

EMERGENCY

- 2026

AUTHORIZING the City Manager to execute a Development Agreement with Cincinnati CH (OH), LLC and the Board of County Commissioners of Hamilton County, Ohio, acting for and on behalf of Hamilton County, Ohio, pertaining to the construction of a full-service convention center hotel and related infrastructure improvements in the Central Business District; **ESTABLISHING** new capital improvement program project account no. 980x164x261624, “Convention Center District Hotel,” to provide resources in the form of a loan to pay for improvements to develop a full-service convention center hotel and related infrastructure improvements; **AUTHORIZING** the transfer and return to source of \$10,000,000 from capital improvement program project account no. 980x164x241620, “Convention Center District Urban Renewal TIF,” to the unappropriated surplus of Urban Renewal – Tax Increment Bond Fund 852; **AUTHORIZING** the transfer and appropriation of \$10,000,000 from the unappropriated surplus of Urban Renewal – Tax Increment Bond Fund 852 to the newly established capital improvement program project account no. 980x164x261624, “Convention Center District Hotel,” to provide resources in the form of a loan to pay a portion of the construction costs for improvements to develop a full-service convention center hotel and related infrastructure improvements; **AUTHORIZING** the transfer and appropriation of \$40,000,000 from the unappropriated surplus of Urban Development Bond Fund 862 to the newly established capital improvement program project account no. 980x164x261624, “Convention Center District Hotel,” to provide resources in the form of a loan to pay for improvements to develop a full-service convention center hotel and related infrastructure improvements; and **DECLARING** that (i) the construction and development of the convention center hotel to be an urban renewal project located in an urban renewal area, each as defined in Ohio Revised Code Chapter 725, and (ii) expenditures from the newly established capital improvement program project account no. 980x164x261624, “Convention Center District Hotel,” to provide resources in the form of a loan to pay for improvements to develop a full-service convention center hotel and related infrastructure improvements serve a public purpose because the project will foster additional redevelopment and reinvestment in the Convention Center District in support of the City-owned Convention Center.

WHEREAS, pursuant to Resolution No. 6-2022, approved by Council on January 26, 2022, and a Resolution passed by the Board of County Commissioners of Hamilton County, Ohio (the “County”) on January 27, 2022, the City and the County expressed their support for the creation of a comprehensive strategy for redevelopment of the City-owned Convention Center (the “Convention Center”) and the surrounding area generally bounded by Race Street, Central Avenue, Fourth Street, and Sixth Street (collectively, the “District”), including the engagement of Cincinnati Center City Development Corporation (“3CDC”) for planning and management services related to the District; and

WHEREAS, Council adopted a Motion, Item No. 202300325, on February 23, 2023, requesting that the City work with 3CDC and other relevant stakeholders to maximize opportunities for minority and women contractors to engage in development within the District; and

WHEREAS, within the District are located (i) an approximately 0.512 acre parcel of land located at 251 W. Fifth Street, Cincinnati, Ohio 45202; and (ii) an approximately 1.198 acre parcel of land located at 240 W. Fourth Street, Cincinnati, Ohio 45202, which parcels are currently owned by the Port of Greater Cincinnati Development Authority (the “Port”) and are currently operated as surface parking lots across from the Convention Center (together, the “Hotel Project Site”); and

WHEREAS, 3CDC, through its affiliate 3CDC Development Manager LLC (“Development Manager”) recommended to the City and the County that Cincinnati CH (OH), LLC (“Developer”) be selected to develop a first-class, premium branded, full-service convention center hotel situated on the Hotel Project Site and related infrastructure improvements (the “Hotel Project”); and

WHEREAS, the City and the County now desire to engage Developer to develop and operate the Hotel Project on and within the Hotel Project Site through execution of a Development Agreement substantially in the form attached hereto as Attachment A (the “Development Agreement”); and

WHEREAS, the total estimated cost (including, without limitation, construction costs, soft costs, acquisition costs, and costs of issuance) of the Hotel Project exceeds \$500,000,000; and

WHEREAS, pursuant to the terms of the Development Agreement, the City, the County, and the Port will assist with the financial feasibility of the Hotel Project; and

WHEREAS, the City desires to loan to Developer an amount not to exceed \$50,000,000 (the “City Loan”) for the purpose of paying a portion of the capitalizable costs associated with the Hotel Project, as further described in the Development Agreement; and

WHEREAS, the Hotel Project Site constitutes an urban renewal area and the Hotel Project constitutes an urban renewal project, each for purposes of Ohio Revised Code (“R.C.”) Chapter 725; and

WHEREAS, in support of the recent project redeveloping the City-owned Convention Center (the “Convention Center Renovation Project”), the City disbursed approximately \$23,000,000 to a trustee for certain redevelopment Port-issued bonds (the “Trustee - Convention Center Bonds”), to be drawn alongside other sources of financings for such project as construction was completed; and

WHEREAS, due to construction savings, interest, and investment earnings on such amounts deposited with the Trustee - Convention Center Bonds for the Convention Center Renovation Project, there are certain amounts still available, including (i) \$10,000,000 that the City now desires to receive back from the Trustee - Convention Center Bonds and thereafter expend in support of the Hotel Project as part of the City Loan, and (ii) \$2,000,000 that the City now desires to pay Development Manager for services provided relating to the Hotel Project; and

WHEREAS, on June 18, 2025, Council passed Ordinance No. 234-2025, which authorized the issuance, sale, and delivery of up to \$40,000,000 of economic development revenue bonds (Convention Center Hotel Project), or notes in anticipation thereof, for the purpose of financing certain improvements associated with the Hotel Project; and

WHEREAS, \$40,000,000 of the City Loan may be funded with proceeds of bonds issued by the City the repayment of which is to be secured by a pledge of the City's non-tax revenues; and

WHEREAS, pursuant to R.C. Section 5739.093, the City and the County intend to designate the Hotel Project as a convention center headquarters hotel, exempt the Hotel Project from the payment of the City and County transient occupancy taxes (the "TOT"), and require that Developer and future owners of the Hotel Project make certain payments in lieu of the TOT (the "TOT Service Payments"), subject to the passage by Council of a separate ordinance and the County of a resolution authorizing such exemptions; and

WHEREAS, pursuant to R.C. Section 5709.41, the City intends to exempt improvements to the Hotel Project Site from real property taxation and require that Developer and future owners of the Hotel Project Site make payments in lieu of real property taxes (the "City TIF Service Payments"), subject to the passage by Council of a separate ordinance authorizing such exemption (the "Project TIF" and the "TIF Ordinance," as applicable); and

WHEREAS, the City has determined to assist and cooperate with the formation of a new community authority pursuant to R.C. Section 349.01 (the "Convention District NCA") resulting in the assessment of a community development charge in an amount equal to one percent for food and beverage sales, or up to two percent on certain hotel room charges, all as applicable, of gross sales of certain businesses in the Central Business District (the "NCA Charges" and together with the TOT Service Payments and the City TIF Service Payments, the "Pledged Revenues"), including the Convention Center; and

WHEREAS, to facilitate a bond issuance by the Port in a principal amount not to exceed \$130,000,000 (the "Port Hotel Bonds") and a bond issuance by the Ohio Enterprise Bonds Fund in a principal amount not to exceed \$25,000,000 (the "OEBF Hotel Bonds" and together with the Port Hotel Bonds, the "Hotel Revenue Bonds"), (i) the City and the County intend to pledge to the Port, and/or the trustee for the Hotel Revenue Bonds (the "Trustee"), the TOT Service Payments, (ii) the City intends to pledge to the Port, and/or the Trustee, the City TIF Service Payments, and (iii) the City intends to cooperate in facilitating a pledge of the NCA Charges to the Port, and/or the trustee for the Hotel Bonds, all for the purpose of paying debt service on the Hotel Revenue Bonds as it becomes due (the "Bond Obligations"); and

WHEREAS, the pledge of the Pledged Revenues and the terms of the financing associated with the Hotel Revenue Bonds, pursuant to which the Port will make the net Hotel Revenue Bond proceeds available to pay for a portion of the costs to construct the Hotel Project, will be effected by separate agreements and instruments entered into between the City, the County, the Convention District NCA, the Port, and other necessary parties, which financing structure, agreements, and instruments shall be consistent with this ordinance; and

WHEREAS, in order to create the Project TIF, the City must have held fee title to the Hotel Project Site prior to the enactment of the TIF Ordinance; therefore, pursuant to the Development Agreement: (i) Developer will first sell and convey (or cause to be sold and conveyed) the Hotel Project Site to the City for \$1.00; and (ii) immediately thereafter, the City will reconvey the Hotel Project Site to Developer (or the Port on behalf of Developer) for \$1.00; and

WHEREAS, the City Planning Commission approved the City's acquisition and reconveyance of the Hotel Project Site at its meeting on September 5, 2025; and

WHEREAS, upon passage of the TIF Ordinance, Developer desires to enter into a Service Agreement with the City, in substantially the form attached as an exhibit to the Development Agreement, pursuant to which Developer will make City TIF Service Payments; and

WHEREAS, the parties anticipate that the City TIF Service Payments will be used: (i) to make payments to the Board of Education of the Cincinnati City School District (the "School Board") under the City's Tax Incentive Agreement with the School Board effective as of April 28, 2020; (ii) to pay certain administration fees to the Hamilton County, Ohio Auditor and the City; (iii) to make payments to the Port, and/or the Trustee, to facilitate the payment of the Bond Obligations; and (iv) by the City to support urban redevelopment purposes, in each case in the manner and in the respective amounts set forth in the Development Agreement; and

WHEREAS, the Hotel Project Site is located in the "District 2 – Downtown South/Riverfront District Incentive District" TIF district; and

WHEREAS, pursuant to Ordinance No. 319-2024, passed by Council on October 22, 2024 (the "State Grant Ordinance"), the City applied for, was awarded, and accepted a grant in the amount of \$46,000,000 (the "State Grant"), distributed to the City by the Ohio Office of Budget and Management and deposited into capital improvement program project account no. 980x243x252400, "Convention Center District Development Grant"; and

WHEREAS, the City has determined to make the proceeds of the State Grant available to Developer to pay for a portion of the costs to construct the Hotel Project in accordance with the terms of the Development Agreement, the State Grant Ordinance, and that certain Grant Agreement dated September 20, 2024, between the City and the Ohio Office of Budget and Management; and

WHEREAS, Section 13 of Article VIII of the Ohio Constitution provides that, to create or preserve jobs and employment opportunities and to improve the economic welfare of the people of the State, it is a public interest and proper public purpose for the State or its political subdivisions to lend aid or credit for industry, commerce, distribution, and research; and

WHEREAS, the City believes the Hotel Project will promote urban redevelopment in the Central Business District of Cincinnati, is in the vital and best interests of the City and the health, safety, and welfare of its residents, and in accordance with the public purposes and provisions of

applicable federal, state, and local laws and requirements, and for this reason the City desires to facilitate development of the Hotel Project by providing the City Loan and other financial support for the Hotel Project, all as more particularly described in the Development Agreement; and

WHEREAS, in recognition of the importance and value of including diversity, equity, and inclusion efforts for development projects within the District, the City, the County, and Development Manager have worked together to develop a plan and establish goals to maximize inclusion efforts within the District (the “Inclusion Plan”), the terms of which Inclusion Plan have been incorporated into the Development Agreement; and

WHEREAS, completion of the Hotel Project is in accordance with the “Compete” goal to “[b]ecome nationally and internationally recognized as a vibrant and unique city” as described in pages 121-125 of Plan Cincinnati (2012) and the “Collaborate” goal to “[s]peak in a unified voice with other entities to reach regional goals” as described on pages 213-216 of Plan Cincinnati (2012); 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 Development Agreement, substantially in the form attached hereto as Attachment A (the “Development Agreement”), with Cincinnati CH (OH), LLC (“Developer”) and the Board of County Commissioners of Hamilton County, Ohio, acting for and on behalf of Hamilton County, Ohio (the “County”), pertaining to the development of a full-service convention center hotel and related infrastructure improvements (the “Hotel Project”) to be located on an approximately 0.512 acre parcel of land located at 251 W. Fifth Street, and an approximately 1.198 acre parcel of land located at 240 W. Fourth Street, generally bounded by and inclusive of W. Fifth Street, Home Alley, W. Fourth Street, and Plum Street, as more particularly described in the Development Agreement (collectively, the “Hotel Project Site”).

Section 2. That the Director of Finance is authorized to establish new capital improvement program project account no. 980x164x261624, “Convention Center District Hotel,” to provide resources in the form of a loan to pay a portion of the construction costs associated with the Hotel Project.

Section 3. That Council authorizes the transfer and return to source of \$10,000,000 from capital improvement program project account no. 980x164x241620, “Convention Center District Urban Renewal TIF,” to the unappropriated surplus of Urban Renewal – Tax Increment Bond Fund 852.

Section 4. That Council authorizes the transfer and appropriation of \$10,000,000 from the unappropriated surplus of Urban Renewal – Tax Increment Bond Fund 852 to capital improvement program project account no. 980x164x261624, “Convention Center District Hotel,” to provide resources for the Hotel Project pursuant to the Development Agreement.

Section 5. That Council authorizes the transfer and appropriation of \$40,000,000 from the unappropriated surplus of Urban Development Bond Fund 862 to the newly established capital improvement program project account no. 980x164x261624, “Convention Center District Hotel,” to provide resources for the Hotel Project pursuant to the Development Agreement.

Section 6. That Council hereby declares that (a) the Hotel Project constitutes an urban renewal project, and that the Hotel Project Site constitutes an urban renewal area, each as defined in Ohio Revised Code (“R.C.”) Chapter 725; and (b) expenditures from the newly established capital improvement program project account no. 980x164x261624, “Convention Center District Hotel,” in support of the Hotel Project pursuant to the Development Agreement, serve a public purpose because the Hotel Project will foster additional redevelopment and reinvestment in the Convention Center District in support of the City-owned Convention Center.

Section 7. That pursuant to the Development Agreement, Council (a) finds that the City is engaging in urban redevelopment; and (b) authorizes the City to accept title to the Hotel Project Site and to reconvey the same promptly thereafter to Developer (or the Port of Greater Cincinnati Development Authority on behalf of Developer), in each instance for \$1.00, in order

to facilitate the subsequent creation of a real property tax exemption for the Hotel Project Site under R.C. Section 5709.41.

Section 8. That the proper City officials are hereby authorized to take all necessary and proper actions to fulfill the terms of this ordinance, the Development Agreement, any and all Hotel Project-related documents described in or contemplated by this ordinance and the Development Agreement (including, without limitation, a cooperative agreement, as more particularly described therein), and all ancillary agreements, amendments, documents, and other instruments related to the Hotel Project and/or the Hotel Project Site, all as deemed necessary or appropriate by the City Manager.

Section 9. 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 urgency to commence the construction of a full-service convention center hotel to support, enhance, and complement operations of the City-owned Convention Center, which recently reopened after an extensive eighteen-month renovation project.

Passed: _____, 2026

Aftab Pureval, Mayor

Attest: _____
Clerk