

EMERGENCY

City of Cincinnati

EVK

EESW

An Ordinance No. 124

- 2025

APPROVING AND AUTHORIZING the City Manager to execute a First Amendment to Community Reinvestment Area Tax Exemption Agreement with Rhinegeist Properties, LLC, and Rhinegeist, LLC, authorizing a five-year extension to an existing tax exemption previously authorized by Council for 100 percent of the value of improvements made to real property located at 1910 Elm Street, in the Over-the-Rhine neighborhood of Cincinnati.

WHEREAS, pursuant to Ordinance No. 355-2014, passed by Council on December 17, 2014, the City entered into a certain Community Reinvestment Area Tax Exemption Agreement dated January 9, 2015, with Rhinegeist Properties, LLC, and Rhinegeist, LLC (together, the "Company"), which provides for a 100 percent real property tax exemption for the value of improvements to real property located at 1910 Elm Street in the Over-the-Rhine neighborhood of Cincinnati (the "Property"), for ten years (the "Agreement"), all as more particularly described in the Agreement; and

WHEREAS, the Company has represented to the City that the building located on the Property is in need of unexpected repairs, and has requested that the City agree to amend the Agreement to extend the tax abatement an additional five years to help the Company absorb those additional improvement costs; and

WHEREAS, the Company has represented to the City that the roofing and façade improvements will create temporary construction jobs while retaining 265 existing full-time equivalent jobs at the Property and change the estimated cost of improvements previously identified in the Agreement to \$4,049,976 in aggregate; and

WHEREAS, the City, upon the recommendation of the Department of Community and Economic Development ("DCED"), is willing to amend the Agreement to extend the abatement term by five years (the "Additional Abatement Period") to account for the additional improvements to the Property and to foster continued economic growth in Over-the-Rhine; and

WHEREAS, the Property is located within the Cincinnati City School District and, as required by the Agreement, the Company entered into a certain Payment in Lieu of Taxes Agreement dated February 24, 2015, pursuant to which the Company agreed to pay the Board of Education of the Cincinnati City School District (the "Board of Education"), amounts equal to 25 percent of the exempt real property taxes during the original term provided for under the Agreement; and

WHEREAS, the Board of Education, pursuant to that certain Tax Incentive Agreement with the City effective as of April 28, 2020 (as may be amended, the "2020 Board of Education Agreement"), has approved exemptions of up to 100 percent of Community Reinvestment Area projects authorized by Council beginning in 2020, 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 2020 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 during the Additional Abatement Period; and

WHEREAS, DCED estimates that, during the Additional Abatement Period, the real property tax exemption for the Improvements will provide an annual net benefit to the Company in the amount of approximately \$27,433; now, therefore,

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

Section 1. That Council authorizes the City Manager:

- (a) to execute an amendment to a certain Community Reinvestment Area Tax Exemption Agreement dated January 9, 2015 (the "Agreement"), between the City of Cincinnati (the "City"), Rhinegeist Properties, LLC, and Rhinegeist, LLC (together, the "Company"), relating to real property located at 1910 Elm Street in the Over-the-Rhine neighborhood of Cincinnati (the "Property"), which amendment shall be in substantially the form of Attachment A to this ordinance (the "Amendment"), and which will authorize the extension of the real property tax exemption provided by the Agreement by up to five additional years, provided the Company satisfies certain conditions as described in the Agreement, as amended by the Amendment, including compliance with all statutory requirements;
- (b) to submit on behalf of Council annual reports on the Agreement, as amended by the Amendment, 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
- (c) to take all necessary and proper actions to fulfill the City's obligations under the Agreement, as amended by the Amendment.

Section 2. 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 to enable the parties to execute the Amendment as soon as possible to facilitate additional improvements to the Property.

Passed: MAY 14, 2025

Attest: [Signature]
Clerk

[Signature]
Aftab Pureval, Mayor

I HEREBY CERTIFY THAT ORDINANCE NO. 124-2024
WAS PUBLISHED IN THE CITY BULLETIN
IN ACCORDANCE WITH THE CHARTER ON 5/27/2025
[Signature]
CLERK OF COUNCIL