City of Cincinnati

801 Plum Street
Cincinnati, OH 45202

Agenda - Final-revised

Law & Public Safety Committee

Chairperson Christopher Smitherman
Vice Chair David Mann
Council Member Betsy Sundermann
Council Member Jan Michele Kearney
Council Member Greg Landsman
Council Member Steven Goodin

Tuesday, January 5, 2021 | **9:00 AM** | **Council Chambers, Room 300**

PRESENTATIONS

BARCODE UPDATE

Mark Manning, Law Department

AGENDA

1. 202002167 **MOTION**, submitted by Councilmember Mann, I move that Council change the way development agreements are negotiated. We must separate the negotiations from the final decisions. Without political interference, our civil servants should negotiate with developers pursuant to written policies adopted by Council and the Mayor. Council would be involved only in reviewing and then approving, rejecting or modifying the proposed development. If our negotiators require guidance during negotiations, they would be expected to use a transparent process involving all elected officials. New written Council policies should: 1. Clearly define the separate roles of the city's development and administrative officers and Members of Council; and 2. Establish clear boundaries separating those roles. (STATEMENT ATTACHED).

Sponsors: Mann

Attachments: Motion

2. 202002183 **MOTION**, submitted by Councilmember Mann, I move that the City establish a **Commission To Clean Up City Council**, a small blue-ribbon panel of no more than nine members to study the city's development process, in particular negotiations with private developers, and develop recommendations to improve it and better insulate it from political influence and cronyism. (BALANCE ON FILE IN CLERK'S OFFICE) (STATEMENT ATTACHED).

Sponsors: Mann

Attachments: Motion 202002183

3. 202002234 **MOTION**, submitted by Councilmember Landsman, In an effort to restore public trust and confidence in City Hall, **WE MOVE** that the Administration prepare ordinances and a report on the following recommendations. **Cincinnati Ethics Commission.** In partnership with the Ohio Ethics Commission, the Administration will establish a local commission to improve oversight and transparency. This "Cincinnati Ethics Commission" will be supported by a Chief Ethics and Good Government Officer, and developed and designed by the Administration and not elected officials, particularly the number and qualifications of the commissioners. The commission should be in support of and in addition to the Ohio Ethics Commission. It should not supplant any of the work of the Ohio Ethics Commission. (BALANCE ON FILE IN CLERK'S OFFICE).

Sponsors: Landsman

Attachments: Motion 202002234

4. 202002237 **ORDINANCE (EMERGENCY),** submitted by Councilmember Sundermann, from Andrew W. Garth, Interim City Solicitor, **MODIFYING** the Administrative Code of the City of Cincinnati by amending Article XXVI, "Financial Disclosure Requirements," to require members of Council and the Mayor to disclose gifts, loans, or services totaling $75 or more on the financial disclosure form filed with the City

Sponsors: Sundermann

Attachments: Transmittal

Ordinance

ADJOURNMENT

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City of Cincinnati

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David S. Mann
~~Vice Mayor~~/Councilmember

We have a big problem in our beloved city, elected officials on the take. I grieve for the city which I have served on and off for over 40 years. And I ask myself what can be done to reduce the opportunity for the terrible, illegal shenanigans we have experienced. The following proposal will help.

MOTION

I move that Council change the way development agreements are negotiated. We must separate the negotiations from the final decisions. Without political interference, our civil servants should negotiate with developers pursuant to written policies adopted by Council and the Mayor.

Council would be involved only in reviewing and then approving, rejecting or modifying the proposed development. If our negotiators require guidance during negotiations, they would be expected to use a transparent process involving all elected officials.

New written Council policies should:

1. Clearly define the separate roles of the city's development and administrative officers and Members of Council; and

2. establish clear boundaries separating those roles.

David Mann

STATEMENT

Developers can make millions of dollars on developments involving tax abatements and other public incentives. Routinely, developers call on Council Members about their ideas long before the City Manager and our development officers are anywhere near a final proposal for presentation to Council. It is all too easy for the wrong participants to fall into an illegal path at this early juncture.

The Members of Council have no business negotiating the details of development agreements with developers. We rely on professional development officers and we expect them to follow the city policies we adopt.

Council does not decide what kind of fire hoses to buy for our fire trucks. Council does not negotiate contracts for asphalt. Council does not concern itself with the content of our civil service exams. The reality is that elected officials are not very good at these kinds of decisions. Nor are we qualified to be in the middle of negotiations for a new office building or a project to create more affordable housing.

We need detailed written development policies laying out when and under what circumstances it is proper in Cincinnati for a developer to approach Members of Council about a new development agreement with the city.

I propose these principles for consideration:

1. Council and the Mayor should determine development goals including jobs, tax revenues, repopulation, affordable housing, economic inclusion, neighborhood benefit and so on.
2. Council and the Mayor should identify available incentives for development and the parameters for their use.
3. The Mayor, City Manager and our development officers should be the exclusive representatives of the city in the negotiation of development agreements and the presentation to Council of an agreement for review and approval, modification or disapproval.

4. Until formal presentation of a development agreement to the Council, **it is not appropriate for developers or their representatives to lobby or otherwise seek to involve Members of Council in the negotiation process.**
5. **Nor is it appropriate for Members of Council to involve themselves in the details of ongoing negotiations.**
6. The rules in paragraphs 4 and 5 above should be defined as ethics violations with criminal penalties for developer and Council Member alike. Misconduct by a developer also should result in debarment from future city development projects.

We can establish a framework to reduce the involvement of Members of Council in the negotiation process. Members of Council have plenty to do once negotiations are complete and a recommendation is presented for consideration. This is when and where Members of Council have their critical role to fill.

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Gerald R Checco

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David S. Mann
Councilmember

November 29, 2020

MOTION

I move that the City establish a **Commission To Clean Up City Council**, a small blue-ribbon panel of no more than nine members to study the city's development process, in particular negotiations with private developers, and develop recommendations to improve it and better insulate it from political influence and cronyism.

1. The Commission should be co-chaired by academic and business leaders. No member should be personally directly involved in development with the city.

2. The Commission membership should be balanced and diverse and include expertise in managing ethics issues.

3. Without limiting the work of the Commission in any way, it should:

    a. consult municipal finance, development, and campaign contribution experts.

    b. review and evaluate the city's use of public incentives for development including direct awards, loans, and tax abatements.

    c. determine how well and with what clarity the city establishes and then achieves its goals in providing public incentives to developments without allowing developers to benefit at a higher level than justified by the public benefit to the city.

    d. review best practices in other cities across the country.

    e. study possible links between campaign contributions and the award of development contracts and/or significant changes in the final form of a development contract.

    f. propose ways in which the city could track connections between campaign contributions and the award of public incentives to developments.

    g. propose a Code of Conduct for Cincinnati's elected officials and developers. In particular, the Code should require developers to report inappropriate requests from Cincinnati's elected officials (anecdotally, I have been told that

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David S. Mann
Councilmember

the charges set forth in the first two indictments were not the only such attempts to obtain personal benefit).

h. Recommend whether contract awards should be prohibited to developers who made campaign contributions to city candidates within the prior twenty-four months.

i. Recommend whether the city should establish a hotline by which any citizen, including developers, can report in confidence any inappropriate request or demand from any public servant, elected or otherwise.

4. The Commission should present recommendations to the community no later than May 1. These recommendations should include any desirable amendments to the city Charter.

5. Obviously, this Commission requires staff and financial support.

David Mann

David Mann

STATEMENT

The current crisis at City Hall presents an opportunity for serious and needed reform in the way the city does business. Post-pandemic, our community is poised to thrive by so many measures. But not if our citizens do not trust that City Hall is a place of integrity and commitment to honest public service.

There are several reasons why a small independent Commission is needed to develop comprehensive recommendations for change. Council is too close to all of this and can benefit from an outside group's independent look. Self-reform by council will always be suspect. An outside Commission will help council avoid blind spots. The challenge at hand simply requires more than the cursory review that council can competently provide. **We need much more at this critical juncture of the city's history.**

CAL
11/30/2020

City of Cincinnati

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Greg Landsman
Councilmember

MOTION: City Hall Reforms

In an effort to restore public trust and confidence in City Hall, **WE MOVE** that the Administration prepare ordinances and a report on the following recommendations.

Cincinnati Ethics Commission

In partnership with the Ohio Ethics Commission, the Administation will establish a local commission to improve oversight and transparency. This "Cincinnati Ethics Commission" will be supported by a Chief Ethics and Good Government Officer, and developed and designed by the Administration and not elected officials, particularly the number and qualifications of the commissioners. The commision should be in support of and in addition to the Ohio Ethics Commission. It should not supplant any of the work of the Ohio Ethics Commission.

The commission should be tasked with local reporting of financial disclosure forms and developing new training for public officials and relevant city staff. The local disclosure requirements and trainings should go beyond what is currently required by the state. Again, this, as in all things the Cincinnati Ethics Commission does, would be in partnership with the state's ethics commision.

Legislation should be prepared for review and approval by Council and the Mayor.

Chief Ethics and Good Government Officer

The Administration should also propare legislation to identify and/or hire a Chief Ethics and Good Government Officer, reporting directly to the City Manager, to lead local reforms and support the work of a new Cincinnati Ethics Commission.

Local Campaign Finance Reform

The Administation should prepare the necessary legislation to update local campaign finance rules to require the immediate disclosure of any contribution to a campaign committee or leadership PAC from anyone that has business before the City of Cincinnati. This may require the creation of a publicaly facing website that allows for such disclosures as well as creates real transperancy.

Additional and Ongoing Training

Local training for public officials and relevant city staff (e.g. individuals in departments such as Purchasing and Economic Development) will cover ethics and good government policies, including

training around the appropriate use of public funds, publicly funded equipment, campaign finance rules, and public records and open meeting requirements.

Initial training should be completed within the first 60 days of taking office and/or the beginning of employment status with the city with annual training to follow. Trainings and the completion or non-completion of trainings should be made public.

The Administation should prepare legislation if necessary or simply report on these new trainings.

Charter Amendments

The Administration should draft charter amendment language for the Spring ballot to update local campaign finance rules, if necessary, and to provide the most appropriate mechanisms for penalizing and possibly removing individuals from office with a supermajority vote of Council.

Councilmember Greg Landsman

city of
CINCINNATI
Interdepartmental Correspondence Sheet

Date: December 10, 2020

To: Councilmember Betsy Sundermann

From: Andrew W. Garth, Interim City Solicitor AWG

Subject: **Emergency Ordinance – Revising Administrative Code for Financial Dislcosure**

Transmitted herewith is an emergency ordinance captioned as follows:

> **MODIFYING** the Administrative Code of the City of Cincinnati by amending Article XXVI, "Financial Disclosure Requirements," to require members of Council and the Mayor to disclose gifts, loans, or services totaling $75 or more on the financial disclosure form filed with the City.

AWG/CZM/(lnk)
Attachment
328047

EMERGENCY

City of Cincinnati

CMZ

BWG

An Ordinance No. _____ - 2020

MODIFYING the Administrative Code of the City of Cincinnati by amending Article XXVI, "Financial Disclosure Requirements," to require members of Council and the Mayor to disclose gifts, loans, or services totaling $75 or more on the financial disclosure form filed with the City.

WHEREAS, the citizens' trust and confidence in City Council has been shaken as a result of the conviction and indictments of members of City Council related to allegations of payments in exchange for votes; and

WHEREAS, City Council needs to take action to restore the public's confidence in the integrity of the City's elected officials; and

WHEREAS, Article XXVI of the Administrative Code requires members of Council, as well as certain members of the City's Administration, to file financial disclosure forms that provide information about income in excess of $5,000, businesses in which the members of Council have an ownership interest of 5% or more, and interests in real estate held by the members of Council, and authorizes the members of Council to comply with those filing requirements by filing a duplicate of the financial disclosure form they are required to file by and with the State of Ohio; and

WHEREAS, the State of Ohio form requires elected officials to disclose sources of gifts over $75 and identify creditors to whom they owe more than $1,000 or by whom they are owed more than $1,000; and

WHEREAS, requiring members of City Council and the Mayor to disclose information annually about gifts, loans, and services provided by one member of Council or the Mayor to another that exceed $75 individually or in the aggregate will increase transparency and allow the public to verify the financial relationship among the City's elected officials, rebuilding the public's trust and confidence in the City's elected officials; now, therefore,

BE IT ORDAINED by the Council of the City of Cincinnati, State of Ohio, with three-fourths of its members concurring:

Section 1. That Article XXVI, "Financial Disclosure Requirements," Section 2, "Definitions," Section 3, "Financial Disclosure Statement to Contain Certain Information," and

Section 4, "Statement to be Filed Annually," of the Administrative Code is hereby amended as follows:

Sec. 2. - Definitions.

The term "public officials or employees" for purposes of this Article means any employee of any city appointing authority, including those of independent boards and commissions, at the division head or equivalent level and above, the mayor, and members of council.

The term "public official or employee" shall not include those persons who are members of advisory boards nor those persons who are appointed as members of independent boards and commissions.

Sec. 3. - Financial Disclosure Statement to Contain Certain Information.

The financial disclosure statement required by Sec. 1 of this Article shall contain the following information for the preceding calendar year:

(a) The name of the public official or employee and the names of each member of his or her immediate family;

(b) The names under which the public official, employee or immediate family members do business;

(c) The names of any persons or organizations other than the city by whom the public official or city employee is also employed;

(d) A list of each source, other than the city from which the public official, employee, spouse or any dependent child received gross income of more than $5,000.00. Sources of income reportable for Ohio or federal income tax purposes shall be included whether or not such income is derived from outside employment, business operations or investment. The amount of such income beyond the $5,000.00 threshold shall not be required to be disclosed. For each source of income listed a brief description of the source shall be required. If the source of income is a business or profession it must be identified with a brief description but information identifying individual accounts or customers is not required. Attorneys, doctors or psychologists shall list each outside practice without disclosing the names of their clients or patients;

(e) A list of each corporation, trust, business trust, partnership or association transacting business in Cincinnati, Ohio in which the public official, employee, spouse or dependent child had an ownership interest of 5 percent or more or in which any of said persons holds an office or has a fiduciary relationship. This subsection does not require disclosure of information concerning deposits or withdrawable share accounts in banks, savings and loans, credit unions or other similar financial institutions; and

(f) A list of any fee simple, leasehold or any other beneficial interest in real estate other than a personal, primary residence, located in the city that is held by the public official, employee, spouse or dependent child. The list shall identify the type of each of said interests held and the address or other description or the real property.

(g) A list of all financial transactions between members of council or between members of council and the mayor for any single transaction totaling $75.00 or more or an aggregate of multiple transactions totaling $75.00 or more for gifts, loans, or services rendered. The list shall identify the member of council for each transaction with its purpose and amount.

Sec. 4. - Statement to be Filed Annually.

The financial disclosure statement required by Sec. 1 of this Article shall be filed annually by April 15 for the preceding calendar year. Employees below the department head level shall file with the employee's department head. Employees at the department head level and above, the city manager, the mayor, and members of council shall file with the clerk of council. The mayor and members~~Members~~ of council shall file a duplicate of the financial disclosure statement required by and on the date specified by state law. In addition, the mayor and members of council shall file a separate form that complies with the requirements of Section 3(g) of this Article to the extent that information is not on the form required by state law, which additional form shall be available from the clerk of council. Such filing by the mayor and members of council shall constitute compliance with the requirements of this Article. Financial disclosure statements shall remain on file for a period of two years and may thereafter be destroyed. Filing date extensions of up to 60 days for good cause shown may be obtained upon written request to the clerk of council or department head with whom the statement is required to be filed.

Section 2. That existing Section 2, "Definitions," Section 3, "Financial Disclosure Statement to Contain Certain Information," and Section 4, "Statement to be Filed Annually," of Article XXVI, "Financial Disclosure Requirements," of the Administrative Code are hereby repealed.

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

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 promote transparency regarding transactions between and among the City's elected officials to restore the public's confidence in the City's elected officials.

Passed: _____, 2020

_____
John Cranley, Mayor

Attest: _____
Clerk

New language underscored. Deleted language indicated by strikethrough.