



City of Cincinnati

801 Plum Street
Cincinnati, OH 45202

Agenda - Final-revised

Equitable Growth & Housing

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

Tuesday, January 31, 2023

1:00 PM

Council Chambers, Room 300

ROLL CALL

PRESENTATIONS

Updates to the Residential CRA Tax Abatement Program

Markiea Carter, Director, Community and Economic Development

Roy Hackworth, Division Manager, Community and Economic Development

Matthew Heldman, Senior Development Officer, Community and Economic
Development

Historic Preservation: Saving Our Places and Transforming Our City

Beth Johnson, Cincinnati Preservation Association

Drew Gores, Cincinnati Preservation Association

AGENDA

1. [202300333](#) **ORDINANCE, (B VERSION)** submitted by Vice Mayor Kearney, **MODIFYING** Title XIV, "Zoning Code of the City of Cincinnati," of the Cincinnati Municipal Code, by **AMENDING** the provisions of Section 1403-05, "Land Use Regulations," and by **ORDAINING** new Section 1403-08, "Two-, Three-, and Four Family Restoration," to permit the restoration of existing homes in single-family zoning districts that were once legally established as two-, three-, and four-family homes to be returned to that use.

Sponsors: Kearney

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

2. [202300364](#) **ORDINANCE**, submitted by Mayor Aftab Pureval, from Emily Smart Woerner, City Solicitor, **ESTABLISHING** certain policies and conditions regarding the application of residential Community Reinvestment Area real property tax abatements.
- Sponsors:** Mayor
- Attachments:** [Transmittal](#)
[Ordinance](#)
[Exhibit A](#)
[Exhibit B](#)
[Exhibit C](#)
3. [202300424](#) **MOTION**, submitted by Councilmembers Parks, Walsh, Jeffreys, Keating, Owens, Harris, Johnson, Cramerding and Vice Mayor Kearney, **WE MOVE** that during the month of February 2023, the City of Cincinnati raise a Pan-African flag in recognition of, celebration of, and in solidarity with our Black residents. This commemoration has become a customary tradition during the City's observation of February as Black History Month.
- Sponsors:** Parks, Walsh, Jeffreys, Keating, Owens, Kearney, Harris, Johnson and Cramerding
- Attachments:** [Motion](#)
4. [202300432](#) **PRESENTATION** submitted by Councilmember Cramerding, titled "Historic Preservation: Saving Our Places and Transforming Our City."
- Sponsors:** Cramerding
- Attachments:** [Presentation](#)
5. [202300471](#) **PRESENTATION** submitted by Sheryl M. M. Long, City Manager, dated 1/31/2023, regarding Updates to the Residential CRA Tax Abatement Program.
- Sponsors:** City Manager
- Attachments:** [Transmittal](#)
[Presentation](#)

ADJOURNMENT

Date: January 10, 2023

To: Vice Mayor Jan-Michele Lemon Kearney
From: Emily Smart Woerner, City Solicitor *EESW*
Subject: **Ordinance – Modifying Title XIV Zoning Code of Cincinnati – Two-, Three-, and Four-Family Restoration B Version**

Transmitted herewith is an ordinance captioned as follows:

MODIFYING Title XIV, “Zoning Code of the City of Cincinnati,” of the Cincinnati Municipal Code, by **AMENDING** the provisions of Section 1403-05, “Land Use Regulations,” and by **ORDAINING** new Section 1403-08, “Two-, Three-, and Four-Family Restoration,” to permit the restoration of existing homes in single-family zoning districts that were once legally established as two-, three-, and four-family homes to be returned to that use.

EESW/MEH(lnk)
Attachment
360593



City of Cincinnati

MEH/B

EESW

An Ordinance No. _____ - 2023

MODIFYING Title XIV, "Zoning Code of the City of Cincinnati," of the Cincinnati Municipal Code, by AMENDING the provisions of Section 1403-05, "Land Use Regulations," and by ORDAINING new Section 1403-08, "Two-, Three-, and Four-Family Restoration," to permit the restoration of existing homes in single-family zoning districts that were once legally established as two-, three-, and four-family homes to be returned to that use.

WHEREAS, City Council wishes to permit the restoration and use of existing buildings as two-, three-, and four-family homes in single-family zoning districts if the buildings were once legally established as two-, three-, and four-family homes; and

WHEREAS, allowing existing buildings to be restored to their prior use as two-, three-, and four-family homes will increase housing availability and affordability within the City without disturbing the character of neighborhoods; and

WHEREAS, adding additional housing options within single-family zoning districts will add new residents, improve walkability, and encourage healthy growth within neighborhoods; and

WHEREAS, at its regularly scheduled meeting on _____, the City Planning Commission reviewed and considered the proposed text amendments and determined that the text amendments are in the interest of the public's health, safety, morals, and general welfare; and

WHEREAS, a committee of Council held a public hearing on the proposed text amendments, following due and proper notice pursuant to Cincinnati Municipal Code Section 111-1, and the committee approved the amendments, finding them in the interest of the public's health, safety, morals, and general welfare; and

WHEREAS, the text amendments are in accordance with the Live Initiative Area of Plan Cincinnati (2012), particularly the goal to "create a more livable community" by supporting and stabilizing our neighborhoods (p. 156); and

WHEREAS, the Council finds the proposed text amendments to be in the best interest of the City and the public's health, safety, morals, and general welfare; now, therefore,

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

Section 1. That Section 1403-05, "Land Use Regulations," of the Cincinnati Municipal Code is hereby amended as follows:

§ 1403-05. - Land Use Regulations.

Schedule 1403-05 below prescribes the land use regulations for SF Districts. Uses are defined in Chapter 1401, Definitions. Uses not listed in the Schedule 1403-05 are prohibited.

The regulations for each subdistrict are established by letter designations as follows:

- (a) “P” designates permitted uses. These uses may be subject to additional regulations as indicated.
- (b) “L” designates uses that are permitted, subject to certain limitations. Numeric suffixes refer to limitations listed at the bottom of Schedule 1403-05. Except as otherwise indicated, modifications of a numerical, locational or dimensional limitation requires a variance under Chapter 1445 - Variances, Special Exceptions and Conditional Uses.
- (c) “C” designates uses permitted only after review and approval of the conditional use by the Zoning Hearing Examiner. These uses may be subject to additional regulations as indicated.

Schedule 1403-05: Use Regulations - Single-family Districts

Use Classifications	SF-20	SF-10	SF-6	SF-4	SF-2	Additional Regulations
Residential Uses						
Bed and breakfast home	—	C	C	C	C	See § 1419-09
Child day care home	L4	L4	L4	L4	L4	
Group residential						
Convents and monasteries	C	C	C	C	C	
Fraternities and sororities	—	—	—	—	—	
Patient family homes	—	—	—	—	—	
Rooming houses	—	—	—	—	—	
Shared housing for the elderly	—	—	—	L3	L3	
Permanent residential						
Single-family dwelling	P	P	P	P	P	See § 1403-11
Attached single-family dwelling	L13	L13	L13	P	P	See § 1403-11
Two-family dwelling	L11	L11	L11	L11	L11	See § 1403-08
Multi-family dwelling	L11	L11	L11	L11	L11	See § 1403-08
Residential care facilities						
Developmental disability dwelling	P	P	P	P	P	

Public and Semipublic Uses						
Cemeteries	—	—	—	L1	L1	
Cultural institutions	—	—	C	C	C	
Park and recreation facilities	L12	L12	L12	L12	L12	
Public safety facilities	—	—	—	C	C	
Religious assembly	C	C	C	C	C	
School, public or private	C	C	C	C	C	See § 1419-12
Transportation, Communication and Utilities						
Public utility distribution system	C	C	C	C	C	
Wireless communication antenna	L2	L2	L2	L2	L2	See § 1419-33
Wireless communication tower	C	C	C	C	C	See § 1419-33
Agriculture and Extractive Uses						
Animal keeping	P	P	P	P	P	See Chapter 1422
Farms	C	C	C	C	C	See Chapter 1422
Gardens	P	P	P	P	P	See Chapter 1422
Accessory Uses						
Any accessory use not listed below	L8	L8	L8	L8	L8	
Home Occupation	P	P	P	P	P	See § 1419-17
Commercial Vehicle Parking	L5	L5	L5	L5	L5	
Child day-care centers	L4,6	L4,6	L4,6	L4,6	L4,6	
Refuse storage areas	P	P	P	P	P	See § 1421-35
Drive Box	L7	L7	L7	L7	L7	
Fences and walls	P	P	P	P	P	See § 1421-33
Exterior lighting	P	P	P	P	P	See § 1421-39

Cemetery, incidental buildings and structures	—	—	—	L9	L9	
Rooming Unit	—	—	L10	L10	L10	
Portable storage containers	P	P	P	P	P	See § 1419-24
Nonconforming Uses						See Chapter 1447

Specific Limitations

- L1 Only expansion of existing cemeteries allowed with a conditional use approval.
- L2 Antenna height may not exceed 20 feet; greater height requires a conditional use approval. The antenna may only be attached to a permitted agricultural, public or semi-public or public utility building or structure.
- L3 The minimum lot area for every resident is 800 square feet and the minimum living area for every resident is 250 square feet.
- L4 Fencing, a minimum of four feet in height must be provided for purposes of securing outdoor play areas which must be located in the rear yard only.
- L5 One commercial vehicle completely enclosed in a garage may be parked or stored on the lot with the following exceptions:
 - a. An unlimited number of commercial vehicles conveying the necessary tools, materials and equipment to a premises where labor using such tools, materials and equipment is to be performed during actual time of parking.
 - b. One commercial vehicle with current license owned by a resident of the residential property on which it is stored or parked not to exceed two tons in capacity.
 - c. Recreational vehicles, watercraft and personal trailers may be parked on the lot beyond the front yard.
- L6 Only if accessory to a public or semi-public use.
- L7 Accessory to a public or semi-public use, provided the drive-box is at least 100 feet from any property used for residential purposes.
- L8 Accessory uses determined by the Zoning Administrator to be customarily incidental to a use of the district are permitted. All others require conditional use approval.

- L9 Mausoleums, columbaria and other incidental buildings and structures within and accessory to cemeteries, may be no less than 100 feet from abutting properties in the residential district and may not exceed the height limitation for principal buildings of the district in which it is located.
- L10 No more than two rooming units may be rented or leased in a single-family dwelling.
- L11 This use must be legally established prior to the effective date of this Zoning Code, unless otherwise permitted pursuant to § 1403-08. The ~~u~~Uses established prior to the effective date of this Zoning Code have has the rights of Chapter 1447, “Nonconforming Uses and Structures,” except for the provisions of § 1447-09, “Expansion of Nonconforming Use,” and § 1447-11, “Substitution of a Nonconforming Use.”
- L12 Publicly owned or operated park and recreation facilities are permitted. All park and recreation facilities, private or non-profit, require a conditional use approval.
- L13 Attached single-family is only permitted as part of a cluster housing development. See § 1403-13.

Section 2. That existing Section 1403-05, “Land Use Regulations,” of the Cincinnati Municipal Code is hereby repealed.

Section 3. That new Section 1403-08, “Two-, Three-, and Four-Family Restoration,” of the Cincinnati Municipal Code is hereby ordained to read as follows:

§ 1403-08. Two-, Three-, and Four-Family Restoration.

(a) *Two-Family Homes.* An existing single-family dwelling may be restored to use as a two-family dwelling when it is established to the satisfaction of the Zoning Administrator that the building was once legally established and used as a two-family dwelling.

(b) *Three-Family Homes.* An existing single-family or two-family dwelling may be restored to use as a three-family dwelling when it is established to the satisfaction of the Zoning Administrator that the building was once legally established and used as a three-family dwelling.

(c) *Four-Family Homes.* An existing single-family, two-family, or three-family dwelling may be restored to use as a four-family dwelling when it is established to the satisfaction of the Zoning Administrator that the building was once legally established and used as a four-family dwelling.

(d) *Standards.* The restoration of a building to two-, three-, or four-family use pursuant to subsection (a-c) is subject to the following standards:

- (1) The restoration shall not be required to conform to minimum lot area, lot width, front yard, side yard, rear yard, or maximum height requirements; provided, however, that any addition to, or expansion of, the existing building must conform to those requirements.
- (2) Additional parking spaces shall not be required pursuant to § 1425-19, "Off-Street Parking and Loading Requirements," as a result in the increase of dwelling units caused by the restoration.

(e) *Legal Conforming Use.* The restoration of a building to two-, three-, or four-family use pursuant to subsection (a-c) shall constitute a permitted and legal conforming use of property.

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

New language underscored. Deleted language indicated by strike through.

Date: January 11, 2023

To: Mayor Aftab Pureval
From: Emily Smart Woerner, City Solicitor *EESW*
Subject: **Ordinance – Residential CRA Policy**

Transmitted herewith is an ordinance captioned as follows:

ESTABLISHING certain policies and conditions regarding the application of residential Community Reinvestment Area real property tax abatements.

EESW/EVK(lnk)
Attachment
372637

City of Cincinnati

EVK

EESW

An Ordinance No. _____ - 2023

ESTABLISHING certain policies and conditions regarding the application of residential Community Reinvestment Area real property tax abatements.

WHEREAS, pursuant to Ordinance No. 274-2017, passed on September 27, 2017, as amended by Ordinance No. 166-2018, passed on June 27, 2018, and Ordinance No. 370-2020, passed on November 12, 2020 (the “2020 CRA Ordinance”), City Council designated the area within the corporate boundaries of the City of Cincinnati as a Community Reinvestment Area (the “CRA”) pursuant to Ohio Revised Code Sections 3735.65 through 3735.70 (the “Statute”), which authorized up to the maximum real property tax abatements for newly constructed and remodeled one-, two-, three-, and four-dwelling unit residential structures (including owner-occupied residential condominium structures) (collectively, “Residential Improvements”) permitted pursuant to the Statute within the CRA; and

WHEREAS, Ordinance No. 276-2017, passed on September 27, 2017 (as amended by the 2020 CRA Ordinance, the “Residential Policy Ordinance”), set forth certain additional policies, conditions, and limitations regarding newly constructed or remodeled residential structures in the CRA (such policy, as amended, being referred to herein as the “Residential CRA Policy”); and

WHEREAS, Motion Nos. 201801401 and 201900467, as adopted by Council on October 3, 2018, and April 3, 2019, respectively, established the Property Tax Working Group to (i) study trends related to real property taxes, especially the issue of rising real property taxes in areas of significant levels of development; (ii) make recommendations to City Council aimed at helping to keep senior citizens in their homes and communities; (iii) report on best practices in other cities and states facing similar challenges; and (iv) review the City’s Residential CRA Policy; and

WHEREAS, Motion No. 202000945, as adopted by this Council on September 2, 2020, set forth certain short-term and long-term recommendations from the Property Tax Working Group related to the Residential CRA Policy, including exploring a neighborhood-based tiering of the Residential CRA Policy based upon extensive study (collectively with Motion Nos. 201801401 and 201900467, the “PTWG Motions”); and

WHEREAS, pursuant to the PTWG Motions, Ordinance No. 333-2020, passed on September 30, 2020 (the “Study Ordinance”), appropriated funding for the research and design of a tiered Residential CRA Policy and recognized that tax abatements for Residential Improvements are vital to the growth of the City’s housing stock and tax base, and need to be reassessed to determine if changes to the City’s Residential CRA Policy are appropriate; and

WHEREAS, in furtherance of the Study Ordinance, the City commissioned HR&A Advisors, Inc. to provide professional services for a housing study to analyze current information on the City of Cincinnati’s housing market and the availability and affordability of single-family

and multi-family housing for the purpose of better targeting the City’s housing incentive programs, including the Residential CRA Policy, to maximize the overall housing stock available within the City of Cincinnati (the “Study”); and

WHEREAS, the Study recommended that the Residential Policy Ordinance be modified to align the level of incentive more closely with the amount of development a neighborhood within the City of Cincinnati is experiencing; and

WHEREAS, in furtherance of the results of the Study, City Council wishes to revise its Residential CRA Policy to incentivize development in neighborhoods where residential CRA tax abatements are historically underutilized to enhance the opportunities for growth and housing preservation in these areas; and

WHEREAS, the City Administration and the Mayor’s Office recommend this ordinance based upon engagement with key stakeholder groups and the Housing Advisory Board (collectively, the “Engagement”); and

WHEREAS, to achieve the City’s current policy goals, in furtherance of the Engagement, and pursuant to the Study, City Council desires to establish a three-tiered Residential CRA Policy tailored to address future housing market changes based upon objective data; and

WHEREAS, City Council desires to encourage the development of real property in a more environmentally friendly manner; and

WHEREAS, City Council desires to incentivize development that is accessible to senior citizens and individuals with mobility impairments; and

WHEREAS, City Council desires to incentivize the preservation of the City’s historic housing stock; and

WHEREAS, the Director of the City’s Department of Community and Economic Development intends to adopt formal rules and regulations for the operation of the residential CRA program, which include, without limitation: (i) modifications to the application to require that applicants certify that property under their or any of their affiliates’ control or is currently meeting all requirements of the City’s Building Code, (ii) certifications as to whether a condominium unit is owner-occupied to address the use of such units on a long-term basis as short-term rentals, and (iii) to encourage the sustainable development of Residential Improvements in an environmentally friendly manner; and

WHEREAS, City Council desires to modify the terms and conditions applicable to CRA real property tax abatements with respect to the remodeling and new construction of Residential Improvements to further the aforementioned policy objectives; now, therefore,

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

Section 1. That City Council approves real property tax abatements for one-, two-, three-, and four-dwelling unit residential structures (collectively, “Residential Improvements”) in the amounts and for the durations listed on the applicable table within Exhibit A attached hereto and fully incorporated herein, *provided that* the Residential Improvements satisfy all other requirements for a real property tax abatement under this ordinance, the ordinance establishing the City of Cincinnati Community Reinvestment Area (“CRA”), Ordinance No. 274-2017, passed on September 27, 2017, as amended by Ordinance No. 166-2018, passed on June 27, 2018, and Ordinance No. 370-2020, passed on November 12, 2020 (as amended, the “Reauthorizing Ordinance”), and all applicable state law. For the purposes of this ordinance, each owner-occupied residential condominium unit is considered a separate structure containing one-dwelling unit. For the avoidance of doubt, a Residential Improvement constructed pursuant to a permit for an addition constitutes remodeling and not new construction.

Section 2. That City Council finds that neighborhoods in the City of Cincinnati are experiencing differing amounts of development, and, therefore, neighborhoods in the City of Cincinnati need varying levels of incentives to encourage the construction and remodeling of Residential Improvements. Accordingly, City Council adopts the following framework for determining the level of incentive on a neighborhood-basis in accordance with Exhibits A and B hereto, as designated by the community council boundaries for such neighborhood and depicted on maps adopted by the Housing Officer (as defined below):

(A) Criteria: The following criteria (collectively, the “Criteria” and each, a “Criterion”) are equally weighted to determine whether a neighborhood constitutes a “Lift,” “Expand,” or “Sustain” neighborhood (each as defined below):

1. **Average Household Income**: the average of the median household income weighted proportionally based on the population for each census tract in a

neighborhood, as measured by the United States Census Bureau. A neighborhood meets this Criterion if the weighted average of the median household income for each census tract in such neighborhood, calculated in accordance with the foregoing sentence, is equal to or greater than the Cincinnati, OH-KY-IN Metropolitan Statistical Area median household income, as determined by the United States Census Bureau, which as of the date of passage of this ordinance is \$63,654.

2. **Poverty Rate:** the percentage of the population in a neighborhood living at or below the federally established poverty level, adjusted for family size. A neighborhood meets this Criterion if the poverty rate for such neighborhood is equal to or less than the poverty rate for the City of Cincinnati, which as of the date of passage of this ordinance is 26.3%.
3. **Housing Value:** the percentage of owner-occupied housing units in a neighborhood demonstrating a concentration of housing with values in excess of \$500,000 or such other value as may be designated by the housing officer based upon market conditions (such person as designated pursuant to Section 4 of the Reauthorizing Ordinance, as may be amended, being referred to herein as the "Housing Officer"), using data from the United State Census Bureau or any other indices selected by the Housing Officer from real estate or housing industry sources. As of the date of this ordinance, a neighborhood meets this Criterion if 10% or more of the housing units in a neighborhood have a value over \$500,000, as measured by the United States Census Bureau.

4. **Mortgage Applications Approved and Originated:** the percentage of mortgage applications in a neighborhood that are approved and originated, as measured using an index or indices selected by the Housing Officer from real estate or housing industry sources. A neighborhood meets this Criterion if the percentage of mortgage applications that are approved and originated in such neighborhood is equal to or greater than the percentage of mortgage applications that are approved and originated in the City of Cincinnati, which as of the date of passage of this ordinance is 54.65%.
5. **Market Value Change:** the percentage of total market value change (including both land and improvements) for one-to-three-unit parcels in a neighborhood from 2010-2021 (or such other time period in the future that the Housing Officer deems appropriate to reflect market change), as measured by any index or indices selected by the Housing Officer from real estate or housing industry sources. A neighborhood meets this Criterion if its percentage of total market value change (including both land and improvements) for one-to-three-unit parcels is equal to or greater than the City of Cincinnati's percentage of total market change for one-to-three-unit parcels, which as of the date of passage of this ordinance is 26.36%.
6. **New Construction Permit Activity:** the percentage of one-to-three-unit parcels (or, when such data becomes available one-to-four-unit parcels) in a neighborhood with a new construction permit issued since 2017 (or such other date as determined by the Housing Officer), as measured using City of Cincinnati permit data and any index or indices selected by the Housing Officer from real estate or housing industry sources. A neighborhood meets this Criterion if the percentage of new construction permits issued for one-to-three-unit parcels (or,

when such data becomes available, one-to-four-unit parcels) in such neighborhood is equal to or greater than such percentage of new construction permits issued in the City of Cincinnati, which as of the date of this ordinance is 0.8%.

(B) Neighborhood Designations: As more particularly described within Exhibit B hereto, City Council adopts the following neighborhood designations:

1. **Lift**: a neighborhood that meets zero to two of the Criteria.
2. **Expand**: a neighborhood that meets three to four of the Criteria.
3. **Sustain**: a neighborhood that meets five to six of the Criteria.

(C) Re-Evaluation of Neighborhood Tiers: City Council requests that the Housing Officer reassess the neighborhood designations in Section 2(B) based upon the Criteria considering any updates to the data supporting the Criteria every three years. City Council requests that the Housing Officer present such first reassessment to City Council for approval no later than September 1, 2026, and every three years thereafter so that City Council may re-evaluate the neighborhood designations.

Section 3. That, for the avoidance of doubt, City Council recognizes the Housing Officer's administrative authority to adopt and amend rules and regulations to efficiently administer and operate the CRA program for Residential Improvements in accordance with this ordinance and prior ordinances governing such program. Further, City Council authorizes the Housing Officer to certify additional environmental programs by promulgating rules and regulations for additional incentives in accordance with this ordinance, provided that such programs are consistent with the policies and goals of City Council to encourage the sustainable development of Residential Improvements in an environmentally friendly manner (the "Certified Environmental Programs").

Section 4. That in order to be eligible for the corresponding (a) U.S. Green Building Council Leadership in Energy and Environmental Design (“LEED”) or (b) Living Building Challenge (“LBC”) Net Zero, Full, or Petal (which must comply with the requirements of “Energy Petal” of the LBC) (collectively, “LBC Qualified,” and the attainment of such criteria being “LBC Qualification”) bonus to a real property tax abatement, an applicant must provide the City with evidence of the certification of the completed structure to the required LEED standard (Silver, Gold, or Platinum) by the U.S. Green Building Council or of LBC Qualification with reference to the applicable LBC standards and certifications provided by the International Living Future Institute, as applicable, and satisfy all other requirements for a real property tax abatement under this ordinance.

Section 5. That in order for a remodeled Residential Improvement to be eligible for a Home Energy Rating System (“HERS”) bonus to a real property tax abatement, an applicant must (a) have a certified Home Energy Rater conduct a home energy rating (“Initial Rating”), and (b) (i) if the structure’s initial index score from the Initial Rating is equal to or above 85, the applicant must reduce the structure’s index score to at most 70, or (ii) if the structure’s initial index score from the Initial Rating is below 85, the applicant must reduce their HERS score by at least 20% (each of the foregoing (1) as confirmed by a certified Home Energy Rater conducting a second home energy rating (“Subsequent Rating”) and (2) will make the Residential Improvement “HERS Qualified”). Documentation establishing the index score from Initial Rating and the Subsequent Rating must be provided to the City for the remodeled Residential Improvement to be HERS Qualified.

Section 6. That for the new construction or remodeling of a Residential Improvement to be eligible for a visitability and universal design certification bonus, an applicant must initiate the visitability and universal design certification process at the beginning of the permit application

process with the City’s Department of Buildings and Inspections. At the final permit inspection, a building inspector will verify whether the applicant has met the standards attached hereto as Exhibit C (the “Cincinnati Visitability and Universal Design Standards”). If the inspector determines that the structure meets the Cincinnati Visitability and Universal Design Standards, the building inspector shall indicate visitability and universal design certification on the final certificate of occupancy, if applicable. If the remodeling of a Residential Improvement does not require a permit, to be eligible for the visitability and universal design certification (a) such dwelling shall meet the Cincinnati Visitability and Universal Design Standards and (b) the remodeling of the Residential Improvement must directly enhance the visitability and universal design of such structure.

Section 7. That to be eligible for a historic restoration bonus to a real property tax abatement, (a) a remodeled Residential Improvement must have been built no later than 1945, as memorialized in the Hamilton County Auditor’s records and (b) during the term of the abatement, no Residential Improvements that constitute “new construction” shall be constructed on the subject property (“Historic Restoration”).

Section 8. That to be eligible for a tax abatement pursuant to this ordinance and as required by state law, the cost of the remodeling or new construction of (a) a Residential Improvement containing one- or two-dwelling units must be at least \$2,500 and (b) a Residential Improvement containing three- or four-dwelling units must be at least \$5,000.

Section 9. That it is hereby found and determined that any abatements (a) granted pursuant to or under the legal authority of Ordinance No. 119-2007, passed on March 28, 2007, as amended, or under Ordinance No. 276-2017, passed on September 27, 2017, as amended (collectively, the “Existing Policy Ordinances”), and (b) granted after the date of this ordinance pursuant to or under the legal authority of (i) Ordinance No. 189-2021, passed on May 26, 2021, and (ii) Ordinance No.

229-2021, passed on June 16, 2021 (the “Sanctuary Green Ordinance”) related to applications received by the City on or before January 1, 2026, with respect to the Property as defined in the Sanctuary Green Ordinance, shall not be in any way modified or impacted by the passage of this ordinance. Any applications made and abatements granted pursuant to the Existing Policy Ordinances shall continue in full force and effect in accordance with the provisions of the Existing Policy Ordinances as it applied to that application or abatement, subject to any legal rights the City may have to revoke, terminate, or modify the abatements or otherwise exercise remedies.

Section 10. That, except as noted in the above section, this ordinance shall only apply to applications for tax abatements for Residential Improvements where, if a permit is required pursuant to applicable law, the permit application for the construction or remodeling is deemed complete by the City’s Department of Buildings and Inspections on and after September 1, 2023 (“Permit Acceptance Date”). If a permit application for Residential Improvements is deemed complete by the City’s Department of Buildings and Inspections prior to the Permit Acceptance Date and actual construction does not begin on the Residential Improvements within one year after such permit is issued, then such Residential Improvements are subject to this ordinance. If permits are not required by applicable law, the construction or remodeling must commence on and after September 1, 2023, as determined by evidence acceptable to the Housing Officer, for this ordinance to apply to such Residential Improvements.

Section 11. That proper application shall be made by a property owner at any time during the period in which the abatement would have applied if the abatement had been approved in the year the new construction or remodeling would first have been taxable, except that no abatement may be claimed for any tax year in that period that precedes the tax year in which the application is filed.

Section 12. That property abatements administered by the Hamilton County Auditor pursuant to the Existing Policy Ordinances and this ordinance shall be assessed in accordance with this Section and Ohio Revised Code Sections 3735.65-3735.70. The maximum abatement level of the eligible structure or improvements shall be calculated at the time of the original City Council approval of the abatement policy for such property. The value of the abatement may vary annually with changes to assessed property values. If the assessed value exceeds the maximum abatement level in any year, then the property owner shall receive only the maximum level of abatement, as designated by the applicable ordinance.

Section 13. That the proper City officials are hereby authorized to do all things necessary to carry out the provisions of this ordinance.

Section 14. That the Clerk of Council is directed to send a certified copy of this ordinance to the Hamilton County Auditor as a matter of information.

Section 15. 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

Exhibit A

(Residential CRA Program)

The applicable City officials are hereby authorized to award real property tax abatements in the below amounts and durations, based upon the conditions present in the Residential Improvement and in accordance with this ordinance, the Reauthorizing Ordinance, and all applicable state law. For the avoidance of doubt, in the event a property is subject to multiple real property tax abatements at a given time pursuant to this ordinance and the Existing Policy Ordinances (if applicable), at no point shall the total value of the abatements exceed the applicable maximum increase in assessed market improvement value per the tables below.

Baseline Incentive Table:

LIFT (0-2 Criteria)	Abatement Term Length	Maximum Increase in Assessed Market Improvement Value
Remodeling	15 years	\$350,000
New Construction	15 years	\$300,000
EXPAND (3-4 Criteria)	Abatement Term Length	Maximum Increase in Assessed Market Improvement Value
Remodeling	12 years	\$350,000
New Construction	10 years	\$300,000
SUSTAIN (5-6 Criteria)	Abatement Term Length	Maximum Increase in Assessed Market Improvement Value
Remodeling	8 years	\$250,000
New Construction	5 years	\$200,000

Bonus for Environmental Sustainability, Visitability, and Historic Restoration:

Bonus Incentive	Additional Amount of Increase to Assessed Market Improvement Value
LEED Silver HERS Qualified Certified Environmental Programs	\$200,000
LEED Gold or Platinum LBC Qualified Net Zero, Full, or Petal – must include “Energy Petal”	\$300,000
Meets the Cincinnati Visitability and Universal Design Standards	\$50,000
Historic Restoration (remodeling only)	\$50,000

In addition to the maximum increases in assessed market improvement value in the Baseline Incentive Table, an additional incentive is available if the Residential Improvements satisfy one or

more of the following: meet LEED (Silver, Gold, or Platinum), LBC Qualified (Net Zero, Full, or Petal), are HERS Qualified, meet the requirements of a Certified Environmental Program, meet the Cincinnati Visitability and Universal Design Standards, and/or constitute a Historic Restoration at the corresponding amounts listed in the Bonus Incentive Table. For the avoidance of doubt, only one environmental bonus incentive is available for each Residential Improvement project.

For example, if an applicant is remodeling and the applicant's Residential Improvements are in a neighborhood in the designated "Lift" tier, then the applicant is eligible for a 15-year tax abatement on \$350,000 of increase to the property's assessed market improvement value. However, if the applicant qualifies for additional incentives, like LEED Silver, then the applicant may receive an additional bonus above the amounts listed in the Baseline Incentive Table. In this scenario, if the applicant qualifies for LEED Silver, then the applicant is eligible for an abatement on a total increased assessed market improvement value of \$550,000.

Bonus incentives are also cumulative. For example, if an applicant is remodeling and the applicant's Residential Improvements are in a neighborhood in the designated "Sustain" tier, then the applicant is eligible for an 8-year tax abatement on \$250,000 of increase to the property's assessed market improvement value. If the applicant also qualifies for LEED Gold and meets the Cincinnati Visitability and Universal Design Standards, then the applicant is eligible for an additional \$300,000 from the LEED Gold certification and an additional \$50,000 for meeting the Cincinnati Visitability and Universal Design Standards, for an abatement on a total increased assessed market improvement value of \$600,000.

Exhibit B

(Residential Tax Abatement Neighborhood Tiers)

Based upon the Criteria, as of the date of this ordinance, City Council hereby categorizes the fifty-two neighborhoods of the City of Cincinnati in accordance with the below tables for the purposes of determining the level of incentive for each neighborhood, as designated by the community council boundaries for such neighborhood and depicted on maps adopted by the Housing Officer. City Council intends to re-evaluate the below designations upon receipt of the Housing Officer's recommendations every three years.

SUSTAIN (5-6 Criteria)	
Columbia Tusculum	Mt. Adams
Hyde Park	Mt. Lookout
Linwood	Oakley

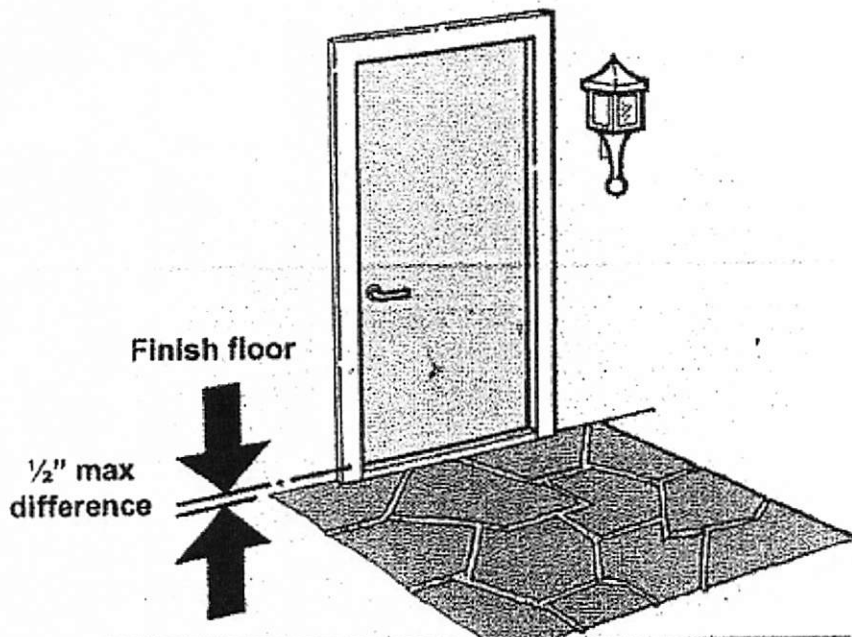
EXPAND (3-4 Criteria)	
California	Madisonville
Clifton	Northside
Downtown	Over-the-Rhine
East End	Pendleton
East Walnut Hills	Pleasant Ridge

LIFT (0-2 Criteria)	
Avondale	Mt. Washington
Bond Hill	North Avondale
Camp Washington	North Fairmount
Carthage	Paddock Hills
College Hill	Queensgate
Corryville	Riverside
CUF	Roselawn
East Price Hill	Sayler Park
East Westwood	Sedamsville
English Woods	South Cumminsville
Evanston	South Fairmount
Hartwell	Spring Grove Village
Heights	Villages at Roll Hill
Kennedy Heights	Walnut Hills
Lower Price Hill	West End
Millvale	West Price Hill
Mt. Airy	Westwood
Mt. Auburn	Winton Hills

Exhibit C

(Cincinnati Visitability and Universal Design Standards)

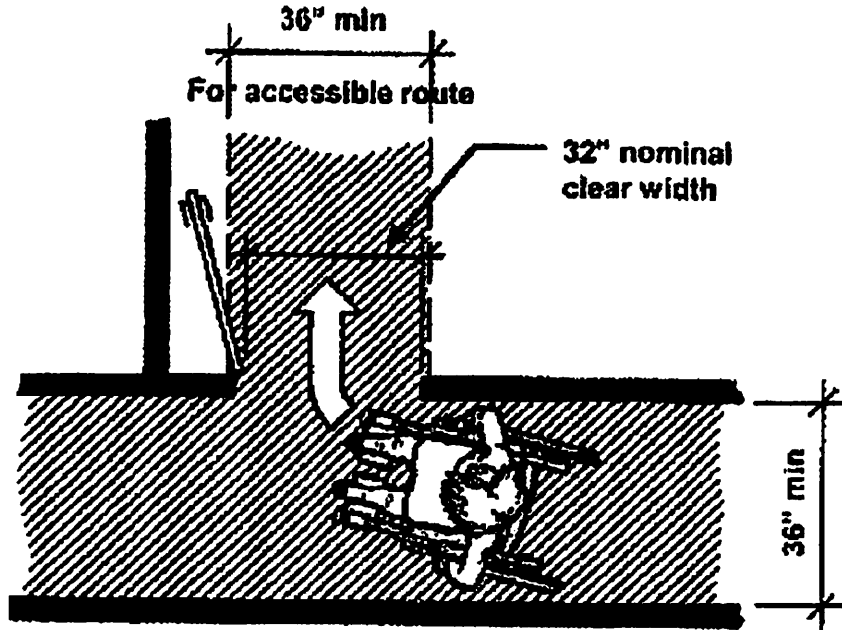
(A) No Step Entrance. The dwelling unit must provide at least one “No Step Entrance.” The required No Step Entrance must be visitable from the driveway or public way via a Visitable Path. “No Step” means no greater than a one-half inch ($\frac{1}{2}$ ”) elevation change unless access is provided using a code compliant ramp under the Residential Code of Ohio or the Ohio Building Code, as applicable.



1. At least one
no step entrance
via a visitable path

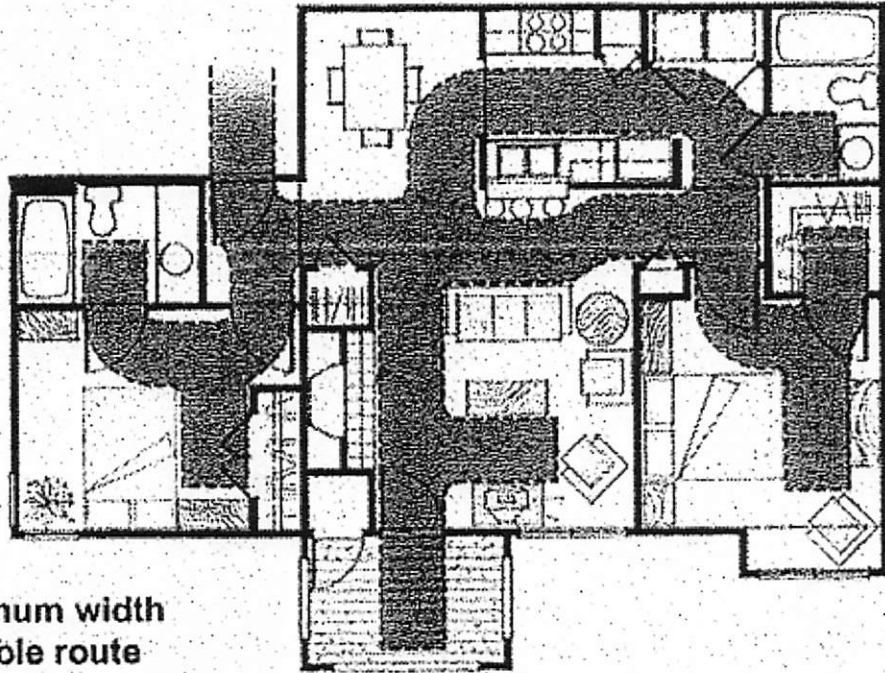
(B) Visitable Path. All hallways and corridors from the No Step Entrance to the central gathering place of the residence (e.g., great room, living room, or family room) (the “Central

Gathering Place”) and the Visitable Bathroom must be Visitable Paths. A “Visitable Path” means a No Step path of travel with a continuous minimum net clear width of at least thirty-six inches (36”).



2. Doors and openings along the visitable route shall have a minimal net clear width of 32”.

(C) Doors/Opening. All doors and openings along the Visitable Path from the No Step Entrance to the Central Gathering Place shall have a minimum net clear width of at least thirty-two inches (32”), including the doorway to at least one Visitable Bathroom along the Visitable Path.



**36" minimum width
accessible route**

3. Hallways and corridors from the no step entrance to at least one visitable common living space are at least 36" wide.

(D) Visitable Bathroom. There shall be at least one Visitable Bathroom located on a Visitable Path between the Central Gathering Place and the No Step Entrance. "Visitable Bathroom" means a full bathroom, half bathroom, or powder room having a clear floor space of at least thirty inches by forty-eight inches (30" x 48").



Victoria Parks

President Pro Tempore

WE MOVE that during the month of February 2023, the City of Cincinnati raise a Pan-African flag in recognition of, celebration of, and in solidarity with our Black residents. This commemoration has become a customary tradition during the City's observation of February as Black History Month.

Victoria Parks

Amosa Jeffery

Shelba D. Owens

Ressie Harris

JEFF CRAMERDING

Stephen

Jan-Michelle Penkeary

Seth Johnson

Council BK

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[Faint handwritten notes, possibly including a signature]

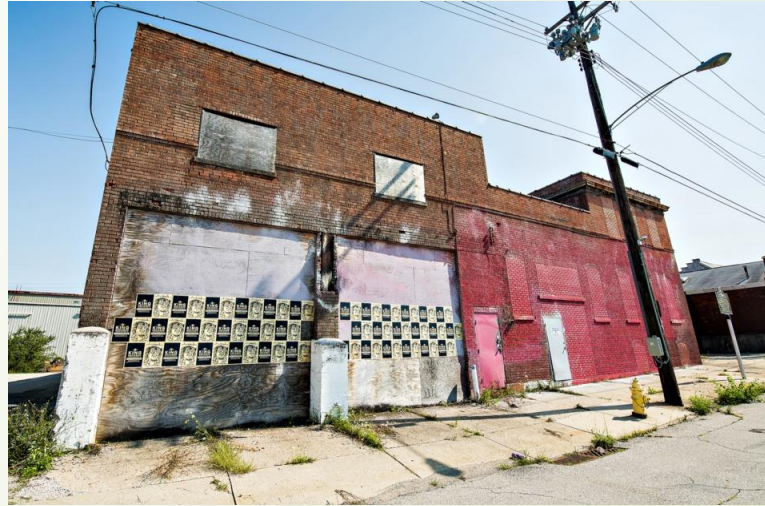


CINCINNATI
PRESERVATION
ASSOCIATION

Historic Preservation:
*Saving our places and
transforming our city*
Beth Johnson and Drew Gores
Cincinnati Preservation Association

celebrate the past
sense of place
green
aesthetic
history
community
design
architecture
identity
connection to past
income diversity
adaptive reuse
recycling
local craftsmanship
authentic
walkable
heritage
living record
law
cant be recreated
one of a kind
stability
environmental
renewal
imbued energy
range of unit size

What is Historic Preservation





Why should we preserve?



Historic Preservation is Smart Growth!

10 Principles of Smart Growth

1. Mix land uses
2. Take advantage of compact building design
3. Create a range of housing opportunities and choices
4. Create walkable neighborhoods
5. Foster distinctive, attractive communities with a strong sense of place
6. Preserve open space, farmland, natural beauty, and critical environmental areas
7. Strengthen and direct development towards existing communities
8. Provide a variety of transportation choices
9. Make development decisions predictable, fair, and cost effective
10. Encourage community and stakeholder collaboration in development decisions

STREETSBLOG USA

Bicycling / Walking / Transit / Car Culture / Micromobility / Mobility Justice / COVID-19

Mayor Mark Mallory on How Smart Growth Helped Turn Cincinnati Around

By Angie Schmitt | Feb 11, 2013 | 6 COMMENTS



About seven years ago, when Mayor Mark Mallory came on the scene, Cincinnati was at a low point. To convince the crowd at the New Partners for Smart Growth conference in Kansas City last week of the gravity of the situation, Mallory started off with a story about livestock.

A little before Mallory was elected, a cow escaped from a city slaughterhouse. (Cincinnati, a historic meat-packing city, was once known informally as Porkopolis.) A search was launched, with police helicopters scouring the city. “They looked for the cow for 11 days,”



Benefits of Historic Preservation: Culture

- It can add character and/or charm to a community, and emphasize its uniqueness



The John Hauck House Rocco Murals



Netherland Plaza Hotel

Benefits of Historic Preservation: Sustainability

Table 12. Number of Years Required for New Buildings to Overcome Climate Change Impacts from Construction Process

According to this study, it takes 10 to 80 years for a new building that is 30 percent more efficient than an average-performing existing building to overcome, through efficient operations, the negative climate change impacts related to construction. This table illustrates the number of years required for different energy efficient, new buildings to overcome impacts.

Building Type	Chicago	Portland
Urban Village Mixed Use	42 years	80 years
Single-Family Residential	38 years	50 years
Commercial Office	25 years	42 years
Warehouse-to-Office Conversion	12 years	19 years
Multifamily Residential	16 years	20 years
Elementary School	10 years	16 years
Warehouse-to-Residential Conversion*	Never	Never

*The warehouse-to-multifamily conversion (which operates at an average level of efficiency) does not offer a climate change impact savings compared to new construction that is 30 percent more efficient. These results are driven by the amount and type of materials used in this particular building conversion. The warehouse-to-residential conversion does offer a climate change advantage when the energy performance levels of new and existing building are assumed to be equal (see Figure 14). Thus, it may be particularly important to retrofit warehouse buildings for improved energy performance while renovating them. Furthermore, care should be taken to select materials that maximize environmental savings.

- ❓ Creating new energy efficient buildings does not positively impact our existing conditions
- ❓ Retrofitting existing buildings is the best way to reverse the negative impacts of construction on the environment

Image from The Greenest building: Quantifying the Environmental Value of Building Reuse

Benefits of Historic Preservation: Environment

**saving one
downtown
building**



is
equivalent
to

**recycling
1,344,000
aluminium
pop cans**

=



Benefits of Historic Preservation: Investment

Vine Street 2001 vs Today



Benefits of Historic Preservation: Investment

How the Historic Tax Credit (HTC) Leverages Private Investment



Each dollar of tax credit leverages four dollars of private investment.

That means that \$200,000 of tax credits spurs \$800,000 in private dollars, creating \$1 million of investment.

For every \$1 million in historic property investment, 16 jobs are created and \$2.1 million in economic activity is catalyzed.

Benefits of Historic Preservation: Job Creation

Historic rehabilitation creates proportionally more jobs, and higher paying jobs than new construction.

**HISTORIC
REHABILITATION**

VS.

**NEW
CONSTRUCTION**

**60-70% Labor
30-40% Materials**

**50% Labor
50% Materials**

Crown Heights Neighborhood Storefront



Source: Donovan Flynn, "Sustainability and Historic Preservation", 2007

Benefits of Historic Preservation: Housing Stability



Uplands Historic District



Betts Longworth Historic District

Benefits of Historic Preservation: Affordable Housing



Perseverance on Vine



Manse Hotel Senior Housing

Cincinnati's Leadership in Preservation

From Vacant to Vibrant: Cincinnati's Urban Transformation

How a lot of money and a little luck brought one of the nation's most dangerous neighborhoods back to life.

BY ALAN GREENBLATT | SEPTEMBER 2014



COMMERCIAL REAL ESTATE

WHY CINCINNATI WINS THE FIGHT FOR TAX CREDITS

Cincinnati leads the way in Ohio tax breaks, which have had a transformative effect.

WHAT WORKS

How Cincinnati Salvaged the Nation's Most Dangerous Neighborhood

Leaning on the power of local corporations, officials engineered a renaissance in the city's heart.

By COLIN WOODARD | June 16, 2016

Cincinnati's Leadership in Preservation

1964: Beginnings of Cincinnati Preservation

28—The Post & Times-Star
Cincinnati, Thurs., May 7, 1964

Historical Group Elects Officers

The Miami Purchase Assn., an organization recently formed here to preserve historic, pre-historic and archeological sites, has elected officers. They are: Robert Mulhauser, president; John B. Tytus, vice president; Mrs. Henry Wise Hobson Jr., secretary, and Mrs. William S. Rowe, treasurer.

The association also elected 24 trustees and an advisory board including experts in the fields of architecture, archeology, nature and other allied fields.

The association is interested in the area in the original Miami Purchase, later the Symmes Purchase. It included about two million acres between the two Miami rivers.

The association will work closely with the University of Cincinnati, the Museum of Natural History and the Historical Society. One of the first projects will be the excavation of the Miami Fort area, an Indian Fort on a bluff near where the Great Miami joins the Ohio River. The association also is interested in preserving homes of different periods in Cincinnati.



Elizabeth Hobson



Martha Phyllis Rowe



Margo Tytus

They heard the call to serve...

In 1964, three civic-minded women answered the call and founded the Miami Purchase Association (MPA): Elizabeth Hobson, Martha Phyllis Rowe, and Margo Tytus. Their initial effort focused on saving Fort Miami but quickly expanded to include threatened buildings. MPA took its name from John Cleve Symmes' original purchase of a million acres between the two Miami rivers.



Volunteer picnic, first meeting of whole antique shop committee, Hayner House, June 8, 1972.

New MPA Trustees 1981 (l-r): John Meunier, Peter Briggs, Rafaluk, Mrs. John Chermak, Mrs. Warren Woodward, Mrs. William S. Robertson, Don P. Davies, Mrs. John Z. Herzfeld, Mrs. William Nagel, Winney Carolyn E. Burfield, George Bahmyer, Addison Oliphan, Rev. Richard Sellers.



A-001
The Beginnings
of Cincinnati
Preservation

The creation of MPA was a pioneering effort and occurred two years before the passage of the National Historic Preservation Act of 1966. Savannah, Charleston and New Orleans were among the first cities to organize for preservation. The MPA founders studied their efforts and traveled to Savannah to learn from their successes.



National Trust *for*
Historic Preservation
Save the past. Enrich the future.™

Cincinnati's
Preservation is telling
all of our stories

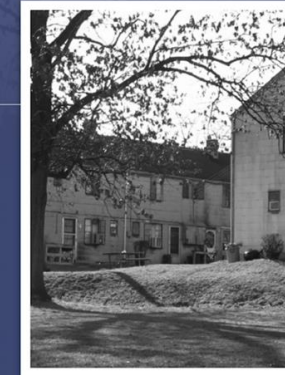
Featured Stories

SUBURBS

Village of Lincoln Heights

The First All-Black, Self-Governing City North of the Mason-Dixon Line

By Maya Drozdz



SUBURBS

West College Hill Neighborhood

Springfield Township Community Believed to be the Oldest in Hamilton County

By Maya Drozdz

RACE AND ETHNICITY

United American Cemetery

Historic African American burial ground

By Chris Hanlin

UNDERGROUND RAILROAD

Sarah Mayrant Walker Fossett

A Black woman who built an empire, changed the city

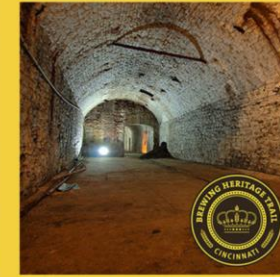
By Sean E. Andres



Cincinnati's Preservation is changing our City



CELLARMEN'S TOUR
90 Minute Walking Tour



GILDED BREW TOUR
90 Minute Walking Tour



BRUNCH, BEER, & BREWERIES
3 Hour Walking & Streetcar Tour

Starting at the Trail Tour Center located at the Moerlein Malthouse Tap Room, we walk along the newly opened Brewing Heritage Trail and share the stories of the men who built and worked in 19th century breweries, exploring dangerous working conditions, grueling hours, and the growing divide between the workers who made the beer and the "Beer Barons" who built fortunes by producing beers. Tours include a visit deep into an lagering cellars and tunnels of the operating) Schmidt Brothers / Crown Brewery.

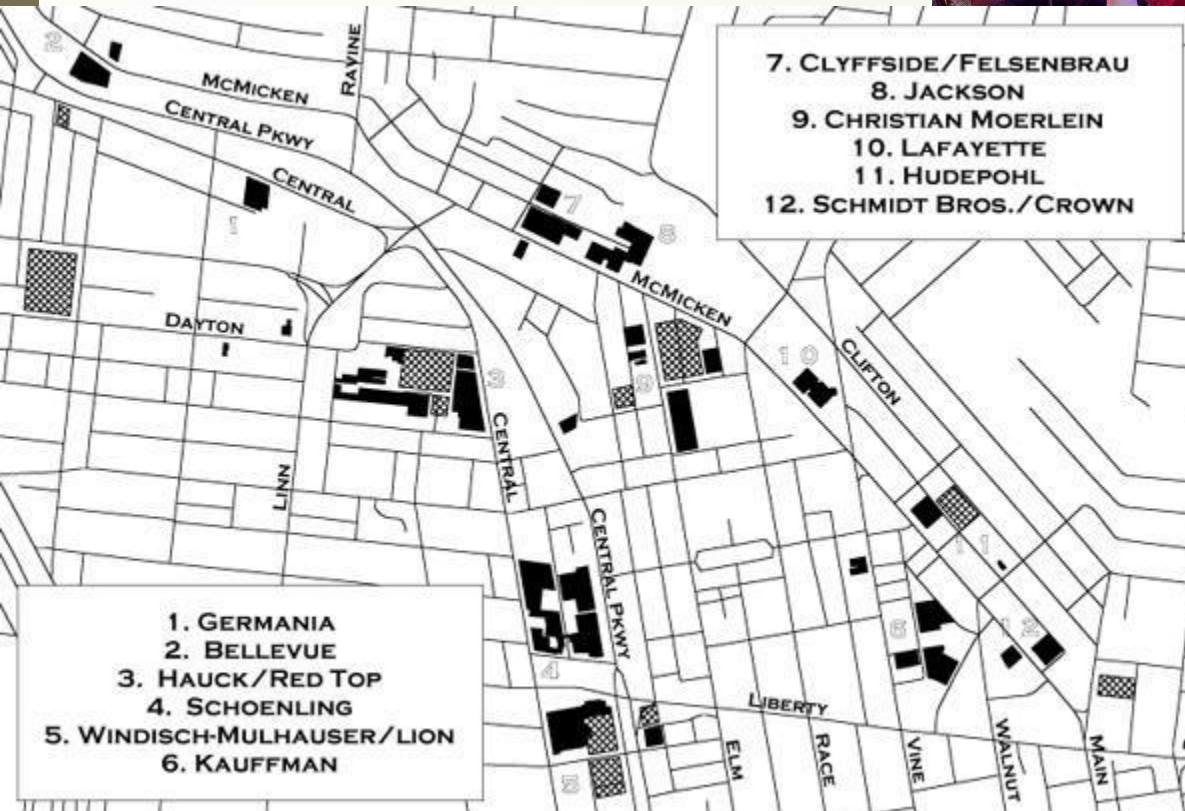
Tickets are \$25.

Starting at the Trail Tour Center located at the Moerlein Malthouse Tap Room, we walk along the newly opened Brewing Heritage Trail and witness the evolution of the brewing industry through the size, complexity, & architectural grandeur of our historic breweries. Along the way we share the stories of those who built or doomed these brewing empires during beer's industrial revolution. Tours include a visit into the vast subterranean lagering cellars of the historic (non-operating) Jackson Brewery.

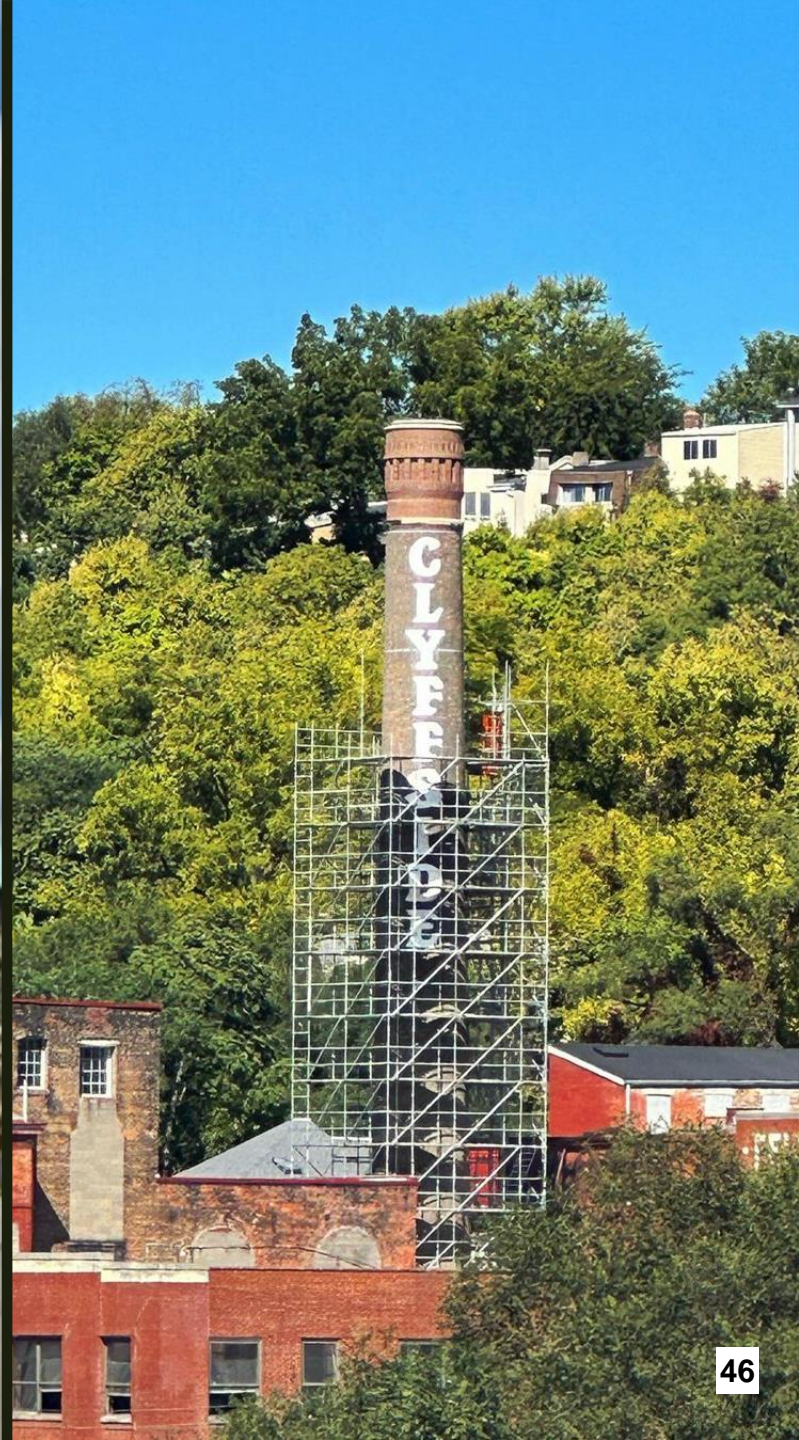
Tickets are \$25.

Starting at the Trail Tour Center located at the Moerlein Malthouse Tap Room, we hop on the streetcar to the Moerlein Lager House. With our first beer tasting, we take a behind-the-scenes tour of the brewpub and the rich history showcased there. After brunch, we head back to the Brewery District on the streetcar, walking along the newly opened Brewing Heritage Trail and learning about our grand brewing heritage. Back at the Moerlein Brewery, we grab our next round of beer tastings for a tour of the operating brewery and historic malt cellars. Tour includes 6-8 beer samples and brunch. *Goupons not valid for this tour.*

Tickets are \$45.



Historic Preservation is changing our City as we look to the past to tell our stories and reuse historic buildings for our future





Questions???

Thank you!!!

Find us and join our mission

www.cincinnatiipreservation.org

January 31, 2023

To: Members of the Equitable Growth and Housing Committee

From: Sheryl M. M. Long, City Manager 202300471

Subject: DCED Presentation: Updates to the Residential CRA Tax Abatement Program

Attached is the presentation that details the updates to the Residential CRA Tax Abatement Program.

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

January 31, 2023

Updates to the Residential CRA Tax Abatement Program

Department of Community & Economic Development

Markiea Carter
Director

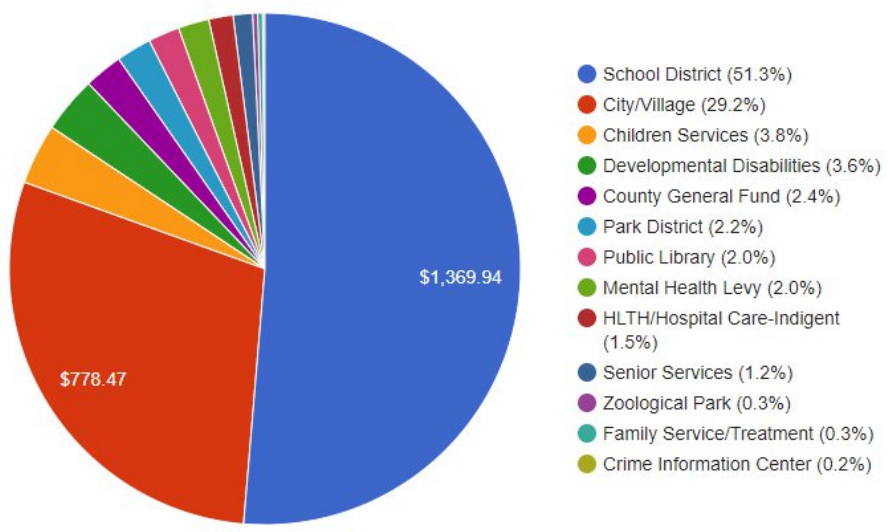
Table of Contents

- **Property Tax Fundamentals**
- **Review of Current Residential Property Tax Abatement Program**
- **2022 Program Study by HR&A Advisors**
- **New 3-tier System of Incentives by Neighborhood**
- **Administrative Enhancements**
- **Marketing and Outreach**
- **Anticipated Timeline for Implementation**
- **Homeowner Assistance**

Property Tax Fundamentals

- What is a property tax abatement?
 - The reduction of the amount of property tax owners must pay on new construction of improvements to housing
- How are property taxes calculated?
 - They are a percentage of a property's overall value (value of improvements + value of land)
 - As a property's value increases, the property tax amount increases
 - Certain ballot initiatives (levies) increase property tax amount

Property Tax Fundamentals - Property Tax Breakdown



Market Value		Assessed Value (35%)		Tax Rate Information	
Land	25,560	Land	8,950	Full Tax Rate (mills)	110.450000
Building	196,370	Building	68,730	Reduction Factor	0.303973
Total	221,930	Total	77,680	Effective Tax Rate (mills)	76.876291
				Non Business Credit	0.084903
				Owner Occupancy Credit	0.021225

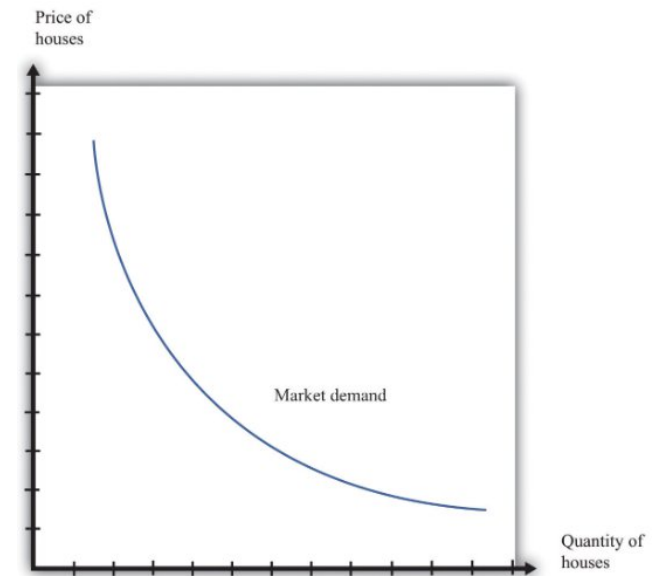
To estimate taxes based on a different market value, enter the market value here:

Calculate

Tax Calculations		Half Year Tax Distributions	
Gross Real Estate Tax	\$8,579.76	School District	\$1,369.94
- Reduction Amount	\$2,608.02	Township	\$0.00
- Non Business Credit	\$507.02	City/Village	\$778.47
- Owner Occupancy Credit	\$126.76	Joint Vocational School	\$0.00
- Homestead	\$0.00	County General Fund	\$64.55
Half Year Real Taxes	\$2,668.98	Public Library	\$52.88
- Sales Tax Credit	\$31.38	Family Service/Treatment	\$8.19
+ Current Assessment	\$29.49	HLTH/Hospital Care-Indigent	\$41.12
+ Delinquent Assessment	\$0.00	Mental Health Levy	\$52.08
+ Delinquent Real Estate	\$0.00	Developmental Disabilities	\$95.14
Semi Annual Net	\$2,667.09	Park District	\$59.39
		Crime Information Center	\$4.01
		Children Services	\$102.10
		Senior Services	\$32.59
		Zoological Park	\$8.52

Property Tax Fundamentals – Home Value Increases

- Property values are reassessed triennially as well as when new improvements are made
- Property values increase for a variety of reasons
 - Housing market and general economic health
 - Location
 - Improvements to housing



Property Tax Fundamentals – Purpose & Operation

Why does the City offer residential tax abatements?

- **Incentivizes investments** into existing housing and creation of new housing
- **Attracts new City residents**
- **Retains current City residents**; competition within Ohio
- **Improves Cincinnati housing stock** by incentivizing energy-efficient housing
- **Capture more tax dollars** in the future (retain/increase income tax base)
- **Encourage accessibility** and help population age in place by lowering tax burden for Visitability improvements
- **Assist growing families** in need of larger housing make needed expansions

Property Tax Fundamentals – Purpose & Operation

How do abatements work?

- City certifies state law requirements are met (*new construction, improvements over \$2,500*)
- County Auditor makes appraisal determination and identifies corresponding value of abatement
- Abatement period depends on type and value of construction/improvements

Residential Property Tax Abatement – Legal Parameters

- Allows residents to build or remodel their property without having to owe taxes on the new value created, up to the qualifying cap, for up to 15 years.
 - State law dictates the maximum abatement amount
 - Limited to new improvement value created – cannot abate existing value or land value increases



Application Criteria

- Limited to rehab or new construction of condominiums and **one, two, or three-unit residential-only structures**; **four-unit** structures became eligible in 2022
- Required **at least \$2,500** (one and two-unit structures) **or \$5,000** (three + units) in construction costs
- Requires work to be **properly permitted**
- Only permitted **paper applications** with a **\$250 non-refundable application fee**
- Required owners to **pass an exterior code-compliance inspection**

2017-2021

2022-Present

CONSTRUCTION TYPE	CONDITIONS	MAXIMUM MARKET IMPROVEMENT VALUE	TERM (YEARS)
REMODELING	Non-LEED/Non-LBC Qualified	\$275,000	10
	HERS Qualified	\$275,000	12
	Visitable	\$275,000	12
	HERS + Visitable	\$275,000	14
	LEED Certified	\$275,000	15
	LEED Silver	\$400,000	15
	LEED Gold or LBC Net Zero	\$562,000	15
	LEED Platinum, LBC Full, or LBC Petal (must include "Energy Petal")	No maximum	15
NEW CONSTRUCTION	Non-LEED/Non-LBC Qualified	\$275,000	10
	Visitable	\$275,000	12
	LEED Certified	\$275,000	12
	LEED Certified + Visitable	\$275,000	14
	LEED Silver	\$400,000	15
	LEED Gold or LBC Net Zero	\$562,000	15
	LEED Platinum, LBC Full, or LBC Petal (must include "Energy Petal")	No Maximum	15

Construction Type	Conditions	Maximum Market Improvement Value*	Term (years)
REMODELING	Non-LEED/Non-LBC Qualified	\$200,000 [†]	12
	HERS Qualified	\$300,000 [†]	15
	LEED Silver	\$500,000 [†]	15
	LEED Gold or LBC Net Zero	\$650,000 [†]	15
	LEED Platinum, LBC Full, or LBC Petal (must include "Energy Petal")	\$800,000 [†]	15
	NEW CONSTRUCTION & ADDITIONS	Non-LEED/LBC Qualified	\$200,000 ^{††}
LEED Silver		\$400,000 ^{††}	15
LEED Gold or LBC Net Zero		\$500,000 ^{††}	15
LEED Platinum, LBC Full, or LBC Petal (must include "Energy Petal")		\$650,000 ^{††}	15
BONUS INCENTIVES TO ANY CONDITION			
Visitability		+ \$100,000 to maximum cap	
Historic Restoration (Older than 1920; Remodel Only)		+ \$100,000 to maximum cap	

Timeline

Construction Completed



Application Received

Application Reviewed



Application Approved

Abatement Begins



2022 Program Study

- Summer 2020: The Property Tax Working Group concluded with a recommendation that the RTA should be tiered by neighborhood
- Fall 2020: City Council appropriated funding for a study to evaluate the Residential Tax Abatement program and evaluate the feasibility of a tiered program
- 2021: HR&A Advisors, Inc. was selected as a third-party consultant to conduct the Study
- Spring 2022: Following a six-month study, HR&A recommended a three-tier system of incentives by neighborhood

Goals of Tiered System

- Incentivize development of new housing and investment of existing housing in neighborhoods that would not otherwise see the investment “but for” the incentive
- Reduce length of abatements in neighborhoods with sound housing markets
- Maximize abatement tool in low-scoring neighborhoods to increase opportunity to build generational wealth
- Provide a framework to regularly evaluate housing market changes and adjust incentives as seen fitting
- To equitably enhance City residency and protect the City’s financial health
- Maintain policy objectives of incentivizing sustainable and accessible housing

Updated Criteria

The new program's incentives are tied to **6 definable criteria**, with a review every 3 years to evaluate changes.

1. Average Household Income
2. Poverty Rate
3. Housing Value
4. Mortgage Applications Approved and Originated
5. Market Value Change
6. New Construction Permit Activity

New Approach

A new 3-tier system will target incentives to communities with the greatest need.

LIFT

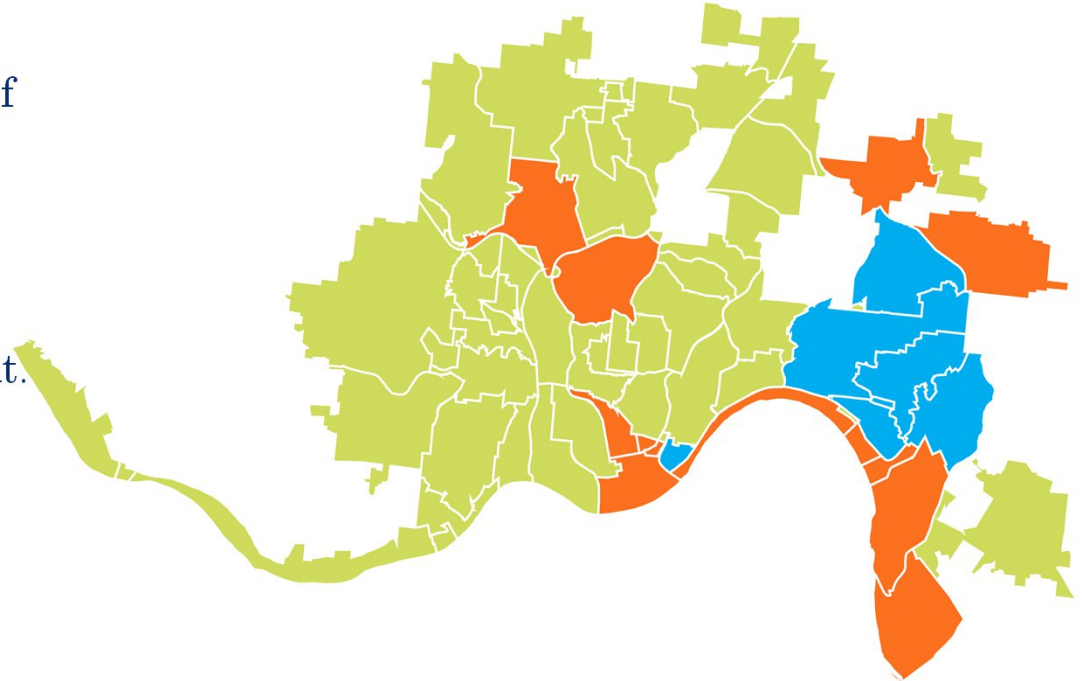
Includes neighborhoods most in need of development.

EXPAND

Includes neighborhoods that are currently seeing moderate development.

SUSTAIN

Includes neighborhoods where development is already happening.



LIFT

Avondale	Heights	Roselawn
Bond Hill	Kennedy Heights	Sayler Park
Camp Washington	Lower Price Hill	Sedamsville
Carthage	Millvale	South Cumminsville
College Hill	Mt. Airy	South Fairmount
Corryville	Mt. Auburn	Spring Grove Village
CUF	Mt. Washington	Villages at Roll Hill
East Price Hill	North Avondale	Walnut Hills
East Westwood	North Fairmount	West End
English Woods	Paddock Hills	West Price Hill
Evanston	Queensgate	Westwood
Hartwell	Riverside	Winton Hills

EXPAND

California	Madisonville
Clifton	Northside
Downtown	Over-the-Rhine
East End	Pendleton
East Walnut Hills	Pleasant Ridge

SUSTAIN

Columbia Tusculum	Mt. Adams
Hyde Park	Mt. Lookout
Linwood	Oakley

Proposed Baseline Incentives

LIFT	Abatement Term Length		Maximum Abated Increase in Market Improvement Value	
Remodeling	15 Years	↑ 3 Years	\$350,000	↑ \$150,000
New Construction	15 Years	↑ 5 Years	\$300,000	↑ \$100,000

EXPAND	Abatement Term Length		Maximum Abated Increase in Market Improvement Value	
Remodeling	12 Years	No Change	\$350,000	↑ \$150,000
New Construction	10 Years	No Change	\$300,000	↑ \$100,000

SUSTAIN	Abatement Term Length		Maximum Abated Increase in Market Improvement Value	
Remodeling	8 Years	↓ 4 Years	\$250,000	↑ \$50,000
New Construction	5 Years	↓ 5 Years	\$200,000	No Change

Arrows demonstrate change from 2022 incentives

Proposed Bonus Incentives (Applicable to Any Tier)

Bonus Incentive	Additional Amount to Maximum Abated Value
<ul style="list-style-type: none"> • LEED Silver • HERS Qualified (remodel only) • Future Certified Environmental Programs 	+ \$200,000
<ul style="list-style-type: none"> • LEED Gold or Platinum • LBC Qualified (Net Zero, Full, or Energy Petal) 	+ \$300,000
<ul style="list-style-type: none"> • Meets the Cincinnati Visitability and Universal Design Standards 	+ \$50,000
<ul style="list-style-type: none"> • Historic Restoration (older than 1945) (remodel only) 	+ \$50,000

An Environmental Bonus may be **combined** with Visitability and/or Historic Restoration

Example: a LEED Silver remodel of a 1930 house in a Lift neighborhood would receive a 15-year abatement for up to \$600,000 in market improvement value (\$350k + \$200k + \$50k)

Incentives Comparison: Example 1 - Remodel

- A homeowner remodels their \$200,000 house, adding \$50,000 in new improvement value

	2022 Program	LIFT	EXPAND	SUSTAIN
Total New Market Value	\$250,000	\$250,000	\$250,000	\$250,000
Abatement Term Length	12 Years	15 Years	12 Years	8 Years
Maximum Abatement Cap	\$200,000	\$350,000	\$350,000	\$250,000
Abated Value	\$50,000	\$50,000	\$50,000	\$50,000
Est. Annual Taxes without Abatement	\$5,942.08	\$5,942.08	\$5,942.08	\$5,942.08
Est. Annual Taxes with Abatement	\$4,753.66	\$4,753.66	\$4,753.66	\$4,753.66
Est. Annual Tax Savings with Abatement	\$1,188.42	\$1,188.42	\$1,188.42	\$1,188.42
Est. Total Taxes Paid over 15 Years	\$74,870.16	\$71,304.90	\$74,870.16	\$79,623.84

Taxes may increase/decrease during abatement term based on triennial assessments and changes in levies. Tax estimates made using Hamilton County Auditor tax estimate calculator

Incentives Comparison: Example 2 - New Construction

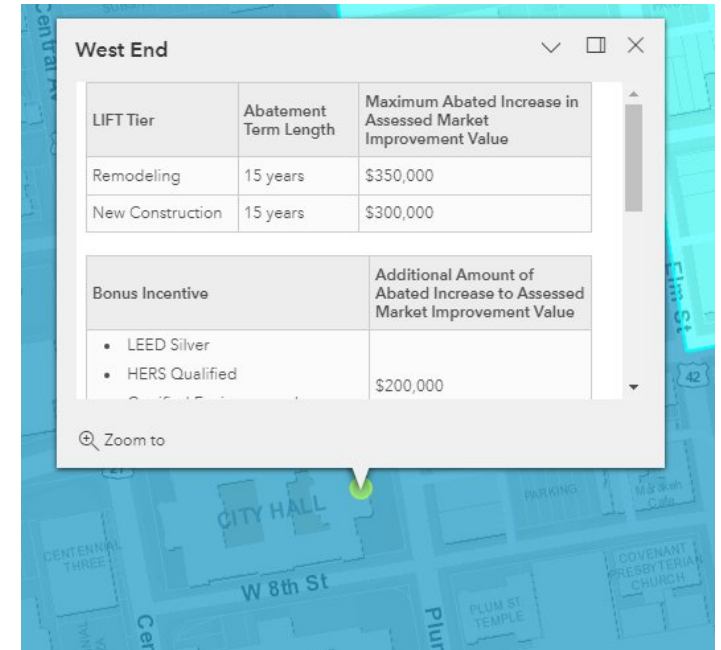
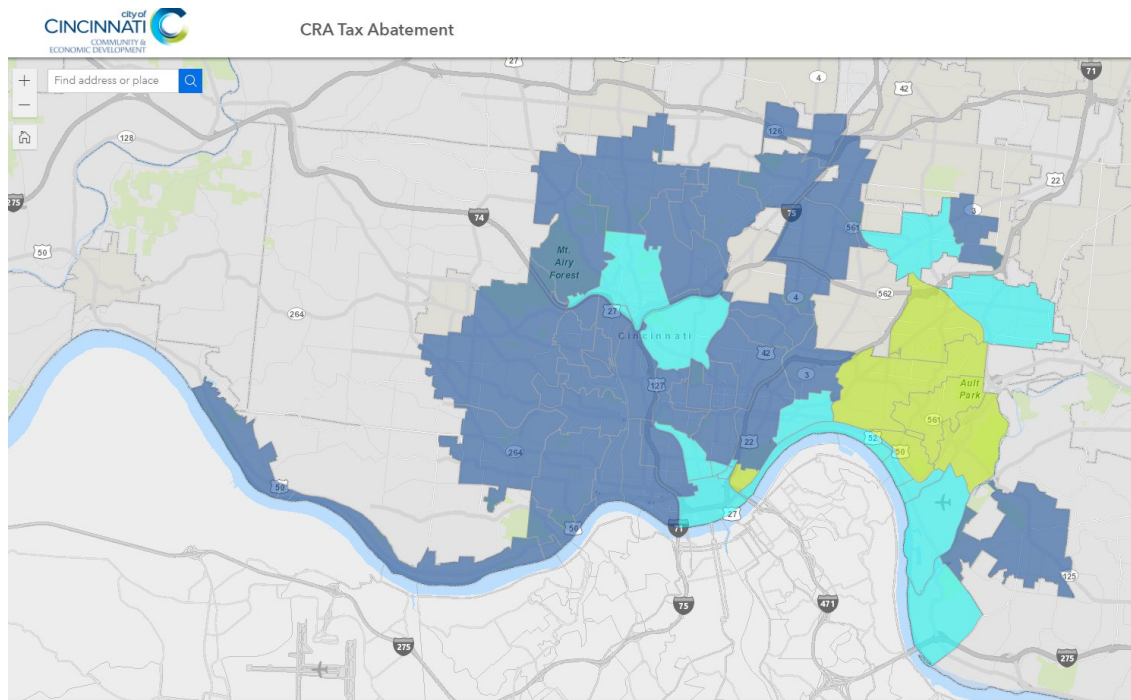
- A homeowner builds a LEED Silver house valued at \$500,000 on land valued at \$100,000

	2022 Program	LIFT	FOUND	SUSTAIN
Total New Market Value	\$600,000	\$600,000	\$600,000	\$600,000
Abatement Term Length	15 Years	15 Years	10 Years	5 Years
Maximum Abatement Cap	\$400,000	\$500,000	\$500,000	\$400,000
Abated Value	\$400,000	\$500,000	\$500,000	\$400,000
Est. Annual Taxes without Abatement	\$14,260.99	\$14,260.99	\$14,260.99	\$14,260.99
Est. Annual Taxes with Abatement	\$4,753.66	\$2,376.83	\$2,376.83	\$4,753.66
Est. Annual Tax Savings with Abatement	\$9,507.33	\$11,884.16	\$11,884.16	\$9,507.33
Est. Total Taxes Paid over 15 Years	\$71,304.90	\$35,652.45	\$95,073.25	\$166,378.20

Taxes may increase/decrease during abatement term based on triennial assessments and changes in levies. Tax estimates made using Hamilton County Auditor tax estimate calculator

Administrative Enhancements

- Interactive CAGIS map to look up a property's eligible tier and incentives (coming soon)



Administrative Enhancements

- NEW! Online Application integrated within next-generation CAGIS ezTrak
- Paper applications will still be available upon request
- The adoption of new rules and regulations that will
 - Clarify the abatement process and criteria
 - Require applicants to certify all property under their control is currently meeting the building code
 - Ensure that condominium units receiving an abatement are owner-occupied to address units being used on a long-term basis as short-term rentals
 - Certify additional environmental programs to incentivize additional sustainable development in the city of Cincinnati



Marketing and Outreach

In addition to the online application and interactive map, the City plans to improve education of the program through:

- Direct outreach to property owners informing them of potential eligibility upon pulling permits
- Revamped program information materials, including fliers, infographics, FAQs, webpage, and Rules and Regulations
- Targeted communications and information sessions to program stakeholders including homebuilders, renovation contractors, and realtors
- Updating building permit applications to ask if projects intend to apply for a tax abatement and/or seek Visitability, allowing for DCED to build a pipeline of potential applicants with whom to communicate

Anticipated Timeline

- **February 2023:** Council passes legislation
- **February 2023:** Interactive Map tool launches
- **Spring 2023:** Online application on CAGIS ezTrak soft launches for existing program
- **Spring and Summer 2023:** Stakeholder outreach, material updates
- **September 1, 2023:** New legislation is effective for projects with permit applications submitted or accepted **on or after** this date

Homeowner Assistance

- Housing Repair Services (\$1.9 million) – Emergency and critical repairs to very low-income homeowners up to \$20,000 home
- CARE (Compliance Assistance Repairs for the Elderly) – grants to low-income elderly and/or disabled homeowners to help address exterior code violations up to \$10,000 per home
- HARBOR (Homeowner Assistance Repairs & Building Order Relief) (\$250,000) – Grants up to \$15,000 offered to low- and moderate-income homeowners to help address building code violations, a higher amount can be authorized under extenuating circumstances

Homeowner Assistance

- American Dream Downpayment Initiative (ADDI) (\$300,000) – forgivable loans up to \$14,000 per household to be used to help low-income, first-time homeowners acquire a house
- ADDI Plus (\$2 million) – program will be used to help finance construction costs for affordable homeownership projects
- Emergency Mortgage Assistance (\$215,000) – provides foreclosure prevention, counseling, and negotiations with mortgage companies to help low-income homeowners remain in their home (up to \$3,000 in mortgage assistance per household)

Questions?

Department of Community &
Economic Development

513-352-6146

Your feedback is important to us.

Please visit our website for more information.

<https://choosecincy.com/homeowner-renter-assistance/residential-tax-abatement/>
