

City of Cincinnati



801 Plum Street, Suite 351
Cincinnati, Ohio 45202

Phone: (513) 352-5232
Email: greg.landsman@cincinnati-oh.gov
Web: www.cincinnati-oh.gov

202100597

Greg Landsman
Councilmember

Balanced Development Scorecard Packet

The following is a packet containing all relevant documents relating to the Balanced Development Scorecard, including an Executive Summary, drafted Motions, Proposed Updates, and the Scorecard itself.



Greg Landsman
Councilmember

January 25, 2021

Executive Summary: Ushering in an Era of ‘Balanced Development’

These five ordinances and motions emerged from the Administration’s Balanced Development Report and Council’s motion on new laws and policies that will help to ensure that we continue to attract new investments and jobs while lifting up and protecting our residents and businesses.

Ordinance: New ‘Balanced Development’ Scorecard

This ordinance will establish a new ‘Balanced Development’ scorecard for commercial projects that seek support from the City of Cincinnati, including TIF funding and CRAs.

- **Local jobs and Good Wages:** projects will be asked to have a local partner and plan to hire locally, with measurable goals, to include both local workers and good wages the project’s pre-construction, construction, and post-construction opportunities.
- **Inclusion:** the new scorecard also incentivizes the inclusion of local businesses, MBEs, and minority developer partnerships.
- **Affordable Housing:** puts affordable housing projects at the front of the line for support.
- **Community Engagement and Anti-Displacement:** includes meaningful engagement with the community, including commitments to protect existing residents and businesses

Motion: CRAs and the New Scorecard

WE MOVE that if there is a conflict between the ordinance containing the Balanced Development Scorecard policy passed in connection herewith and the existing commercial CRA policy in Ordinance No. 275-2017, it’s the policy of Council that the Balanced Development scorecard policy applies.

Motion: Minority Real Estate Development Capacity Building Program

WE MOVE that the Administration draft legislation establishing a Minority Real Estate Development Capacity Building Program to support the mentorship of minority real estate



Greg Landsman

Councilmember

development professionals. This program should lift up and provide additional opportunities for minority developers, especially Black real estate professionals who have the potential to be leaders of new minority-led commercial development firms. This is part of the City's larger "Balanced Development" efforts to ensure real inclusion of development efforts in Cincinnati.

The proposed program, requiring ~\$150,000 in funding, would extend opportunities for minority developers to actively participate in and shape an inclusive growth strategy for the City—one that integrates the new Balanced Development Scorecard proposed by my office.

The program would draw from similar successful efforts in Detroit, wherein they created an "Equitable Development Initiative." Our efforts should build on best practice efforts such as this one, as well as others around the Country (spelled out in the Administration's 2020 Balanced Development Report to Council).

New scorecard incentivizes participation in the program. The program should consider the Customized Development Academy offered by the National Development Council (NDC).

The NDC develops specific curriculum based on community needs and local policy objectives. Overall the program seeks to build capacity of traditionally underrepresented individuals in real estate development. Starting with a cohort of individuals with some real estate experience the program teaches participants commercial (including multi-family of 4+ units) Development Finance and development concepts.

This is done through a combination of classroom learning, case studies, topical "deep dives" using local speakers and possibly undertaking a capstone project. This work teaches critical skills and development principles, and connects participants with local experts on issues from environmental law, navigating local zoning and site plan processes, hiring an architect, raising equity and hiring construction professionals.

In Detroit, the Equitable Development Initiative was expanded to provide the proposed NDC training, technical assistance, mentorships, networking opportunities, and even extends into project financing. The initiative especially focuses on African-American Detroiters seeking to develop multi-family rental units, though some mixed-use developments and even a food hall concept make up part of the first cohort. There were 28 people in the inaugural class, which began in February 2018. It remains in its pilot two-year window. Just as it adjusted course to include a training component, Capital Impact plans to continue monitoring the project to see how it can be made better. But the impetus remains on creating a more equitable development and real estate industry throughout Detroit.



Greg Landsman
Councilmember

MOTION: Targeted Per-Property Waiver on Parking, Density for Affordable Housing Projects.

Similar to actions taken in Memphis and Minneapolis, according to the City's 2020 Balanced Development Report, WE MOVE that the City pursue zoning changes to allow for per-property waivers on parking minimums and density requirements for affordable housing projects.

MOTION: Debt-Forgiveness and Maintaining Affordability

WE MOVE that the Administration draft legislation, if necessary, to allow the Department of Community and Economic Development (DCED) to create a formal internal policy to best leverage the City's debt forgiveness capacity, in order to 1. Better preserve existing affordable housing, and 2. Help finance new affordable housing options in the City.



Greg Landsman
Councilmember

January 25 2021

Establishing a Minority Real Estate Development Program
MOTION

WE MOVE that the Administration draft legislation establishing a Minority Real Estate Development Capacity Building Program to support the mentorship of minority real estate development professionals. This program should lift up and provide additional opportunities for minority developers, especially Black real estate professionals who have the potential to be leaders of new minority-led commercial development firms. This is part of the City’s larger “Balanced Development” efforts to ensure real inclusion of development efforts in Cincinnati.

The proposed program, requiring ~\$150,000 in funding, would extend opportunities for minority developers to actively participate in and shape an inclusive growth strategy for the City—one that integrates the new Balanced Development Scorecard proposed by my office.

The program would draw from similar successful efforts in Detroit, wherein they created an “Equitable Development Initiative.” Our efforts should build on best practice efforts such as this one, as well as others around the Country (spelled out in the Administration’s 2020 Balanced Development Report to Council).

Councilmember Greg Landsman



Greg Landsman
Councilmember

January 25 2021

Debt Forgiveness and Affordable Housing
MOTION

WE MOVE that the Administration draft legislation, if necessary, to allow the Department of Community and Economic Development (DCED) to create a formal internal policy to best leverage the City's debt forgiveness capacity, in order to 1. Better preserve existing affordable housing, and 2. Help finance new affordable housing options in the City.

A handwritten signature in blue ink, appearing to be "GL", is centered on the page.

Councilmember Greg Landsman



Greg Landsman
Councilmember

January 25 2021

Parking and Density Policy Changes to Support Affordable Housing
MOTION

Similar to actions taken in Memphis and Minneapolis, according to the City's 2020 Balanced Development Report, **WE MOVE** that the City pursue zoning changes to allow for per-property waivers on parking minimums and density requirements for affordable housing projects.

A handwritten signature in blue ink, consisting of a stylized 'G' and 'L'.

Councilmember Greg Landsman



Greg Landsman
Councilmember

January 25 2021

CRA's and the New Scorecard

MOTION

WE MOVE that if there is a conflict between the ordinance containing the Balanced Development Scorecard policy passed in connection herewith and the existing commercial CRA policy in Ordinance No. 275-2017, it's the policy of Council that the Balanced Development scorecard policy applies.

Councilmember Greg Landsman



Greg Landsman
Councilmember

February 3rd 2021

Request of the Administration: The Balanced Development Scorecard

We've gotten good feedback on the Balanced Development Scorecard. Our goal is to make improvements to the Scorecard next week. That said, we hope that the Administration could respond to the questions/requests below at the upcoming B&F committee on 2/8:

1. Each bulleted item needs its own line for clarity purposes. Is this acceptable?
2. There is interest in actual scoring—assigning a numerical value or points—as opposed to the current language of “simply meets” or “exceeds.” This We ask the Administration to weigh-in on this, if not propose scoring options.
3. Is it possible for multiple people to review and score a project?
4. Can the Administration speak to “compliance” and how the City will ensure that commitments are monitored and kept?
5. Does the Administration take issue with language around historic preservation? If not, does the Administration recommend any specific language?
6. Does the Administration take issue with language being added to ensure that the scorecard is used and presented to Council with recommendations for *each relevant project*? If not, does the Administration have suggested language for an updated ordinance?
7. There are requests that we require specific *actions* regarding community engagement, such as giving early notice to a community. If that were to materialize, is that something the Administration should do or the developer?
8. There is interest in training on the scorecard, TIFs, CRAs, and VITCA. What does the Administration think? Should we add to the ordinance?
9. There has been a request that the Administration discuss with Council its work on the Balanced Development Report and its findings, as well as how development deals are evaluated and/or scored now.

Date: December 10, 2020

To: Councilmember Greg Landsman
From: Andrew W. Garth, Interim City Solicitor *AWG*
Subject: **Emergency Ordinance – Balanced Development Project Scorecard**

Transmitted herewith is an emergency ordinance captioned as follows:

ESTABLISHING a City Council policy for evaluating real property tax incentives authorized by the City of Cincinnati.

AWG/SSB/(lnk)
Attachment
320756

City of Cincinnati

SSB

AWB

An Ordinance No. _____

- 2020

ESTABLISHING a City Council policy for evaluating real property tax incentives authorized by the City of Cincinnati.

WHEREAS, City Council has the authority to declare up to 100% of the increase in the assessed value of improvements to be exempt from real property taxation by means of (i) project-based tax increment financing incentives pursuant to Ohio Revised Code (“ORC”) Sections 5709.40(B) and 5709.41; and (ii) “Community Reinvestment Area” incentives pursuant to ORC Sections 3735.65 through 3735.70; and

WHEREAS, Motion No. 201901811, as adopted by this Council on December 11, 2019, recommended updates to how the City Administration evaluates the public benefits created by projects receiving real property tax incentives pursuant to the aforementioned ORC provisions, with a focus on prioritizing projects that create good, local jobs; preserve and/or create affordable housing; minimize displacement of residents and businesses; and/or commit to project-specific inclusion goals; and

WHEREAS, to incentivize balanced development throughout the City of Cincinnati as recommended in the aforementioned Motion, City Council desires to adopt a *Project Scorecard*, a copy of which is attached hereto as Attachment A, to assist City Council in evaluating development projects when qualifying real property tax exemptions or abatements are recommended; now, therefore,

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

Section 1. That City Council adopts the *Project Scorecard* attached to this ordinance as Attachment A, which establishes a City Council policy relating to qualifying real property tax abatements and exemptions.

Section 2. That Council intends that the *Project Scorecard* be prepared by the Administration as a policy tool to be utilized for evaluating the public benefits associated with economic and community development projects for which (a) the total estimated costs of the project exceed \$5,000,000, and (b) the proposed City assistance includes a real property tax incentive authorized pursuant to Ohio Revised Code (“ORC”) Section 5709.40(B), ORC Section 5709.41, or ORC Sections 3735.65 through 3735.70 with a present value exceeding \$3,000,000.

Council desires that the Administration present project-based scorecard information for Council consideration as part of the Administration’s recommendation to Council. Council intends that the Administration have latitude to create additional criteria and update the *Project Scorecard* as appropriate to ensure the City’s tax incentives support the City’s residents and neighborhoods while attracting local investment. City Council further acknowledges that the *Project Scorecard* process is a policy tool to guide City Council decision making and does not diminish the Administration’s executive authority under the Charter of the City of Cincinnati, which authority includes the power to determine whether and on what terms to recommend development deals for Council consideration.

Section 3. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.

Passed: _____, 2020

John Cranley, Mayor

Attest: _____
Clerk

ATTACHMENT A

PROJECT SCORECARD

Do total costs of the Project exceed \$5 million? Yes No

Does the present value of proposed City assistance exceed \$3 million? Yes No

CATEGORY	APPLICABLE?	EXCEEDS	MEETS
<p><u>BALANCED HOUSING PRODUCTION</u></p> <ul style="list-style-type: none"> Project creates or preserves, low-income (51%-80% AMI) housing units and/or very low-income housing units (31%-50% AMI) to the extent financially feasible given project conditions. Project creates or preserves extremely low-income housing units (0%-30% AMI) to the extent financially feasible given project conditions. Project creates a mixture of extremely low (0%-30% AMI), very low (31%-50% AMI), and/or low-income (51%-80% AMI) housing units with workforce/middle housing units (81%-120% AMI) and/or market-rate units to the extent financially feasible given project conditions. Project creates additional market-rate or workforce/middle income (81%-120% AMI) housing units that promote a balanced, mixed-income neighborhood without displacing existing lower income residents. 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><u>IMPROVEMENT OF VACANT, BLIGHTED AND/OR UNDERUTILIZED PROPERTIES</u></p> <ul style="list-style-type: none"> Project replaces a vacant and/or underutilized property and adds net-new housing units without displacing existing residents. Project activates a previously vacant building or property. Project eliminates a blighted parcel or parcels (as defined in Ohio Revised Code Section 1.08). Project enhances an underutilized site (i.e. vacant parcel or surface parking lot) and adds new amenities (like housing, office, commercial, community space, etc.) to the neighborhood. Project will involve remediation of a brownfield site or involves mitigation of previously existing site conditions that make redevelopment difficult. 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><u>ENVIRONMENTALLY SUSTAINABLE DEVELOPMENT</u></p> <ul style="list-style-type: none"> Project will obtain requisite level of U.S. Green Building Council Leadership in Energy and Environmental Design Silver, Gold or Platinum or Living Building Challenge Net Zero or Petal (which must comply with the requirements of LBC). 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><u>VOLUNTARY TAX INCENTIVE CONTRIBUTION</u></p> <ul style="list-style-type: none"> Applicant has represented that it (i) will contribute at least 15% of the exempted value of the improvements either in support streetcar operations or to further 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<p>neighborhood improvements in the neighborhood of the project and affordable housing city-wide and (ii) will execute an agreement with a third-party memorializing such contribution.</p>			
<p><u>INCLUSION</u></p> <ul style="list-style-type: none"> • Applicant has committed to using good-faith efforts to achieve 17% MBE and 10% WBE utilization goals for construction contracts related to the Project consistent with Chapter 324 of the Cincinnati Municipal Code. • Applicant will (or will cause the end-user to) adopt hiring policies to ensure at least 25% of any new employees hired are residents of the City and such policies will give preference to residents of the City. • Applicant has participated, is participating, or will participate in the City’s program advancing minority development professionals. 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><u>COMMUNITY OUTREACH</u></p> <ul style="list-style-type: none"> • Applicant has engaged all necessary stakeholders in the community (i.e. the applicable community council and the neighborhood CDC, if applicable). • In the interest of mitigating displacement directly associated with the Project, Applicant has engaged any and all tenants, businesses, and persons that as a direct result of the Project may be entitled to relocation benefits pursuant to Chapter 740 of the Cincinnati Municipal Code. 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><u>LIVING WAGES</u></p> <ul style="list-style-type: none"> • Applicant has committed that all jobs created by the Project (during construction and after) will comply with the City’s Living Wage Policy. • Applicant has represented that it will engage a partner in the Labor community on construction of the Project to ensure good wages and career training. 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><u>JOB CREATION AND RETENTION</u></p> <ul style="list-style-type: none"> • Project will create and/or retain significant jobs and payroll. • Project will create and/or retain small/neighborhood business jobs and payroll. • Project will create and/or retain more than 10 jobs per acre. 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><u>PLACE-BASED INVESTMENT</u></p> <ul style="list-style-type: none"> • Project is located in a Federally designated NRSA and/or Opportunity Zone. • Project is located within 1/2 mile of a Neighborhood Business District. • Project is located along a transit corridor. • Project encourages traditional compact, walkable neighborhood development. • Project is placed within a federally designated Hub Zone. 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><u>TRANSFORMATIVE PROJECT</u></p> <ul style="list-style-type: none"> • Project fills a neighborhood need and/or adds a new community asset (i.e. retail, commercial, grocery, housing). 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- | | | | |
|--|--|--|--|
| <ul style="list-style-type: none">• Project saves or preserves existing community asset.• Project creates or enhances a public space to be utilized by the community.• Project creates/repairs City infrastructure.• Project is within a “Targeted Neighborhood” as defined in Ordinance No. 275-2017, as amended.• Project is a “Catalytic Project” as defined in Ordinance No. 275-2017, as amended. | | | |
|--|--|--|--|

This Project Scorecard is intended to be utilized as a starting point for discussions of certain public benefits created by applicable projects, and is not intended to prevent or discourage the City Administration from presenting projects for Council consideration that do not meet the criteria listed herein. Acknowledging that projects may have benefits that are not captured in the criteria set forth in this Project Scorecard, Council encourages the City Administration to bring forth all worthy projects.

PROJECT SCORECARD

Do total costs of the Project exceed \$5 million? Yes No

Does the present value of proposed City assistance exceed \$3 million? Yes No

CATEGORY	APPLICABLE?	EXCEEDS	MEETS
<p><u>BALANCED HOUSING PRODUCTION</u></p> <ul style="list-style-type: none"> Project creates or preserves, low-income (51%-80% AMI) housing units and/or very low-income housing units (31%-50% AMI) to the extent financially feasible given project conditions. Project creates or preserves extremely low-income housing units (0%-30% AMI) to the extent financially feasible given project conditions. Project creates a mixture of extremely low (0%-30% AMI), very low (31%-50% AMI), and/or low-income (51%-80% AMI) housing units with workforce/middle housing units (81%-120% AMI) and/or market-rate units to the extent financially feasible given project conditions. Project creates additional market-rate or workforce/middle income (81%-120% AMI) housing units that promote a balanced, mixed-income neighborhood without displacing existing lower income residents. 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><u>IMPROVEMENT OF VACANT, BLIGHTED AND/OR UNDERUTILIZED PROPERTIES</u></p> <ul style="list-style-type: none"> Project replaces a vacant and/or underutilized property and adds net-new housing units without displacing existing residents. Project activates a previously vacant building or property. Project eliminates a blighted parcel or parcels (as defined in Ohio Revised Code Section 1.08). Project enhances an underutilized site (i.e. vacant parcel or surface parking lot) and adds new amenities (like housing, office, commercial, community space, etc.) to the neighborhood. Project will involve remediation of a brownfield site or involves mitigation of previously existing site conditions that make redevelopment difficult. 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><u>ENVIRONMENTALLY SUSTAINABLE DEVELOPMENT</u></p> <ul style="list-style-type: none"> Project will obtain requisite level of U.S. Green Building Council Leadership in Energy and Environmental Design Silver, Gold or Platinum or Living Building Challenge Net Zero or Petal (which must comply with the requirements of LBC). 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><u>VOLUNTARY TAX INCENTIVE CONTRIBUTION</u></p> <ul style="list-style-type: none"> Applicant has represented that it (i) will contribute at least 15% of the exempted value of the improvements either in support streetcar operations or to further 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

neighborhood improvements in the neighborhood of the project and affordable housing city-wide and (ii) will execute an agreement with a third-party memorializing such contribution.			
<p><u>INCLUSION</u></p> <ul style="list-style-type: none"> • Applicant has committed to using good-faith efforts to achieve 17% MBE and 10% WBE utilization goals for construction contracts related to the Project consistent with Chapter 324 of the Cincinnati Municipal Code. • Applicant will (or will cause the end-user to) adopt hiring policies to ensure at least 25% of any new employees hired are residents of the City and such policies will give preference to residents of the City. • Applicant has participated, is participating, or will participate in the City’s program advancing minority development professionals. 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><u>COMMUNITY OUTREACH</u></p> <ul style="list-style-type: none"> • Applicant has engaged all necessary stakeholders in the community (i.e. the applicable community council and the neighborhood CDC, if applicable). • In the interest of mitigating displacement directly associated with the Project, Applicant has engaged any and all tenants, businesses, and persons that as a direct result of the Project may be entitled to relocation benefits pursuant to Chapter 740 of the Cincinnati Municipal Code. 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><u>LIVING WAGES</u></p> <ul style="list-style-type: none"> • Applicant has committed that all jobs created by the Project (during construction and after) will comply with the City’s Living Wage Policy. • Applicant has represented that it will engage a partner in the Labor community on construction of the Project to ensure good wages and career training. 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><u>JOB CREATION AND RETENTION</u></p> <ul style="list-style-type: none"> • Project will create and/or retain significant jobs and payroll. • Project will create and/or retain small/neighborhood business jobs and payroll. • Project will create and/or retain more than 10 jobs per acre. 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><u>PLACE-BASED INVESTMENT</u></p> <ul style="list-style-type: none"> • Project is located in a Federally designated NRSA and/or Opportunity Zone. • Project is located within 1/2 mile of a Neighborhood Business District. • Project is located along a transit corridor. • Project encourages traditional compact, walkable neighborhood development. • Project is placed within a federally designated Hub Zone. 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><u>TRANSFORMATIVE PROJECT</u></p> <ul style="list-style-type: none"> • Project fills a neighborhood need and/or adds a new community asset (i.e. retail, commercial, grocery, housing). 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<ul style="list-style-type: none"> • Project saves or preserves existing community asset. • Project creates or enhances a public space to be utilized by the community. • Project creates/repairs City infrastructure. • Project is within a “Targeted Neighborhood” as defined in Ordinance No. 275-2017, as amended. • Project is a “Catalytic Project” as defined in Ordinance No. 275-2017, as amended. 			
--	--	--	--

This Project Scorecard is intended to be utilized as a starting point for discussions of certain public benefits created by applicable projects, and is not intended to prevent or discourage the City Administration from presenting projects for Council consideration that do not meet the criteria listed herein. Acknowledging that projects may have benefits that are not captured in the criteria set forth in this Project Scorecard, Council encourages the City Administration to bring forth all worthy projects.