

May 25, 2022

To: Mayor and Members of City Council
From: John P. Curp, Interim City Manager
Subject: **Emergency Ordinance – Streetcar VTICA Acceptance**

Attached is an Emergency Ordinance captioned:

AUTHORIZING the City Manager to accept donations in an amount of up to \$705,100 from CinciVTICA, LLC for the purpose of supporting the operations and maintenance of the Cincinnati streetcar; **AUTHORIZING** the Director of Finance to deposit the donations into Streetcar Operations Fund revenue account no. 455x8645; and further **AUTHORIZING** the transfer of service payments received in lieu of taxes for streetcar operations, in accordance with agreements with third-party developers, from Urban Redevelopment Tax Increment Equivalent II Fund 763 to Streetcar Operations Fund 455 for the purpose of operating and maintaining the City’s streetcar system.

This Emergency Ordinance authorizes the City Manager to accept a donation in an amount of up to \$705,100 from CinciVTICA, LLC for the purpose of supporting the operations and maintenance of the Cincinnati streetcar. The Finance Director will be authorized to deposit the donated funds into the Streetcar Operations Fund. Additionally, any service payments received by the City in lieu of taxes for streetcar operations are authorized to be transferred from Urban Redevelopment Tax Increment Equivalent II Fund 763 to Streetcar Operations Fund 455 for the purpose of operating and maintaining the City’s streetcar system.

To help fund streetcar operations, the City identified certain non-City funding sources to potentially boost the amount of total funding available to the City for the operations and maintenance of the Streetcar. On November 19, 2014, the City Council passed a motion supporting the creation of a tax incentive contribution policy in certain neighborhoods that would incentivize applicants for real property tax abatements to enter into a Voluntary Tax Incentive Contribution Agreement (“VTICA”) to voluntarily contribute a portion of their abated tax savings to the Streetcar. Previously, the City and the Southwest Ohio Regional Transit Authority (SORTA) cooperated with Downtown Cincinnati Inc. (operating for this purpose as CinciVTICA, LLC) to facilitate the collection of VTICA payments by CinciVTICA and the application of such payments to the streetcar with those payments going directly to SORTA. With the termination of SORTA’s role in management and operation of the streetcar, this Emergency Ordinance will allow the City to receive donated funds that will cover the VTICA payments collected from July 1, 2021 until June 30, 2022.

Streetcar operations are in accordance with the “Connect” goal to “[d]evelop an efficient multi-modal transportation system that supports neighborhood livability” as well as the 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 reason for the emergency is the immediate need for the City to accept the donations, which will cover streetcar costs incurred by the City.

The Administration recommends passage of this Emergency Ordinance.

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



Attachment