

EMERGENCY

EVK

- 2025

AUTHORIZING the City Manager to execute a Second Amendment to Funding and Development Agreement with CCA Union Central LLC, pertaining to the redevelopment of the Central Trust Tower located at 1-9 W. Fourth Street in the Downtown neighborhood of Cincinnati.

WHEREAS, pursuant to Ordinance No. 288-2019, passed on June 26, 2019, the City of Cincinnati (the “City”) entered into a certain Funding and Development Agreement with CCA CBD Cincinnati II LLC (“Previous Developer”), dated July 26, 2019, which the parties then amended by that certain First Amendment to Funding and Development Agreement, dated September 8, 2022 (as amended, the “Agreement”); and

WHEREAS, as more particularly described in the Agreement, the 31-story Central Trust Tower located at 1-9 W. Fourth Street in Cincinnati (the “Project Site”) was to be renovated into 250 residential units, approximately 30,000 square feet of commercial space, and approximately fifty new parking spaces, and extensive repairs were to be made to the building’s façade (collectively, the “Project”); and

WHEREAS, Previous Developer has since transferred the Project Site and assigned all of its rights and obligations under the Agreement to CCA Union Central LLC (“Developer”); and

WHEREAS, Developer has represented to the City that it has been working in good faith toward completing the Project, but in order to facilitate its completion, Developer now desires to revise the Project scope; and

WHEREAS, pursuant to Ordinance No. 425-2019, passed on November 14, 2019 (the “TIF Ordinance”), Council declared that the Improvement (as defined in R.C. Section 5709.41) to the Project Site constitutes a public purpose and exempted 100 percent of the Improvement from real property taxation for a period of thirty years pursuant to R.C. Section 5709.41 through 5709.43 (the “TIF Exemption”); and

WHEREAS, pursuant to the TIF Ordinance, and in accordance with the Agreement, the City required the owner(s) of the Project Site to make service payments in lieu of real property taxes within the meaning of R.C. Section 5709.42 (collectively, with any minimum service payments imposed from time to time pursuant to Service Agreements entered into in connection with the Agreement, the “Service Payments”); and

WHEREAS, pursuant to the Agreement, the City agreed to apply the Service Payments as follows: (i) to pay the City’s and Hamilton County’s fees; (ii) to pay the applicable amount to the Board of Education of the City School District of the City of Cincinnati (the “School Board”)

under the City's Agreement with the School Board dated July 2, 1999, as amended; (iii) to pay the applicable VTICA Contributions (as defined in the Agreement) in support of streetcar

operations, beginning in year six of the TIF Exemption; and (iv) (a) during years one through twenty of the TIF Exemption, to make rebate payments to Developer in an amount equal to 100 percent of the Service Payments less the amounts in the foregoing clauses (i)-(iii) (such net amount being the “Excess Service Payments,” and the amount rebated to Developer being the “Rebate Payments”), and (b) during years 21 through thirty of the TIF Exemption, to be retained by the City and used for urban redevelopment purposes and in accordance with the TIF Ordinance; and

WHEREAS, to facilitate completion of the Project and increase the likelihood of successful lease-up of the Project Site, Developer and the City now desire to enter into an amendment to the Agreement, substantially in the form of the Second Amendment to Funding and Development Agreement attached as Attachment A hereto (the “Second Amendment”), to (i) extending the Project completion deadline; (ii) updating the Project scope to increase the number of residential units being created to 281 and decrease the number of parking spaces to be created to thirty; (iii) delaying when VTICA Contributions will commence to year eleven of the TIF Exemption; and (iv) extending the period for which Developer will receive Rebate Payments through year 26 of the TIF Exemption, all upon the terms and conditions contained therein; and

WHEREAS, the City’s Department of Community and Economic Development estimates that the Agreement, as amended by the Second Amendment, will provide an annual net benefit to Developer in the amount of (i) \$1,277,381 for years one through eleven of the TIF Exemption, and (ii) \$1,021,905 for years eleven through 25 of the TIF Exemption; now, therefore,

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

Section 1. That the City Manager is hereby authorized to execute a Second Amendment to Funding and Development Agreement with CCA Union Central, LLC (“Developer”) in substantially the form attached to this ordinance as Attachment A (the “Amendment”), thereby amending that certain Funding and Development Agreement between the City and Developer, dated July 26, 2019, as amended by that certain First Amendment to Funding and Development Agreement, dated September 8, 2022 (as previously amended, the “Agreement”), pertaining to the redevelopment of property located at 1-9 W. Fourth Street in the Downtown neighborhood of Cincinnati, as more particularly described in the Agreement and the Amendment (the “Project” and the “Project Site,” as applicable).

Section 2. That Council authorizes the appropriate City officials to take all necessary and proper actions to fulfill the terms of this ordinance, the Amendment, any and all Project-related

documents described or contemplated in the Agreement, as amended by the Amendment (including, without limitation, one or more service agreements and a cooperative agreement, as more particularly described therein), and all ancillary agreements, amendments, and other documents related to the Project and/or the Project Site, all as deemed necessary or appropriate by the City Manager.

Section 3. That this ordinance shall be an emergency measure necessary for the preservation of the public peace, health, safety, and general welfare and shall, subject to the terms of Article II, Section 6 of the Charter, be effective immediately. The reason for the emergency is to enable the parties to execute the Amendment as soon as possible so that Developer can immediately move forward with the amended Project, thereby creating jobs, stimulating economic growth in the area, and enabling the Project Site to be put to its highest and best use, for the economic benefit of the City, at the earliest possible time.

Passed: _____, 2025

Aftab Pureval, Mayor

Attest: _____

Clerk

4934-0082-5715, v. 2