/A

Existing positions at other company locations outside of the State of Ohio:

Address of Other Location: _____
Full-Time Equivalent _____ employees; total annual payroll \$ _____
Address of Other Location: _____
Full-Time Equivalent _____ employees; total annual payroll \$ _____
Address of Other Location: _____
Full-Time Equivalent _____ employees; total annual payroll \$ _____

*Please attach additional sheets if other locations exceed spaces provided above.

Estimate the number of **new employees** the property owner will cause to be created at the facility that comprises the project site within **three years**. Job creation projection must be itemized by the name of the employer (add an additional page if more than one employer). FTEs are calculated by the number of total hours worked divided by the maximum number of compensable hours for a full-time work schedule (40hrs/week):

Full-Time Equivalent 18-22 employees (Total); total annual payroll \$850,000
During the first twelve months of the agreement: 3 positions
During the second twelve months of the agreement: 15 additional positions
During the third twelve months of the agreement: 3-4 additional positions

Temporary Construction 200 jobs; total annual payroll \$3,000,000
Length of Construction Period: 18 months

In addition to the Full Time Equivalent positions listed above, are there any part time jobs and associated payroll? If so, please provide, as well as a description of the positions:

Please provide a brief description of the Job Creation that is associated with this Project (types of jobs; e.g. fabrication, warehousing, sales, operations, management, technical, retail, etc.):

Hotel Management, Sales, Maintenance & Housekeepers

Note to Applicant: Ohio Revised Code Section 3735.673 requires the City formally to notify each county or corporation from which the company intends to relocate, and the Ohio Development, prior to approval of a tax exemption agreement. This notification must be sent prior to consideration of the exemption by Cincinnati City Council.

SECTION III – Project Investment

Real Estate Investment:

Indicate the estimated cost of the construction or remodeling: \$15,500,000

Estimated total cost of the project (including soft costs & acquisition): 19,500,000

Estimated Project start date: March 1, 2023 Estimated Project completion date: May 2024

Current Auditor's value of property (aggregate value of all parcels involved): _____

Estimated post-construction value of property: \$15,000,000 - \$15,500,000

(Please provide appraisal or other method for determining post-construction value of the property)

Other Investment

Investment in Machinery & Equipment (M&E) at the Property: \$ N/A

Investment in Furniture, Fixtures, and Equipment (FF&E) at the Property: \$ 2,000,000

Other Investment: \$ _____

Description of Other Investment: _____

SECTION IV – Applicant Certifications

Does the property owner owe:

1. Any delinquent taxes to the State of Ohio, the City of Cincinnati or another political subdivision of the State? YES NO
2. Any moneys to the State of a state agency for the administration or enforcement of any environmental laws of the State? YES NO
3. Any other moneys to the State, a state agency or a political subdivision of the State that are past due, whether the amounts owed are being contested in a court of law or not? YES NO

If the applicant responds yes to any of the three above questions, please provide details of each instance including but not limited to the location, amounts, and/or case identification numbers (please submit additional sheets for response).

The Applicant authorizes the City and/or the Ohio Department of Development to inspect the personal financial statements of the Applicant, including but not limited to tax records and other similar information not ordinarily open to public inspection; and authorizes the Ohio Environmental Protection Agency and the Ohio Department of Taxation to release information to the City and/or the Ohio Department of Development in connection with the above statements.

Note: The above statements as to taxes and other obligations, and authorization to inspect, are required by Ohio Revised Code Section 9.66 (C) (1), As provided by statute, a knowingly false statement under this paragraph may be prosecuted as a first degree misdemeanor under Ohio Revised Code 2921.13 (D) and may render the Applicant ineligible for any future economic development assistance from the state or any political subdivision.

Please initial that you have read the above. X DS

Project Completion:

Once the project is complete, the Applicant is required to submit a CRA Completion Application Form along with required documentation noted therein. It is the Applicant's responsibility to submit this completed form to the City of Cincinnati to ensure the tax abatement will be initiated by the Hamilton County Auditor.

Please initial that you have read the above statement and understand that the abatement will not be considered by the Hamilton County Auditor's Office until the CRA Completion Application Form is complete and submitted.

X DS

Additional Certifications by Applicant:

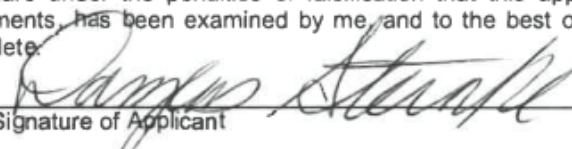
- o The Applicant acknowledges that the property is **Not Eligible** for tax exemption if construction activities are commenced prior to the execution of a Community Reinvestment Area Tax Exemption Agreement between the Applicant and the City. No agreement may be executed by the City without prior approval by Cincinnati City Council.
- o The Applicant acknowledges that if the application is approved by Cincinnati City Council, a \$750.00 application fee payable to "Treasurer, State of Ohio" will be due. Applicant must submit this fee to the City's Department of Community & Economic Development upon approval by Cincinnati City Council.
- o The Applicant acknowledges that a Payment In Lieu of Taxes (PILOT) agreement in the amount of 33% of the annual value of the exemption with Cincinnati Board of Education will be required. The form of this PILOT agreement is available upon request.
- o The Applicant acknowledges that if one of the City's considerations for granting a tax exemption is the applicant's representation that it will enter into a VTICA, then the failure by the Applicant to do so is considered grounds for the City of Cincinnati to terminate the tax exemption granted to the Applicant.
- o The Applicant acknowledges that all tax exemptions must submit an Annual Report on or before March 31 of each year. This report must be submitted for each year of the tax exemption agreement including during the construction period.
- o The Applicant acknowledges that all tax exemptions will be subject to an annual monitoring fee of 1% of the annual taxes exempted under the agreement or \$500, whichever is greater; no City annual fee will be greater than \$2,500 per year. This annual monitoring fee must be submitted with each Annual Report.
- o The Applicant acknowledges that to be eligible for tax exemption by the City of Cincinnati, the subject property must be located within the City of Cincinnati.
- o The Applicant acknowledges that exemption values are determined by the Hamilton County Auditor's Office.
- o The Applicant acknowledges that the City of Cincinnati may revoke the tax exemption any time after the first year if the property has building code violations or is delinquent on the property taxes.
- o The Applicant acknowledges that the City of Cincinnati Council may rescind or alter the Ordinance granting tax exemptions.
- o The Applicant agrees to supply additional information upon request.

Please initial that you have read the above. X DS

Prior Agreement. Applicant represents and warrants that neither Applicant, nor any "predecessor" or "related member" is a party to another agreement granting tax exemption relating to a structure in this state at which the Applicant (or the predecessor or related member) has discontinued or intends to discontinue operations prior to the expiration of the term of that agreement. (Note: This information is required by Ohio Revised Code 3735.671 (E). As used herein "predecessor" means a person or entity that has transferred assets or equity to Applicant, which transfer resulted in the full or partial non-recognition of gain or loss, or resulted in a carryover basis, both as determined by rule adopted by the Ohio Tax Commissioner; and "related member" has the same meaning as defined in Ohio Revised Code 5733.042 without regard to division (B) of that section.)

Please initial that you have read the above. X DS

I declare under the penalties of falsification that this application, including all enclosed documents and statements, has been examined by me, and to the best of my knowledge and belief is true, correct, and complete.

	<u>12-29-22</u>
Signature of Applicant	Date
Douglas L. Steinke	Member
Printed Name	Title (if signed as officer)

Please complete this application in its entirety and submit to the Department of Community & Economic Development along with required supporting documentation. Please make and retain a copy of this application for your records. Please allow 4 weeks for the Department of Community & Economic Development to review and follow-up on this application.

Send Completed Application to:

City of Cincinnati
Department of Community & Economic Development
805 Central Avenue, Suite 710
Cincinnati, Ohio 45202
Attention: Commercial Tax Abatement Application

STREETCAR VTICA AREA

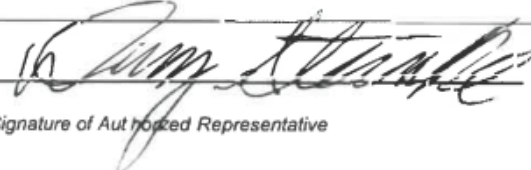


Small Business Enterprise (SBE) Utilization Plan

Please indicate which methods you plan to use to achieve the City's aspirational goal of 30% Small Business Enterprise (SBE) utilization for construction contracts. Return the form to the Department of Community & Economic Development with your tax abatement application. If you have questions about this form, please contact the analyst reviewing your application.

Project Name: Marriott Oakley

Action	YES	NO	Expected Date/Comments
1. Hold a Meet & Confer (required)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
2. Use the City's SBE Directory to solicit bids from certified SBEs –available here: http://www.cincinnati-oh.gov/purchasing/resources-directories/sbe-directory/	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
3. Identify sufficient subcontracting work to meet 30% SBE utilization goal	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
4. Divide the total requirements into small tasks or quantities to permit maximum SBE participation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
5. Written Notice to Subcontractors of opportunity to bid and follow-up to initial solicitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
6. Advertise opportunity to bid in local minority publications and in other local newspapers of general circulation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
7. Assistance with subcontractors' bonds, credit lines, and insurance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
8. Provide interested subcontractors with access to plans, specifications and requirements for subject project	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
9. Require subcontractors to demonstrate the affirmative steps #2-8 to utilize SBEs in their subcontracts	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
10. Other:	<input type="checkbox"/>	<input type="checkbox"/>	


 Signature of Authorized Representative

12-29-22
 Date

Community & Economic Development Approval

Date

May 10, 2023

To: Mayor and Members of City Council

202301359

From: Sheryl M.M. Long, City Manager

Subject: Emergency Ordinance – Approving and Authorizing CRA Tax Exemption Agreement with Lot 3 Local Oakley, LLC

Attached is an Emergency Ordinance captioned:

APPROVING AND AUTHORIZING the City Manager to execute a Community Reinvestment Area Tax Exemption Agreement (LEED or Living Building Challenge) with Lot 3 Local Oakley, LLC, thereby authorizing an eleven-year tax exemption for 100 percent of the value of improvements made to real property located at 2910 Disney Street in the Oakley neighborhood of Cincinnati, in connection with the construction of a new hotel, consisting of approximately 116 rooms, containing approximately 73,621 square feet of commercial space in aggregate, which construction shall be completed in compliance with Leadership in Energy and Environmental Design Silver, Gold or Platinum standards or Living Building Challenge standards, at a total construction cost of approximately \$11,400,000.

BACKGROUND/CURRENT CONDITIONS

Lot 3 Local Oakley, LLC, an affiliate of Keystone Management Group, plans to develop the property located at 2910 Disney Street in the Oakley neighborhood of Cincinnati. Prior to the proposed development, City Council established a 5709.40(B) TIF (Ordinance No. 363-2020) for public infrastructure improvements to the former 28-acre Cast-Fab industrial site. Other developments in the Cast-Fab subdivision include Arcadia, a 124 market-rate townhome development, Graphite Oakley, a 316-unit market-rate apartment complex, a cell tower, and a self-storage facility.

DEVELOPER INFORMATION

Founded in 2000, Keystone Management Group is a hotel investment, development, and management firm headquartered in Greater Cincinnati (Symmes Township). Subhas Patel serves as Director of the Group and has applied for the requested incentive. Since its inception, Keystone Management Group has developed 14 hotels, 9 of which it currently operates in Northern Kentucky, Central and Southwestern Ohio. A recent local project included the construction of a 110-unit downtown hotel (TownePlace Suites by Marriott) located at 106 W. 7th Street.

RECOMMENDATION

The Administration recommends approval of this Emergency Ordinance. This is an Emergency Ordinance so construction financing can be closed, and construction commences at the earliest possible time.

Attachment: Project Outline

Copy: Markiea L. Carter, Director, Department of Community & Economic Development

Project Outline

<u>Project Description Details</u>	<u>Explanation</u>
Project Name	Home 2 Suites by Hilton
Street Address	2910 Disney Street
Property Condition	Vacant 2 Acre Lot in Local Oakley Development, Developer acquired lot from Local Oakley, LLC in 2022.
Neighborhood	Oakley
Incentive Application Process	Commercial CRA – Neighborhood (LEED or LBC)
Recent or other projects by Developer	Existing portfolio of 9 hotels, including the TownePlace Suites by Marriott Downtown
Approval at planning commission/Neighborhood support	Planning Commission approved the Development Plan and Subdivision Improvement Plan in July 2019. Oakley Community Council has provided a letter of support for the project.
Plan Cincinnati Goals	Achieves the Compete Initiative Area Goal 2 (pages 114-120) and Sustain Initiative Area Goal 1 (pages 181-186) of Plan Cincinnati

Project Image



<u>Incentive Summary Category</u>	<u>Explanation</u>
Abatement Term and amount	11-year, net 52%
Construction Cost & Private investment committed	\$11,400,000 in hard construction costs, \$5,900,000 in acquisition and soft costs
Sq. Footage by Use	73,621 SQFT - Commercial
Number of units and rental ranges	No Residential Units
Jobs created/retained and payroll (living wage)	Projected to create 20 FTE positions at \$600,000 in annual payroll (avg. of \$30,000.00 annually per job). Projected to create 70 temporary construction positions at \$4,800,000 in total payroll. Developer has committed to making all jobs created by the project compliant with the City's living wage policy.
"But For"	No Points were assigned for "But For." The Developer will receive an acceptable Cash on Cash return in Year 6 of the abatement (8.30%). However, DCED utilized the established Neighborhood Scorecard to review this incentive request. Because the Developer was awarded 2 points from LEED Silver and 8 points for full 15% Neighborhood VTICA contribution, DCED recommends the 11-year tax abatement, per established City Council Policy.
Cash on Cash Return for developer (Market return between 8-12%, depends on investment risk)	Without Abatement: Year 5: 5.01% (stabilized) With Abatement: Year 5: 7.66% (stabilized)
LEED or other environmental build	LEED Silver
Neighborhood VTICA	Neighborhood VTICA – 15%
Total Public Benefit (Benefits Realized vs Taxes Forgone)	\$1.13 of new CPS/VTICA/Income taxes for each \$1 forgone
Projected Income Tax Revenue	\$226,800
MBE/WBE Goals	SBE Goal of 30% Voluntary MBE Goal of 17% Voluntary WBE Goal of 10%
Transit Access/Walkability	Located within ½ mile of Metro's Oakley Transit Center (24-hour service to Routes 11 and 51)
Geography	Located within ½ mile of a neighborhood business district
Historic Preservation/Existing Building Renovation	Not Applicable
Public Infrastructure Improvements	Not Applicable

EMERGENCY

EVK

- 2023

APPROVING, AND AUTHORIZING the City Manager to execute a *Community Reinvestment Area Tax Exemption Agreement (LEED or Living Building Challenge)* with Lot 3 Local Oakley, LLC, thereby authorizing an eleven-year tax exemption for 100 percent of the value of improvements made to real property located at 2910 Disney Street in the Oakley neighborhood of Cincinnati, in connection with the construction of a new hotel, consisting of approximately 116 rooms, containing approximately 73,621 square feet of commercial space in aggregate, which construction shall be completed in compliance with Leadership in Energy and Environmental Design Silver, Gold or Platinum standards or Living Building Challenge standards, at a total construction cost of approximately \$11,400,000.

WHEREAS, to encourage the development of real property and the acquisition of personal property, Council by Ordinance No. 274-2017 passed on September 27, 2017, designated the area within the corporate boundaries of the City of Cincinnati as a “Community Reinvestment Area” pursuant to Ohio Revised Code (“R.C.”) Sections 3735.65 through 3735.70 (the “Statute”); and

WHEREAS, Ordinance No. 275-2017 passed by Council on September 27, 2017, as amended by Ordinance No. 339-2018, passed by Council on October 31, 2018 (as amended, the “Commercial Policy Ordinance”), sets forth certain additional policies, conditions, and limitations regarding newly constructed or remodeled commercial and residential structures in the Community Reinvestment Area; and

WHEREAS, to encourage the development of real property in a more environmentally-friendly manner, the Commercial Policy Ordinance incentivizes: (i) construction and remodeling to Leadership in Energy and Environmental Design (“LEED”) standards (as defined by the U.S. Green Building Council); and (ii) construction and remodeling that obtains (a) Living Building Challenge Net Zero certification, (b) Living Building Challenge Full certification, or (c) solely in circumstances where the construction or remodeling complies with the requirements of the “Energy Petal” of the Living Building Challenge, Living Building Challenge Petal certification, in each case as defined by the International Living Future Institute and the Cascadia Green Building Council (collectively, “LBC” standards), all pursuant to the Statute; and

WHEREAS, effective October 23, 2017, the Director of Development of the State of Ohio determined that the area within the corporate boundaries of the City of Cincinnati contains the characteristics set forth in the Statute and confirmed such area as a Community Reinvestment Area under the Statute; and

WHEREAS, Lot 3 Local Oakley, LLC (the “Company”) desires to construct a new hotel, consisting of approximately 116 rooms, containing approximately 73,621 square feet of commercial space in aggregate on real property at 2910 Disney Street located within the

corporate boundaries of the City of Cincinnati, to LEED or LBC standards (the “Improvements”), provided that the appropriate development incentives are available to support the economic viability of the Improvements; and

WHEREAS, to provide an appropriate development incentive for the Improvements, the City Manager has recommended a *Community Reinvestment Area Tax Exemption Agreement (LEED or Living Building Challenge)*, in substantially the form of Attachment A to this ordinance, to authorize a real property tax exemption for the Improvements in accordance with the Statute; and

WHEREAS, the property is located within the Cincinnati City School District; and

WHEREAS, the Board of Education of the Cincinnati City School District (the “Board of Education”), pursuant to that certain *Tax Incentive Agreement* effective as of April 28, 2020 (as may be amended, the “Board of Education Agreement”), has approved exemptions of up to 100 percent of Community Reinvestment Area projects, waived advance notice and the right to review such projects, and waived sharing or allocation of municipal income taxes in connection with such projects; and

WHEREAS, pursuant to the Board of Education Agreement, the Company has entered into (or will enter into) an agreement with the Board of Education requiring the Company to pay the Board of Education amounts equal to 33 percent of the exempt real property taxes; and

WHEREAS, the City’s Department of Community and Economic Development estimates that the real property tax exemption for the Improvements will provide an annual net benefit to the Company in the amount of approximately \$101,665; and

WHEREAS, the Company has represented that it has entered into (or will enter into) a voluntary tax incentive contribution agreement with a third-party organization for amounts equal to fifteen percent of the exempt real property taxes, which funds shall be committed by the third-party organization to facilitate permanent improvements and neighborhood services furthering redevelopment in the neighborhood of the Improvements and to support affordable housing on a City-wide basis; and

WHEREAS, the Improvements do not involve relocation of part or all of the Company’s operations from another county or municipal corporation in Ohio or, if there is relocation, notice has been given per R.C. Section 3735.673; now, therefore,

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

Section 1. That Council approves a *Community Reinvestment Area Tax Exemption Agreement (LEED or Living Building Challenge)* with Lot 3 Local Oakley, LLC (the “Agreement”), thereby authorizing an eleven-year tax exemption for 100 percent of the assessed value of improvements to be made to real property located at 2910 Disney Street in Cincinnati,

as calculated by the Hamilton County Auditor, in connection with the construction of a new hotel, consisting of approximately 116 rooms, containing approximately 73,621 square feet of commercial space in aggregate, to be constructed in compliance with Leadership in Energy and Environmental Design Silver, Gold or Platinum standards (as defined by the U.S. Green Building Council) or Living Building Challenge standards (as described in the Agreement and as determined by the International Living Future Institute and the Cascadia Green Building Council, as applicable) at a total construction cost of approximately \$11,400,000.

Section 2. That Council authorizes the City Manager:

- (i) to execute the Agreement on behalf of the City of Cincinnati (the “City”) in substantially the form of Attachment A to this ordinance; and
- (ii) to submit on behalf of Council annual reports on the Agreement to the Director of the Ohio Department of Development, in accordance with Ohio Revised Code Section 3735.672, and to the Board of Education of the Cincinnati City School District, as necessary; and
- (iii) to take all necessary and proper actions to fulfill the City’s obligations under the Agreement.

Section 3. 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 allow the construction described in this ordinance and the corresponding revitalization of the City of Cincinnati and the benefits to the City's economic welfare to begin at the earliest possible time.

Passed: _____, 2023

Aftab Pureval, Mayor

Attest: _____
Clerk

Community Reinvestment Area Tax Exemption Agreement
(LEED or Living Building Challenge)

This Community Reinvestment Area Tax Exemption Agreement (this “Agreement”) is made and entered into as of the Effective Date (as defined on the signature page hereof) by and between the CITY OF CINCINNATI, an Ohio municipal corporation (the “City”), and LOT 3 LOCAL OAKLEY, LLC, an Ohio limited liability corporation (the “Company”), an affiliate of Keystone Management Group, LLP.

Recitals:

- A. The City, through the adoption of Ordinance No. 274-2017 on September 27, 2017, designated the entire City of Cincinnati as a Community Reinvestment Area to encourage the development of real property and the acquisition of personal property in that area, pursuant to Ohio Revised Code Sections 3735.65 through 3735.70 (the “Statute”).
- B. In accordance with the Statute, the Ohio Director of Development has forwarded to the City the Director’s determination dated October 23, 2017, stating that the findings contained in Ordinance No. 274-2017 are valid and that the entire City is a Community Reinvestment Area under the Statute. By such determination, the Director of Development of the State of Ohio determined that the area within the corporate boundaries of the City of Cincinnati contains the characteristics set forth in the Statute and confirmed such area as a Community Reinvestment Area under the Statute.
- C. The Council of the City of Cincinnati has also passed Ordinance No. 275-2017 as of September 27, 2017, as amended by Ordinance No. 339-2018, passed on October 31, 2018, Ordinance No. 370-2020, passed on November 12, 2020, and Ordinance No. 24-2022, passed on February 2, 2022 (as amended, the “Commercial Policy Ordinance”), which sets forth certain additional policies, conditions and limitations regarding newly constructed or remodeled commercial and residential structures in the Community Reinvestment Area.
- D. Pursuant to the Commercial Policy Ordinance, a project that is constructed or remodeled to (1) Leadership in Energy and Environmental Design (“LEED”) Silver, Gold or Platinum standards (as defined by the U.S. Green Building Council), or (2) receives a (a) Living Building Challenge Net Zero certification, (b) Living Building Challenge Full certification, or (c) solely in circumstances where the construction or remodeling complies with the requirements of the “Energy Petal” of the Living Building Challenge, Living Building Challenge Petal certification, in each case as defined by the International Living Future Institute and the Cascadia Green Building Council (such qualifying remodeling or construction is referred to, collectively, as “LBC” remodeling or construction), may qualify for a longer term and/or greater abatement.
- E. The Company is the sole owner of certain real property within the City, located at 2910 Disney Street, Cincinnati, Ohio 45209 (the “Property”), as further described in Exhibit A (Legal Description of Property) hereto. Notwithstanding the foregoing, the Property shall not include any residential condominiums being developed in connection with the Project (as defined below) (the “Excluded Property”), and the Company acknowledges and agrees that the City’s Community Reinvestment Area program entails separate applications by the owner of any residential condominium units included within the Project. For the avoidance of doubt, the Excluded Property shall not be exempt under this Agreement; however, this provision shall not be deemed to prohibit any owners from time to time of any Excluded Property from separately applying for a tax abatement in accordance with applicable law.
- F. The Company has proposed the construction of a building located on the Property to LEED Silver standards, as defined by the U.S. Green Building Council, within the boundaries of the City of Cincinnati, as more fully described in Section 1 herein (the “Project”); provided that the appropriate development incentives are available to support the economic viability of the Project.

- G. The Statute provides that if any part of a project is to be used for commercial or industrial purposes, including projects containing five or more dwelling units, in order to be eligible for tax exemption the City and the Company must enter into an agreement pursuant to Ohio Revised Code Section 3735.671 prior to commencement of construction or remodeling.
- H. The City, having appropriate authority under the Statute for this type of project, agrees (as provided herein and subject to all conditions herein) to provide the Company with the tax exemption incentives stated herein, available under the Statute, for development of the Project.
- I. The Company has submitted to the City an application for this tax exemption agreement (the "Application"), a copy of which is attached hereto as Exhibit B, has remitted with the Application the City application fee of One Thousand Two Hundred Fifty Dollars (\$1,250) made payable to the City.
- J. The Director of the City's Department of Community and Economic Development has recommended approval of the Application on the basis that the Company is qualified by financial responsibility and business experience to create and preserve employment opportunities and improve the economic climate of the City.
- K. The Board of Education of the Cincinnati City School District (the "Board of Education"), pursuant to that certain *Tax Incentive Agreement* effective as of April 28, 2020, has approved exemptions of up to one hundred percent (100%) of Community Reinvestment Area projects, waived advance notice and right to review such projects, and waived sharing or allocation of municipal income taxes in connection with such projects.
- L. The Company has entered into (or will enter into) an agreement with the Board of Education requiring the Company to pay the Board of Education amounts equal to thirty-three percent (33%) of the full amount of exempt real property taxes that would have been paid to Hamilton County if this Agreement were not in effect (the "Board of Education Agreement").
- M. The Company represents and warrants to the City that the Company and its major tenants, if any, do not intend to relocate part or all of their operations to the City from another county or municipal corporation in the State of Ohio (the "State").
- N. The Company represents that within the past three (3) years neither the Company, any related member of the Company, nor any entity to which the Company is a successor has discontinued operations at a project site in the State during the term of a property tax exemption agreement (under Ohio Revised Code Section 3735.671, 5709.62, 5709.63 or 5709.632) applicable to that site, and the Company acknowledges that misrepresentation hereunder will result in voiding of this Agreement.
- O. The Company represents and warrants to the City that the Company is not subject to an Enterprise Zone Agreement with the City of Cincinnati for the Property or the Project.
- P. The Company acknowledges that the Oakley neighborhood is a rising neighborhood in need of resources for development, neighborhood improvements, amenities, and organizations oriented towards neighborhood services. The Company anticipates that future development, improvements, amenities and organizations will contribute to the quality and vitality of the neighborhood, therefore increasing the value of the Property and directly and indirectly contributing to the Project's success. The Project's success, in turn, will benefit the neighborhood. Although this feedback effect will promote the revitalization and redevelopment of the City, it could also impact the affordability of property in the area. Therefore, in support of the Oakley neighborhood and with the intention of preserving and improving the availability of quality, reliable affordable housing on a City-wide basis, as a material inducement to the City to enter into this Agreement, the Company hereby represents to the City that it will enter into a voluntary tax incentive contribution agreement ("VTICA") with a City-designated third-party non-profit

administrative organization (the "Third-Party Administrator") to contribute to the Third-Party Administrator an amount equal to fifteen percent (15%) of the real property taxes that would have been payable on the abated property but for the City-authorized tax abatement (the "VTICA Contribution"). Half of such VTICA Contribution is to be committed by the Third-Party Administrator to facilitate permanent improvements and neighborhood services furthering urban redevelopment in the Oakley neighborhood and the other half of such VTICA Contribution is to be committed by the Third-Party Administrator in supporting quality affordable housing on a City-wide basis. The Company hereby represents and warrants that it will pay the VTICA Contribution for the full term of the abatement.

- Q. This Agreement has been authorized by Ordinance No. _____-2023, passed by Cincinnati City Council on _____, 2023.
- R. In determining to recommend and authorize this Agreement, the Department of Community and Economic Development and City Council, respectively, have acted in material reliance on the Company's representations in the Application and herein regarding the Project including, but not limited to, representations relating to the number of jobs to be created and/or retained by the Company, the Board of Education Agreement, the VTICA Contribution, and the Project's effect in promoting the general welfare of the people of Cincinnati by, for example, encouraging the development of real property located in the Community Reinvestment Area and thereby promoting economic growth and vitality in Cincinnati.

NOW, THEREFORE, pursuant to Ohio Revised Code Section 3735.67(A) and in conformity with the format required under Ohio Revised Code Section 3735.671, in consideration of the mutual covenants contained herein and the benefit to be derived by the parties from the execution hereof, the parties agree as follows:

Section 1. Project. Upon issuance of the necessary zoning and building approvals, the Company agrees to construct a new hotel on the Property, consisting of approximately 116 rooms, containing approximately 73,621 square feet of commercial space in aggregate (the "Improvements") at an estimated aggregate cost of \$11,400,000 to commence after the execution of this Agreement and to be completed no later than June 30, 2025; *provided*, however, that the Director of the Department of Community and Economic Development (the "Housing Officer") may, in his or her discretion, extend such deadline for a period of up to 12 months by written notice if, in the Director's judgment, the Company is proceeding in good faith towards completion. The construction shall be in compliance with applicable building code requirements and zoning regulations, as well as complying with LEED Silver standards. The Company hereby represents that it has registered with the U.S. Green Building Council with intent to certify compliance with LEED Silver. In addition to the foregoing, (A) the Project shall comply with the Americans with Disabilities Act, together with any and all regulations or other binding directives promulgated pursuant thereto (collectively, the "**ADA**"), and (B) if (i) any building(s) within the Project is subject to the accessibility requirements of the ADA (e.g., by constituting a "place of public accommodation" or another category of structure to which the ADA is applicable) and (ii) such building(s) is not already required to meet the Contractual Minimum Accessibility Requirements (as defined below) pursuant to the ADA, applicable building code requirements, or by any other legal requirement, then the Company shall cause such building(s) to comply with the Contractual Minimum Accessibility Requirements in addition to any requirements pursuant to the ADA and the applicable building code or legal requirement. As used herein, "**Contractual Minimum Accessibility Requirements**" means that a building shall, at a minimum, include (1) at least one point of entry (as used in the ADA), accessible from a public right of way, with respect to which all architectural barriers (as used in the ADA) to entry have been eliminated, and (2) if such accessible point of entry is not a building's primary point of entry, conspicuous signage directing persons to such accessible point of entry.

Section 2. Real Property Tax Exemption. Subject to the satisfaction of the conditions set forth in this Agreement, the City approves exemption from real property taxation, pursuant to and to the fullest extent authorized by the Statute, of 100% of the amount by which the Improvements increase the assessed value of the Property as determined by the Hamilton County Auditor, for a period of 11 years,

provided that the Company shall have entered into the Board of Education Agreement. Within 120 days after completion of the Project (unless otherwise extended in writing by the City's Housing Officer), the Company must file the appropriate application for tax exemption with the City's Housing Officer. The Company is solely responsible to take this action. Upon receipt of the application for tax exemption, the City will proceed with the exemption authorized by this Agreement. In accordance with Ohio Revised Code Section 3735.67, the exemption is conditioned on verification by the Housing Officer of (A) the completion of construction, (B) the cost of construction, (C) the facts asserted in the application for exemption, (D) compliance with LBC and/or LEED standards identified in Section 1, and (E) if a remodeled structure is a structure of historical or architectural significance as designated by the City, state or federal government, that the appropriateness of the construction has been certified in writing by the appropriate agency. If the required verification is made, the Housing Officer will forward the exemption application to the Hamilton County Auditor with the necessary certification by the Housing Officer. Subject to the conditions set forth in this Agreement, the exemption commences the first tax year for which the Improvements would first be taxable were the Improvements not exempted from taxation. The dates provided in this paragraph refer to tax years in which the subject property is assessed, as opposed to years in which taxes are billed. No exemption shall commence after tax year 2026 nor extend beyond the earlier of (i) tax year 2036 or (ii) the end of the eleventh (11th) year of exemption.

Section 3. Use; Maintenance; Inspections. The Company shall use the Property solely for the purposes described in Section 1 hereof and shall properly maintain and repair the Property throughout the period of tax exemption authorized herein. The Company authorizes the Housing Officer, or the Housing Officer's designees, to enter upon the Property as reasonably required to perform property inspections in accordance with Ohio Revised Code Section 3735.68.

Section 4. Compliance with Board of Education Agreement. As a condition of the tax exemption authorized under this Agreement, the Company agrees to enter into and comply with its obligation under the Board of Education Agreement.

Section 5. Duty of Company to Pay Taxes. As required by Ohio Revised Code Section 3735.671(B)(3), the Company shall pay such real property taxes as are not exempted under this Agreement and are charged against the Property and shall file all tax reports and returns as required by law. If the Company fails to pay such taxes or file such returns and reports, exemptions from taxation granted or authorized under this Agreement are rescinded beginning with the year for which such taxes are charged or such reports or returns are required to be filed and continuing thereafter.

Section 6. Company Certifications Regarding Non-Delinquency of Tax Obligations. As required by Ohio Revised Code Section 3735.671(B)(4), the Company certifies that at the time this Agreement is executed, the Company does not owe any delinquent real or tangible personal property taxes to any taxing authority of the State, and does not owe delinquent taxes for which the Company is liable under Ohio Revised Code Chapters 5735, 5739, 5741, 5743, 5747 or 5753, or if such delinquent taxes are owed, the Company currently is paying the delinquent taxes pursuant to an undertaking enforceable by the State or an agent or instrumentality thereof, has filed a petition in bankruptcy under 101, et seq., or such a petition has been filed against the Company. For the purposes of this certification, delinquent taxes are taxes that remain unpaid on the latest day prescribed for payment without penalty under the chapter of the Ohio Revised Code governing payment of those taxes.

Section 7. Covenant of Satisfaction of Tax and Other Obligations. In accordance with Ohio Revised Code Section 9.66, (A) the Company affirmatively covenants that it does not owe: (i) any delinquent taxes to the State or to a political subdivision of the State; (ii) any moneys to the State or a State agency for the administration or enforcement of any environmental laws of the State; or (iii) any other moneys to the State, a State agency or a political subdivision of the State that are past due, regardless of whether the amounts owed are being contested in a court of law or not; (B) the Company authorizes the City and/or the State to inspect the personal financial statements of the Company, including tax records and other similar information not ordinarily open to public inspection; and (C) the Company authorizes the Ohio Environmental Protection Agency and the Ohio Department of Taxation to release information to the City and or other State departments in connection with the above statements.

As provided by statute, a knowingly false statement under this section may be prosecuted as a first degree misdemeanor under Ohio Revised Code Section 2921.13, may render the Company ineligible for any future economic development assistance from the State or any political subdivision of the State, and will result in the City requiring the Company's repayment of any assistance provided by the City in connection with the Project.

Section 8. City Cooperation. As required by Ohio Revised Code Section 3735.671(B), upon specific request from the Company, the City shall perform such acts as are reasonably necessary or appropriate to effect, claim, reserve and maintain exemptions from taxation granted under this Agreement including, without limitation, joining in the execution of all documentation and providing any necessary certificates required in connection with such exemptions.

Section 9. Continuation of Exemptions. As provided in Ohio Revised Code Section 3735.671(B), if for any reason the City revokes the designation of the City of Cincinnati as a Community Reinvestment Area, entitlements granted under this Agreement shall continue for the number of years specified under this Agreement, unless the Company materially fails to fulfill its obligations under this Agreement and the City terminates or modifies the exemptions from taxation authorized pursuant to this Agreement.

Section 10. City Not Liable. The Company acknowledges that the exemption authorized in this Agreement is subject to approval and implementation by the appropriate state and/or county taxing authorities. The Company acknowledges that the City does not give any guarantee or assurance that the exemption approved in this Agreement will be so approved, and the Company agrees that in no event shall the Company seek to hold the City liable in any way in the event such exemption is not granted or implemented.

Section 11. Business Enterprise Program.

A. Compliance with Business Enterprise Program. The policy of the City is that a fair share of contracts be awarded to Small Business Enterprises (as such term is defined in Cincinnati Municipal Code ("CMC") Section 323-1-S, "SBEs"), which includes SBEs owned by minorities and women ("MBEs" and "WBEs", respectively, as used within CMC Chapter 324, and collectively with SBEs, "Certified Firms"). Pursuant to CMC Section 323-11, the City's annual goal for SBE participation shall be thirty percent (30%) of the City's total dollars spent for construction (as such term is defined in CMC Section 323-1-C4), supplies (as such term is defined in CMC Section 323-1-S5), services (as such term is defined in CMC Section 323-1-S) and professional services (as such term is defined in CMC Section 323-1-P2). Accordingly, the Company shall use its best efforts and take affirmative steps to achieve (i) the City's goal of voluntarily meeting thirty percent (30%) SBE participation, and (ii) a sub-goal, being the Company's Project-specific voluntary commitment, of meeting the City's economic inclusion program goals to achieve a standard of no less than: seventeen percent (17%) MBE participation; and 10% WBE participation. A list of SBEs, MBEs, and WBEs may be obtained from the City's Department of Economic Inclusion. The Company may refer interested firms to the City's Department of Economic Inclusion for review and possible certification as an SBE, MBE, or WBE. The Company shall comply with the provisions of CMC Chapters 323 and 324, including without limitation taking at least the following affirmative steps:

- (i) Including qualified Certified Firms on solicitation lists.
- (ii) Assuring that Certified Firms are solicited whenever they are potential sources. The Company must advertise, on at least two separate occasions, both in local minority publications and in other local newspapers of general circulation, invitations to Certified Firms to provide services, to supply materials, or to bid on construction contracts, as applicable.
- (iii) When economically feasible, dividing total requirements into small tasks or quantities so as to permit maximum Certified Firm participation.
- (iv) If any subcontracts are to be let, the Company shall require the prime contractor (if different from the Company) to take the above affirmative steps.

(v) Prior to the commencement of work under any subcontracts, the Company shall provide to the City a list of such subcontractors, including information as to the dollar amount of the subcontracts and such other information as may be requested by the City. The Company shall update the report monthly.

(vi) The Company shall periodically document its best efforts and affirmative steps to meet the above Certified Firm participation goals by submitting such information as may be requested from time to time by the City.

B. Remedies for Noncompliance with Business Enterprise Program. Failure of the Company or its contractors and subcontractors to take the affirmative steps specified above, to provide fair and equal opportunity to Certified Firms, or to provide technical assistance to Certified Firm as may be necessary to reach Certified Firm participation as set out in CMC Chapters 323 and 324 may be construed by the City as failure of the Company to use its best efforts, and, in addition to other remedies under this Agreement, may be a cause for the City to file suit in Common Pleas Court to enforce specific performance of the terms of this Section. The provisions of CMC Sections 323-99 and 324-99 are hereby incorporated by reference into this Agreement.

Section 12. Jobs. The Company represents that, as of the date of the execution of this Agreement, the Company has no existing employment at the Property or in the State.

Section 13. Job Creation and Retention.

A. Jobs to be Created by Company. The Company agrees to use its best efforts to create (i) 20 full-time permanent jobs, and (ii) 70 full-time temporary construction jobs at the Property in connection with the Project. In the case of the construction jobs, the job creation and retention period shall be concurrent with construction, and in the case of the other jobs described herein, the job creation period shall begin upon completion of construction and shall end three (3) years thereafter.

B. Company's Estimated Payroll Increase. The Company's increase in the number of employees will result in approximately (i) \$600,000 of additional annual payroll with respect to the full-time permanent jobs, and (ii) \$4,800,000 of additional annual payroll prior to the completion of the Project with respect to the full-time temporary construction jobs. Notwithstanding the foregoing, all jobs created by the Project (during construction and after) will comply with the City's living wage policy as reflected in CMC Chapter 317, which rates shall be adjusted annually in accordance with such chapter.

C. Community Reinvestment Area Employment. The Company shall (i) adopt hiring practices to ensure that at least twenty-five percent (25%) of the new employees shall be residents of the City of Cincinnati and (ii) give preference to residents of the City relative to residents of the State who do not reside in the City when hiring new employees under this Agreement.

D. Posting Available Employment Opportunities. To the extent allowable by law, the Company shall use its best efforts to post available employment opportunities within the Company's organization or the organization of any subcontractor working with the Company with the Ohio Means Jobs Center, 1916 Central Parkway, Cincinnati, Ohio 45214-2305, through its Employer Services Unit Manager at 513-746-7200.

Section 14. Equal Employment Opportunity. This Agreement is subject to the City's Equal Employment Opportunity Program contained in CMC Chapter 325. The Equal Employment Opportunity Clause in CMC Section 325-9 is incorporated by reference in this Agreement. The term "Company" is substituted for "Contractor" throughout CMC Section 325-9 in the context of this Agreement.

Section 15. Compliance with Immigration and Nationality Act. In the performance of its obligations under this Agreement, the Company agrees to comply with the provisions of the Immigration and Nationality Act codified at 8 U.S.C. §§ 1324a(a)(1)(A) and (a)(2). Any noncompliance with such provisions shall be solely determined by either the federal agencies authorized to enforce the Immigration and Nationality Act or the U.S. Attorney General, in accordance with Executive Order 12989 of the U.S. President dated February 13, 1996, and as amended by Executive Order 13465 of the U.S. President dated June 6, 2008.

Section 16. Default. As provided in Ohio Revised Code Section 3735.671(B), if the Company materially fails to fulfill its obligations under this Agreement, or if the City determines that the certification as to delinquent taxes required by this Agreement (Section 6 hereof) or the covenant of satisfaction of tax and other obligations (Section 7 hereof) is fraudulent, the City may terminate or modify the exemptions from taxation granted or authorized under this Agreement and may require the repayment by the Company of the amount of taxes that would have been payable had the Improvements not been exempted from taxation pursuant to this Agreement. A modification of exemption may be in the form of reduction in the number of years that eligible property is exempt and/or a reduction in the exemption percentage. The City shall provide written notice to the Company prior to finding the Company in default under this section. The notice shall provide the Company with not less than thirty (30) days to cure the default prior to City termination or modification of the exemptions under this Agreement. The City may extend the cure period as reasonably necessary under the circumstances. In the event of such termination or modification, the City is authorized to so notify the appropriate taxing authorities in order to effect the termination or modification. If repayment of previously exempt taxes is required by the City under this Section, such amount shall be paid as directed by the City within thirty (30) days of written demand. The City may secure repayment of such taxes by a lien on the Property in the amount required to be repaid. Such a lien shall attach, and may be perfected, collected, and enforced, in the same manner as a mortgage lien on real property, and shall otherwise have the same force and effect as a mortgage lien on real property. Amounts due and not paid when due under this Section 16 shall bear interest at the rate specified in Ohio Revised Code Section 1343.03(A) (as in effect on the date of the City's payment demand).

Section 17. Annual Review and Report. As required by Ohio Revised Code Sections 3735.671(B)(5) and 5709.85, the Company shall provide to the City's Tax Incentive Review Council (or to the City Manager if so requested by the City) any information reasonably required by the Council or the City Manager to evaluate the Company's compliance with this Agreement, including returns filed pursuant to Ohio Revised Code Section 5711.02 if requested by the Council or City Manager. The performance of the Company's obligations stated in this Agreement shall be subject to annual review by the City's Tax Incentive Review Council (the "Annual Review and Report"). The Company shall submit information for the Annual Review and Report to the City no later than March 1 of each year.

Section 18. Revocation.

A. Generally. Pursuant to Ohio Revised Code Section 3735.68, the housing officer shall make annual inspections of the properties within the community reinvestment area upon which are located structures or remodeling for which an exemption has been granted under Ohio Revised Code Section 3735.67. If the housing officer finds that the property has not been properly maintained or repaired due to the neglect of the Company, the housing officer may revoke the exemption at any time after the first year of exemption. If the Company has materially failed to fulfill its obligations under this Agreement, or if the owner is determined to have violated division (E) of that section (see Section 18(B) of this Agreement), City Council, subject to the terms of the agreement, may revoke the exemption at any time after the first year of exemption. The housing officer or City Council shall notify the county auditor and the Company that the tax exemption no longer applies. If the housing officer or legislative authority revokes a tax exemption, the housing officer shall send a report of the revocation to the community reinvestment area housing council and to the tax incentive review council established pursuant to section 3735.69 or 5709.85 of the Revised Code, containing a statement of the findings as to the maintenance and repair of the property, failure to fulfill obligations under the written

agreement, or violation of division (C) of Ohio Revised Code Section 3735.671, and the reason for revoking the exemption.

B. Prior Statutory Violations. The Company represents and warrants to the City that it is not prohibited by Ohio Revised Code Section 3735.671(C) from entering into this Agreement. As required by Ohio Revised Code Section 3735.671(B)(7), exemptions from taxation granted or authorized under this Agreement shall be revoked if it is determined that the Company, any successor to the Company or any related member (as those terms are defined in division (C) of Ohio Revised Code Section 3735.671. has violated the prohibition against entering into this Agreement under division (C) of Ohio Revised Code Section 3735.671 or under Ohio Revised Code Sections 5709.62, 5709.63, or 5709.632 prior to the time prescribed by that division or either of those sections.

Section 19. False Statements; Penalties; Material Representations.

A. Generally. As required in connection with Ohio Revised Code Section 9.66(C), the Company affirmatively covenants that it has made no false statements to the State or the City in the process of obtaining approval for this Agreement. If any representative of the Company has knowingly made a false statement to the State or the City to obtain approval for this Agreement, or if the Company fails to provide any information expressly required under the Application, the Company shall be required to immediately return all benefits received under this Agreement (by payment of the amount of taxes exempted hereunder, paid as directed by the City within thirty (30) days of written demand) and the Company shall be ineligible for any future economic development assistance from the State, any State agency or any political subdivision of the State pursuant to Ohio Revised Code Section 9.66(C)(1). Amounts due and not paid under this Section 19 shall bear interest at the rate of twelve percent (12%) per year. Any person who provides a false statement to secure economic development assistance (as defined in Ohio Revised Code Section 9.66) may be guilty of falsification, a misdemeanor of the first degree, pursuant to Ohio Revised Code Section 2921.13(F)(1), which is punishable by fine of not more than One Thousand Dollars (\$1,000) and/or a term of imprisonment of not more than six (6) months.

B. Material Representations – Board of Education Agreement and VTICA. The Parties acknowledge and agree that a material failure by the Company to comply with its representations concerning the Board of Education Agreement or VTICA Contribution shall constitute an event of default for purposes of Section 16 (Default) and the basis for revocation under Section 18 (Revocation). Subject to the terms of the VTICA, if the VTICA is unenforceable for reasons of infeasibility or otherwise, the Company shall enter into alternative arrangements providing for the economic equivalent of the VTICA Contribution. Such arrangements may include, but are not limited to, providing for the economic equivalent of the VTICA Contribution through formation of a special improvement district. For purposes of this Section 19.B, alternative arrangements must result in services substantially similar to those that would have been supported through the VTICA and at a value that is the economic equivalent of the VTICA Contribution, which value shall not be required to exceed the VTICA Contribution amount that would have been payable by the Company. Any determination of infeasibility or mechanism for providing alternative arrangements is subject to approval by the City at its sole discretion. Nothing in this Section 19.B shall operate to limit the City's enforcement authority under this Agreement including, without limitation, Section 16, Section 18, and Section 19.A.

Section 20. Conflict of Interest. The Company covenants that, to the Company's knowledge, no employee of the City has any personal interest, direct or indirect, in any matters pertaining to the Project, and the Company agrees to take appropriate steps to prevent any employee of the City from obtaining any such interest throughout the term of this Agreement.

Section 21. Annual Fee. The Company shall pay an annual fee of Five Hundred Dollars (\$500) or one percent (1%) of the annual taxes exempted under this Agreement, whichever is greater, but

not to exceed Two Thousand, Five Hundred Dollars (\$2,500) per annum. This fee is due with submission of the information for Annual Review and Report by March 1 of each year.

Section 22. Discontinued Operations. As provided in Ohio Revised Code Section 3735.671(C), if, prior to the expiration of the term of this Agreement, the Company discontinues operations at the Project so that the Property is no longer being used for the purposes described in Section 1 hereof, then the Company, its successors, and any related member shall not enter into an agreement under Ohio Revised Code Sections 3735.671, 5709.62, 5709.63 or 5709.632, and no legislative authority shall enter into such an agreement with the Company, its successors or any related member prior to the expiration of three (3) years after the discontinuation of operations. As used in this Section 22, "successors" and "related member" shall have the meanings set forth in Ohio Revised Code Section 3735.671(C).

Section 23. Notices. Unless otherwise specified herein, each party shall address written notices, demands and communications in connection with this Agreement to the other party as follows (or to such other address as is communicated in accordance with this Section):

To the City:

City of Cincinnati
Attention: Director of the Department of Community and Economic Development
Centennial Plaza Two, Suite 700
805 Central Avenue
Cincinnati, Ohio 45202

To the Company:

Lot 3 Local Oakley, LLC
Attention: Subhas Patel, Director
8825 Chapel Square Lane, Suite A
Cincinnati, Ohio 45249

If the Company sends a notice to the City alleging that the City is in default under this Agreement, the Company shall simultaneously send a copy of such notice to: City Solicitor, City of Cincinnati, 801 Plum Street, Room 214, Cincinnati, OH 45202.

Section 24. Acknowledgment of City Participation. The Company agrees to acknowledge the support of the City on construction signs, project and exhibition signage, and any publicity such as that appearing on the internet, television, cable television, radio, or in the press or any other printed media. In identifying the City as a Project partner, the Company shall use either the phrase "Project Assistance by the City of Cincinnati" or a City of Cincinnati logotype or other form of acknowledgement that has been approved in advance in writing by the City.

Section 25. Entire Agreement. This Agreement and the Exhibits attached hereto constitute the entire agreement between the City and the Company with respect to the subject matter herein, superseding any prior or contemporaneous agreement with respect thereto.

Section 26. Governing Law. This Agreement is entered into and is to be performed in the State. The City and the Company agree that the law of the State of Ohio shall govern the rights, obligations, duties and liabilities of the parties to this Agreement and shall govern the interpretation of this Agreement.

Section 27. Waiver. The City's waiver of any breach by the Company of any provision of this Agreement shall not constitute or operate as a waiver by the City of any other breach of such provision or of any other provisions, nor shall any failure or delay by the City to enforce any provision hereof operate as a waiver of such provision or of any other provision.

Section 28. Severability. This Agreement shall be severable; if any part or parts of this Agreement shall for any reason be held invalid or unenforceable by a court of competent jurisdiction, all remaining parts shall remain binding and in full force and effect.

Section 29. Amendment. This Agreement may be modified or amended only by a written agreement duly executed by the parties hereto or their representatives.

Section 30. Non-Assignment. As required by Ohio Revised Code Section 3735.671(B)(6), this Agreement is not transferable or assignable by the Company without the express written approval of the City Manager of the City. If the Company has entered into a Board of Education Agreement or VTICA in connection with the Property, the City shall not approve the assignment of this Agreement unless the assignee has assumed the Company's remaining obligations under the Board of Education Agreement and VTICA, as applicable. Failure to assign or otherwise perform the Company's obligations under the Board of Education Agreement or VTICA upon transfer of the Property during the term of the tax abatement authorized by this Agreement shall be basis for revocation of the tax exemption under Section 18.

Section 31. Recording. At its election, the City may record this Agreement at the City's expense in the Hamilton County Recorder's Office.

Section 32. Legislative Action Required. As provided in Ohio Revised Code Section 3735.671, the Company and the City acknowledge that this Agreement must be approved by formal action of the City Council of the City as a condition for this Agreement to take effect. Notwithstanding anything to the contrary herein, this Agreement shall take effect after the later of the date of such approval or the final date of execution of this Agreement by all parties.

Section 33. Additional Representations and Warranties of Company. The Company represents and warrants that (a) it is duly organized and existing and it has full power and authority to take, and has taken, all action necessary to execute and deliver this Agreement and any other documents required or permitted to be executed or delivered by it in connection with this Agreement, and to fulfill its obligations hereunder; (b) no notices to, or consents, authorizations or approvals of, any person are required (other than any already given or obtained) for its due execution, delivery and performance of this Agreement; and (c) this Agreement has been duly executed and delivered by it and constitutes the legal, valid and binding obligation of the Company.

Section 34. Certification as to Non-Debarment. The Company represents that neither it nor any of its principals is presently debarred by any federal, state, or local government agency. In completing the Project, the Company shall not solicit bids from any contractors or subcontractors who are identified as being debarred by any federal, state, or local government agency. If the Company or any of its principals becomes debarred by any federal, state, or local government agency during the term of this Agreement, the company shall be considered in default under this Agreement.

Section 35. Appeals. Pursuant to Ohio Revised Code Section 3735.70, a person aggrieved under the Statute or this Agreement may appeal to the community reinvestment area housing council, which shall have the authority to overrule any decision of a housing officer. Appeals may be taken from a decision of the council to the court of common pleas of the county where the area is located.

Section 36. Wage Enforcement.

(i) Applicability. Council passed Ordinance No. 22-2016 on February 3, 2016, which ordained Chapter 326 (Wage Enforcement) of the Cincinnati Municipal Code (the "Wage Enforcement Chapter"). The Wage Enforcement Chapter was then amended by Ordinance No. 96-2017, passed May 17, 2017. As amended, the Wage Enforcement Chapter imposes certain requirements upon persons entering into agreements with the City whereby the City provides an incentive or benefit that is projected to exceed \$25,000, as described more particularly in the Wage Enforcement Chapter. Cincinnati

Municipal Code Section 326-5 requires that the language below be included in contracts subject to the Wage Enforcement Chapter.

(ii) Required Contractual Language. Capitalized terms used, but not defined, in this clause (ii) have the meanings ascribed thereto in the Wage Enforcement Chapter.

(a) This contract is or may be subject to the Wage Enforcement provisions of the Cincinnati Municipal Code. These provisions require that any Person who has an Agreement with the city or with a Contractor or Subcontractor of that Person shall report all Complaints or Adverse Determinations of Wage Theft and Payroll Fraud (as each of those terms is defined in Chapter 326 of the Cincinnati Municipal Code) against the Contractor or Subcontractors to the Department of Economic Inclusion within 30 days of notification of the Complaint or Adverse Determination.

(b) If this contract is subject to the Wage Enforcement provisions of Chapter 326 of the Cincinnati Municipal Code, the Person entering into this contract is required to include provisions in solicitations and contracts regarding a Development Site that all employers, Contractors or Subcontractors performing or proposing to perform work on a Development Site provide an initial sworn and notarized "Affidavit Regarding Wage Theft and Payroll Fraud" on a form prescribed by the city manager or his or her designee and, within 30 days of an Adverse Determination or Complaint of Wage Theft or Payroll Fraud, shall provide an "Amended Affidavit Regarding Wage Theft and Payroll Fraud" on a form prescribed by the city manager or his or her designee.

(c) If this contract is subject to the Wage Enforcement provisions of Chapter 326 of the Cincinnati Municipal Code, the Person entering into this contract is required to authorize, and does hereby specifically authorize, any local, state or federal agency, court, administrative body or other entity investigating a complaint of Wage Theft or Payroll Fraud against the Person (collectively "investigative bodies") to release to the City's Department of Economic Inclusion any and all evidence, findings, complaints and determinations associated with the allegations of Wage Theft or Payroll Fraud upon the City's request and further authorizes such investigative bodies to keep the City advised regarding the status of the investigation and ultimate determination. If the investigative bodies require the Person to provide additional authorization on a prescribed form or in another manner, the Person shall be required to provide such additional authorization within 14 days of a request by the City.

(d) If this Agreement is subject to the Wage Enforcement provisions of Chapter 326 of the Cincinnati Municipal Code, the Person entering into this Agreement shall include in its contracts with all Contractors language that requires the Contractors to provide the authorizations set forth in subsection (c) above and that further requires each Contractor to include in its contracts with Subcontractors those same obligations for each Subcontractor and each lower tier subcontractor.

(e) If this Agreement is subject to the Wage Enforcement provisions of Chapter 326 of the Cincinnati Municipal Code, the Person entering into this Agreement shall post a conspicuous notice on the Development Site throughout the entire period work is being performed pursuant to the Agreement indicating that the work being performed is subject to Cincinnati Municipal Code Chapter 326, Wage Enforcement, as administered by the City of Cincinnati Department of Economic Inclusion. Such notice shall include contact information for the Department of Economic Inclusion as provided by the department.

(f) Under the Wage Enforcement provisions, the City shall have the authority, under appropriate circumstances, to terminate this contract or to reduce the incentives or subsidies to be provided under this contract and to seek other remedies, including debarment.

Section 37. Legal Requirements. In completing and operating the Project, the Company shall comply with all applicable statutes, ordinances, regulations, and rules of the government of the United States, State of Ohio, County of Hamilton, and City of Cincinnati.

Section 38. Counterparts and Electronic Signatures. This Agreement may be executed by the parties hereto in two or more counterparts and each executed counterpart shall be considered an original but all of which together shall constitute one and the same instrument. This Agreement may be executed and delivered by electronic signature; any original signatures that are initially delivered electronically shall be physically delivered as soon as reasonably possible.

Remainder of this page intentionally left blank. Signature page follows.

Executed by the parties on the dates indicated below, effective as of the later of such dates (the "Effective Date").

CITY OF CINCINNATI,
an Ohio municipal corporation

LOT 3 LOCAL OAKLEY, LLC,
an Ohio limited liability corporation

By: _____
Sheryl M. M. Long, City Manager

By: _____

Date: _____, 2023

Printed Name: _____

Title: _____

Date: _____, 2023

Authorized by resolution dated _____

Approved as to Form:

Assistant City Solicitor

Certified Date: _____

Fund/Code: _____

Amount: _____

By: _____
Karen Alder, City Finance Director

Exhibit A to CRA Agreement

LEGAL DESCRIPTION OF PROPERTY

Property Address: 2910 Disney Street, Cincinnati, Ohio 45209

Auditor's Parcel No.: 052-0001-0024-00

Situated in Section 28, Town 4, Fractional Range 2, Columbia Township, Miami Purchase, City of Cincinnati, Hamilton County, Ohio and being all of Lot 3 of Cast Fab Subdivision, as recorded in Plat Book 473, Pages 49 and 50, of the Recorder's Office, Hamilton County, Ohio.

Exhibit B to CRA Agreement
APPLICATION FOR TAX EXEMPTION

TO BE ATTACHED

May 10, 2023

To: Mayor and Members of City Council

202301360

From: Sheryl M.M. Long, City Manager

Subject: Emergency Ordinance – Approving and Authorizing a Community Reinvestment Area Tax Exemption Agreement with Pleasant CAKE LLC

Attached is an Emergency Ordinance captioned:

APPROVING AND AUTHORIZING the City Manager to execute a *Community Reinvestment Area Tax Exemption Agreement (LEED or Living Building Challenge)* with Pleasant Cake LLC, thereby authorizing a fifteen-year tax exemption for one hundred percent of the value of improvements made to real property located at 1527-1531 Pleasant Street in the Over-the-Rhine neighborhood of Cincinnati, in connection with the construction of a mixed-use building consisting of approximately 959 square feet of commercial office space and approximately 7,208 square feet of residential space, comprised of approximately five residential rental units, which construction shall be completed in compliance with Leadership in Energy and Environmental Design Silver, Gold or Platinum standards or Living Building Challenge standards, at a total construction cost of approximately \$3,158,393.

BACKGROUND/CURRENT CONDITIONS

In January 2023, Pleasant CAKE LLC submitted a Commercial CRA Application for a new construction of a 4-story, five-unit LEED Gold building at the property located at 1527-1531 Pleasant Street in the Over-the-Rhine neighborhood. Pleasant CAKE LLC purchased the 1531 Pleasant Street property in May 2022 for \$223,665. 1527 Pleasant Street was subdivided from the parcel at 1526 Elm Street and consolidated with 1531 Pleasant Street in February 2023. The project will have an owner-occupied rental unit with two of the owners occupying that unit, also considered to be the penthouse. The other four units will be traditional rental units. There will also be a small leasing office on the first floor as well as seven dedicated parking spots on site for the owners and tenants.

DEVELOPER INFORMATION

Pleasant CAKE LLC is owned by Eileen Zell, Alexandre Regina, Kristen Myers, and Christopher Heckman. The members have backgrounds in law, industrial design, and accounting and finance. This project is Pleasant CAKE LLC's first, though Kristen Myers and Christopher Heckman have completed multiple rehabilitation projects in Over-the-Rhine, Mt. Auburn, the West End, and Covington over the past 15 years.

RECOMMENDATION

The Administration recommends approval of this Emergency Ordinance.

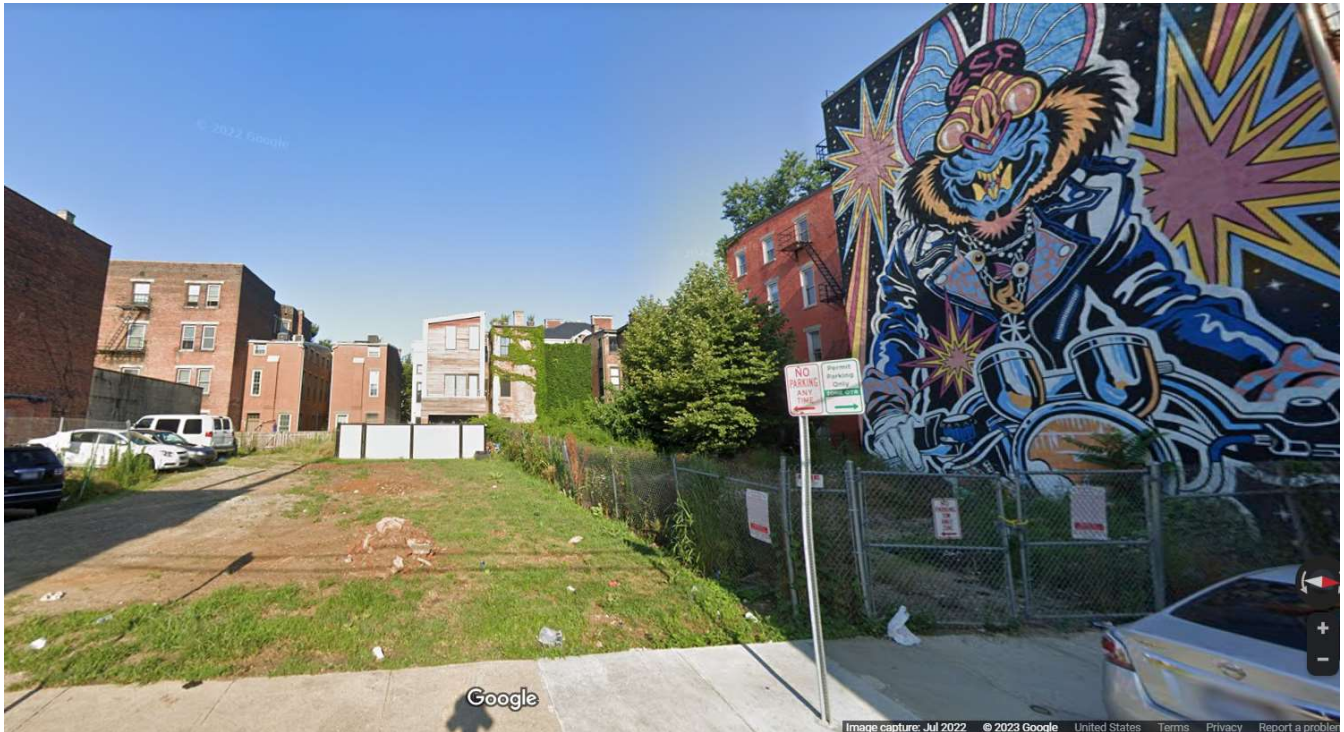
Attachment: Project Outline

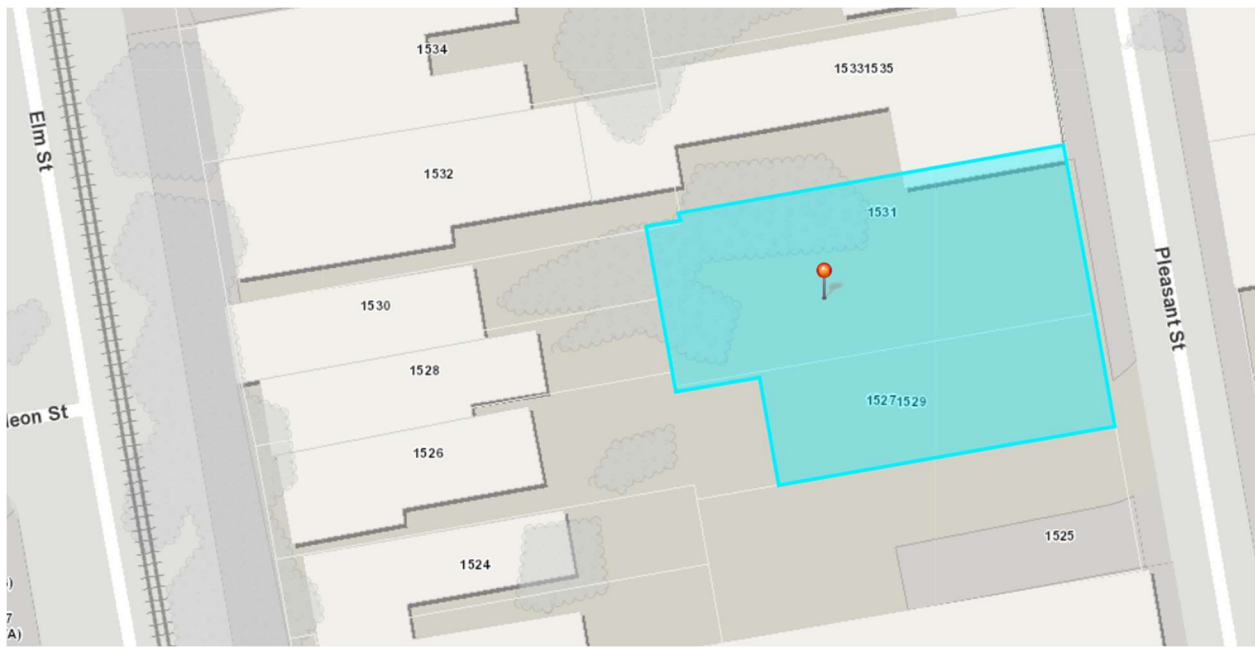
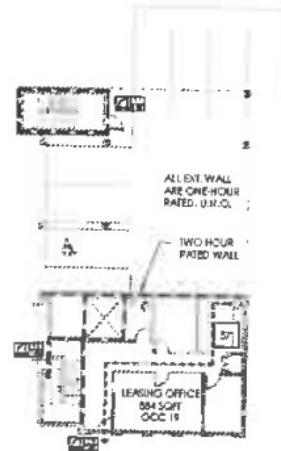
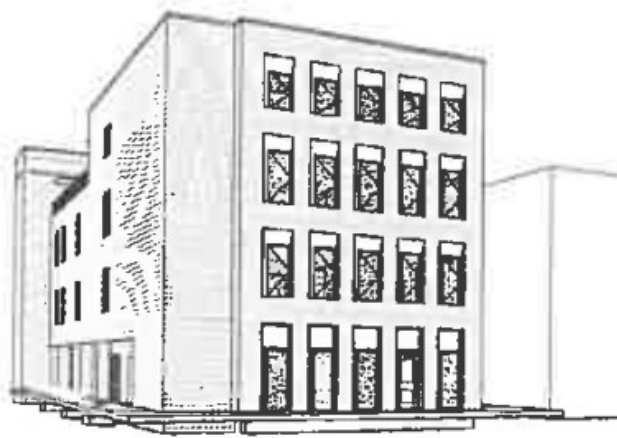
Copy: Markiea L. Carter, Director, Department of Community & Economic Development

Project Outline

<u>Project Description Details</u>	<u>Explanation</u>
Project Name	1527-1531 Pleasant
Street Address	1527-1531 Pleasant Street
Property Condition	The property is currently vacant land
Neighborhood	Over-the-Rhine
Incentive Application Process	Commercial CRA – Downtown Streetcar Area (LEED)
Recent or other projects by Developer	None
Approval at planning commission/Neighborhood support	Planning Commission N/A; Developer received a letter of support from the Over-the-Rhine Community Council
Plan Cincinnati Goals	Achieves the Compete Initiative Area Goal 2 (pages 114-120) and Live Initiative Area Goal 3 (pages 164-177) of <i>Plan Cincinnati</i> (2012)

Project Images and Site Map





<u>Incentive Summary Category</u>	<u>Explanation</u>
Abatement Term and amount	15-year, net 52%
Construction Cost & Private investment committed	Approximately \$3,158,393 in hard construction costs, \$224,000 in acquisition costs, and \$260,584 in soft costs The construction costs at nearly \$400 per sq ft can be attributed to the inclusion of parking structure and other finishes the owner-occupants wanted. Developer will utilize a combination of private financing in the amount of \$2,163,665 and \$1,479,312 in developer equity.

	The developer equity is high, just over 40% of the total project cost.
Sq. Footage by Use	959 sf – office, 7,208 sf – residential
Number of units and rental ranges	5 (4 2-BR, 1 Penthouse), \$2,100-\$5,000, one small leasing office (rent to be determined)
Jobs created/retained and payroll (living wage)	Projected to create 2 FTE positions at \$130,000 in annual payroll (avg. of \$65,000 annually per job)
“But For”	There is no return for the developer based underwriting and developer is investing 41% of its own cash in the project. The CRA would help minimize an already less than healthy return for the developer while helping to reactivate a blighted, vacant space that ½ of the ownership group will call home.
Cash on Cash Return for developer (Market return between 8-12%, depends on investment risk)	The owners do not consider this an investment property as much as they do their own personal residence since 50% of the ownership group will be living there. The traditional cash on cash rate of return calculation is not the driving factor for the investment.
LEED or other environmental build	LEED Gold
Neighborhood VTICA	Streetcar VTICA – 15%
Total Public Benefit (Benefits Realized vs Taxes Forgone)	\$1.11 of new CPS/VTICA/Income taxes for each \$1 forgone
Projected Income Tax Revenue	\$77,760
MBE/WBE Goals	SBE Goal of 30%
Transit Access/Walkability	Sits within walking distance of the 6, 16, 17, 19, 20, 21, 24, 46, 49, 64, 67, 78 and Metro Plus bus routes and Streetcar route; located within walking distance of Findlay Market, Washington Park, the OTR Vine Street Business District, and the OTR Main Street Business District; 96 Walk Score
Geography	Located in an Opportunity Zone
Historic Preservation/Existing Building Renovation	N/A
Public Infrastructure Improvements	N/A

Rent	Affordable to Salary	City Jobs (Min Salary exceeds affordable salary)
\$2,100.00	\$84,000.00	Asst Neighborhood Services Director, Asst Buildings & Inspections Director, Director of Public Services, Director of Recreation, Director of Transportation & Engineering
\$5,500.00	\$220,000.00	City Manager

AMI	1	2	3	4	5	6	7	8
30%	\$20,100	\$22,950	\$25,800	\$28,650	\$32,470	\$37,190	\$49,910	\$46,360
50%	\$33,450	\$38,200	\$43,000	\$47,750	\$51,600	\$55,400	\$49,250	\$63,050
60%	\$40,140	\$45,840	\$51,600	\$57,300	\$61,920	\$66,480	\$59,100	\$75,660
80%	\$53,520	\$61,120	\$68,800	\$76,400	\$82,560	\$88,640	\$78,800	\$100,880

EMERGENCY

SSB

- 2023

APPROVING AND AUTHORIZING the City Manager to execute a *Community Reinvestment Area Tax Exemption Agreement (LEED or Living Building Challenge)* with Pleasant Cake LLC, thereby authorizing a fifteen-year tax exemption for one hundred percent of the value of improvements made to real property located at 1527-1531 Pleasant Street in the Over-the-Rhine neighborhood of Cincinnati, in connection with the construction of a mixed-use building consisting of approximately 959 square feet of commercial office space and approximately 7,208 square feet of residential space, comprised of approximately five residential rental units, which construction shall be completed in compliance with Leadership in Energy and Environmental Design Silver, Gold or Platinum standards or Living Building Challenge standards, at a total construction cost of approximately \$3,158,393.

WHEREAS, to encourage the development of real property and the acquisition of personal property, Council by Ordinance No. 274-2017 passed on September 27, 2017, designated the area within the corporate boundaries of the City of Cincinnati as a “Community Reinvestment Area” pursuant to Ohio Revised Code (“R.C.”) Sections 3735.65 through 3735.70 (the “Statute”); and

WHEREAS, Ordinance No. 275-2017 passed by Council on September 27, 2017, as amended by Ordinance No. 339-2018, passed by Council on October 31, 2018 (as amended, the “Commercial Policy Ordinance”), sets forth certain additional policies, conditions and limitations regarding newly constructed or remodeled commercial and residential structures in the Community Reinvestment Area; and

WHEREAS, to encourage the development of real property in a more environmentally-friendly manner, the Commercial Policy Ordinance incentivizes: (i) construction and remodeling to Leadership in Energy and Environmental Design (“LEED”) standards (as defined by the U.S. Green Building Council); and (ii) construction and remodeling that obtains (a) Living Building Challenge Net Zero certification, (b) Living Building Challenge Full certification, or (c) solely in circumstances where the construction or remodeling complies with the requirements of the “Energy Petal” of the Living Building Challenge, Living Building Challenge Petal certification, in each case as defined by the International Living Future Institute and the Cascadia Green Building Council (collectively, “LBC” standards), all pursuant to the Statute; and

WHEREAS, effective October 23, 2017, the Director of Development of the State of Ohio determined that the area within the corporate boundaries of the City of Cincinnati contains the characteristics set forth in the Statute and confirmed such area as a Community Reinvestment Area under the Statute; and

WHEREAS, Pleasant Cake LLC (the “Company”) desires to construct a mixed-use building consisting of approximately 959 square feet of commercial office space and approximately 7,208 square feet of residential space, comprised of approximately five residential rental units on real property at 1527-1531 Pleasant Street located within the corporate boundaries of the City of Cincinnati, to LEED or LBC standards (the “Improvements”), provided that the

appropriate development incentives are available to support the economic viability of the Improvements; and

WHEREAS, to provide an appropriate development incentive for the Improvements, the City Manager has recommended a *Community Reinvestment Area Tax Exemption Agreement (LEED or Living Building Challenge)*, in substantially the form of Attachment A to this ordinance, to authorize a real property tax exemption for the Improvements in accordance with the Statute; and

WHEREAS, the property is located within the Cincinnati City School District; and

WHEREAS, the Board of Education of the Cincinnati City School District (the “Board of Education”), pursuant to that certain *Tax Incentive Agreement* effective as of April 28, 2020 (as may be amended, the “Board of Education Agreement”), has approved exemptions of up to one hundred percent of Community Reinvestment Area projects, waived advance notice and the right to review such projects, and waived sharing or allocation of municipal income taxes in connection with such projects; and

WHEREAS, pursuant to the Board of Education Agreement, the Company has entered into (or will enter into) an agreement with the Board of Education requiring the Company to pay the Board of Education amounts equal to thirty-three percent of the exempt real property taxes; and

WHEREAS, the City’s Department of Community and Economic Development estimates that the real property tax exemption for the Improvements will provide an annual net benefit to the Company in the amount of approximately \$28,166; and

WHEREAS, the Company has represented that it has entered into (or will enter into) a voluntary tax incentive contribution agreement with a third-party organization for amounts equal to fifteen percent of the exempt real property taxes, which funds shall be committed by the third-party organization to support the streetcar that specially benefits the property; and

WHEREAS, the Improvements do not involve relocation of part or all of the Company’s operations from another county or municipal corporation in Ohio or, if there is relocation, notice has been given per R.C. Section 3735.673; now, therefore,

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

Section 1. That Council approves a *Community Reinvestment Area Tax Exemption Agreement (LEED or Living Building Challenge)* with Pleasant Cake LLC (the “Agreement”), thereby authorizing a fifteen-year tax exemption for one hundred percent of the assessed value of improvements to be made to real property located at 1527-1531 Pleasant Street in Cincinnati, as calculated by the Hamilton County Auditor, in connection with the construction of a mixed-use

building consisting of approximately 959 square feet of commercial office space and approximately 7,208 square feet of residential space, comprised of approximately five residential rental units, to be constructed in compliance with Leadership in Energy and Environmental Design Silver, Gold or Platinum standards (as defined by the U.S. Green Building Council) or Living Building Challenge standards (as described in the Agreement and as determined by the International Living Future Institute and the Cascadia Green Building Council, as applicable) at a total construction cost of approximately \$3,158,393.

Section 2. That Council authorizes the City Manager:

- (i) to execute the Agreement on behalf of the City of Cincinnati (the “City”) in substantially the form of Attachment A to this ordinance; and
- (ii) to submit on behalf of Council annual reports on the Agreement to the Director of the Ohio Department of Development, in accordance with Ohio Revised Code Section 3735.672, and to the Board of Education of the Cincinnati City School District, as necessary; and
- (iii) to take all necessary and proper actions to fulfill the City’s obligations under the Agreement.

Section 3. 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 allow the construction described in this ordinance and the corresponding revitalization of the City of Cincinnati and the benefits to the City’s economic welfare to begin at the earliest possible time.

Passed: _____, 2023

Aftab Pureval, Mayor

Attest: _____
Clerk

Community Reinvestment Area Tax Exemption Agreement
(LEED or Living Building Challenge)

This Community Reinvestment Area Tax Exemption Agreement (this “Agreement”) is made and entered into as of the Effective Date (as defined on the signature page hereof) by and between the CITY OF CINCINNATI, an Ohio municipal corporation (the “City”), and PLEASANT CAKE LLC, an Ohio limited liability company (the “Company”).

Recitals:

- A. The City, through the adoption of Ordinance No. 274-2017 on September 27, 2017, designated the entire City of Cincinnati as a Community Reinvestment Area to encourage the development of real property and the acquisition of personal property in that area, pursuant to Ohio Revised Code Sections 3735.65 through 3735.70 (the “Statute”).
- B. In accordance with the Statute, the Ohio Director of Development has forwarded to the City the Director’s determination dated October 23, 2017, stating that the findings contained in Ordinance No. 274-2017 are valid and that the entire City is a Community Reinvestment Area under the Statute. By such determination, the Director of Development of the State of Ohio determined that the area within the corporate boundaries of the City of Cincinnati contains the characteristics set forth in the Statute and confirmed such area as a Community Reinvestment Area under the Statute.
- C. The Council of the City of Cincinnati has also passed Ordinance No. 275-2017 as of September 27, 2017, as amended by Ordinance No. 339-2018, passed on October 31, 2018, Ordinance No. 370-2020, passed on November 12, 2020, and Ordinance No. 24-2022, passed on February 2, 2022 (as amended, the “Commercial Policy Ordinance”), which sets forth certain additional policies, conditions and limitations regarding newly constructed or remodeled commercial and residential structures in the Community Reinvestment Area.
- D. Pursuant to the Commercial Policy Ordinance, a project that is constructed or remodeled to (1) Leadership in Energy and Environmental Design (“LEED”) Silver, Gold or Platinum standards (as defined by the U.S. Green Building Council), or (2) receives a (a) Living Building Challenge Net Zero certification, (b) Living Building Challenge Full certification, or (c) solely in circumstances where the construction or remodeling complies with the requirements of the “Energy Petal” of the Living Building Challenge, Living Building Challenge Petal certification, in each case as defined by the International Living Future Institute and the Cascadia Green Building Council (such qualifying remodeling or construction is referred to, collectively, as “LBC” remodeling or construction), may qualify for a longer term and/or greater abatement.
- E. The Company is the sole owner of certain real property within the City, located at 1527-1531 Pleasant Street, Cincinnati, Ohio 45202 (the “Property”), as further described in Exhibit A (Legal Description of Property) hereto. Notwithstanding the foregoing, the Property shall not include any residential condominiums being developed in connection with the Project (as defined below) (the “Excluded Property”), and the Company acknowledges and agrees that the City’s Community Reinvestment Area program entails separate applications by the owner of any residential condominium units included within the Project. For the avoidance of doubt, the Excluded Property shall not be exempt under this Agreement; however, this provision shall not be deemed to prohibit any owners from time to time of any Excluded Property from separately applying for a tax abatement in accordance with applicable law.
- F. The Company has proposed the construction of one new building located on the Property to LEED Gold standards, as defined by the U.S. Green Building Council, within the boundaries of the City of Cincinnati, as more fully described in Section 1 herein (the “Project”); provided that the appropriate development incentives are available to support the economic viability of the Project.

- G. The Statute provides that if any part of a project is to be used for commercial or industrial purposes, including projects containing five or more dwelling units, in order to be eligible for tax exemption the City and the Company must enter into an agreement pursuant to Ohio Revised Code Section 3735.671 prior to commencement of construction or remodeling.
- H. The City, having appropriate authority under the Statute for this type of project, agrees (as provided herein and subject to all conditions herein) to provide the Company with the tax exemption incentives stated herein, available under the Statute, for development of the Project.
- I. The Company has submitted to the City an application for this tax exemption agreement (the "Application"), a copy of which is attached hereto as Exhibit B, and has remitted with the Application the City application fee of One Thousand Two Hundred Fifty Dollars (\$1,250) made payable to the City.
- J. The Director of the City's Department of Community and Economic Development has recommended approval of the Application on the basis that the Company is qualified by financial responsibility and business experience to create and preserve employment opportunities and improve the economic climate of the City.
- K. The Board of Education of the Cincinnati City School District (the "Board of Education"), pursuant to that certain *Tax Incentive Agreement* effective as of April 28, 2020, has approved exemptions of up to one hundred percent (100%) of Community Reinvestment Area projects, waived advance notice and right to review such projects, and waived sharing or allocation of municipal income taxes in connection with such projects.
- L. The Company has entered into (or will enter into) an agreement with the Board of Education requiring the Company to pay the Board of Education amounts equal to thirty-three percent (33%) of the full amount of exempt real property taxes that would have been paid to Hamilton County if this Agreement were not in effect (the "Board of Education Agreement").
- M. The Company represents and warrants to the City that the Company and its major tenants, if any, do not intend to relocate part or all of their operations to the City from another county or municipal corporation in the State of Ohio (the "State").
- N. The Company represents that within the past three (3) years neither the Company, any related member of the Company, nor any entity to which the Company is a successor has discontinued operations at a project site in the State during the term of a property tax exemption agreement (under Ohio Revised Code Section 3735.671, 5709.62, 5709.63 or 5709.632) applicable to that site, and the Company acknowledges that misrepresentation hereunder will result in voiding of this Agreement.
- O. The Company represents and warrants to the City that the Company is not subject to an Enterprise Zone Agreement with the City of Cincinnati for the Property or the Project.
- P. City Council passed (i) Motion No. 201401368 on November 19, 2014, establishing a tax incentive policy that incentivizes each applicant for a real property tax abatement in the neighborhoods of Downtown and OTR to enter into a voluntary tax incentive contribution agreement with a third-party organization ("VTICA") for an amount equal to a percentage of the real property taxes that would have been payable on the abated property but for the City-authorized tax abatement (the "VTICA Contribution"), which funds shall be committed by a third-party organization to support the streetcar that specially benefits the abated property, and (ii) Motion No. 201501592 on December 16, 2015, which established that the VTICA Contribution to be recognized by the Director of the Department of Community and Economic Development is 15% of the real property taxes that would have been payable on the abated property but for the City-authorized tax abatement. The Commercial Policy Ordinance confirmed that such motions have not been superseded and remain the will of Council.

- Q. The Company acknowledges that the Streetcar will specially benefit the Project due to (a) the Streetcar's enhancement of public transit options in such neighborhoods and (b) the anticipated increase in property values attributable to public investment in Streetcar infrastructure.
- R. The Company represents and warrants to the City that the Company has entered or will enter into a VTICA and shall pay the VTICA Contribution each year for the full term of the abatement.
- S. This Agreement has been authorized by Ordinance No. _____-2023, passed by Cincinnati City Council on _____, 2023.
- T. In determining to recommend and authorize this Agreement, the Department of Community and Economic Development and City Council, respectively, have acted in material reliance on the Company's representations in the Application and herein regarding the Project including, but not limited to, representations relating to the number of jobs to be created and/or retained by the Company, the Board of Education Agreement, the VTICA Contribution, and the Project's effect in promoting the general welfare of the people of Cincinnati by, for example, encouraging the development of real property located in the Community Reinvestment Area and thereby promoting economic growth and vitality in Cincinnati.

NOW, THEREFORE, pursuant to Ohio Revised Code Section 3735.67(A) and in conformity with the format required under Ohio Revised Code Section 3735.671, in consideration of the mutual covenants contained herein and the benefit to be derived by the parties from the execution hereof, the parties agree as follows:

Section 1. Project. Upon issuance of the necessary zoning and building approvals, the Company agrees to construct a new building on the Property to create approximately 959 square feet of office space and approximately 7,208 square feet of residential space consisting of approximately 5 residential rental units (the "Improvements") at an estimated aggregate cost of \$3,158,393 to commence after the execution of this Agreement and to be completed no later than December 31, 2024; *provided*, however, that the Director of the Department of Community and Economic Development (the "Housing Officer") may, in his or her discretion, extend such deadline for a period of up to 12 months by written notice if, in the Director's judgment, the Company is proceeding in good faith towards completion. The construction shall be in compliance with applicable building code and zoning regulations, as well as complying with LEED Gold standards, as defined by the U.S. Green Building Council. The Company hereby represents that it has registered with the U.S. Green Building Council with intent to certify compliance with LEED Gold standards. In addition to the foregoing, (A) the Project shall comply with the Americans with Disabilities Act, together with any and all regulations or other binding directives promulgated pursuant thereto (collectively, the "**ADA**"), and (B) if (i) any building(s) within the Project is subject to the accessibility requirements of the ADA (e.g., by constituting a "place of public accommodation" or another category of structure to which the ADA is applicable) and (ii) such building(s) is not already required to meet the Contractual Minimum Accessibility Requirements (as defined below) pursuant to the ADA, applicable building code requirements, or by any other legal requirement, then the Company shall cause such building(s) to comply with the Contractual Minimum Accessibility Requirements in addition to any requirements pursuant to the ADA and the applicable building code or legal requirement. As used herein, "**Contractual Minimum Accessibility Requirements**" means that a building shall, at a minimum, include (1) at least one point of entry (as used in the ADA), accessible from a public right of way, with respect to which all architectural barriers (as used in the ADA) to entry have been eliminated, and (2) if such accessible point of entry is not a building's primary point of entry, conspicuous signage directing persons to such accessible point of entry.

Section 2. Real Property Tax Exemption. Subject to the satisfaction of the conditions set forth in this Agreement, the City approves exemption from real property taxation, pursuant to and to the fullest extent authorized by the Statute, of 100% of the amount by which the Improvements increase the assessed value of the Property as determined by the Hamilton County Auditor, for a period of 15 years, provided that the Company shall have entered into the Board of Education Agreement. Within 120 days

after completion of the Project (unless otherwise extended in writing by the City's Housing Officer), the Company must file the appropriate application for tax exemption with the City's Housing Officer. The Company is solely responsible to take this action. Upon receipt of the application for tax exemption, the City will proceed with the exemption authorized by this Agreement. In accordance with Ohio Revised Code Section 3735.67, the exemption is conditioned on verification by the Housing Officer of (A) the completion of construction, (B) the cost of construction, (C) the facts asserted in the application for exemption, (D) compliance with LEED Gold standards, as defined by the U.S. Green Building Council, and (E) if a remodeled structure is a structure of historical or architectural significance as designated by the City, state or federal government, that the appropriateness of the remodeling has been certified in writing by the appropriate agency. If the required verification is made, the Housing Officer will forward the exemption application to the Hamilton County Auditor with the necessary certification by the Housing Officer. Subject to the conditions set forth in this Agreement, the exemption commences the first tax year for which the Improvements would first be taxable were the Improvements not exempted from taxation. The dates provided in this paragraph refer to tax years in which the subject property is assessed, as opposed to years in which taxes are billed. No exemption shall commence after tax year 2025 nor extend beyond the earlier of (i) tax year 2039 or (ii) the end of the fifteenth (15th) year of exemption.

Section 3. Use; Maintenance; Inspections. The Company shall use the Property solely for the purposes described in Section 1 hereof and shall properly maintain and repair the Property throughout the period of tax exemption authorized herein. The Company authorizes the Housing Officer, or the Housing Officer's designees, to enter upon the Property as reasonably required to perform property inspections in accordance with Ohio Revised Code Section 3735.68.

Section 4. Compliance with Board of Education Agreement. As a condition of the tax exemption authorized under this Agreement, the Company agrees to enter into and comply with its obligation under the Board of Education Agreement.

Section 5. Duty of Company to Pay Taxes. As required by Ohio Revised Code Section 3735.671(B)(3), the Company shall pay such real property taxes as are not exempted under this Agreement and are charged against the Property and shall file all tax reports and returns as required by law. If the Company fails to pay such taxes or file such returns and reports, exemptions from taxation granted or authorized under this Agreement are rescinded beginning with the year for which such taxes are charged or such reports or returns are required to be filed and continuing thereafter.

Section 6. Company Certifications Regarding Non-Delinquency of Tax Obligations. As required by Ohio Revised Code Section 3735.671(B)(4), the Company certifies that at the time this Agreement is executed, the Company does not owe any delinquent real or tangible personal property taxes to any taxing authority of the State, and does not owe delinquent taxes for which the Company is liable under Ohio Revised Code Chapters 5735, 5739, 5741, 5743, 5747 or 5753, or if such delinquent taxes are owed, the Company currently is paying the delinquent taxes pursuant to an undertaking enforceable by the State or an agent or instrumentality thereof, has filed a petition in bankruptcy under 101, et seq., or such a petition has been filed against the Company. For the purposes of this certification, delinquent taxes are taxes that remain unpaid on the latest day prescribed for payment without penalty under the chapter of the Ohio Revised Code governing payment of those taxes.

Section 7. Covenant of Satisfaction of Tax and Other Obligations. In accordance with Ohio Revised Code Section 9.66, (A) the Company affirmatively covenants that it does not owe: (i) any delinquent taxes to the State or to a political subdivision of the State; (ii) any moneys to the State or a State agency for the administration or enforcement of any environmental laws of the State; or (iii) any other moneys to the State, a State agency or a political subdivision of the State that are past due, regardless of whether the amounts owed are being contested in a court of law or not; (B) the Company authorizes the City and/or the State to inspect the personal financial statements of the Company, including tax records and other similar information not ordinarily open to public inspection; and (C) the Company authorizes the Ohio Environmental Protection Agency and the Ohio Department of Taxation to release information to the City and or other State departments in connection with the above statements. As provided by statute, a knowingly false statement under this section may be prosecuted as a first

degree misdemeanor under Ohio Revised Code Section 2921.13, may render the Company ineligible for any future economic development assistance from the State or any political subdivision of the State, and will result in the City requiring the Company's repayment of any assistance provided by the City in connection with the Project.

Section 8. City Cooperation. As required by Ohio Revised Code Section 3735.671(B), upon specific request from the Company, the City shall perform such acts as are reasonably necessary or appropriate to effect, claim, reserve and maintain exemptions from taxation granted under this Agreement including, without limitation, joining in the execution of all documentation and providing any necessary certificates required in connection with such exemptions.

Section 9. Continuation of Exemptions. As provided in Ohio Revised Code Section 3735.671(B), if for any reason the City revokes the designation of the City of Cincinnati as a Community Reinvestment Area, entitlements granted under this Agreement shall continue for the number of years specified under this Agreement, unless the Company materially fails to fulfill its obligations under this Agreement and the City terminates or modifies the exemptions from taxation authorized pursuant to this Agreement.

Section 10. City Not Liable. The Company acknowledges that the exemption authorized in this Agreement is subject to approval and implementation by the appropriate state and/or county taxing authorities. The Company acknowledges that the City does not give any guarantee or assurance that the exemption approved in this Agreement will be so approved, and the Company agrees that in no event shall the Company seek to hold the City liable in any way in the event such exemption is not granted or implemented.

Section 11. Small Business Enterprise Program.¹

A. Compliance with Small Business Enterprise Program. The policy of the City is that a fair share of contracts be awarded to Small Business Enterprises (as such term is defined in Cincinnati Municipal Code ("CMC") Section 323-1-S, "SBEs"). Pursuant to CMC Section 323-11, the City's annual goal for SBE participation shall be thirty percent (30%) of the City's total dollars spent for construction (as such term is defined in CMC Section 323-1-C4), supplies (as such term is defined in CMC Section 323-1-S5), services (as such term is defined in CMC Section 323-1-S) and professional services (as such term is defined in CMC Section 323-1-P2). Accordingly, the Company shall use its best efforts and take affirmative steps to achieve the City's goal of voluntarily meeting thirty percent (30%) SBE participation. A list of SBEs may be obtained from the City's Department of Economic Inclusion. The Company may refer interested firms to the City's Department of Economic Inclusion for review and possible certification as an SBE. The Company shall comply with the provisions of CMC Chapter 323, including without limitation taking at least the following affirmative steps:

(i) Including qualified SBEs on solicitation lists.

(ii) Assuring that SBEs are solicited whenever they are potential sources.

The Company must advertise, on at least two separate occasions, both in local minority publications and in other local newspapers of general circulation, invitations to SBEs to provide services, to supply materials, or to bid on construction contracts, as applicable.

(iii) When economically feasible, dividing total requirements into small tasks or quantities so as to permit maximum SBE participation.

(iv) If any subcontracts are to be let, the Company shall require the prime contractor (if different from the Company) to take the above affirmative steps.

(v) Prior to the commencement of work under any subcontracts, the Company shall provide to the City a list of such subcontractors, including information as to the dollar amount of the subcontracts and such other information as may be requested by the City. The Company shall update the report monthly.

¹ Note: this section will be revised prior to execution due to programmatic changes being implemented by the Department of Community and Economic Development as a result of recent legislation passed by City Council.

(vi) The Company shall periodically document its best efforts and affirmative steps to meet the above SBE participation goals by submitting such information as may be requested from time to time by the City.

B. Remedies for Noncompliance with Small Business Enterprise Program. Failure of the Company or its contractors and subcontractors to take the affirmative steps specified above, to provide fair and equal opportunity to SBEs, or to provide technical assistance to SBEs as may be necessary to reach SBE participation as set out in CMC Chapter 323 may be construed by the City as failure of the Company to use its best efforts, and, in addition to other remedies under this Agreement, may be a cause for the City to file suit in Common Pleas Court to enforce specific performance of the terms of this Section. The provisions of CMC Section 323-99 are hereby incorporated by reference into this Agreement.

Section 12. Jobs. The Company represents that, as of the date of the execution of this Agreement, the Company has no existing employment at the Property or in the State.

Section 13. Job Creation and Retention.

A. Jobs to be Created by Company. The Company agrees to use its best efforts to create, or cause to be created, (i) 2 full-time permanent jobs, and (ii) 40 full-time temporary construction jobs at the Property in connection with the Project. In the case of the construction jobs, the job creation and retention period shall be concurrent with construction, and in the case of the other jobs described herein, the job creation period shall begin upon completion of construction and shall end three (3) years thereafter.

B. Company's Estimated Payroll Increase. The Company's increase in the number of employees will result in approximately (i) \$130,000 of additional annual payroll with respect to the full-time permanent jobs, and (ii) \$1,580,000 of additional annual payroll prior to the completion of the Project with respect to the full-time temporary construction jobs.

C. Community Reinvestment Area Employment. The Company shall (i) adopt hiring practices to ensure that at least twenty-five percent (25%) of the new employees shall be residents of the City of Cincinnati and (ii) give preference to residents of the City relative to residents of the State who do not reside in the City when hiring new employees under this Agreement.

D. Posting Available Employment Opportunities. To the extent allowable by law, the Company shall use its best efforts to post available employment opportunities within the Company's organization or the organization of any subcontractor working with the Company with the Ohio Means Jobs Center, 1916 Central Parkway, Cincinnati, Ohio 45214-2305, through its Employer Services Unit Manager at 513-746-7200.

Section 14. Equal Employment Opportunity. This Agreement is subject to the City's Equal Employment Opportunity Program contained in CMC Chapter 325. The Equal Employment Opportunity Clause in CMC Section 325-9 is incorporated by reference in this Agreement. The term "Company" is substituted for "Contractor" throughout CMC Section 325-9 in the context of this Agreement.

Section 15. Compliance with Immigration and Nationality Act. In the performance of its obligations under this Agreement, the Company agrees to comply with the provisions of the Immigration and Nationality Act codified at 8 U.S.C. §§ 1324a(a)(1)(A) and (a)(2). Any noncompliance with such provisions shall be solely determined by either the federal agencies authorized to enforce the Immigration and Nationality Act or the U.S. Attorney General, in accordance with Executive Order 12989 of the U.S. President dated February 13, 1996, and as amended by Executive Order 13465 of the U.S. President dated June 6, 2008.

Section 16. Default. As provided in Ohio Revised Code Section 3735.671(B), if the Company materially fails to fulfill its obligations under this Agreement, or if the City determines that the certification as to delinquent taxes required by this Agreement (Section 6 hereof) or the covenant of satisfaction of tax and other obligations (Section 7 hereof) is fraudulent, the City may terminate or modify the exemptions from taxation granted or authorized under this Agreement and may require the repayment by the Company of the amount of taxes that would have been payable had the Improvements not been exempted from taxation pursuant to this Agreement. A modification of exemption may be in the form of reduction in the number of years that eligible property is exempt and/or a reduction in the exemption percentage. The City shall provide written notice to the Company prior to finding the Company in default under this section. The notice shall provide the Company with not less than thirty (30) days to cure the default prior to City termination or modification of the exemptions under this Agreement. The City may extend the cure period as reasonably necessary under the circumstances. In the event of such termination or modification, the City is authorized to so notify the appropriate taxing authorities in order to effect the termination or modification. If repayment of previously exempt taxes is required by the City under this Section, such amount shall be paid as directed by the City within thirty (30) days of written demand. The City may secure repayment of such taxes by a lien on the Property in the amount required to be repaid. Such a lien shall attach, and may be perfected, collected, and enforced, in the same manner as a mortgage lien on real property, and shall otherwise have the same force and effect as a mortgage lien on real property. Amounts due and not paid when due under this Section 16 shall bear interest at the rate specified in Ohio Revised Code Section 1343.03(A) (as in effect on the date of the City's payment demand).

Section 17. Annual Review and Report. As required by Ohio Revised Code Sections 3735.671(B)(5) and 5709.85, the Company shall provide to the City's Tax Incentive Review Council (or to the City Manager if so requested by the City) any information reasonably required by the Council or the City Manager to evaluate the Company's compliance with this Agreement, including returns filed pursuant to Ohio Revised Code Section 5711.02 if requested by the Council or City Manager. The performance of the Company's obligations stated in this Agreement shall be subject to annual review by the City's Tax Incentive Review Council (the "Annual Review and Report"). The Company shall submit information for the Annual Review and Report to the City no later than March 1 of each year.

Section 18. Revocation.

A. Generally. Pursuant to Ohio Revised Code Section 3735.68, the housing officer shall make annual inspections of the properties within the community reinvestment area upon which are located structures or remodeling for which an exemption has been granted under Ohio Revised Code Section 3735.67. If the housing officer finds that the property has not been properly maintained or repaired due to the neglect of the Company, the housing officer may revoke the exemption at any time after the first year of exemption. If the Company has materially failed to fulfill its obligations under this Agreement, or if the owner is determined to have violated division (E) of that section (see Section 18(B) of this Agreement), City Council, subject to the terms of the agreement, may revoke the exemption at any time after the first year of exemption. The housing officer or City Council shall notify the county auditor and the Company that the tax exemption no longer applies. If the housing officer or legislative authority revokes a tax exemption, the housing officer shall send a report of the revocation to the community reinvestment area housing council and to the tax incentive review council established pursuant to section 3735.69 or 5709.85 of the Revised Code, containing a statement of the findings as to the maintenance and repair of the property, failure to fulfill obligations under the written agreement, or violation of division (C) of Ohio Revised Code Section 3735.671, and the reason for revoking the exemption.

B. Prior Statutory Violations. The Company represents and warrants to the City that it is not prohibited by Ohio Revised Code Section 3735.671(C) from entering into this Agreement. As required by Ohio Revised Code Section 3735.671(B)(7), exemptions from taxation granted or authorized under this Agreement shall be revoked if it is determined that the Company, any successor to the Company or any related member (as those terms are defined in division (C) of

Ohio Revised Code Section 3735.671) has violated the prohibition against entering into this Agreement under division (C) of Ohio Revised Code Section 3735.671 or under Ohio Revised Code Sections 5709.62, 5709.63, or 5709.632 prior to the time prescribed by that division or either of those sections.

Section 19. False Statements; Penalties; Material Representations.

A. Generally. As required in connection with Ohio Revised Code Section 9.66(C), the Company affirmatively covenants that it has made no false statements to the State or the City in the process of obtaining approval for this Agreement. If any representative of the Company has knowingly made a false statement to the State or the City to obtain approval for this Agreement, or if the Company fails to provide any information expressly required under the Application, the Company shall be required to immediately return all benefits received under this Agreement (by payment of the amount of taxes exempted hereunder, paid as directed by the City within thirty (30) days of written demand) and the Company shall be ineligible for any future economic development assistance from the State, any State agency or any political subdivision of the State pursuant to Ohio Revised Code Section 9.66(C)(1). Amounts due and not paid under this Section 19 shall bear interest at the rate of twelve percent (12%) per year. Any person who provides a false statement to secure economic development assistance (as defined in Ohio Revised Code Section 9.66) may be guilty of falsification, a misdemeanor of the first degree, pursuant to Ohio Revised Code Section 2921.13(F)(1), which is punishable by fine of not more than One Thousand Dollars (\$1,000) and/or a term of imprisonment of not more than six (6) months.

B. Material Representations – Board of Education Agreement and VTICA. The Parties acknowledge and agree that a material failure by the Company to comply with its representations concerning the Board of Education Agreement or VTICA Contribution shall constitute an event of default for purposes of Section 16 (Default) and the basis for revocation under Section 18 (Revocation). Subject to the terms of the VTICA, if the VTICA is unenforceable for reasons of infeasibility or otherwise, the Company shall enter into alternative arrangements providing for the economic equivalent of the VTICA Contribution in order to support the streetcar. Such arrangements may include, but are not limited to, providing for the economic equivalent of the VTICA Contribution through formation of a special improvement district. For purposes of this Section 19.B, alternative arrangements must result in services substantially similar to those that would have been supported through the VTICA and at a value that is the economic equivalent of the VTICA Contribution, which value shall not be required to exceed the VTICA Contribution amount that would have been payable by the Company. Any determination of infeasibility or mechanism for providing alternative arrangements is subject to approval by the City at its sole discretion. Nothing in this Section 19.B shall operate to limit the City's enforcement authority under this Agreement including, without limitation, Section 16, Section 18, and Section 19.A.

Section 20. Conflict of Interest. The Company covenants that, to the Company's knowledge, no employee of the City has any personal interest, direct or indirect, in any matters pertaining to the Project, and the Company agrees to take appropriate steps to prevent any employee of the City from obtaining any such interest throughout the term of this Agreement.

Section 21. Annual Fee. The Company shall pay an annual fee of Five Hundred Dollars (\$500) or one percent (1%) of the annual taxes exempted under this Agreement, whichever is greater, but not to exceed Two Thousand, Five Hundred Dollars (\$2,500) per annum. This fee is due with submission of the information for Annual Review and Report by March 1 of each year.

Section 22. Discontinued Operations. As provided in Ohio Revised Code Section 3735.671(C), if, prior to the expiration of the term of this Agreement, the Company discontinues operations at the Project so that the Property is no longer being used for the purposes described in Section 1 hereof, then the Company, its successors, and any related member shall not enter into an agreement under Ohio Revised Code Sections 3735.671, 5709.62, 5709.63, or 5709.632, and no legislative authority shall enter into such an agreement with the Company, its successors or any related

member prior to the expiration of three (3) years after the discontinuation of operations. As used in this Section 22, "successors" and "related member" shall have the meanings set forth in Ohio Revised Code Section 3735.671(C).

Section 23. Notices. Unless otherwise specified herein, each party shall address written notices, demands and communications in connection with this Agreement to the other party as follows (or to such other address as is communicated in accordance with this Section):

To the City:

City of Cincinnati
Attention: Director of the Department of Community and Economic Development
Centennial Plaza Two, Suite 700
805 Central Avenue
Cincinnati, Ohio 45202

To the Company:

Pleasant CAKE LLC
1526 Elm Street
Cincinnati, OH 45202
Attn: Eileen Zell

If the Company sends a notice to the City alleging that the City is in default under this Agreement, the Company shall simultaneously send a copy of such notice to: City Solicitor, City of Cincinnati, 801 Plum Street, Room 214, Cincinnati, OH 45202.

Section 24. Acknowledgment of City Participation. The Company agrees to acknowledge the support of the City on construction signs, project and exhibition signage, and any publicity such as that appearing on the internet, television, cable television, radio, or in the press or any other printed media. In identifying the City as a Project partner, the Company shall use either the phrase "Project Assistance by the City of Cincinnati" or a City of Cincinnati logotype or other form of acknowledgement that has been approved in advance in writing by the City.

Section 25. Entire Agreement. This Agreement and the Exhibits attached hereto constitute the entire agreement between the City and the Company with respect to the subject matter herein, superseding any prior or contemporaneous agreement with respect thereto.

Section 26. Governing Law. This Agreement is entered into and is to be performed in the State. The City and the Company agree that the law of the State of Ohio shall govern the rights, obligations, duties and liabilities of the parties to this Agreement and shall govern the interpretation of this Agreement.

Section 27. Waiver. The City's waiver of any breach by the Company of any provision of this Agreement shall not constitute or operate as a waiver by the City of any other breach of such provision or of any other provisions, nor shall any failure or delay by the City to enforce any provision hereof operate as a waiver of such provision or of any other provision.

Section 28. Severability. This Agreement shall be severable; if any part or parts of this Agreement shall for any reason be held invalid or unenforceable by a court of competent jurisdiction, all remaining parts shall remain binding and in full force and effect.

Section 29. Amendment. This Agreement may be modified or amended only by a written agreement duly executed by the parties hereto or their representatives.

Section 30. Non-Assignment. As required by Ohio Revised Code Section 3735.671(B)(6), this Agreement is not transferable or assignable by the Company without the express written approval of the City Manager of the City. If the Company has entered into a Board of Education Agreement or VTICA in connection with the Property, the City shall not approve the assignment of this Agreement unless the assignee has assumed the Company's remaining obligations under the Board of Education Agreement and VTICA, as applicable. Failure to assign or otherwise perform the Company's obligations under the Board of Education Agreement or VTICA upon transfer of the Property during the term of the tax abatement authorized by this Agreement shall be basis for revocation of the tax exemption under Section 18.

Section 31. Recording. At its election, the City may record this Agreement at the City's expense in the Hamilton County Recorder's Office.

Section 32. Legislative Action Required. As provided in Ohio Revised Code Section 3735.671, the Company and the City acknowledge that this Agreement must be approved by formal action of the City Council of the City as a condition for this Agreement to take effect. Notwithstanding anything to the contrary herein, this Agreement shall take effect after the later of the date of such approval or the final date of execution of this Agreement by all parties.

Section 33. Additional Representations and Warranties of Company. The Company represents and warrants that (a) it is duly organized and existing and it has full power and authority to take, and has taken, all action necessary to execute and deliver this Agreement and any other documents required or permitted to be executed or delivered by it in connection with this Agreement, and to fulfill its obligations hereunder; (b) no notices to, or consents, authorizations or approvals of, any person are required (other than any already given or obtained) for its due execution, delivery and performance of this Agreement; and (c) this Agreement has been duly executed and delivered by it and constitutes the legal, valid and binding obligation of the Company.

Section 34. Certification as to Non-Debarment. The Company represents that neither it nor any of its principals is presently debarred by any federal, state, or local government agency. In completing the Project, the Company shall not solicit bids from any contractors or subcontractors who are identified as being debarred by any federal, state, or local government agency. If the Company or any of its principals becomes debarred by any federal, state, or local government agency during the term of this Agreement, the company shall be considered in default under this Agreement.

Section 35. Appeals. Pursuant to Ohio Revised Code Section 3735.70, a person aggrieved under the Statute or this Agreement may appeal to the community reinvestment area housing council, which shall have the authority to overrule any decision of a housing officer. Appeals may be taken from a decision of the council to the court of common pleas of the county where the area is located.

Section 36. Wage Enforcement.

(i) Applicability. Council passed Ordinance No. 22-2016 on February 3, 2016, which ordained Chapter 326 (Wage Enforcement) of the Cincinnati Municipal Code (the "Wage Enforcement Chapter"). The Wage Enforcement Chapter was then amended by Ordinance No. 96-2017, passed May 17, 2017. As amended, the Wage Enforcement Chapter imposes certain requirements upon persons entering into agreements with the City whereby the City provides an incentive or benefit that is projected to exceed \$25,000, as described more particularly in the Wage Enforcement Chapter. Cincinnati Municipal Code Section 326-5 requires that the language below be included in contracts subject to the Wage Enforcement Chapter.

(ii) Required Contractual Language. Capitalized terms used, but not defined, in this clause (ii) have the meanings ascribed thereto in the Wage Enforcement Chapter.

(a) This contract is or may be subject to the Wage Enforcement provisions of the Cincinnati Municipal Code. These provisions require that any Person who has an Agreement with

the city or with a Contractor or Subcontractor of that Person shall report all Complaints or Adverse Determinations of Wage Theft and Payroll Fraud (as each of those terms is defined in Chapter 326 of the Cincinnati Municipal Code) against the Contractor or Subcontractors to the Department of Economic Inclusion within 30 days of notification of the Complaint or Adverse Determination.

(b) If this contract is subject to the Wage Enforcement provisions of Chapter 326 of the Cincinnati Municipal Code, the Person entering into this contract is required to include provisions in solicitations and contracts regarding a Development Site that all employers, Contractors or Subcontractors performing or proposing to perform work on a Development Site provide an initial sworn and notarized "Affidavit Regarding Wage Theft and Payroll Fraud" on a form prescribed by the city manager or his or her designee and, within 30 days of an Adverse Determination or Complaint of Wage Theft or Payroll Fraud, shall provide an "Amended Affidavit Regarding Wage Theft and Payroll Fraud" on a form prescribed by the city manager or his or her designee.

(c) If this contract is subject to the Wage Enforcement provisions of Chapter 326 of the Cincinnati Municipal Code, the Person entering into this contract is required to authorize, and does hereby specifically authorize, any local, state or federal agency, court, administrative body or other entity investigating a complaint of Wage Theft or Payroll Fraud against the Person (collectively "investigative bodies") to release to the City's Department of Economic Inclusion any and all evidence, findings, complaints and determinations associated with the allegations of Wage Theft or Payroll Fraud upon the City's request and further authorizes such investigative bodies to keep the City advised regarding the status of the investigation and ultimate determination. If the investigative bodies require the Person to provide additional authorization on a prescribed form or in another manner, the Person shall be required to provide such additional authorization within 14 days of a request by the City.

(d) If this Agreement is subject to the Wage Enforcement provisions of Chapter 326 of the Cincinnati Municipal Code, the Person entering into this Agreement shall include in its contracts with all Contractors language that requires the Contractors to provide the authorizations set forth in subsection (c) above and that further requires each Contractor to include in its contracts with Subcontractors those same obligations for each Subcontractor and each lower tier subcontractor.

(e) If this Agreement is subject to the Wage Enforcement provisions of Chapter 326 of the Cincinnati Municipal Code, the Person entering into this Agreement shall post a conspicuous notice on the Development Site throughout the entire period work is being performed pursuant to the Agreement indicating that the work being performed is subject to Cincinnati Municipal Code Chapter 326, Wage Enforcement, as administered by the City of Cincinnati Department of Economic Inclusion. Such notice shall include contact information for the Department of Economic Inclusion as provided by the department.

(f) Under the Wage Enforcement provisions, the City shall have the authority, under appropriate circumstances, to terminate this contract or to reduce the incentives or subsidies to be provided under this contract and to seek other remedies, including debarment.

Section 37. Legal Requirements. In completing and operating the Project, the Company shall comply with all applicable statutes, ordinances, regulations, and rules of the government of the United States, State of Ohio, County of Hamilton, and City of Cincinnati.

Section 38. Counterparts and Electronic Signatures. This Agreement may be executed by the parties hereto in two or more counterparts and each executed counterpart shall be considered an original but all of which together shall constitute one and the same instrument. This Agreement may be executed and delivered by electronic signature; any original signatures that are initially delivered electronically shall be physically delivered as soon as reasonably possible.

Remainder of this page intentionally left blank. Signature page follows.

Executed by the parties on the dates indicated below, effective as of the later of such dates (the "Effective Date").

CITY OF CINCINNATI,
an Ohio municipal corporation

PLEASANT CAKE LLC,
an Ohio limited liability company

By: _____
Sheryl M. M. Long, City Manager

By: _____

Date: _____, 2023

Printed Name: _____

Title: _____

Date: _____, 2023

Authorized by resolution dated _____

Approved as to Form:

Assistant City Solicitor

Certified Date: _____

Fund/Code: _____

Amount: _____

By: _____
Karen Alder, City Finance Director

Exhibit A to CRA Agreement

LEGAL DESCRIPTION OF PROPERTY

Address: 1527-1531 Pleasant Street, Cincinnati, Ohio 45202
Parcel ID No.: 081-0002-0619-00

SITUATE IN SECTION 18, TOWN 4, FRACTIONAL RANGE 1, CITY OF CINCINNATI, HAMILTON COUNTY, OHIO BEING PART OF OUTLOT 49 AS SHOWN ON THE PLAN OF SAID CITY AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE NORTHERLY RIGHT OF WAY OF FIFTEEN STREET WITH THE WESTERLY LINE OF PLEASANT STREET; THENCE ALONG THE WESTERLY RIGHT OF WAY OF PLEASANT STREET, NORTH 16°30'00" WEST, 220.50 FEET TO THE NORTHEAST CORNER OF THE PROPERTY AS CONVEYED TO THE SYCAMORE HAMMOND REALTY CORP IN DEED BOOK 5996, PAGE 1358 OF THE HAMILTON COUNTY, OHIO RECORDS AND THE REAL PLACE OF BEGINNING OF THE HEREIN DESCRIBED TRACT, BEING WITNESSED BY A SET CROSS NOTCH, WHICH BEARS NORTH 73°54'00" EAST, 5.00 FEET; THENCE LEAVING THE WESTERLY RIGHT OF WAY OF PLEASANT STREET, ALONG THE NORTHERLY LINE OF SAID SYCAMORE HAMMOND REALTY CORP TRACT, THE FOLLOWING THREE COURSES AND DISTANCES, SOUTH 73°54'00" WEST, 20.00 FEET TO A POINT; THENCE NORTH 16°30'00" WEST, 0.08 FEET TO A POINT AND THENCE SOUTH 73°54'00" WEST, 54.19 FEET TO A SET 5/8" IRON PIN AND CAP (#7862); THENCE LEAVING THE NORTHERLY LINE OF SAID SYCAMORE HAMMOND REALTY CORP TRACT, NORTH 16°30'00" WEST, 23.84 FEET TO A SET 5/8" IRON PIN AND CAP (#7862); THENCE SOUTH 73°30'00" WEST, 18.31 FEET TO A SET 5/8" IRON PIN AND CAP (#7862); THENCE NORTH 16°30'00" WEST, 36.51 FEET TO A SET 5/8" IRON PIN AND CAP (#7862) IN THE SOUTHERLY LINE OF THE PROPERTY AS CONVEYED TO RACE STREET TENANT ORGANIZATION IN DEED BOOK 4330, PAGE 1737 OF THE HAMILTON COUNTY, OHIO RECORDS; THENCE ALONG THE SOUTHERLY LINE OF RACE STREET TENANT ORGANIZATION TRACT, NORTH 73°42'00" EAST, 7.50 FEET TO THE SOUTHEAST CORNER OF SAID RACE STREET TENANT ORGANIZATION TRACT; THENCE ALONG THE EASTERLY LINE OF SAID RACE STREET TENANT ORGANIZATION TRACT,

NORTH 16°30'00" WEST, 1.75 FEET TO THE SOUTHWEST CORNER OF THE PROPERTY AS CONVEYED TO OTR HOUSING GROUP, LLC IN OFFICIAL RECORD 13489, PAGE 2538 OF THE HAMILTON COUNTY, OHIO RECORDS; THENCE LEAVING THE EASTERLY LINE OF SAID RACE STREET TENANT ORGANIZATION TRACT, ALONG THE SOUTHERLY LINE OF SAID OTR HOUSING GROUP TRACT, NORTH 73°54'00" EAST, 85.00 FEET TO THE SOUTHEAST CORNER OF SAID OTR HOUSING GROUP TRACT, BEING IN THE WESTERLY RIGHT OF WAY OF PLEASANT STREET AND BEING WITNESSED BY A SET CROSS NOTCH WHICH BEARS NORTH 73°54'00" EAST, 5.00 FEET; THENCE LEAVING THE SOUTHERLY LINE OF SAID OTR HOUSING GROUP TRACT, ALONG THE WESTERLY RIGHT OF WAY OF PLEASANT AVENUE, SOUTH 16°30'00" EAST, 62.08 FEET TO THE PLACE OF BEGINNING.

THUS CONTAINING 0.1214 ACRES OF LAND AND BEING SUBJECT TO ALL EASEMENTS AND RESTRICTIONS OF RECORD.

BEARINGS USED IN THIS LEGAL DESCRIPTION ARE RELATIVE TO REGISTERED LAND CERTIFICATE 240007 OF THE HAMILTON COUNTY, OHIO REGISTERED LAND RECORDS.

Exhibit B to CRA Agreement
APPLICATION FOR TAX EXEMPTION

TO BE ATTACHED

May 10, 2023

202301354

To: Mayor and Members of City Council

From: Sheryl M. M. Long, City Manager

Subject: Ordinance – Police: FY 2023 Microgrants – Community Policing Development

Attached is an Ordinance captioned:

AUTHORIZING the City Manager to apply for, accept, and appropriate a grant in the amount of up to \$175,000 in FY 2023 Microgrants – Community Policing Development funds from the U.S. Department of Justice, Office of Community Oriented Policing Services (ALN 16.710), to aid in piloting the Cincinnati Police Department’s Workforce Development Program to recruit and retain cadets; and **AUTHORIZING** the Finance Director to deposit the grant funds into Law Enforcement Grant Fund 368, project account no. 23WDEV.

This Ordinance authorizes the City Manager to apply for, accept, and appropriate a grant in the amount of up to \$175,000 in FY 2023 Microgrants – Community Policing Development funds from the U.S. Department of Justice (DOJ), Office of Community Oriented Policing Services (COPS) (ALN 16.710), to aid in piloting the Cincinnati Police Department’s Workforce Development Program to recruit and retain cadets. This Ordinance also authorizes the Finance Director to deposit the grant funds into Law Enforcement Grant Fund 368, project account no. 23WDEV.

The grant is available through the U.S. Department of Justice, Office of Community Oriented Policing Services, to aid in piloting the Cincinnati Police Department’s (CPD) Workforce Development Program to potentially include a consultant, research, and training. CPD’s Workforce Development Program focuses on recruiting and retaining cadets, with a focus on female and minority youth.

The grant application deadline was May 8, 2023, and to meet the application deadline, CPD has applied for this grant, but no grant funds will be accepted prior to City Council approval. There are no new FTEs associated with this grant, and no matching funds are required.

Acceptance of this grant is in accordance with the “Live” goal to “[c]reate a more livable community” as described on pages 156-163 of Plan Cincinnati (2012).

The Administration recommends passage of this Ordinance.

cc: Andrew Dudas, Budget Director
Karen Alder, Finance Director



Attachment

AUTHORIZING the City Manager to apply for, accept, and appropriate a grant in the amount of up to \$175,000 in FY 2023 Microgrants – Community Policing Development funds from the U.S. Department of Justice, Office of Community Oriented Policing Services (ALN 16.710), to aid in piloting the Cincinnati Police Department’s Workforce Development Program to recruit and retain cadets; and **AUTHORIZING** the Director of Finance to deposit the grant funds into Law Enforcement Grant Fund 368, project account no. 23WDEV.

WHEREAS, there is a grant available through the U.S. Department of Justice, Office of Community Oriented Policing Services to help fund a pilot of the Cincinnati Police Department’s (“CPD”) Workforce Development Program that potentially may include a consultant, research, and training; and

WHEREAS, CPD’s Workforce Development Program focuses on recruiting and retaining cadets, with a focus on female and minority youth; and

WHEREAS, the grant application deadline was May 8, 2023, and CPD has applied for the grant prior to Council approval, but CPD will not accept the grant without Council approval; and

WHEREAS, the grant does not require any matching funds or additional FTEs/full time equivalents; and

WHEREAS, acceptance of the grant is in accordance with the “Live” goal to “[c]reate a more livable community” as described on pages 156-163 of Plan Cincinnati (2012); now, therefore,

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

Section 1. That the City Manager is hereby authorized to apply for, accept, and appropriate a grant in the amount of up to \$175,000 in FY 2023 Microgrants – Community Policing Development funds from the U.S. Department of Justice, Office of Community Oriented Policing Services (ALN 16.710), to aid in piloting the Cincinnati Police Department’s Workforce Development Program to recruit and retain cadets.

Section 2. That the Director of Finance is hereby authorized to deposit the grant funds into Law Enforcement Grant Fund 368, Project Account No. 23WDEV.

Section 3. That the proper City officials are authorized to do all things necessary and proper to carry out the terms of the grant and Sections 1 and 2.

Section 4. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.

Passed: _____, 2023

Aftab Pureval, Mayor

Attest: _____
Clerk



May 10, 2023

To: Mayor and Members of City Council

202301362

From: Sheryl M. M. Long, City Manager

Subject: Ordinance – Police: FY 2023 COPS Hiring Program Grant

Attached is an Ordinance captioned:

AUTHORIZING the City Manager to apply for, accept, and appropriate a grant of up to \$6,250,000 from the U.S. Department of Justice, Office of Community Oriented Policing Services, FY 2023 COPS Hiring Program (ALN 16.710) to hire up to fifty entry-level police officers; and further **AUTHORIZING** the Director of Finance to deposit the grant funds into Law Enforcement Grant Fund 368, Project Account No. 23COPS.

This Ordinance authorizes the City Manager to apply for, accept, and appropriate a grant of up to \$6,250,000 from the U.S. Department of Justice (DOJ), Office of Community Oriented Policing Services (COPS), FY 2023 COPS Hiring Program (ALN 16.710) to hire up to fifty entry-level police officers. This Ordinance also authorizes the Finance Director to deposit the grant funds into Law Enforcement Grant Fund 368, Project Account No. 23COPS.

The FY 2023 COPS Hiring Program grant is available through the U.S. Department of Justice, Office of Community Oriented Policing Services, to hire up to fifty entry-level police officers. The grant covers salary and fringe benefit expenses up to \$125,000 per officer for a maximum of three years per position.

An additional 50 FTEs will result from this grant. The COPS Hiring Program grant requires matching funds of up to \$7,964,532 depending on the exact amount of the grant award and the percentage of local match. The match will be provided by the Cincinnati Police Department (CPD) General Fund Operating Budget. CPD must retain all grant funded police officer positions for a minimum of twelve months following the 36-month grant funding period per position.

The grant application deadline was May 11, 2023, and to meet the application deadline, CPD has applied for this grant, but no grant funds will be accepted prior to City Council approval.

Acceptance of this grant is in accordance with the “Live” goal to “[c]reate a more livable community” as described on pages 156-163 of Plan Cincinnati (2012).

The Administration recommends passage of this Ordinance.

cc: Andrew Dudas, Budget Director
Karen Alder, Finance Director



Attachment

AUTHORIZING the City Manager to apply for, accept, and appropriate a grant of up to \$6,250,000 from the U.S. Department of Justice, Office of Community Oriented Policing Services, FY 2023 COPS Hiring Program (ALN 16.710) to hire up to fifty entry-level police officers; and further **AUTHORIZING** the Director of Finance to deposit the grant funds into Law Enforcement Grant Fund 368, Project Account No. 23COPS.

WHEREAS, a grant of up to \$6,250,000 is available from the U.S. Department of Justice, Office of Community Oriented Policing Services (“COPS”), FY 2023 COPS Hiring Program (ALN 16.710) to hire up to fifty entry-level police officers within the Cincinnati Police Department (“CPD”); and

WHEREAS, an additional fifty FTEs will result from this grant; and

WHEREAS, the COPS Hiring Program grant requires matching funds of up to \$7,964,532, depending upon the exact amount of the grant award and the percentage of local match, which will be provided by CPD’s General Fund Operating Budget; and

WHEREAS, the grant covers salary and fringe benefit expenses up to \$125,000 per officer for a maximum of three years per position; and

WHEREAS, CPD must retain all grant-funded police officer positions for a minimum of twelve months following the 36 month grant funding period per position; and

WHEREAS, the grant application deadline is May 11, 2023, but no funds will be accepted without approval of Council; and

WHEREAS, acceptance of this grant is in accordance with the “Live” goal to “[c]reate a more livable community” as described on pages 156-163 of Plan Cincinnati (2012); now, therefore,

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

Section 1. That the City Manager is hereby authorized to apply for, accept, and appropriate a grant of up to \$6,250,000 from the U.S. Department of Justice, Office of Community Oriented Policing Services, FY 2023 COPS Hiring Program (ALN 16.710) to hire of up to fifty entry-level police officers.

Section 2. That the Director of Finance is hereby authorized to receive and deposit the grant funds into Law Enforcement Grant Fund 368, Project Account No. 23COPS.

Section 3. That the required local match of up to \$7,964,532 will be funded from the Cincinnati Police Department's General Fund Operating Budget.

Section 4. That the proper City officials are hereby authorized to do all things necessary and proper to carry out the terms of the grant and Sections 1 through 3.

Section 5. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.

Passed: _____, 2023

Aftab Pureval, Mayor

Attest: _____
Clerk

May 10, 2023

To: Mayor and Members of City Council

202301364

From: Sheryl M. M. Long, City Manager

Subject: Emergency Ordinance – DOTE: Western Hills Viaduct Grants

Attached is an Emergency Ordinance captioned:

AUTHORIZING the establishment of capital improvement program project account nos. 980x233x232324, “WHV – CEAO LBR 2018 Grant,” 980x233x232325, “WHV – CEAO LBR 2018 HC Match,” 980x233x232326, “WHV – OKI STBG 2019 Grant,” and 980x233x232327, “WHV – OKI STBG 2019 HC Match,” for the purpose of providing resources for the design, right-of-way acquisition, and construction of the Western Hills Viaduct project; and **AUTHORIZING** the City Manager to appropriate grant and matching resources in an amount up to \$12,375,000 according to the attached Schedule of Appropriation.

This Emergency Ordinance authorizes the establishment of capital improvement program project account nos. 980x233x232324, “WHV – CEAO LBR 2018 Grant,” 980x233x232325, “WHV – CEAO LBR 2018 HC Match,” 980x233x232326, “WHV – OKI STBG 2019 Grant,” and 980x233x232327, “WHV – OKI STBG 2019 HC Match,” for the purpose of providing resources for the design, right-of-way acquisition, and construction of the Western Hills Viaduct project. This Emergency Ordinance also authorizes the City Manager to appropriate grant and matching resources in an amount up to \$12,375,000 according to the attached Schedule of Appropriation.

On June 17, 2020, the City Council approved Ordinance No. 0186-2020, which authorized the City Manager to accept grant and matching resources in an amount up to \$23,026,315.79 and to appropriate the sum of \$10,651,315.79. Resources that were not yet available were not appropriated by this Ordinance, including a Surface Transportation Block Grant (STBG) awarded by the Ohio-Kentucky-Indiana Regional Council of Governments (OKI) and a Local Bridge Program grant awarded by the County Engineers Association of Ohio (CEAO).

Grant and matching resources totaling up to \$12,375,000 are now available and must be appropriated to capital improvement program project accounts for the purpose of providing resources for the Western Hills Viaduct project. No new FTEs are associated with the acceptance of these resources.

The Western Hills Viaduct project is in accordance with the “Connect” goal to “[d]evelop a regional transportation system that promotes economic vitality,” and strategy to “[p]lan, design, and implement a safe and sustainable transportation system,” as described on pages 127-138 of Plan Cincinnati (2012).

The reason for the emergency is the immediate need to appropriate and encumber resources before the end of the State of Ohio's fiscal year.

The Administration recommends passage of this Emergency Ordinance.

cc: Andrew M. Dudas, Budget Director
Karen Alder, Finance Director



Attachments

EMERGENCY

IMD

- 2023

AUTHORIZING the establishment of capital improvement program project account nos. 980x233x232324, “WHV – CEAO LBR 2018 Grant,” 980x233x232325, “WHV – CEAO LBR 2018 HC Match,” 980x233x232326, “WHV – OKI STBG 2019 Grant,” and 980x233x232327, “WHV – OKI STBG 2019 HC Match,” for the purpose of providing resources for the design, right-of-way acquisition, and construction of the Western Hills Viaduct project; and **AUTHORIZING** the City Manager to appropriate grant and matching resources in an amount up to \$12,375,000 according to the attached Schedule of Appropriation.

WHEREAS, the design, right-of-way acquisition, and construction of the Western Hills Viaduct (the “Project”) is currently expected to cost \$398,000,000 and take approximately eight years to complete, with six construction phases and four ongoing maintenance phases being implemented as funding becomes available; and

WHEREAS, on June 17, 2020, Council approved Ordinance No. 186-2020, which authorized the City Manager to accept grant and matching resources (collectively, the “Funds”) in an amount up to \$23,026,315.79 and which appropriated the sum of \$10,651,315.79 in Funds to the Project; and

WHEREAS, Funds that were not yet available were not appropriated by Ordinance No. 186-2020, including a Surface Transportation Block Grant (“STBG”) awarded by the Ohio-Kentucky-Indiana Regional Council of Governments (“OKI”) and a Local Bridge Program grant awarded by the County Engineers Association of Ohio (“CEAO”); and

WHEREAS, Funds totaling up to \$12,375,000 from the STBG awarded by OKI and the Local Bridge Program grant awarded by CEAO are now available and must be appropriated to capital improvement program project accounts for the purpose of providing resources for the Project; and

WHEREAS, there are no new FTEs/full time equivalents associated with acceptance of these newly available Funds; and

WHEREAS, the Project is in accordance with the “Connect” goal to “[d]evelop a regional transportation system that promotes economic vitality,” and strategy to “[p]lan, design, and implement a safe and sustainable transportation system,” as described on pages 127-138 of Plan Cincinnati (2012); now, therefore,

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

Section 1. That the Director of Finance is hereby authorized to establish the following capital improvement program project accounts: nos. 980x233x232324, “WHV – CEAO LBR 2018 Grant”; 980x233x232325, “WHV – CEAO LBR 2018 HC Match”; 980x233x232326, “WHV – OKI STBG 2019 Grant”; and 980x233x232327, “OKI STBG 2019 HC Match,” to provide resources for the design, right-of-way acquisition, and construction of the Western Hills Viaduct project.

Section 2. That the City Manager is hereby authorized to appropriate grant and matching resources in an amount up to \$12,375,000 according to the attached Schedule of Appropriation.

Section 3. That the proper City officials are authorized to do all things necessary and proper to carry out the terms of the grants and Sections 1 and 2.

Section 4. 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 appropriate and encumber resources before the end of the State of Ohio’s fiscal year.

Passed: _____, 2023

Aftab Pureval, Mayor

Attest: _____
Clerk

Western Hills Viaduct Grants - Schedule of Appropriation

That the amounts set forth hereinafter totaling \$12,375,000 are hereby appropriated and allocated to the individual project account for the improvements listed hereinafter:

DEPT. DIVISION	PROGRAM TO BE TRANSFERRED FROM DESCRIPTION	PROJECT OR FUND TO BE TRANSFERRED TO NUMBER: DESCRIPTION	TOTAL BUDGETED COST ALL FUNDS PRIOR	REVISED	AMOUNT TO BE APPROPRIATED OR TRANSFERRED
Transp. & Eng. Engineering 233	County Engineers Association of Ohio Local Bridge Program (CEAO LBR)	232324 WHV - CEAO LBR 2018 Grant	-	5,000,000.00	5,000,000.00
	Hamilton County Matching Funds (for CEAO LBR)	232325 WHV - CEAO LBR 2018 HC Match	-	625,000.00	625,000.00
	Ohio-Kentucky-Indiana Regional Council of Governments (OKI) Surface Transportation Block Grant (STBG)	232326 WHV - OKI STBG 2019 Grant	-	6,000,000.00	6,000,000.00
	Hamilton County Matching Funds (for OKI STBG)	232327 WHV - OKI STBG 2019 HC Match	-	750,000.00	750,000.00

May 10, 2023

To: Mayor and Members of City Council

202301365

From: Sheryl M. M. Long, City Manager

Subject: Ordinance – DOTE: STBG, CMAQ, and TA Grants Application

Attached is an Ordinance captioned:

AUTHORIZING the City Manager to apply for grants from the federal Surface Transportation Block Grant and Congestion Mitigation and Air Quality (ALN 20.205) grant programs in an amount of up to \$8,000,000, and to apply for a grant in an amount of up to \$1,000,000 from the Transportation Alternatives Grant (ALN 20.205) awarded by the Ohio-Kentucky-Indiana Regional Council of Governments, all for the timely completion of several transportation projects managed by the City's Department of Transportation & Engineering.

Approval of this Ordinance authorizes the City Manager to apply for grants from the federal Surface Transportation Block Grant (STBG) and Congestion Mitigation and Air Quality (CMAQ) grant programs in an amount of up to \$8,000,000, and to apply for a grant in an amount of up to \$1,000,000 from the Transportation Alternatives Grant awarded by the Ohio-Kentucky-Indiana Regional Council of Governments (OKI), all for several transportation projects managed by the City's Department of Transportation & Engineering (DOTE).

DOTE identified a list of potential projects for grant funding, which is provided as an attachment. However, the list is subject to change, and DOTE may apply for resources to support projects not included in the attachment.

Grant applications are due on June 3, 2023, but no funds will be accepted without City Council approval. The grants require a 20% local match, which will be identified in future capital improvement program project funding if the grants are awarded. No new FTEs are required in association with these grants.

The rehabilitation and improvement of the City's transportation infrastructure is in accordance with the "Connect" goal to "[d]evelop an efficient multi-modal transportation system that supports neighborhood livability" and strategies to "[e]xpand options for non-automotive travel" and "[p]lan, design and implement a safe and sustainable transportation system," as described on pages 129-138 of Plan Cincinnati (2012).

The Administration recommends passage of this Ordinance.

cc: Andrew M. Dudas, Budget Director
Karen Alder, Finance Director

Attachment



AUTHORIZING the City Manager to apply for grants from the federal Surface Transportation Block Grant and Congestion Mitigation and Air Quality (ALN 20.205) grant programs in an amount of up to \$8,000,000, and to apply for a grant in an amount of up to \$1,000,000 from the Transportation Alternatives Grant (ALN 20.205) awarded by the Ohio-Kentucky-Indiana Regional Council of Governments, all for the timely completion of several transportation projects managed by the City’s Department of Transportation & Engineering.

WHEREAS, the Department of Transportation & Engineering (“DOTE”) identified the attached list of projects for potential grant funding, although the list is subject to change and DOTE may apply for resources for projects not included in the attachment; and

WHEREAS, the grant applications are due on June 3, 2023, and no funds will be accepted without approval of Council; and

WHEREAS, the grants require a twenty percent local match, which will be identified in future capital project funding, if the grants are awarded; and

WHEREAS, no new FTEs/full time equivalents are required in association with these grants; and

WHEREAS, the rehabilitation and improvement of the City’s transportation infrastructure is in accordance with the “Connect” goal to “[d]evelop an efficient multi-modal transportation system that supports neighborhood livability,” and strategies to “[e]xpand options for non-automotive travel,” and “[p]lan, design and implement a safe and sustainable transportation system,” as described on pages 129-138 of Plan Cincinnati (2012); now, therefore,

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

Section 1. That the City Manager is authorized to apply for grants from the federal Surface Transportation Block Grant and Congestion Mitigation and Air Quality (ALN 20.205) grant programs in an amount of up to \$8,000,000, and to apply for the Transportation Alternatives Grant (ALN 20.205) awarded by the Ohio-Kentucky-Indiana Regional Council of Governments in an amount of up to \$1,000,000, all for the timely completion of several transportation projects managed by the City’s Department of Transportation & Engineering.

Section 2. That the proper City officials are authorized to take all necessary actions to carry out the terms of the grants and Section 1.

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

Passed: _____, 2023

Aftab Pureval, Mayor

Attest: _____
Clerk

ATTACHMENT A

STBG/CMAQ Potential Grant Application Projects

June 2023 Application

- A. North Bend Road – Colerain to eastern Corp
 - a. Rehabilitation North Bend Road in College Hill and Mt Airy
 - b. Re-stripe the roadway for safety improvements
 - c. Potential bridge rehabilitation or removal at Kirby overpass
 - d. Total cost is to-be-determined
 - e. Design and local match would come from existing and future capital programs.

- B. Lick Run/Dunham/Rapid Run trail connection
 - a. Extend the Lick Run Trail along Queen City Boulevard to Dunham Recreation Center and Rapid Run Park in South Fairmount, West Price Hill, and Westwood
 - b. Sunset Avenue rehabilitation
 - c. Total cost is to-be-determined
 - d. Design and preliminary engineering already under funded by Council appropriation of ARPA funds, and design is underway
 - e. Local match will need to come from future capital budget allocations.

- C. West Eight Street – Nebraska to Elberon
 - a. Re-stripe the roadway for safety improvements in East Price Hill and West Price Hill
 - b. Pedestrian safety improvements with bump-outs
 - c. Traffic signals replaced
 - d. Total cost is to-be-determined
 - e. Design and local match would come from existing and future capital programs.

- D. Victory Parkway – McMillan to Reading Road
 - a. Re-stripe the roadway for safety improvements in Walnut Hills, East Walnut Hills, Evanston, Avondale, North Avondale, and Paddock Hills
 - b. Pedestrian safety improvements with bump-outs
 - c. Traffic signals replaced
 - d. Total cost is to-be-determined
 - e. Design and local match would come from existing and future capital programs.

TA Potential Grant Application Projects June 2023

Application

- A. Reading Road Sidewalk
 - a. Install missing sidewalk link between Asmann Avenue and Victory Parkway in Paddock Hills
 - b. Total cost is to-be-determined
 - c. Design and local match would come from existing and future capital programs.

- B. Murray Avenue Sidewalk
 - a. Construct sidewalk on Murray Avenue between Erie Avenue and the Murray Bike Path in Madisonville
 - b. *The project would be added to the rehabilitation of Murray Avenue.*
 - c. Total cost is to-be-determined
 - d. Design and local match would come from existing and future capital programs.

- C. Gilsey Road – Gellenbeck to Talbert
 - a. Install sidewalk to create a continuous path (370 feet of sidewalk) in West Price Hill
 - b. Total cost is to-be-determined
 - c. Design and local match would come from existing and future capital programs.

- D. North Fred Shuttlesworth – Edgehill Place to 704 North Fred Shuttlesworth
 - a. Install sidewalk to create a continuous path (520 feet of sidewalk) in North Avondale.
 - b. Total cost is to-be-determined
 - c. Design and local match would come from existing and future capital programs.

- E. Eggleston to Ohio River Trail (ORT) connection
 - a. New crosswalk on east side of intersection, connect Eggleston side path to ORT in Sawyer Point Park in Downtown neighborhood
 - b. Total cost is to-be-determined
 - c. Design and local match would come from existing and future capital programs.



EMERGENCY

City of Cincinnati

IMD

EESW

An Ordinance No. _____ - 2023

AUTHORIZING the City Manager and the employees of the Department of Economic Inclusion, along with the employees of the Office of Councilmember Harris, to solicit and accept donations of money, in-kind contributions, and other things of value from the Cincinnati business community, individual benefactors, and other available sources to support the 2023 Black Developers Conference; and **AUTHORIZING** the Director of Finance to deposit funds donated to the City of Cincinnati for the 2023 Black Developers Conference into Fund No. 314, “Special Events.”

WHEREAS, the 2023 Black Developers Conference (the “Conference”) will be held on September 7 and 8, 2023 and will be sponsored by the City of Cincinnati in coordination with the Port Authority, Realtist, the Cincinnati Development Fund, local affordable housing developers, and other partners (collectively, the “Partners”) for the purpose of providing resources and guidance to minority developers; and

WHEREAS, the Partners will solicit and/or make donations to the City to fund the cost of the Conference, and any donated resources not expended on the Conference will be utilized for future programming in support of minority developers; and

WHEREAS, the Conference is in accordance with the “Compete” goal to “[f]oster a climate conducive to growth, investment, stability, and opportunity,” as described on page 103 of Plan Cincinnati (2012); now, therefore,

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

Section 1. That the City Manager and the employees of the Department of Economic Inclusion, along with the employees of the Office of Councilmember Harris, are hereby authorized to solicit and accept donations of money, in-kind contributions, and other things of value to support the 2023 Black Developers Conference.

Section 2. That the Director of Finance is hereby authorized to deposit any funds donated to the City of Cincinnati for the 2023 Black Developers Conference into Fund No. 314, “Special Events.”

Section 3. That the proper City officials are authorized to do all things necessary and proper to carry out the terms of Sections 1 and 2.

Section 4. 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 accept donations and provide resources to prepare for the 2023 Black Developers Conference.

Passed: _____, 2023

Aftab Pureval, Mayor

Attest: _____
Clerk

Date: May 17, 2022

To: Councilmember Reggie Harris
From: Emily Smart Woerner, City Solicitor *EESW*
Subject: **Emergency Ordinance – Donations for 2023 Black Developers Conference**

Transmitted herewith is an emergency ordinance captioned as follows:

AUTHORIZING the City Manager and the employees of the Department of Economic Inclusion, along with the employees of the Office of Councilmember Harris, to solicit and accept donations of money, in-kind contributions, and other things of value from the Cincinnati business community, individual benefactors, and other available sources to support the 2023 Black Developers Conference; and **AUTHORIZING** the Director of Finance to deposit funds donated to the City of Cincinnati for the 2023 Black Developers Conference into Fund No. 314, “Special Events.”

EESW/IMD(dmm)
Attachment
382525

May 10, 2023

202301361

To: Mayor and Members of City Council

From: Sheryl M. M. Long, City Manager

**Subject: Emergency Ordinance – Cincinnati Fire Department: Moral
Obligation Payment to Specific Waste Industries, LLC**

Attached is an Emergency Ordinance captioned:

AUTHORIZING a payment of \$5,184 from Cincinnati Fire Department General Fund non-personnel operating budget account no. 050x271x5000x7276 to Specific Waste Industries, LLC as a moral obligation of the City of Cincinnati for pharmaceutical waste removal services provided to the Cincinnati Fire Department.

Approval of this Emergency Ordinance will authorize the payment \$5,184 from Cincinnati Fire Department General Fund non-personnel operating budget account no. 050x271x5000x7276 to Specific Waste Industries, LLC as a moral obligation of the City of Cincinnati for pharmaceutical waste removal services provided to the Cincinnati Fire Department.

The Cincinnati Fire Department's contract with Specific Waste Industries, LLC expired July 31, 2022. Additional work was performed outside of a contract in August 2022, for which funds were not certified, necessitating a moral obligation payment. A new contract for waste removal services with Greenleaf Environmental Services, LLC is now in place.

To avoid moral obligations in the future, Fire Department staff have been notified of the proper financial and procurement processes.

The reason for the emergency is the immediate need to pay Specific Waste Industries, LLC in a timely manner for services provided to the Cincinnati Fire Department.

The Administration recommends passage of this Emergency Ordinance.

cc: Andrew M. Dudas, Budget Director
Karen Alder, Finance Director

Attachment

EMERGENCY

CNS

- 2023

AUTHORIZING a payment of \$5,184 from Cincinnati Fire Department General Fund non-personnel operating budget account no. 050x271x5000x7276 to Specific Waste Industries, LLC as a moral obligation of the City of Cincinnati for pharmaceutical waste removal services provided to the Cincinnati Fire Department.

WHEREAS, the Cincinnati Fire Department's ("CFD") contract with Specific Waste Industries, LLC ("SWI") for pharmaceutical waste removal services expired on July 31, 2022; and

WHEREAS, additional work was performed by SWI in August 2022, for which funds were not certified, necessitating a moral obligation payment; and

WHEREAS, sufficient resources are available in CFD General Fund non-personnel operating budget account no. 050x271x5000x7276 to pay for the services provided by SWI; and

WHEREAS, Council desires to provide payment of \$5,184 to SWI for services provided to CFD; now, therefore,

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

Section 1. That the Finance Director is authorized to make a payment of \$5,184 from Cincinnati Fire Department General Fund non-personnel operating budget account no. 050x271x5000x7276 to Specific Waste Industries, LLC as a moral obligation of the City for pharmaceutical waste removal services.

Section 2. That the proper City officials are authorized to do all things necessary and proper to carry out the provisions of Section 1.

Section 3. 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 pay Specific Waste Industries, LLC in a timely manner for services provided to the Cincinnati Fire Department.

Passed: _____, 2023

Aftab Pureval, Mayor

Attest: _____
Clerk

May 10, 2023

To: Mayor and Members of City Council

202301363

From: Sheryl M. M. Long, City Manager

Subject: Emergency Ordinance – OES: Amend Ordinance No. 0317-2022

Attached is an Emergency Ordinance captioned:

AMENDING Ordinance No. 317-2022 to authorize the City Manager to accept and appropriate grant resources in an amount up to \$35,000 from the United States Environmental Protection Agency, Region 5 (ALN 66.034) and to authorize the Director of Finance to deposit the grant resources into Environmental Studies Fund revenue account no. 436x8543.

This Emergency Ordinance amends Ordinance No. 0317-2022 to authorize the City Manager to accept and appropriate grant resources in an amount up to \$35,000 from the United States Environmental Protection Agency (EPA), Region 5 (ALN 66.034) and authorize the Director of Finance to deposit the grant resources into Environmental Studies Fund revenue account no. 436x8543.

Ordinance No. 0317-2022 authorized the City Manager to accept and appropriate a grant in the amount of up to \$35,000 from the EPA, Region 5 to the Office of Environment and Sustainability (OES) General Fund non-personnel operating budget account no. 050x104x7200 for the purpose of designing and implementing the Electrify Cincy Education Program. This Ordinance also authorized the Director of Finance to deposit grant resources into General Fund revenue account no. 050x8543. The Department of Finance has since received guidance from the Ohio Auditor of State that Federal grant resources should not be deposited into the General Fund.

Ordinance No. 0317-2022 must therefore be amended to not appropriate EPA grant resources to the OES General Fund non-personnel budget and to instead deposit grant resources into Environmental Studies Fund revenue account no. 436x8543.

The reason for the emergency is the immediate need to amend Ordinance No. 317-2022 to deposit the United States Environmental Protection Agency grant resources into Environmental Studies Fund revenue account no. 436x8543.

The Administration recommends passage of this Emergency Ordinance.

cc: Andrew M. Dudas, Budget Director
Karen Alder, Finance Director



Attachment

EMERGENCY

IMD

- 2023

AMENDING Ordinance No. 317-2022 to authorize the City Manager to accept and appropriate grant resources in an amount up to \$35,000 from the United States Environmental Protection Agency, Region 5 (ALN 66.034) and to authorize the Director of Finance to deposit the grant resources into Environmental Studies Fund revenue account no. 436x8543.

WHEREAS, Ordinance No. 317-2022, passed on October 12, 2022, authorized the City Manager to accept and appropriate a grant in the amount of up to \$35,000 from the United States Environmental Protection Agency (“EPA”), Region 5 (ALN 66.034) to the Office of Environment and Sustainability (“OES”) General Fund non-personnel operating budget account no. 050x104x7200 for the purpose of designing and implementing the Electrify Cincy Education Program, and authorized the Director of Finance to deposit grant resources into General Fund revenue account no. 050x8543; and

WHEREAS, the Department of Finance has since received guidance from the Ohio Auditor of State that federal grant resources should not be deposited into the General Fund; and

WHEREAS, Ordinance No. 317-2022 must be amended to not appropriate EPA grant resources to the OES General Fund non-personnel budget and to instead deposit the grant resources into Environmental Studies Fund revenue account no. 436x8543; now, therefore,

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

Section 1. That Sections 1 and 2 of Ordinance No. 317-2022 are hereby amended to read as follows:

Section 1. That the City Manager is hereby authorized to accept and appropriate a grant in the amount of up to \$35,000 from the United States Environmental Protection Agency, Region 5 (ALN 66.034) ~~to the Office of Environment and Sustainability General Fund non-personnel operating budget account no. 050x104x7200~~ for the purpose of designing and implementing the Electrify Cincy Education Program, a training for residents and technical experts that supports residential electrification efforts, including weatherization, reduced energy consumption, and renewable energy upgrades.

Section 2. That the Director of Finance is hereby authorized to deposit the grant resources into ~~General Fund revenue account no. 050x8543~~ Environmental Studies Fund revenue account no. 436x8543.

Section 2. That all terms of Ordinance No. 317-2022 not amended by this ordinance remain in full force and effect.

Section 3. 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 amend Ordinance No. 317-2022 to deposit United States Environmental Protection Agency grant resources into Environmental Studies Fund revenue account no. 436x8543.

Passed: _____, 2023

Aftab Pureval, Mayor

Attest: _____
Clerk

New language underscored. Deleted language indicated by strikethrough.

May 10, 2023

202301366

To: Mayor and Members of City Council

From: Sheryl M. M. Long, City Manager

Subject: **Emergency Ordinance – FY 2023 Restricted Funds Operating Budget Final Adjustment Ordinance (FAO)**

Attached is an Emergency Ordinance captioned:

AUTHORIZING the transfer of the sum of \$4,395,307 within the Restricted Funds, from and to various operating accounts and the unappropriated surplus of the respective Restricted Funds according to the attached Schedules of Transfer, to realign and provide funds for the ongoing needs of City departments; and further **AUTHORIZING** the transfer and return to source of the sum of \$10,009,632 to the unappropriated surplus of various Restricted Funds in accordance with the attached Schedules of Transfer to realign funds for City departments.

The attached Emergency Ordinance balances the City's Restricted Fund accounts as required by state law and authorizes transfers for 12 appropriated restricted funds. These include transfers within appropriations, as well as increases to appropriations for two funds and the return of funds to the unappropriated surplus of two funds.

RESTRICTED FUND TRANSFERS WITHIN CURRENT APPROPRIATION

The transfers within the current FY 2023 appropriation are for the following ten funds: Water Works Fund 101, Parking System Facilities Fund 102, Stormwater Management Fund 107, Street Construction, Maintenance and Repair Fund 301, Income Tax-Infrastructure Fund 302, Municipal Motor Vehicle License Tax Fund 306, Recreation Special Activities Fund 323, Community Health Center Activities Fund 395, Cincinnati Health District Fund 416, and Streetcar Operations Fund 455.

The information below summarizes the need and transfers for each fund.

Water Works Fund 101 – \$1,030,000

Department of Water Works – \$1,030,000

A transfer in the amount of \$1,030,000 is needed for non-personnel items due to increased collection fees, utility costs, and critical material costs.

Parking System Facilities Fund 102 – \$300

Non-Departmental Accounts – \$300

A transfer in the amount of \$300 is needed for General Fund Overhead in the non-departmental accounts. Savings from the Department of Finance will offset this need.

Stormwater Management Fund 107 – \$339,134

Department of Buildings and Inspections – \$50,000

Buildings and Inspections will require a transfer within appropriations in the amount of \$50,000 for a need in contractual services related to the Private Lot Abatement Program (PLAP).

Department of Public Services – \$289,134

Public Services will require a transfer within appropriations in the amount of \$289,134 related to unbudgeted Fleet Services expenses.

Street Construction, Maintenance, and Repair Fund 301 – \$288,270

Department of Transportation and Engineering – \$20,000

A transfer in the amount of \$20,000 will be necessary to account for a need in Traffic Services for additional streetlight parts.

Department of Public Services – \$268,270

A transfer in the amount of \$268,270 will be necessary to account for a need in the Transportation and Road Operations Division (TROD) and the Neighborhood Operations Division (NOD) including pavement expenses, reflective safety clothing, and landscaping.

Income Tax-Infrastructure Fund 302 – \$726,368

Department of Transportation & Engineering – \$642,000

A transfer in the amount of \$642,000 is needed to account for a shortfall in personnel and benefits costs in the Office of the Director, Division of Transportation Planning, and Engineering. There is also a non-personnel need in the Office of the Director, Engineering, and Traffic Services for new computers, GPS equipment, and additional streetlight parts.

Department of Public Services – \$84,368

A transfer in the amount of \$84,368 will be necessary to account for a need in the Transportation and Road Operations Division (TROD) and the City Facility Management Division (CFM) including unbudgeted personnel expenses and a Police facility energy audit. Savings from the non-departmental lump sum payments account will offset this need.

Municipal Motor Vehicle License Tax Fund 306 – \$171,930

Department of Transportation and Engineering – \$10,000

A transfer in the amount of \$10,000 will be necessary to account for a need in Traffic Services for additional streetlight parts.

Department of Public Services – \$161,930

Public Services will require a transfer within appropriations in the amount of \$161,930 related to training and winter operations expenses.

Recreation Special Activities Fund 323 – \$428,305

Department of Recreation – \$428,305

Recreation will require a transfer within appropriations in the amount of \$428,305 to cover various non-personnel needs in the West Region, East Region, and Central Region as well as a personnel need in Support Services.

Community Health Center Activities Fund 395 – \$282,000

Health Department – \$282,000

A transfer in the amount of \$282,000 to the Division of Primary Health Care Programs, Division of Primary Health Care Centers, and Division of School and Adolescent Health is needed due to higher than budgeted personnel and benefits expenses as well as temporary staffing.

Cincinnati Health District Fund 416 – \$950,000

Health Department – \$950,000

A transfer in the amount of \$950,000 to the Office of the Commissioner, Division of Technical Resources, Division of Community Health Centers, Division of Primary Health Care Programs, and Division of School and Adolescent Health is needed to cover higher than expected personnel costs, temporary personnel costs, and increased security costs.

Streetcar Operations Fund 455 – \$75,000

Department of Transportation and Engineering – \$75,000

DOTTE will require a transfer in the amount of \$75,000 due to higher than budgeted personnel expenses.

TRANSFERS RESULTING IN A SUPPLEMENTAL APPROPRIATION

The following two funds require supplemental increases in appropriations in FY 2023 as described below:

Stormwater Management Fund 107 – \$96,000

Office of the City Manager – \$96,000

A need of \$96,000 exists in the Office of Environment and Sustainability (OES) for contractual services related to recycling.

Employee Safety and Risk Management Fund 212 – \$8,000

Office of the City Manager – \$8,000

A need of \$8,000 exists in the Office of Environment and Sustainability (OES) due to unbudgeted personnel and fringe benefit expenses.

TRANSFERS TO UNAPPROPRIATED SURPLUS RESULTING FROM SAVINGS

The following two funds have departmental savings that will be returned to the unappropriated surplus of each fund:

Bond Retirement Fund 151 – \$9,594,000

Department of Finance – \$9,594,000

The Department of Finance reports a total savings of \$9,594,000 in the Bond Retirement Fund primarily due to a reduction in debt service notes and issuance costs. There is also a personnel savings resulting from a position vacancy.

Income Tax-Infrastructure Fund 302 – \$415,632

Non-Departmental Accounts – \$415,632

The non-departmental accounts have a savings of \$415,632 due to lower than expected needs for Lump Sum Payments and Reserve for Contingencies.

The reason for the emergency is the immediate need to provide funds for the continuation of uninterrupted services through the end of the fiscal year.

The Administration recommends passage of this Emergency Ordinance.

cc: Andrew M. Dudas, Budget Director
Karen Alder, Finance Director

Attachment

EMERGENCY

CMZ

-2023

AUTHORIZING the transfer of the sum of \$4,395,307 within the Restricted Funds, from and to various operating accounts and the unappropriated surplus of the respective Restricted Funds according to the attached Schedules of Transfer, to realign and provide funds for the ongoing needs of City departments; and further **AUTHORIZING** the transfer and return to source of the sum of \$10,009,632 to the unappropriated surplus of various Restricted Funds in accordance with the attached Schedules of Transfer to realign funds for City departments.

WHEREAS, a need has arisen since the beginning of Fiscal Year 2023 to transfer various sums according to the attached Schedules of Transfer in order to realign and provide funds for the ongoing needs of City departments; now, therefore,

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

Section 1. That the sum of \$4,395,307 existing within various Restricted Funds and the unappropriated surplus of various Restricted Funds is hereby transferred from and to various operating accounts according to the Schedules of Transfer attached hereto and by reference made a part hereof, to realign certain accounts and provide funds for the ongoing needs of City departments until the end of fiscal year 2023.

Section 2. That the sum of \$10,009,632 is hereby transferred and returned to the unappropriated surplus of various Restricted Funds according to the Schedules of Transfer attached hereto and by reference made a part hereof to realign funds for City departments.

Section 3. That the proper City officials are hereby authorized to do all things necessary and proper to carry out the terms of Sections 1 and 2 and the attached Schedules of Transfer.

Section 4. 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 provide funds for the continuation of uninterrupted services through the end of the fiscal year.

Passed: _____, 2023

Aftab Pureval, Mayor

Attest: _____
Clerk

SCHEDULE OF TRANSFER

FY 2023 RESTRICTED FUNDS FINAL ADJUSTMENT ORDINANCE
Fund 101 Water Works

<i>REDUCTIONS</i>	Fund	Agency	Appropriation Unit	\$ Amount	Fund	Agency	Appropriation Unit	\$ Amount
TRANSFERS WITHIN APPROPRIATIONS								
SOURCE ACCOUNTS								
DEPARTMENT OF WATER WORKS	101	302	7100	400,000				
COMMERCIAL SERVICES	101	303	7100	330,000				
DIVISION OF WATER SUPPLY	101	304	7100	300,000				
DIVISION OF WATER DISTRIBUTION								
Subtotal Transfers Within Appropriations				1,030,000				
TOTAL FUND 101 REDUCTIONS				1,030,000				
INCREASES								
TRANSFERS WITHIN APPROPRIATIONS								
USE ACCOUNTS								
DEPARTMENT OF WATER WORKS	101	302	7200		101	302	7200	400,000
COMMERCIAL SERVICES	101	303	7200		101	303	7200	300,000
DIVISION OF WATER SUPPLY	101	303	7300		101	303	7300	30,000
DIVISION OF WATER DISTRIBUTION	101	304	7300		101	304	7300	300,000
Subtotal Transfers Within Appropriations								1,030,000
TOTAL FUND 101 INCREASES								1,030,000

SCHEDULE OF TRANSFER

FY 2023 RESTRICTED FUNDS FINAL ADJUSTMENT ORDINANCE

Fund 102 Parking System Facilities

<i>REDUCTIONS</i>	<i>INCREASES</i>						
Fund	Agency	Appropriation Unit	\$ Amount	Fund	Agency	Appropriation Unit	\$ Amount
TRANSFERS WITHIN APPROPRIATIONS							
TRANSFERS WITHIN APPROPRIATIONS							
USE ACCOUNTS							
NON-DEPARTMENTAL ACCOUNTS							
DEPARTMENT OF FINANCE			300				
TREASURY	102	134	7200	102	944	7200	300
Subtotal Transfers Within Appropriations			300	Subtotal Transfers Within Appropriations			300
TOTAL FUND 102 REDUCTIONS			300	TOTAL FUND 102 INCREASES			300

SCHEDULE OF TRANSFER

FY 2023 RESTRICTED FUNDS FINAL ADJUSTMENT ORDINANCE

Fund 107 Stormwater Management

<i>REDUCTIONS</i>		<i>INCREASES</i>	
Fund	Agency	Appropriation Unit	\$ Amount
TRANSFERS WITHIN APPROPRIATIONS			
SOURCE ACCOUNTS			
107	212	7100	50,000
DEPARTMENT OF BUILDINGS AND INSPECTIONS			
	PROPERTY MAINTENANCE CODE ENFORCEMENT		
		212	50,000
DEPARTMENT OF PUBLIC SERVICES			
107	253	7100	180,018
NEIGHBORHOOD OPERATIONS			
107	253	7500	109,116
NEIGHBORHOOD OPERATIONS			
			<u>339,134</u>
Subtotal Transfers Within Appropriations			
SUPPLEMENTAL APPROPRIATIONS			
SOURCE ACCOUNTS			
107			96,000
UNAPPROPRIATED SURPLUS			
			<u>96,000</u>
Subtotal Supplemental Appropriations			
TOTAL FUND 107 REDUCTIONS			435,134
TRANSFERS WITHIN APPROPRIATIONS			
USE ACCOUNTS			
107	212	7200	50,000
DEPARTMENT OF BUILDINGS AND INSPECTIONS			
	PROPERTY MAINTENANCE CODE ENFORCEMENT		
		7200	50,000
DEPARTMENT OF PUBLIC SERVICES			
107	253	7300	84,514
NEIGHBORHOOD OPERATIONS			
107	253	7200	204,620
NEIGHBORHOOD OPERATIONS			
			<u>339,134</u>
Subtotal Transfers Within Appropriations			
SUPPLEMENTAL APPROPRIATIONS			
SOURCE ACCOUNTS			
107	104	7200	96,000
CITY MANAGER'S OFFICE			
	OFFICE OF ENVIRONMENT AND SUSTAINABILITY		
		7200	96,000
Subtotal Supplemental Appropriations			
TOTAL FUND 107 INCREASES			435,134

SCHEDULE OF TRANSFER

FY 2023 RESTRICTED FUNDS FINAL ADJUSTMENT ORDINANCE

Fund 151 Bond Retirement

<i>REDUCTIONS</i>		<i>INCREASES</i>		<i>\$ Amount</i>		
Fund	Agency	Appropriation Unit	Fund	Agency	Appropriation Unit	\$ Amount
SUPPLEMENTAL APPROPRIATIONS						
SOURCE ACCOUNTS						
DEPARTMENT OF FINANCE						
TREASURY	151	134	7100			44,000
TREASURY	151	134	7200			1,315,000
TREASURY	151	134	7400			120,000
TREASURY	151	134	7500			15,000
TREASURY	151	134	7700			8,100,000
Subtotal Supplemental Appropriations						9,594,000
SUPPLEMENTAL APPROPRIATIONS						
USE ACCOUNTS						
UNAPPROPRIATED SURPLUS						
			151			9,594,000
Subtotal Supplemental Appropriations						9,594,000
TOTAL FUND 151 REDUCTIONS			9,594,000			
TOTAL FUND 151 INCREASES			9,594,000			

SCHEDULE OF TRANSFER

FY 2023 RESTRICTED FUNDS FINAL ADJUSTMENT ORDINANCE

Fund 301 Street Construction Maintenance & Repair

<i>REDUCTIONS</i>	Fund	Agency	Appropriation Unit	\$ Amount	<i>INCREASES</i>	Fund	Agency	Appropriation Unit	\$ Amount
TRANSFERS WITHIN APPROPRIATIONS									
SOURCE ACCOUNTS									
DEPARTMENT OF TRANSPORTATION AND ENGINEERING	301	238	7100	15,000	DEPARTMENT OF TRANSPORTATION AND ENGINEERING	301	238	7300	20,000
TRAFFIC SERVICES	301	238	7500	5,000	TRAFFIC SERVICES				
DEPARTMENT OF PUBLIC SERVICES									
TRAFFIC AND ROAD OPERATIONS	301	252	7500	30,981	DEPARTMENT OF PUBLIC SERVICES	301	252	7200	20,981
NEIGHBORHOOD OPERATIONS	301	253	7100	137,470	TRAFFIC AND ROAD OPERATIONS	301	252	7300	10,000
NEIGHBORHOOD OPERATIONS	301	253	7500	99,819	TRAFFIC AND ROAD OPERATIONS	301	252	7600	75,000
					NEIGHBORHOOD OPERATIONS	301	253	7200	162,289
					Subtotal Transfers Within Appropriations				288,270
				288,270					288,270
TOTAL FUND 301 REDUCTIONS					TOTAL FUND 301 INCREASES				
				288,270					288,270

SCHEDULE OF TRANSFER

FY 2023 RESTRICTED FUNDS FINAL ADJUSTMENT ORDINANCE

Fund 302 Income Tax-Infrastructure

<i>REDUCTIONS</i>		<i>INCREASES</i>	
Fund	Agency	Appropriation Unit	\$ Amount
TRANSFERS WITHIN APPROPRIATIONS			
SOURCE ACCOUNTS			
DEPARTMENT OF TRANSPORTATION AND ENGINEERING			
302	233	7100	400,000
302	238	7100	160,000
302	238	7500	82,000
ENGINEERING			
302	231	7100	180,000
302	231	7300	25,000
302	231	7500	30,000
TRANSPORTATION PLANNING			
302	232	7100	60,000
302	232	7500	130,000
ENGINEERING			
302	233	7300	25,000
302	233	7500	50,000
302	238	7300	142,000
DEPARTMENT OF PUBLIC SERVICES			
302	252	7100	40,868
TRAFFIC AND ROAD OPERATIONS			
302	255	7100	13,500
CITY FACILITY MANAGEMENT			
302	255	7200	30,000
Subtotal Transfers Within Appropriations			
			726,368
SUPPLEMENTAL APPROPRIATIONS			
SOURCE ACCOUNTS			
NON-DEPARTMENTAL ACCOUNTS			
302	924	7100	115,632
LUMP SUM PAYMENTS			
302	990	7200	300,000
RESERVE FOR CONTINGENCIES			
Subtotal Supplemental Appropriations			
			415,632
TOTAL FUND 302 REDUCTIONS			
			1,142,000
TOTAL FUND 302 INCREASES			
			1,142,000

SCHEDULE OF TRANSFER

FY 2023 RESTRICTED FUNDS FINAL ADJUSTMENT ORDINANCE

Fund 306 Municipal Motor Vehicle License Tax

REDUCTIONS		INCREASES		TOTAL FUND 306 INCREASES			
Fund	Agency	Appropriation Unit	\$ Amount	Fund	Agency	Appropriation Unit	\$ Amount
TRANSFERS WITHIN APPROPRIATIONS							
SOURCE ACCOUNTS							
	306	238	7100		306	238	7300
DEPARTMENT OF TRANSPORTATION AND ENGINEERING							
TRAFFIC SERVICES							
			10,000				10,000
DEPARTMENT OF PUBLIC SERVICES							
	306	252	7100		306	252	7200
TRAFFIC AND ROAD OPERATIONS							
	306	252	7500		306	252	7300
TRAFFIC AND ROAD OPERATIONS							
Subtotal Transfers Within Appropriations			171,930	Subtotal Transfers Within Appropriations			171,930
TOTAL FUND 306 REDUCTIONS			171,930	TOTAL FUND 306 INCREASES			171,930

SCHEDULE OF TRANSFER

FY 2023 RESTRICTED FUNDS FINAL ADJUSTMENT ORDINANCE

Fund 323 Recreation Special Activities

<i>REDUCTIONS</i>		<i>INCREASES</i>	
Fund	Agency	Appropriation Unit	\$ Amount
TRANSFERS WITHIN APPROPRIATIONS			
SOURCE ACCOUNTS			
CINCINNATI RECREATION COMMISSION			
323	191	7100	136,081
323	191	7500	7,114
323	192	7100	111,642
323	192	7500	6,843
323	193	7100	146,046
323	193	7500	5,579
323	199	7200	15,000
Subtotal Transfers Within Appropriations			<u>428,305</u>
TOTAL FUND 323 REDUCTIONS			428,305
TRANSFERS WITHIN APPROPRIATIONS			
USE ACCOUNTS			
CINCINNATI RECREATION COMMISSION			
323	191	7200	61,597
323	191	7300	81,598
323	192	7200	59,243
323	192	7300	59,242
323	193	7200	88,313
323	193	7300	63,312
323	199	7100	15,000
Subtotal Transfers Within Appropriations			<u>428,305</u>
TOTAL FUND 323 INCREASES			428,305

SCHEDULE OF TRANSFER

FY 2023 RESTRICTED FUNDS FINAL ADJUSTMENT ORDINANCE

Fund 395 Community Health Center Activities

<i>REDUCTIONS</i>		<i>INCREASES</i>	
Fund	Agency	Appropriation Unit	\$ Amount
TRANSFERS WITHIN APPROPRIATIONS			
SOURCE ACCOUNTS			
CINCINNATI HEALTH DEPARTMENT			
DIVISION OF PRIMARY HEALTH CARE - CENTERS	395	265	7100
			282,000
Subtotal Transfers Within Appropriations			
			<u>282,000</u>
TOTAL FUND 395 REDUCTIONS			282,000
TRANSFERS WITHIN APPROPRIATIONS			
USE ACCOUNTS			
CINCINNATI HEALTH DEPARTMENT			
DIVISION OF PRIMARY HEALTH CARE - PROGRAMS	395	264	7100
DIVISION OF PRIMARY HEALTH CARE - PROGRAMS	395	264	7200
DIVISION OF PRIMARY HEALTH CARE - CENTERS	395	265	7200
DIVISION OF SCHOOL & ADOLESCENT HEALTH	395	266	7200
Subtotal Transfers Within Appropriations			
			<u>282,000</u>
TOTAL FUND 395 INCREASES			282,000

SCHEDULE OF TRANSFER

FY 2023 RESTRICTED FUNDS FINAL ADJUSTMENT ORDINANCE

Fund 416 Cincinnati Health District

<i>REDUCTIONS</i>		<i>INCREASES</i>	
Fund	Agency	Appropriation Unit	\$ Amount
TRANSFERS WITHIN APPROPRIATIONS			
SOURCE ACCOUNTS			
416	261	7100	105,000
416	262	7100	200,000
416	264	7100	85,000
416	265	7100	480,000
416	266	7200	80,000
Subtotal Transfers Within Appropriations			950,000
TOTAL FUND 416 REDUCTIONS			950,000
TRANSFERS WITHIN APPROPRIATIONS			
USE ACCOUNTS			
416	261	7200	105,000
416	262	7200	200,000
416	263	7100	280,000
416	263	7200	200,000
416	264	7200	85,000
416	266	7100	80,000
Subtotal Transfers Within Appropriations			950,000
TOTAL FUND 416 INCREASES			950,000

SCHEDULE OF TRANSFER

FY 2023 RESTRICTED FUNDS FINAL ADJUSTMENT ORDINANCE

Fund 455 Streetcar Operations

REDUCTIONS		INCREASES		Fund	Agency	Appropriation Unit	\$ Amount
TRANSFERS WITHIN APPROPRIATIONS		TRANSFERS WITHIN APPROPRIATIONS					
SOURCE ACCOUNTS		USE ACCOUNTS					
DEPARTMENT OF TRANSPORTATION AND ENGINEERING		DEPARTMENT OF TRANSPORTATION AND ENGINEERING		455	236	7100	75,000
TRAFFIC SERVICES		STREETCAR OPERATIONS					75,000
Subtotal Transfers Within Appropriations		Subtotal Transfers Within Appropriations					75,000
TOTAL FUND 455 REDUCTIONS		TOTAL FUND 455 INCREASES					75,000

May 10, 2023

202301380

To: Mayor and Members of City Council

From: Sheryl M. M. Long, City Manager

Subject: Emergency Ordinance – FY 2023 General Fund Operating Budget Final Adjustment Ordinance (FAO)

Attached is an Emergency Ordinance captioned:

AUTHORIZING the transfer of \$12,806,912 within the General Fund, from and to various operating accounts and the unappropriated surplus of the General Fund according to the attached Schedules of Transfer, for the purpose of realigning and providing funds for the ongoing needs of City departments; **AUTHORIZING** the transfer and return to source of the sum of \$70,000 from the Department of Human Resources General Fund non-personnel operating budget account no. 050x121x7200 to the unappropriated surplus of the General Fund; **AUTHORIZING** the transfer and return to source of the sum of \$26,000 from the non-departmental Lump Sum Payments personnel operating budget account no. 050x924x7100 to the unappropriated surplus of the General Fund; **AUTHORIZING** the transfer and appropriation of the sum of \$96,000 from the unappropriated surplus of the General Fund to existing capital improvement program project account no. 980x981x232505, "Fleet Replacements," for the purpose of providing resources for automotive and motorized equipment for City agencies supported by the General Fund with the intent of purchasing a truck for use by the Department of Human Resources for Commercial Driver's License training; **AUTHORIZING** the transfer and return to source of the sum of \$72,739 from the Department of City Planning and Engagement General Fund personnel operating budget account no. 050x171x7100 and \$19,261 from the Department of City Planning and Engagement General Fund fringe benefit operating budget account no. 050x171x7500 to the unappropriated surplus of the General Fund; **ESTABLISHING** new capital improvement program project account no. 980x255x232520, "Centennial II Office Renovation," for the purpose of providing resources for renovating space in Centennial II including, but not limited to, expansion of office space to accommodate additional staff in the Department of City Planning and Engagement; **AUTHORIZING** the transfer and appropriation of the sum of \$42,000 from the unappropriated surplus of the General Fund to capital improvement program project account no. 980x255x232520, "Centennial II Office Renovation," for the purpose of providing resources for renovating space in Centennial II including, but not limited to, expansion of office space

to accommodate additional staff in the Department of City Planning and Engagement; **AUTHORIZING** the transfer and appropriation of the sum of \$50,000 from the unappropriated surplus of the General Fund to capital improvement program project account no. 980x091x220920, "Video Conference Room Equipment," for the purpose of providing resources for the acquisition and installation of audio/visual equipment and other equipment necessary to support video conferencing capabilities in Centennial II with the intent to support the City Planning Commission; **AUTHORIZING** the transfer and return to source of the sum of \$15,000 from the balance sheet reserve account no. 050x2535, "Reserve for Operating Budget Contingencies," to the unappropriated surplus of the General Fund; **AUTHORIZING** the transfer and appropriation of the sum of \$15,000 from the unappropriated surplus of the General Fund to City Planning and Engagement General Fund non-personnel operating budget account no. 050x171x7200 for the purpose of providing resources to support the 2023 Cincinnati Housing Solutions Summit; **AUTHORIZING** the transfer and return to source of the sum of \$63,196 from the Cincinnati Parks Department General Fund non-personnel operating budget account no. 050x202x7200 to the unappropriated surplus of the General Fund; **ESTABLISHING** new capital improvement program project account no. 980x203x232038, "Parks Fleet Replacement – GF FAO," for the purpose of providing resources for automotive and motorized equipment including but not limited to mowers for the Cincinnati Parks Department; and **AUTHORIZING** the transfer and appropriation of the sum of \$63,196 from the unappropriated surplus of the General Fund to capital improvement program project account no. 980x203x232038, "Parks Fleet Replacement – GF FAO," for the purpose of providing resources for automotive and motorized equipment including, but not limited to, mowers for the Cincinnati Parks Department.

The attached Emergency Ordinance balances the City's General Fund operating budget accounts for FY 2023. The accounts are balanced by transferring appropriations within and between General Fund departments and relies on unappropriated surplus and the Reserve for Operating Budget Contingencies. The Emergency Ordinance also transfers resources from the General Fund unappropriated surplus to various capital improvement program project accounts.

GENERAL FUND TRANSFERS WITHIN CURRENT APPROPRIATIONS

A total of \$8,942,240 will be transferred within current appropriations in order to offset various anticipated needs as outlined below.

City Manager's Office – \$718,875

A total non-personnel need in the City Manager's office of \$718,875 is needed for various contractual services expenses. \$585,000 will be offset from savings within the

City Manager's Offset, and \$133,875 will be offset from various departmental and non-departmental savings.

The City Manager's Office requires \$90,000 for temporary personnel in the City Manager's Office, \$30,000 for an executive search contract, \$8,000 for the Talbert House for social services provided to citizens during City Council meetings, \$96,000 for a Cincinnati Police Department climate assessment, \$35,000 for a collaborative agreement consultant, \$50,000 towards the Mobile Crisis Response Team, and \$108,875 for the Women Helping Women training for the Cincinnati Fire Department.

The Emergency Communications Center (ECC) needs to transfer \$140,000 from personnel to non-personnel to properly account for expenses related to the Alternative Response to Crisis (ARC) program.

The Office of Environment and Sustainability (OES) requires \$161,000 to offset non-personnel needs related to recycling services, new recycling carts, and other contractual services.

Department of Finance – \$25,000

A total of \$25,000 in personnel savings will be transferred from the Treasury Division to offset an insurance need in Risk Management.

Department of Community and Economic Development – \$140,000

Personnel savings in an amount of \$140,000 will be transferred within the Economic Development Division to address a need in contractual services related to operating expenses for the Saks Fifth Avenue and Shillito's West buildings.

Department of City Planning and Engagement – \$4,309

A transfer of \$4,309 in personnel savings will be necessary to offset needs associated with telephone charges and office supplies for City Planning and Engagement staff.

Citizen Complaint Authority – \$44,015

An amount of \$44,015 of various department and non-department savings will be transferred to the Citizen Complaint Authority (CCA) to address various needs. \$40,000 is needed in personnel due to vacant positions that were filled at higher than anticipated salaries as well as merit increases and equity adjustments for investigation staff. An additional \$4,015 is needed for telephone services, sundry services, vehicle repairs, and equipment rental.

Cincinnati Recreation Commission – \$589,570

A transfer of \$589,570 in personnel, benefits, and properties savings will be necessary to cover various non-personnel needs related to automotive maintenance, utility expenses, childcare training, recreation center supplies, and information technology (IT) related needs.

Department of Buildings and Inspections – \$80,000

Personnel savings in the amount of \$5,000 will be transferred within the Property Maintenance and Code Enforcement Division to offset various non-personnel needs related to postage, telephone charges, travel expenses, and fleet services.

An amount of \$75,000 in various department and non-departmental savings will be transferred to the Buildings and Inspections, Licenses and Permits Division to address a need for Accela portal devices used in the field to track licensing and permit information.

Cincinnati Police Department – \$3,524,129

Personnel and benefits savings in the Administration Bureau in the amount of \$2,450,000 will be transferred primarily to offset personnel and benefits needs in the Investigations and Support Bureaus.

A transfer of \$1,074,129 from various department and non-departmental savings is also necessary to address needs related to the central warrant fees from Hamilton County, laptops for the Police Academy, and the Video Alliance contract.

Department of Transportation and Engineering – \$50,000

Personnel and fringe benefits savings in the Engineering Division in the amount of \$50,000 will be transferred to offset a personnel need as well as a non-personnel need for computers for new staff members in the Office of the Director.

Department of Public Services – \$330,457

A total of \$198,407 in personnel and benefits savings will be transferred within the Neighborhood Operations Division (NOD) to address various non-personnel needs including administration office renovations, garage door repairs, Rumpke services, and uniforms.

Various department and non-departmental savings in an amount of \$132,050 will be transferred to the Department of Public Services to address non-personnel needs resulting from increased Stormwater utility expenses.

Cincinnati Fire Department – \$3,234,885

A total of \$3,114,454 in personnel and fringe benefits savings in the Support Services Division will be transferred to offset personnel and benefits needs in the Response Division primarily due to increased overtime.

An amount of \$120,431 in various department and non-departmental savings will be transferred to the Cincinnati Fire Department to address non-personnel needs related to fire recruit training, firefighting foam used for chemical burns, and female firefighting training.

Department of Economic Inclusion – \$201,000

A total of \$201,000 in various departmental and non-departmental savings will be transferred to address a need in the Department of Economic Inclusion due to

personnel and fringe benefits costs resulting from the hiring of staff and the completion of the department's staffing plan.

GENERAL FUND SUPPLEMENTAL APPROPRIATIONS

Two departments require supplemental appropriations totaling \$3,864,672. These needs will be addressed using General Fund unappropriated surplus.

Cincinnati Police Department – \$833,871

Supplemental appropriations totaling \$833,871 are needed in the Cincinnati Police Department to address Police Visibility Overtime (PVO) and personnel and fringe benefits needs in the Support Division.

Cincinnati Fire Department – \$3,030,801

The Cincinnati Fire Department requires a supplemental appropriation of \$3,030,801 primarily due to greater than anticipated overtime costs and associated wage-based fringe benefits costs resulting from the unexpected attrition of sworn personnel.

OPERATING BUDGET CONTINGENCIES BALANCE SHEET RESERVE ACCOUNT TRANSFER

Department of City Planning and Engagement – \$15,000

A sum of \$15,000 will be transferred from the Reserve for Operating Budget Contingencies balance sheet reserve account to the unappropriated surplus of the General Fund. The sum of \$15,000 will then be transferred from the unappropriated surplus of the General Fund to the Department of City Planning and Engagement to provide resources to support the 2023 Cincinnati Housing Solutions Summit pursuant to Council Motion #202201913.

GENERAL FUND TRANSFERS TO CAPITAL BUDGET

Three departments require a transfer from the General Fund unappropriated surplus to various capital improvement program project accounts. A total of \$251,196 will be transferred as a result of General Fund departmental and non-departmental savings.

Human Resources – \$96,000

A transfer in the amount of \$96,000 from the unappropriated surplus of the General Fund is required to the Department of Public Services' existing capital improvement program project account no. 980x981x232505, "Fleet Replacements" for the purpose of providing resources for automotive and motorized equipment for City agencies supported by the General Fund with the intent of purchasing a truck for use by the Department of Human Resources for Commercial Driver's License training. Of the \$96,000 needed, \$70,000 will be provided by contractual services savings in the Department of Human Resources and \$26,000 will be provided by personnel savings in the Lump Sum Payments non-departmental account.

Department of City Planning and Engagement – \$92,000

The Department of City Planning and Engagement has personnel savings of \$92,000, which will be returned to the General Fund unappropriated surplus and subsequently appropriated to two capital improvement program project accounts. \$42,000 will be appropriated to newly created capital improvement program project account no. 980x255x232520, “Centennial II Office Renovation,” for the purpose of renovating space in Centennial II including, but not limited to, expansion of office space to accommodate additional staff in the Department of City Planning and Engagement. \$50,000 will be appropriated to existing capital improvement program project account no. 980x091x220920, “Video Conference Room Equipment,” for the purpose of providing resources for the acquisition and installation of audio/visual equipment and other equipment necessary to support video conferencing capabilities in Centennial II with the intent to support the City Planning Commission.

Cincinnati Parks Department – \$63,196

The Cincinnati Parks Department has a non-personnel savings of \$63,196, which will be returned to the General Fund unappropriated surplus and appropriated to a newly established capital improvement program project account no. 980x203x232038, “Parks Fleet Replacement – GF FAO,” for the purpose of providing resources for automotive and motorized equipment including, but not limited to, mowers for the Cincinnati Parks Department.

The reason for the emergency is the immediate need to realign and provide funds for the ongoing needs of City departments.

The Administration recommends passage of this Emergency Ordinance.

cc: Andrew Dudas, Budget Director
Karen Alder, Finance Director

Attachment

EMERGENCY

CNS

- 2023

AUTHORIZING the transfer of \$12,806,912 within the General Fund, from and to various operating accounts and the unappropriated surplus of the General Fund according to the attached Schedules of Transfer, for the purpose of realigning and providing funds for the ongoing needs of City departments; **AUTHORIZING** the transfer and return to source of the sum of \$70,000 from the Department of Human Resources General Fund non-personnel operating budget account no. 050x121x7200 to the unappropriated surplus of the General Fund; **AUTHORIZING** the transfer and return to source of the sum of \$26,000 from the non-departmental Lump Sum Payments personnel operating budget account no. 050x924x7100 to the unappropriated surplus of the General Fund; **AUTHORIZING** the transfer and appropriation of the sum of \$96,000 from the unappropriated surplus of the General Fund to existing capital improvement program project account no. 980x981x232505, “Fleet Replacements,” for the purpose of providing resources for automotive and motorized equipment for City agencies supported by the General Fund with the intent of purchasing a truck for use by the Department of Human Resources for Commercial Driver’s License training; **AUTHORIZING** the transfer and return to source of the sum of \$72,739 from the Department of City Planning and Engagement General Fund personnel operating budget account no. 050x171x7100 and \$19,261 from the Department of City Planning and Engagement General Fund fringe benefit operating budget account no. 050x171x7500 to the unappropriated surplus of the General Fund; **ESTABLISHING** new capital improvement program project account no. 980x255x232520, “Centennial II Office Renovation,” for the purpose of providing resources for renovating space in Centennial II including, but not limited to, expansion of office space to accommodate additional staff in the Department of City Planning and Engagement; **AUTHORIZING** the transfer and appropriation of the sum of \$42,000 from the unappropriated surplus of the General Fund to capital improvement program project account no. 980x255x232520, “Centennial II Office Renovation,” for the purpose of providing resources for renovating space in Centennial II including, but not limited to, expansion of office space to accommodate additional staff in the Department of City Planning and Engagement; **AUTHORIZING** the transfer and appropriation of the sum of \$50,000 from the unappropriated surplus of the General Fund to capital improvement program project account no. 980x091x220920, “Video Conference Room Equipment,” for the purpose of providing resources for the acquisition and installation of audio/visual equipment and other equipment necessary to support video conferencing capabilities in Centennial II with the intent to support the City Planning Commission; **AUTHORIZING** the transfer and return to source of the sum of \$15,000 from the balance sheet reserve account no. 050x2535, “Reserve for Operating Budget Contingencies,” to the unappropriated surplus of the General Fund; **AUTHORIZING** the transfer and appropriation of the sum of \$15,000 from the unappropriated surplus of the General Fund to City Planning and Engagement General Fund non-personnel operating budget account no. 050x171x7200 for the purpose of providing resources to support the 2023 Cincinnati Housing Solutions Summit; **AUTHORIZING** the transfer and return to source of the sum of \$63,196 from the Cincinnati Parks Department General Fund non-personnel operating budget account no. 050x202x7200 to the unappropriated surplus of the General Fund; **ESTABLISHING** new capital improvement program project account no. 980x203x232038, “Parks Fleet Replacement – GF FAO,” for the purpose of providing resources

for automotive and motorized equipment including, but not limited to, mowers for the Cincinnati Parks Department; and AUTHORIZING the transfer and appropriation of the sum of \$63,196 from the unappropriated surplus of the General Fund to capital improvement program project account no. 980x203x232038, "Parks Fleet Replacement – GF FAO," for the purpose of providing resources for automotive and motorized equipment including, but not limited to, mowers for the Cincinnati Parks Department.

WHEREAS, a need has arisen since the beginning of the Fiscal Year 2023 to transfer various sums according to the attached Schedules of Transfer in order to realign and provide funds for the ongoing needs of City departments; and

WHEREAS, \$8,942,240 is being transferred within current Fiscal Year 2023 appropriations and \$3,864,672 is being transferred from the unappropriated surplus of the General Fund for these ongoing needs; and

WHEREAS, the Department of Human Resources needs to purchase a Commercial Driver's License ("CDL") training truck, which is estimated to cost \$96,000, for the purpose of training employees for the state CDL certification exam; and

WHEREAS, the Department of Human Resources has realized a General Fund savings of \$70,000 in its contractual services budget to partially offset the cost of this purchase; and

WHEREAS, the non-departmental Lump Sum Payments account has realized additional savings to be utilized for the remaining \$26,000 needed for the CDL training truck; and

WHEREAS, the Department of City of Planning and Engagement ("DCPE") needs to renovate its office space in Centennial II to accommodate additional staff and upgrade the information technology infrastructure in the Griesel Conference Room to accommodate City Planning Commission meetings; and

WHEREAS, the estimated cost of the Centennial II Office Renovation project is \$42,000, and the cost of the Video Conference Room Equipment project is \$50,000; and

WHEREAS, DCPE has sufficient General Fund operating budget savings that can be utilized for the Centennial II Office Renovation and Video Conference Room Equipment projects; and

WHEREAS, pursuant to Council Motion #202201913 adopted by Council on October 19, 2022, \$15,000 can be allocated from the Reserve for Operating Budget Contingencies balance sheet reserve account to DCPE to support the 2023 Cincinnati Housing Solutions Summit; and

WHEREAS, the Cincinnati Parks Department needs to purchase two new mowers estimated to cost \$63,196 total to maintain green space across City parks; and

WHEREAS, Parks has sufficient General Fund operating budget savings that can be utilized for the Parks Fleet Replacement – GF FAO project; now, therefore,

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

Section 1. That a total of \$12,806,912 existing within the General Fund and the unappropriated surplus of the General Fund is transferred within said fund according to the attached Schedules of Transfer for the purpose of realigning certain operating accounts and for providing funds for the ongoing needs of City departments.

Section 2. That the sum of \$70,000 is hereby transferred and returned to source from the Department of Human Resources General Fund non-personnel operating budget account no. 050x121x7200 to the unappropriated surplus of the General Fund.

Section 3. That the sum of \$26,000 is hereby transferred and returned to source from the non-departmental Lump Sum Payments personnel operating budget account no. 050x924x7100 to the unappropriated surplus of the General Fund.

Section 4. That the sum of \$96,000 is hereby transferred and appropriated from the unappropriated surplus of the General Fund to existing capital improvement program project account no. 980x981x232505, "Fleet Replacements," for the purpose of providing resources for automotive and motorized equipment for City agencies supported by the General Fund with the intent of purchasing a truck for use by the Department of Human Resources for Commercial Driver's License training.

Section 5. That the sum of \$72,739 is hereby transferred and returned to source from the Department of City Planning and Engagement General Fund personnel operating budget account no. 050x171x7100 and the sum of \$19,261 is hereby transferred from the Department of City Planning and Engagement General Fund fringe benefit operating budget account no. 050x171x7500 to the unappropriated surplus of the General Fund.

Section 6. That the Director of Finance is hereby authorized to establish new capital improvement program project account no. 980x255x232520 "Centennial II Office Renovation,"

for the purpose of providing resources for renovating space in Centennial II including, but not limited to, expansion of office space to accommodate additional staff in the Department of City Planning and Engagement.

Section 7. That the sum of \$42,000 is hereby transferred and appropriated from the unappropriated surplus of the General Fund to capital improvement program project account no. 980x255x232520, “Centennial II Office Renovation,” for the purpose of providing resources for renovating space in Centennial II including, but not limited to, expansion of office space to accommodate additional staff in the Department of City Planning and Engagement.

Section 8. That the sum of \$50,000 is hereby transferred and appropriated from the unappropriated surplus of the General Fund to capital improvement program project account no. 980x091x220920, “Video Conference Room Equipment,” for the purpose of providing resources for the acquisition and installation of audio/visual equipment and other equipment necessary to support video conferencing capabilities in Centennial II with the intent to support the City Planning Commission.

Section 9. That the sum of \$15,000 is hereby transferred and returned to source from balance sheet reserve account no. 050x2535, “Reserve for Operating Budget Contingencies,” to the unappropriated surplus of the General Fund.

Section 10. That the sum of \$15,000 is hereby transferred and appropriated from the unappropriated surplus of the General Fund to the Department of City Planning and Engagement General Fund non-personnel operating budget account no. 050x171x7200 for the purpose of providing resources to support the 2023 Cincinnati Housing Solutions Summit.

Section 11. That the sum of \$63,196 is hereby transferred and returned to source from the Cincinnati Parks Department General Fund non-personnel operating budget account no. 050x202x7200 to the unappropriated surplus of the General Fund.

Section 12. That the Director of Finance is hereby authorized to establish new capital improvement program project account no. 980x203x232038, “Parks Fleet Replacement – GF FAO,” for the purpose of providing resources for automotive and motorized equipment including, but not limited to, mowers for the Cincinnati Parks Department.

Section 13. That the sum of \$63,196 is hereby transferred and appropriated from the unappropriated surplus of the General Fund to capital improvement program project account no. 980x203x232038, “Parks Fleet Replacements – GF FAO,” for the purpose of providing resources for automotive and motorized equipment including, but not limited to, mowers for the Cincinnati Parks Department.

Section 14. That the proper City officials are hereby authorized to do all things necessary and proper to carry out the terms of Sections 1 through 13 and the attached Schedules of Transfer.

Section 15. 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 realign and provide funds for the ongoing needs of City departments.

Passed: _____, 2023

Aftab Pureval, Mayor

Attest: _____
Clerk

SCHEDULE OF TRANSFER

FY 2023 GENERAL FUND 050 FINAL ADJUSTMENT ORDINANCE

Fund 050 General Fund

<i>REDUCTIONS</i>	Fund	Agency	Appropriation Unit	\$ Amount	<i>INCREASES</i>	Fund	Agency	Appropriation Unit	\$ Amount
TRANSFERS WITHIN APPROPRIATIONS					TRANSFERS WITHIN APPROPRIATIONS				
SOURCE ACCOUNTS					USE ACCOUNTS				
CITY MANAGER'S OFFICE	050	101	7100	90,000	CITY MANAGER'S OFFICE	050	101	7200	417,875
OFFICE OF BUDGET AND EVALUATION	050	102	7200	30,000	EMERGENCY COMMUNICATIONS CENTER	050	103	7200	140,000
EMERGENCY COMMUNICATIONS CENTER	050	103	7100	280,000	OFFICE OF ENVIRONMENT AND SUSTAINABILITY	050	104	7200	161,000
EMERGENCY COMMUNICATIONS CENTER	050	103	7500	120,000					
OFFICE OF ENVIRONMENT AND SUSTAINABILITY	050	104	7100	60,000	DEPARTMENT OF FINANCE				
OFFICE OF ENVIRONMENT AND SUSTAINABILITY	050	104	7500	5,000	RISK MANAGEMENT	050	135	7400	25,000
DEPARTMENT OF FINANCE					DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT				
OFFICE OF THE DIRECTOR	050	131	7100	7,000	ECONOMIC DEVELOPMENT	050	164	7200	140,000
OFFICE OF THE DIRECTOR	050	131	7200	5,000					
OFFICE OF THE DIRECTOR	050	131	7500	6,000	DEPARTMENT OF CITY PLANNING AND ENGAGEMENT				
ACCOUNTS AND AUDITS	050	133	7200	7,500	CITY PLANNING	050	171	7200	2,500
ACCOUNTS AND AUDITS	050	133	7300	6,000	CITY PLANNING	050	171	7300	1,809
ACCOUNTS AND AUDITS	050	133	7400	4,000					
ACCOUNTS AND AUDITS	050	133	7500	56,000	CITIZEN COMPLAINT AUTHORITY				
TREASURY	050	134	7100	45,000	INVESTIGATIONS, RESEARCH, AND EVALUATION	050	181	7100	40,000
TREASURY	050	134	7200	140,000	ADMINISTRATION	050	181	7200	3,265
TREASURY	050	134	7300	10,000	ADMINISTRATION	050	181	7400	750
TREASURY	050	134	7400	4,000					
					CINCINNATI RECREATION COMMISSION				
DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT					WEST REGION	050	191	7200	109,246
ECONOMIC DEVELOPMENT	050	164	7100	140,000	WEST REGION	050	191	7300	89,246
					EAST REGION	050	192	7200	41,679
DEPARTMENT OF CITY PLANNING AND ENGAGEMENT					EAST REGION	050	192	7300	66,679
CITY PLANNING	050	171	7100	4,309	EAST REGION	050	192	7400	5,000
					CENTRAL REGION	050	193	7200	37,682
CINCINNATI RECREATION COMMISSION					CENTRAL REGION	050	193	7300	47,681
WEST REGION	050	191	7100	191,650	CENTRAL REGION	050	193	7400	3,000
WEST REGION	050	191	7500	6,842	MAINTENANCE	050	194	7200	40,000
EAST REGION	050	192	7100	108,546	ATHLETICS	050	197	7200	23,179
EAST REGION	050	192	7500	4,812	ATHLETICS	050	197	7300	23,178
CENTRAL REGION	050	193	7100	85,167	SUPPORT SERVICES	050	199	7400	3,000
CENTRAL REGION	050	193	7500	3,196	SUPPORT SERVICES	050	199	7100	60,000
MAINTENANCE	050	194	7100	40,000	SUPPORT SERVICES	050	199	7200	25,000
ATHLETICS	050	197	7100	121,680	SUPPORT SERVICES	050	199	7300	15,000
ATHLETICS	050	197	7500	2,677					
SUPPORT SERVICES	050	199	7600	25,000	DEPARTMENT OF BUILDINGS AND INSPECTIONS				
					BUILDINGS & INSPECTIONS, LICENSES & PERMITS	050	211	7300	75,000
DEPARTMENT OF BUILDINGS AND INSPECTIONS					PROPERTY MAINTENANCE CODE ENFORCEMENT	050	212	7200	5,000
PROPERTY MAINTENANCE CODE ENFORCEMENT	050	212	7100	5,000					

SCHEDULE OF TRANSFER

FY 2023 GENERAL FUND 050 FINAL ADJUSTMENT ORDINANCE

Fund 050 General Fund

<i>REDUCTIONS</i>		<i>INCREASES</i>	
Fund	Agency	Appropriation Unit	\$ Amount
TRANSFERS WITHIN APPROPRIATIONS			
CINCINNATI POLICE DEPARTMENT			
ADMINISTRATION	050	227	1,750,000
ADMINISTRATION	050	227	700,000
DEPARTMENT OF TRANSPORTATION AND ENGINEERING			
ENGINEERING	050	233	40,000
ENGINEERING	050	233	10,000
DEPARTMENT OF PUBLIC SERVICES			
NEIGHBORHOOD OPERATIONS	050	253	105,310
NEIGHBORHOOD OPERATIONS	050	253	93,097
CINCINNATI FIRE DEPARTMENT			
SUPPORT SERVICES	050	272	1,840,231
SUPPORT SERVICES	050	272	1,274,223
NON-DEPARTMENTAL ACCOUNTS			
WORKERS' COMPENSATION	050	921	1,015,000
LUMP SUM PAYMENTS	050	924	500,000
TOTAL FUND 050 REDUCTIONS			8,942,240
TRANSFERS WITHIN APPROPRIATIONS			
CINCINNATI POLICE DEPARTMENT			
INVESTIGATIONS	050	225	800,000
INVESTIGATIONS	050	225	500,000
SUPPORT	050	226	766,129
SUPPORT	050	226	200,000
SUPPORT	050	226	350,000
ADMINISTRATION	050	227	108,000
ADMINISTRATION	050	227	800,000
DEPARTMENT OF TRANSPORTATION AND ENGINEERING			
OFFICE OF THE DIRECTOR	050	231	30,000
OFFICE OF THE DIRECTOR	050	231	20,000
DEPARTMENT OF PUBLIC SERVICES			
NEIGHBORHOOD OPERATIONS	050	253	161,111
NEIGHBORHOOD OPERATIONS	050	253	37,296
CITY FACILITY MANAGEMENT	050	255	132,050
CINCINNATI FIRE DEPARTMENT			
RESPONSE	050	271	1,840,231
RESPONSE	050	271	96,197
RESPONSE	050	271	1,274,223
SUPPORT SERVICES	050	272	24,234
DEPARTMENT OF ECONOMIC INCLUSION			
ECONOMIC INCLUSION	050	281	180,000
ECONOMIC INCLUSION	050	281	21,000
TOTAL FUND 050 INCREASES			8,942,240

SCHEDULE OF TRANSFER

FY 2023 GENERAL FUND 050 FINAL ADJUSTMENT ORDINANCE

Fund 050 General Fund

<i>REDUCTIONS</i>		<i>INCREASES</i>	
Fund	Agency	Appropriation Unit	\$ Amount
SUPPLEMENTAL APPROPRIATIONS			
			3,864,672
SOURCE ACCOUNTS			
			250,000
			333,871
			250,000
SUPPLEMENTAL APPROPRIATIONS			
			1,946,396
			1,084,405
TOTAL FUND REDUCTIONS			3,864,672
TOTAL FUND INCREASES			3,864,672



202301379

Jan-Michele Lemon Kearney
Vice Mayor

MOTION

WE MOVE that Cincinnati City Council add an additional \$25,000.00 to the Safe & Clean Fund, managed by Keep Cincinnati Beautiful, from the FY23 Council Contingency Fund in order to provide an avenue to support gun violence reduction initiatives led by community-based organizations during the summer of 2023 and beyond. Priority should be given to those organizations or programs serving neighborhoods experiencing the most gun violence (shootings). The City should contract with Keep Cincinnati Beautiful to manage the Safe & Clean Fund with the understanding that the application process should be expedited so that funds are available by June 1, 2023.

Jan-Michele Lemon Kearney

_____	_____
_____	_____
_____	_____
_____	_____

CAL → Budget
Jan-Michels

MICHIELS

Jan-Michels