city of CINCINNATI
Interdepartment Correspondence Sheet

August 3, 2026

To: Members of the Budget and Finance Committee

202602431

From: Sheryl M.M. Long, City Manager

Subject: **Tax Incentive Review Council Status of Property Tax Exemptions for Year End 2025**

BACKGROUND

The Tax Incentive Review Council (TIRC) held its annual meeting on June 25, 2026 to review the 2025 period performance of companies granted property tax exemptions under Sections 5709.85, 725, and 3735.671 of the Ohio Revised Code (ORC). The TIRC review determines whether businesses have complied with the terms of their agreement related to project investment and job retention/creation. The tax exemption agreements typically allow the company three years to achieve investment and job goals.

The TIRC recommends continuation, modification, or termination of Tax Increment Financing (TIF) exemptions and Community Reinvestment Area (CRA) agreements. It is important to note that the majority of tax exemption agreements executed by the City in recent years have been CRA agreements. TIF Agreements are more complex and tend to be used for large projects and have longer terms.

The following documents are attached:

- Attachment I (*TIRC 2026 Minutes and Summary Report*) reflects the minutes of the TIRC's 2026 Annual Meeting and the Summary Report.
- Attachment II (*2026 TIRC Detailed Reports – TIFs*) represents details of the 2025 year-end status of TIF Projects (General Information and Revenues and Expenditures) and TIF Districts.
- Attachment III (*2026 TIRC Detailed Reports – CRAs*) reflects details of the 2025 CRA Tax Abatements in four sections: General Information, Construction Issues, Jobs & Payroll Issues, and Reporting Issues.

PERFORMANCE OF TIF DISTRICTS AND TIF PROJECTS

The TIRC is required to review TIF exemptions created after 1994 including TIF Projects and TIF Districts. Attachment II provides detailed information on the 41 Project TIFs and 35 District TIFs. Details on the six ORC 725 Urban Renewal exemptions are included in the Summary document. All companies with TIF or ORC 725 exemptions were in compliance with required service payments in 2025 and these exemptions are recommended for continuation.

PERFORMANCE OF COMMERCIAL CRA AGREEMENTS

During the 2025 period there were 354 active commercial CRA agreements. A breakdown of the 2025 review and performance is summarized below and is also detailed in Attachment III:

- There are 330 agreements recommended for **continuation**.

- There are 3 agreements recommended for **modification**. These include one pending extension amendment & assignment, one pending a project start & extension amendment, and one pending extension amendment. Most of the construction delays continue to be related to supply chain issues, contractor issues, workplace problems, and inspection delays. Amendments will be drafted for agreements where a letter from the Department Director is not sufficient. Construction starts are usually delayed as a result of financing issues.
- Ten companies are recommended for **termination.** Seven of the Terminations are based on lack of response to requests for annual fees and/or annual reports. Three Terminations are related to delayed starts or completions.
- Eleven agreements have expired and the projects have been closed.

Agreements that Expired in 2025

- Globe Building, LLC (1801-1805 Elm Street)
- Transept Property, LLC (1205 Elm Street)
- Urban Legacy VIII, LLC (1428, 1430, 1438 Race Street)
- Broadway Square I, LLC
- Bartlett Building LTD (Bartlett-Renaissance Hotel)
- CBD Holdings (114-118 E. 6th Street)
- Mercer Commons OTR, LLC (Mercer Commons Garage)
- 4138 Hamilton Avenue, LLC (Caracole Relocation)
- Forest Square Apartments L.P. (Forest Square Senior Apartments)
- South Block Properties, LLC (3930 Spring Grove)
- Highland MOB, LLC

<u>RECOMMENDATION</u>

The ORC Section 5709.85(E) states that City Council must act on the CRA and TIF program recommendations determined at the annual TIRC meeting. Recommendations to continue, modify, or terminate company agreements are contained in the 2026 TIRC Minutes (Attachment I). The Administration recommends approval of these minutes and the recommendations therein.

Attachments: I. TIRC 2026 Meeting Minutes and Summary Report
II. 2026 TIRC Report – TIFs
III. 2026 TIRC Report – CRAs

cc: Morgan Sutter, Chief of Intergovernmental Affairs, Office of Grants and Government Affairs