

December 3, 2025

To: Mayor and Members of City Council

202502075

From: Sheryl M. M. Long, City Manager

Subject: Emergency Ordinance – OES: Accept and Appropriate Energy Credits and U.S. Department of the Treasury Elective Pay Benefits

Attached is an Emergency Ordinance captioned:

AUTHORIZING the City Manager to accept and appropriate energy credits from energy projects and U.S. Department of the Treasury Elective Pay benefits of up to \$1,800,000 in FY 2026 to Revolving Energy Loan Fund 883 to reinvest resources into other City energy projects; and **AUTHORIZING** the Director of Finance to deposit proceeds into Revolving Energy Loan Fund 883 revenue account no. 883x8569.

This Emergency Ordinance authorizes the City Manager to accept and appropriate energy credits from energy projects and the U.S. Department of the Treasury Elective Pay benefits of up to \$1,800,000 in FY 2026 to Revolving Energy Loan Fund 883 to reinvest resources into other City energy projects. This Emergency Ordinance also authorizes the Director of Finance to deposit proceeds into Revolving Energy Loan Fund 883 revenue account no. 883x8569.

The Inflation Reduction Act (IRA) provides tax credits for clean energy technologies and includes Elective Pay provisions that enable governmental entities to receive federal payments equal to the value of tax credits for eligible clean energy projects. The City anticipates receiving up to \$1,800,000 in Elective Pay benefits and other proceeds from energy projects in FY 2026, which includes Elective Pay benefits not received during FY 2025, but no resources will be accepted without City Council approval.

Accepting energy credits from energy projects and Elective Pay benefits does not require matching resources, and no new FTEs/full time equivalents are associated with acceptance of these resources.

Reinvesting resources to support energy projects is in accordance with the “Sustain” goal to “[b]ecome a healthier Cincinnati” and strategy to “[c]reate a healthy environment and reduce energy consumption” as described on pages 181-185 of Plan Cincinnati (2012).

The reason for the emergency is the immediate need to accept and appropriate proceeds from energy projects and U.S. Department of the Treasury Elective Pay benefits to reinvest resources into other City energy projects.

The Administration recommends passage of this Emergency Ordinance.

cc: Andrew Dudas, Budget Director
Steve Webb, Finance Director

Attachment

