

An Ordinance No. 125

- 2025

**AUTHORIZING** the City Manager to execute a Development Agreement with 441 Vine Street Owner LLC, an affiliate of Victrix Investments LLC, pertaining to the mixed-use redevelopment of an existing structure located at Units 2 and 3, W. Fifth Street in the Central Business District of Cincinnati, which is property commonly known as the Carew Tower, and providing for City assistance to the project in the form of a rebate of a portion of the service payments in lieu of taxes imposed in connection with a proposed thirty-year property tax exemption for improvements pursuant to Ohio Revised Code Section 5709.41, subject to the passage by Council of a separate ordinance authorizing such tax exemption.

WHEREAS, 441 Vine Street Owner LLC (“Developer”), an affiliate of Victrix Investments LLC, desires to enter into a Development Agreement with the City of Cincinnati (the “Development Agreement”) pertaining to the mixed-use redevelopment of the property located at Units 2 and 3, W. Fifth Street in Cincinnati (the “Project Site”), which renovation will be comprised of approximately 64,877 square feet of commercial space on the lower level and floors one through three, and approximately 287,105 square feet of residential space on floors four through 49, consisting of 375 market-rate rental units and up to ten units of short-term corporate housing, at an estimated aggregate project development cost of approximately \$161,859,550 (the “Project”); and

WHEREAS, Developer anticipates that the Project will result in (i) the creation of approximately twelve full-time permanent jobs with an annual payroll of approximately \$615,000; and (ii) the creation of approximately 500 full-time temporary jobs with an estimated total payroll of \$35,000,000 during the construction period; and

WHEREAS, the City’s Department of Community and Economic Development (“DCED”) has recommended a thirty-year real property tax exemption for the Project pursuant to Ohio Revised Code Section 5709.41, subject to the passage by Council of a separate ordinance authorizing such exemption (the “Project TIF” and the “TIF Ordinance,” as applicable); and

WHEREAS, in order to create the Project TIF, the City must have held fee title to the 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 Project Site to the City for \$1.00; and (ii) immediately thereafter, the City will reconvey the Project Site to Developer for \$1.00; 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 service payments in lieu of real property taxes; and

WHEREAS, the parties anticipate that the service payments in lieu of taxes 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) for the City to maintain and operate the streetcar; (iii) to pay certain administration fees to the Hamilton County, Ohio Auditor and the City; (iv) to make certain rebate payments to Developer with respect to the Project; and (v) 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, DCED estimates that the real property tax exemption for the Improvement (as defined in Ohio Revised Code Section 5709.41) to the Project Site could provide an annual net benefit of approximately \$1,099,332 to Developer; and

WHEREAS, the City has determined that it is in the best interest of the City to rebate the aforementioned portion of the service payments to Developer because the City will receive substantial economic and non-economic benefits from the Project in that the Project will create jobs, stimulate economic growth in the City’s Central Business District, increase the City’s housing stock, and enable the Project Site to be put to its highest and best use, all for the benefit of the people of the City; and

WHEREAS, the Project Site is located in the “District 2 – Downtown South District Incentive District” TIF district; 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, Section 16 of Article VIII of the Ohio Constitution provides that it is in the public interest and a proper public purpose for the City to enhance the availability of adequate housing and to improve the economic and general well-being of the people of the City by providing or assisting in providing housing; and

WHEREAS, the City believes that the 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 is in accordance with the public purposes and provisions of applicable federal, state, and local laws and requirements; and

WHEREAS, the City Planning Commission approved the City’s acquisition and reconveyance of the Project Site at its meeting on November 15, 2024; 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 with 441 Vine Street Owner LLC (“Developer”), an affiliate of Victrix Investments

LLC, in substantially the form attached as Attachment A to this ordinance (the “Development Agreement”), pertaining to the mixed-use redevelopment of the property located at Units 2 and 3, W. Fifth Street in Cincinnati (the “Project Site”), which renovation will be comprised of approximately 64,877 square feet of commercial space on the lower level and floors one through three, and approximately 287,105 square feet of residential space on floors four through 49, consisting of 375 market-rate rental units and up to ten units of short-term corporate housing (collectively, the “Project”), at an estimated aggregate Project development cost of approximately \$161,859,550.

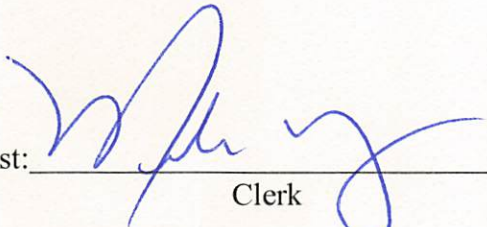
Section 2. That, pursuant to the Development Agreement, Council (a) finds that the City is engaging in urban redevelopment; and (b) authorizes the City to accept title to the Project Site and to reconvey the same promptly thereafter to Developer, in each instance for \$1.00, in order to facilitate the subsequent creation of a real property tax exemption for the Project Site under Ohio Revised Code Section 5709.41.

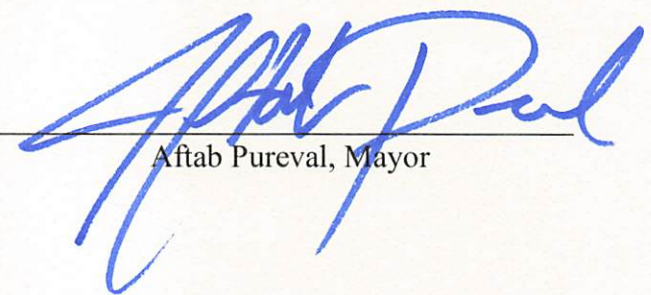
Section 3. That Council authorizes the appropriate City officials to take all necessary and proper actions to fulfill the terms of this ordinance, the Development Agreement, any and all Project-related documents described in the Development Agreement, and all ancillary agreements, amendments, property deeds, plats, and other documents to create new encumbrances and release existing encumbrances on the title to the Project Site, all as deemed necessary or appropriate by the City Manager.

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 enable the parties to execute the Development Agreement as soon as

possible so that Developer can promptly commence the Project, thereby creating a significant economic benefit and enhancement to the City at the earliest possible time.

Passed: May 14, 2025

Attest:   
Clerk

  
Aftab Pureval, Mayor

I HEREBY CERTIFY THAT ORDINANCE NO 125-2025  
WAS PUBLISHED IN THE CITY BULLETIN  
IN ACCORDANCE WITH THE CHARTER ON 5/27/2025  
Melissa Antley  
CLERK OF COUNCIL