



City of Cincinnati

801 Plum Street
Cincinnati, OH 45202

Agenda - Final

Budget and Finance Committee

*Chairperson Reggie Harris
Vice Chair Jeff Cramerding
Councilmember Mark Jeffreys
Councilmember Scotty Johnson
Vice Mayor Jan-Michele Kearney
Councilmember Anna Albi
Councilmember Meeka Owens
Councilmember Seth Walsh
President Pro Tem Victoria Parks*

Monday, September 9, 2024

1:00 PM

Council Chambers, Room 300

PRESENTATIONS

PROPERTY TAX TASK FORCE: OVERVIEW, FINDINGS, AND RECOMMENDATIONS

Councilmember Mark Jeffreys

AGENDA

PRESENTATIONS

1. [202401989](#) **PRESENTATION**, submitted by Councilmember Harris from Councilmember Jeffreys dated 9/9/24 titled Cincinnati Property Tax Taskforce, Overview, Findings and Recommendations.

Sponsors: Harris

Attachments: [Presentation](#)

COMMUNICATIONS

2. [202401981](#) **COMMUNICATION**, submitted by Councilmember Jeffreys, regarding the Cincinnati Property Tax Task Force: Overview, Findings, and Recommendations.

Sponsors: Jeffreys

Attachments: [Communication](#)

[Attachment](#)

3. [202401980](#) **COMMUNICATION**, submitted by Councilmember Walsh, regarding the Cincinnati AFL-CIO Labor Council with potential drawbacks of Project Labor Agreements (PLAs).

Sponsors: Walsh

Attachments: [Cincinnati AFL-CIO Labor Council](#)

GRANTS

4. [202401937](#) **ORDINANCE (EMERGENCY)** submitted by Sheryl M. M. Long, City Manager, on 9/5/2024, **AUTHORIZING** the City Manager to apply for a grant of up to \$150,000 from the Ohio Department of Natural Resources NatureWorks program to redevelop the former City playground located at 1721 Linn Street into a community greenspace.
- Sponsors:** City Manager
- Attachments:** [Transmittal](#)
[Ordinance](#)
5. [202401946](#) **ORDINANCE** submitted by Sheryl M. M. Long, City Manager, on 9/5/2024, **AUTHORIZING** the City Manager to apply for a Compost & Food Waste Reduction Grant (ALN 10.935) of up to \$400,000 from the United States Department of Agriculture for the purpose of diverting distressed food loads from landfills to food rescue organizations and creating composting infrastructure to divert food waste from landfills.
- Sponsors:** City Manager
- Attachments:** [Transmittal](#)
[Ordinance](#)
6. [202401950](#) **ORDINANCE** submitted by Sheryl M. M. Long, City Manager, on 9/5/2024, **AUTHORIZING** the City Manager to apply for a grant of up to \$30,000 from the Urban Sustainability Directors Network to perform a resilience hub assessment, prepare a resilience hub plan, and conduct an energy audit with solar assessment at the Urban League of Greater Southwest Ohio offices in the Avondale neighborhood.
- Sponsors:** City Manager
- Attachments:** [Transmittal](#)
[Ordinance](#)
7. [202401948](#) **ORDINANCE** submitted by Sheryl M. M. Long, City Manager, on 9/5/2024, **AUTHORIZING** the City Manager to apply for, accept, and appropriate grant resources of up to \$150,000 from the U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Assistance, FY 2024 Kevin and Avonte Program: Reducing Injury and Death of Missing Individuals with Dementia and Developmental Disabilities (ALN 16.015), to expand the Cincinnati Police Department's GRASP program and provide training to regional police and fire agencies; and **AUTHORIZING** the Director of Finance to deposit the grant funds into Law Enforcement Grant Fund 368x8553, project account no. 24RIDM.
- Sponsors:** City Manager
- Attachments:** [Transmittal](#)
[Ordinance](#)

TRANSFERS AND APPROPRIATIONS

8. [202401949](#) **ORDINANCE (EMERGENCY)** submitted by Sheryl M. M. Long, City Manager, on 9/5/2024, **AUTHORIZING** the transfer and return of \$125,000 to source Fund 050, "General Fund," from capital improvement program project account no. 980x101x231036, "Communication Equipment - GFCO"; and **AUTHORIZING** the transfer and appropriation of \$125,000 from the unappropriated surplus of the General Fund to the City Manager's Office General Fund non-personnel operating budget account no. 050x101x7200 to provide resources for the redesign of the City's official website.
- Sponsors:** City Manager
- Attachments:** [Transmittal](#)
[Ordinance](#)
9. [202401943](#) **ORDINANCE (EMERGENCY)** submitted by Sheryl M. M. Long, City Manager, on 9/5/2024, **AUTHORIZING** the transfer and appropriation of \$178,977.20 from the unappropriated surplus of Miscellaneous Permanent Improvement Fund 757 to capital improvement program project account no. 980x981x232522, "Fleet Replacements - Obsolete," to acquire automotive and motorized equipment funded by the sale and subrogation proceeds of obsolete automotive and motorized equipment.
- Sponsors:** City Manager
- Attachments:** [Transmittal](#)
[Ordinance](#)
10. [202401953](#) **ORDINANCE (EMERGENCY)** submitted by Sheryl M. M. Long, City Manager, on 9/3/2024, **AUTHORIZING** the transfer and appropriation of \$1,125,000 from the unappropriated surplus of Avondale Equivalent Fund 468 to Department of Community and Economic Development ("DCED") non-personnel operating budget account no. 468x162x7200 to provide resources for the construction of affordable housing at property located at 548-588 Blair Avenue in Avondale; **AUTHORIZING** the transfer and appropriation of \$40,000 from the unappropriated surplus of Avondale Equivalent Fund 468 to DCED personnel operating budget account no. 468x162x7100 to provide staffing resources to support the construction of affordable housing at property located at 548-588 Blair Avenue in Avondale; and **DECLARING** that expenditures from DCED non-personnel operating budget account no. 468x162x7200 and from DCED personnel operating account no. 468x162x7100 relating to the construction of affordable housing at property located at 548-588 Blair Avenue in Avondale are for a public purpose and constitute a "Housing Renovation" (as defined in Section 5709.40(A)(3) of the Ohio Revised Code) that will benefit and/or serve the District 21-Avondale Incentive District, subject to compliance with Ohio Revised Code Sections 5709.40 through 5709.43. (Subject to the Temporary Prohibition List <<<https://www.cincinnati-oh.gov/law/ethics/city-business>>>).
- Sponsors:** City Manager
- Attachments:** [Transmittal](#)
[Ordinance](#)

COMMUNITY REINVESTMENT AREA AGREEMENTS

11. [202401947](#) **ORDINANCE (EMERGENCY)** submitted by Sheryl M. M. Long, City Manager, on 9/5/2024, **APPROVING AND AUTHORIZING** the City Manager to execute a Community Reinvestment Area Tax Exemption Agreement (LEED or Living Building Challenge) with Supreme Bright Cincinnati, LLC, thereby authorizing a fifteen-year tax exemption for 100 percent of the value of improvements made to real property located at 105 E. 4th Street in the Central Business District of Cincinnati, in connection with the remodeling of an existing building into (i) approximately 490,789 square feet of commercial space, consisting of an approximately 280-room hotel with meeting and ballroom space, and a restaurant/bar; and (ii) approximately 27,936 square feet of residential space, consisting of approximately sixteen residential rental units, which remodeling shall be completed in compliance with Leadership in Energy and Environmental Design Silver, Gold, or Platinum standard or Living Building Challenge standards, at a total construction cost of approximately \$102,000,000. (Subject to the Temporary Prohibition List <<<https://www.cincinnati-oh.gov/law/ethics/city-business>>>).

Sponsors: City Manager

Attachments: [Transmittal](#)
[Ordinance](#)
[Attachment](#)

MOTIONS

12. [202401922](#) **MOTION**, submitted by Councilmember Walsh, WE MOVE that the Administration prepare a report and updated policy within 30 days for support small businesses during road closures.

Sponsors: Walsh

Attachments: [Motion](#)

ADJOURNMENT



Cincinnati Property Tax Task Force

Overview, Findings, and
Recommendations

Task Force Members

- City Councilman Mark Jeffreys (Chair)
- Housing Opportunities Made Equal (HOME)
- Legal Aid
- Community Action Agency (CAA)
- Local Initiatives Support Corporation (LISC)
- Habitat for Humanity
- The Council on Aging
- Greater Cincinnati Realist Association
- National Appraiser Bias Task Force
- Greater Cincinnati Real Estate Association
- eruka
- Greater Cincinnati
- NKY Apartment Association
- Neighborhood Allies
- Urban Coalition of Appraisal Professionals
- Warsaw Federal
- Realtors Alliance of Greater Cincinnati
- Donovan Energy
- The Urban League
- Representatives of homeowners
- Special guests include State Representative Dani Isaacsohn and State Senator Louis Blessing.

Background

- First formed on March 21st, 2024, with an objective to develop short and long-term recommendations for providing relief to property owners who have been adversely impacted by the significant rise of property taxes in Cincinnati.
- With the new assessment, property taxes increased on average 23% in Hamilton County, but for 5% of homeowners they more than doubled. At the same time, energy costs for homeowners across the country increased 13% in 2022 & 5.69% in 2023 - putting additional pressure on costs for homeowners.
- The work of the Task Force was focused what Cincinnati can control to support struggling property owners, and what Cincinnati can advocate for at other levels of government to directly impact individuals' property tax bills.
- Meetings were publicly noticed for every two weeks, including Town Halls in Evanston and Price Hill
- In May 2024, the Property Tax Task Force provided input to the City of Cincinnati's Department of Community & Economic Development as it crafted the \$1M HomeSafe Property Tax Relief Program.

Townhalls – What We Heard

- Property tax increases are threatening owners' abilities to stay in their home, maintain their home, build generational wealth.
- There is a lack of transparency the way that property taxes are assessed.
- Property tax increases were quick and unexpected – in some cases, there was only 20 days' notice, which is not a lot of time to make the increased payment.
- Homestead Exemptions have not been as helpful as their value has declined, having not been indexed for inflation until recently.
- The Board of Revisions' appeal process can be unclear and intimidating- e.g. how appeals work, when to appeal, how to get a reappraisal.

What Really Happened?:

Evaluating The Common Misperceptions about Hamilton County's Property Tax Increases

June 2024



- In Hamilton County, 50% of property tax bills either decreased or remained relatively stable, while 45% of bills saw significant increases, and 5% more than doubled.
- The average property tax bill in communities of color increased 2x more than property tax bills in white communities.
- Property tax changes do not reflect changes in the real estate market. Neighborhoods that saw the highest increases in property taxes were not necessarily the same neighborhoods with increases in sale prices.
- The poorest residents pay higher proportions of their income on property tax. Households making less than \$25,000 annually pay, on average, 36% of their income on property taxes, whereas households making more than \$150,000 annually pay, on average, only 2% of their income on property taxes.

HomeSafe Tax Relief Program

- Created from a \$1,000,000 allocation from City Council
- Went live in July of 2024 to provide up to \$10,000 worth of property tax relief for homeowners who make $\leq 80\%$ AMI and have delinquent property taxes.
- By the end of August, over 160 applications had been submitted
 - The average amount of relief provided per applicant was \$3000
 - The average annual income per applicant was \$30,000
 - The neighborhoods with the most applications have been Bond Hill, College Hill, Lower Price Hill, East Price Hill, West Price Hill, and Westwood
- Pending applications in review, there is over \$600,000 left in available relief **although there is still $> \$7,000,000$ in delinquent taxes, not including those who pay through escrow accounts.**

State Legislators



- The Property Tax Task Force hosted meetings with State Representative Dani Isaacsohn and State Senator Louis W. Blessing to discuss pending state legislation related to property taxes, some of which they had either sponsored or introduced.



Recommendations

Relevant to the Ohio State Legislature and the Ohio Department of Taxation



Circuit Breaker – Proposed Legislation

- Issue: The property tax increase has most impacted lower income homeowners and those on fixed incomes.
- Solution: SB 271, and its companion HB 645, propose a refundable income tax credit or rebate for homeowners and renters whose property taxes or a portion of their rent exceed five percent of their income. Circuit Breaker practices are known to have the most impact on low-moderate- and fixed-income homeowners' tax bills.

Homestead Exemption – Background



- The Homestead Exemption is an opt-in program that has historically allowed qualified individuals to “exempt” \$25,000 off of the total value of their home – effectively reducing the amount that they are taxed.
- Qualified individuals include:
 - Persons over 65 meeting certain income requirements
 - Persons who are permanently disabled and disabled veterans
 - Spouses of first responders killed in the line of duty

Homestead Exemption



- Issue: The exempt amount has not changed nor been indexed for inflation until recently (now \$26,200), meaning the value of that exemption has decreased over time.
- Solution: Increase the income threshold for eligibility AND increase the exempted amount (ideally \$50,000) indexed for inflation.
- Additional solution: Match demographic and income data to identify eligible homeowners and automatically enroll them in the program, offering an “op-out” like system.
- State Legislature – Proposed Legislation
 - HB 187 proposes an increase of the eligible income threshold to \$75,000, however exemption values run on a sliding scale dependent on income.
 - HB 60 proposes increasing the eligible income threshold to \$45,000 and increases the exemption value to \$40,000.

Homeowner Protections – Proposed Legislation



- Issue: Homeowners who are late on their taxes are often harassed by aggressive investors to sell their homes below market value.
- Solution: SB 192 proposes certain licensures and disclosures for wholesale homebuyers or institutional investors who prey on delinquent homeowners by getting them to sell their homes.



Transparency – New Action

- Issue: The mass assessment process used to estimate property values is unclear as each county across the state typically hires a private firm to conduct a mass assessment on properties based on a proprietary algorithm of unknown variables.
- Solution: Request that the Department of Taxation or new State Legislation allow for more approaches to assessment estimations and make public the exact variables that go into assessment algorithms.

Late Fees – New Action



- Issue: Fees for homeowners who are delinquent on their property taxes add up quickly and can be substantial, especially for those who were not expecting an increase.
- Solution: Request that the Department of Taxation or new State Legislation give local counties the ability to suspend the assessment and accumulation of late fees on unpaid property taxes.



Recommendations

City of Cincinnati



Immediate Cost Relief

- Issue: There thousands of households in Hamilton County that may be eligible for, but are not taking advantage of, the owner occupancy credit (~\$78) and/or Homestead Exemption (~\$600).
- Solution: Create an education campaign to notify eligible homeowners of available opportunities.



Provide Additional Delinquent Tax Relief

- The issue: With >\$7,000,000 in delinquent taxes (and rising), without some relief, homeowners – especially those on fixed income and lower income – will face foreclosure and/or eviction. The \$1M provided thus far has helped but more is needed.
- The Solution: Provide another \$1,000,000 allocation to continue to provide relief to the thousands of households with delinquent property taxes and explore ways to leverage that investment with other funding to provide further tax relief.



Reduce Energy Costs for Thousands of Cincinnatians:

- The issue: In addition to property taxes raising 23%, homeowner energy costs have risen 13%. With historic funding from the Inflation Reduction Act (IRA), the State of Ohio will deploy \$500M in next six months to subsidize energy efficiency improvements, which could save households an average of \$800-1,200/year in energy costs. We need to be ready to capture those dollars.
- The solution: Pursue a multi-prong funding strategy to unlock federal and private foundation investments.
 - Allocate \$500K to create a Green Bank to facilitate energy audits & braiding together of programs as the “quarterback”.
 - Invest \$275K in workforce development – training folks to do energy audits
 - Invest up to \$9.225M in home repair & subsidy for <80% AMI households. Note: this investment is variable – a lower investment means fewer households impacted vs a higher impact increases those that can capture these savings.

Green Savings: The Opportunity



- The Inflation Reduction Act (IRA) passed Congress in August 2022 – the largest investment in climate mitigation and energy initiatives in history. This includes \$400 billion in energy incentives.
- Ohio expects **>\$500M from the IRA to reduce energy costs** for homeowners, which will be start to be deployed in early 2025. It will be first come, first serve to homeowners.



Solar



Weatherization



Heat Pumps



Efficient Appliances



\$800-1,200/year
energy savings on
average

Green Savings: The Opportunity



Cities that are ready with pipeline of projects will get a disproportionate share of that investment.

But a few things need to be true:

1. Single point of contact for both back-end work to braid together different funding and front-end for homeowners so they can go to one credible source to tap into these resources.
 2. Homeowners need to be “shovel ready”, which means (1) completing an energy audit and (2) having their home be ‘upgrade ready’ e.g. repaired roof ready for solar, no lead paint for weatherization, etc.
 3. Workforce development – we need more Cincinnatians to be trained/certified to do energy audits and upgrades.
- Over the past year, a coalition of organizations including the Port, CDF, CBC, etc. have been working to pull together a structure and strategy to stitch together all these different programs and the needs into a Green Bank.

Local City investments can unlock a **>3:1 Return on Investment** against federal and other \$.

Green Savings Detail: Strategy



- **Fund establishment of Green Bank** as back-end Single Point of Contact quarterback to braid together different programs and financing.
- **Fund workforce development** to train Cincinnatians on energy audits, where significant gap exists.
- **Harness resources of other partners** who:
 - Have housing stock to **build pipelines of projects quickly** – the Port via the Land Bank, Habitat for Humanity, Working in Neighborhoods, etc.
 - **Can identify households with significant need** e.g. Legal Aid, LISC, CAA, etc
 - Can serve as a **trusted front-end single point of contact** for homeowners e.g. United Way/211.
- **Leverage City investment to attract additional national investment** from foundations for home repair and “get to the front of the line” with deployment of IRA \$.

Green Savings: Funding Proposal



Investment

Amount

Details

Low Income



Gap Financing

\$9.225M

\$2K per household <80% AMI
 \$1K per household 80-150% AMI
 \$500 per LMI multifamily
 Reaches 4,000+ single family homes <150% AMI & 3,000 affordable multifamily



Home Repair

Supplement additional county, city foundation and other home repair programs



Workforce Development

\$275K

Train/Certify for Energy Audits



Green Bank

\$500K

Core infrastructure

Total

\$10M



\$28.8M in federal \$

Green Savings Detail: Impact



Up to 7,000+ low to moderate



Income households supported

\$800-1,200/year Homeowner



Savings on average

Reduce Carbon Footprint



Supporting Green Cincinnati Plan

50K+ Middle Income Household Savings



Enabled by Access to Federal Subsidy

Support Green Job



Workforce Development

\$8 million + energy savings per year across 7,000+ households over next 5 years

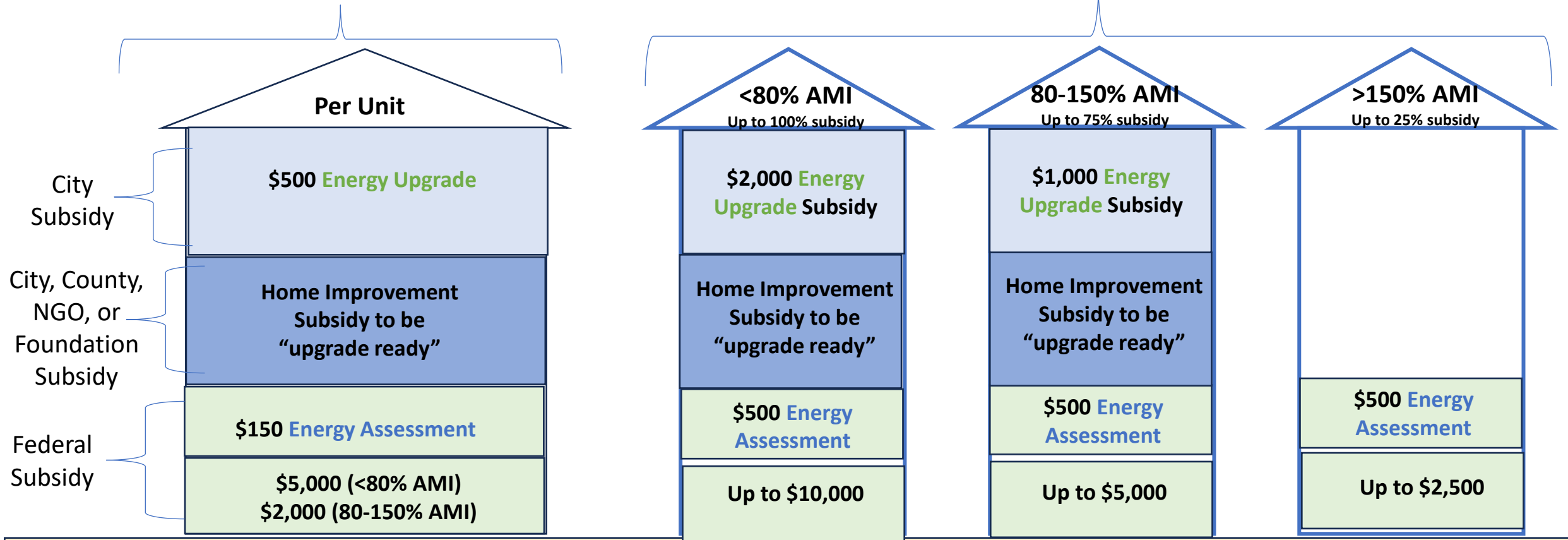
Green Savings How It Works: Reducing Energy Costs for Homeowners

Implement over the next 5 years



LMI Multifamily units: ~\$1,000/year savings

Single Family Homeowners: ~\$800-1,200/year avg savings



Green Job Workforce Development: Clean Energy Career Training Investment

Green Bank: Establish infrastructure to enable leveraging of Fed & State energy upgrades funding

Green Savings Detail: The Urgency of Now



- We need to train our workforce now & the prep work of the Green Bank **now to have a pipeline of projects** by early 2025 when the federal \$ is deployed.
- **Coalition for Green Capital** – that has received \$5B from the IRA is seeking local partners – shared that cities that invest will be **“ahead of the line”**. They are doing pilots in Oct/Nov 2024. With a City of Cincinnati investment we’ll be **more competitive for more investment**.
- **Federal investments are ‘first come, first serve’** – the cities and local governments that are organized will yield >3:1 ROI from federal investments + additional investments from foundations and other NGOs.

Further Evaluation



Further evaluation

- HomeSafe:
 - Issue: The vast majority of residents who are delinquent on their taxes pay them in escrow via a mortgage. To date, DCED has been only able to help those who pay directly to the county so the impact is limited.
 - Potential Solution: Explore the ability of HomeSafe to provide relief to those making payments through escrow accounts
- Homeowner Protections:
 - Issue: Homeowners who are delinquent are often hounded by investor calls.
 - Potential Solution: Other jurisdictions (e.g. Philadelphia) have instituted a “do not call” list to make that illegal. There are administrative challenges with this solution e.g. cost to administer, how to update the list, and questions of whether the city/county should pursue it together.



Further Evaluation

- Issue: The appeal process is often challenging and intimidating for homeowners to navigate, especially those who are unable to be represented by an attorney.
- Solution: Support the County Auditor's attempts to improve the Board of Revisions appeal process to make it easier for homeowners to navigate.

Questions?



202401981

Mark Jeffreys
Councilmember

Cincinnati Property Tax Task Force: Overview, Findings, and Recommendations

Background:

The Cincinnati Property Tax Task Force, formed in March of this year, recently held its last public meeting on August 22nd. The main objective of the Task Force was to develop short and long-term recommendations for providing relief to property owners who have been adversely impacted by the significant rise in property taxes throughout Cincinnati. Those recommendations have been focused on what Cincinnati can control to support struggling property owners, as well as what Cincinnati can advocate for at other levels of government to directly impact individuals' property tax bills.

With Councilmember Jeffreys chairing the Task Force, other members included residents from neighborhoods most impacted, as well as representatives from the following organizations:

- Housing Opportunities Made Equal (HOME)
- Legal Aid
- Community Action Agency (CAA)
- Local Initiatives Support Corporation (LISC)
- Habitat for Humanity
- Council on Aging
- Greater Cincinnati Realtist Association
- National Appraiser Bias Task Force
- Greater Cincinnati Real Estate Association
- Greater Cincinnati Northern Kentucky Apartment Association
- Neighborhood Allies
- Urban Coalition of Appraisal Professionals
- Warsaw Federal
- eruka
- Donovan Energy
- The Port of Greater Cincinnati Development Authority

Since its formation Property Tax Task Force meetings were publicly noticed every other week, with a few exceptions, and included two Town Hall sessions and guest appearances from State Representative Dani Isaacsohn and State Senator Louis W. Blessing. Town Hall sessions were held at the Evanston Recreation Center and the Price Hill Library with dozens of attendees at each. Multiple residents who came to a Town Hall session continued to attend the regular Task Force meetings. Through hours of public comment and robust dialogue, five major themes emerged from both Town Halls:

- Property tax increases are threatening owners' abilities to stay in their home, maintain their home, and build generational wealth, particularly older Cincinnatians on fixed income and in communities of color.
- There is a lack of transparency in the way that property taxes are assessed.
- Property tax increases were quick and unexpected – in some cases, there was only 20 days' notice.
- Homestead Exemptions have not been as helpful as their value declined, having not been indexed for inflation until recently.
- The Board of Revisions' appeal process can be unclear and intimidating- e.g. how appeals work, when to appeal, how to get a reappraisal.

Given that the Town Halls were held shortly after the formation of the Task Force, these themes have guided its work.

Property Tax Equity Report:

In June, Housing Opportunities Made Equal (HOME), in collaboration with eruka, released two reports that investigate the inequities in the recent property tax increases: [*Levied: Rectifying Hamilton County's Racial and Economic Unjust Property Taxes*](#) & [*What Really Happened?: Evaluating The Common Misperceptions about Hamilton County's Property Tax Increases*](#).

These two reports, and its findings listed below, were presented to, and discussed by the Task Force:

- County voters passed new or renewed levies that increased the total tax collected in the county by 11%.

- In Hamilton County, 50% of property tax bills either decreased or remained relatively stable, while 45% of bills saw significant increases, and 5% more than doubled.
- The average property tax bill in communities of color increased 2x more than property tax bills in white communities.
- Property tax changes do not reflect changes in the real estate market. Neighborhoods that saw the highest increases in property taxes were not necessarily the same neighborhoods with increases in sale prices.
- Many auditor offices, including Hamilton County, contract with a private company to create a mass assessment model that uses a computer algorithm to derive property values. Private company models are often proprietary, which limits information about the exact terms of the model. Mass assessment models often overestimate values in communities of color and underestimate values in white communities.
- The poorest residents pay higher proportions of their income on property tax. Households making less than \$25,000 annually pay, on average, 36% of their income on property taxes, whereas households making more than \$150,000 annually pay, on average, only 2% of their income on property taxes.
- Property owners who have gained the most profit from buying/selling their property have paid the least of their profit in taxes. 40% of residential property owners in the county pay more in taxes than their property appreciates in value.
- Residential renters pay a similar proportion of the county's taxes as commercial properties as landlords are allowed to pass the cost of property taxes onto their renters.

HomeSafe Property Tax Relief Program:

Thanks to the leadership of Mayor Aftab and Vice Mayor Kearney, City Council allocated \$1,000,000 in May for the creation of the HomeSafe Property Tax Relief Program. The program provides up to \$10,000 in relief funds for low-to-moderate-income homeowners who currently have delinquent property taxes. In June, the Property Tax Task Force gave guidance to the Department of Community & Economic Development (DCED) as they created the program that was officially launched in July. Much credit and gratitude are owed to DCED for their swift implementation of this program that is providing meaningful relief to those who need it the most.

By the end of August, over 160 applications had been submitted. The average amount of relief provided per applicant was \$3,000, and the average annual income per applicant was \$30,000. The neighborhoods with the most submitted applications are Bond Hill, College Hill, Lower Price Hill, East Price Hill, West Price Hill, and Westwood. Pending the applications still in review, there is still over \$600,000 left in available relief.

The findings from this initiative, the different reports, Town Hall sessions, and the meetings with Rep. Isaacsohn and Senator Blessing have resulted in the following recommendations.

State Recommendations and Legislation:

(1) Transparency:

Issue: The mass assessment process used to estimate property values is unclear as each county across the state typically hires a private firm to conduct a mass assessment on properties based on a proprietary algorithm of unknown variables. This has led to homeowners not understanding what data is used with their assessment.

Solution: Request that the Department of Taxation or new legislation allow for more approaches to assessment estimations and make public the exact variables that go into assessment algorithms.

(2) Late Fees

Issue: Fees for homeowners who are delinquent on their property taxes add up quickly and can be substantial, especially for homeowners who were not expecting an increase. County auditors and treasurers do not have the authority to suspend these fees.

Solution: Request that the Department of Taxation or new legislation give county auditors and treasurers the ability to suspend the assessment and accumulation of late fees on unpaid property taxes.

(3) Circuit Breaker

Issue: The property tax increase has most impacted lower income homeowners and those on fixed income.

Solution: SB 271, and its companion HB 645, propose a refundable income tax credit or rebate for homeowners and renters whose property taxes or a portion of their rent exceed five per cent of their income. Although such a proposal would come with a high price tag, reforms in other tax deduction programs have been proposed to reduce this cost. Circuit Breaker practices are known to have the most impact on low-moderate- and fixed-income residents' tax burdens.

(4) Homestead Exemption

Issue: The Homestead Exemption has historically allowed qualified individuals to “exempt” \$25,000 off the total value of their home – effectively reducing the amount that they are taxed. However, this amount has not changed, nor has it been indexed for inflation until recently (now \$26,200), meaning the value of that exemption has decreased over time.

Solution: Increase the income threshold for those eligible to receive the homestead exemption AND increase the amount able to be exempted to \$50,000 indexed for inflation. Therefore, a greater number of homeowners will be eligible for a more valuable exemption.

Additional Solutions: The State of Ohio could match demographic data with income data to identify homeowners who are eligible for the homestead exemption and automatically enroll them in the program, offering an “op-out” like system.

State Legislation: HB 187 proposes an increase of the eligible income threshold to \$75,000, however exemption values run on a sliding scale dependent on income. HB 60 proposes increasing the eligible income threshold to \$45,000 and increases the exemption value to \$40,000.

(5) Homeowner Protections

Issue: Homeowners who are late on their taxes are often harassed by aggressive investors offering to buy their homes at a significant discount.

Solution: SB 192 proposes certain licensures and disclosures for wholesale homebuyers or institutional investors who often prey on delinquent homeowners by getting them to sell their homes.

City of Cincinnati Recommendations

(1) Immediate Cost Relief for Eligible Households

Issue: There are thousands of households in Hamilton County who may be eligible for, but are not taking advantage of, the owner occupancy credit (~\$78) and Homestead Exemption (~\$600).

Solution: Create an education campaign to notify eligible homeowners of available opportunities. Information could go through organizations like those on the Task Force & via the city's HomeSafe program. This also includes outreach to Community Councils in the most impacted neighborhoods, faith communities and at neighborhood events.

(2) Provide Additional Delinquent Tax Relief

Issue: With >\$7,000,000 in delinquent taxes (and raising), without some relief homeowners – especially those on fixed income and lower income – will face foreclosure and/or eviction. The \$1,000,000 provided thus far has helped but more is needed.

Solution: Provide another \$1,000,000 allocation to continue to provide relief to the thousands of households with delinquent property taxes and explore ways to leverage that investment with other funding to provide further tax relief.

(3) Reduce Energy Costs for Thousands of Cincinnatians via a New Green Bank

Issue: In addition to rising property taxes 23%, homeowner energy costs have risen 13%. With historic funding from the Inflation Reduction Act (IRA), the State of Ohio will deploy \$500M in next six months to subsidize energy efficiency improvements such as weatherization, heat pumps, and solar panels, which could mean significant savings for households. But residents & City of Cincinnati need to be ready to capture those dollars. They will be 'first come, first serve'. Homeowners will have to have energy audits completed and have their homes be "upgrade ready". It also means that we need more trained workers to do the energy audits and upgrades. For many lower income homeowners,

they will need assistance with home repairs to take advantage of this opportunity e.g. fix a leaky roof for solar panels, remove lead paint for weatherization, etc.

Solution: Pursue a multi-prong funding strategy to unlock federal and private foundation investments.

- Allocate \$500K to create a Green Bank to facilitate energy audits & braiding together of programs. Over the past year a Green Bank coalition (including the Cincinnati Development Fund, Port, etc) has been working on developing much of this infrastructure.
- Invest \$275K in workforce development – training folks to do energy audits
- Invest up to \$9.225M in home repair & subsidy for low-to-moderate-income households.
- Attachment A details the recommended investment.

This level of investment will unlock over \$28.8M in federal subsidies, the development and creation of hundreds of green jobs, reduce greenhouse emissions and save individuals an average of \$800-\$1,200 annually. By working with the Green Bank coalition, and organizations with vast housing portfolios like Habitat for Humanity, Working in Neighborhoods, or the Port, thousands of homes could enjoy the benefits of these programs initially.

With federal investments being deployed in the next few months, a City of Cincinnati investment will put the city “at the front of the line” in these competitive allocations and has the potential to unlock significant private investment.

Ideas That Require Further Evaluation:

(1) Local Homeowner Protections

Issue: With delinquent property tax data being public, delinquent property tax owners are often hounded by wholesale homebuyers, or institutional investors, pushing them to see often at below market value.

Solution: Similar to Philadelphia, explore developing a do not call list – a list that homeowners can get on to avoid these calls. This is an idea to explore further because there are complications involved with it e.g. administrative cost to operate and enforce it, the

process to update the list, etc. It is an idea that should be explored in partnership with the county as well and requires further work.

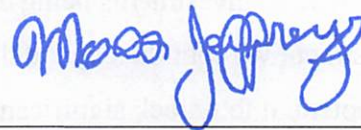
Additional Solution: Similar to the proposed SB192, require real estate investors to make extensive disclosures to homeowners before asking homeowners to sign a purchase contract. Without compliance with the disclosure requirement, the homeowner would have the ability to rescind a purchase contract at any time before the transfer of title.

(2) Hamilton County Board of Revisions Remediation

Issue: The appeal process and Board of Revisions is often challenging and intimidating for homeowners to navigate, especially those who are unable to be represented by an attorney.

Solution: Support the County Auditor's attempts to improve the Board of Revision appeal process to make it easier for homeowners to navigate.

There is still a lot of work to do to help bring down costs for homeowners, prevent evictions & foreclosures and improve the quality of life for homeowners, but the Task Force believes these actions will have the greatest impact on property owners most affected by the recent surge in property taxes, moreover, all Cincinnatians struggling with increasing costs of living. We thank all citizens and organizations who have provided input into crafting these solutions.



Cincinnati City Councilmember Mark Jeffreys
Property Tax Task Force Chairman

Attachment A

Homeowner Energy Savings – Green Bank Details

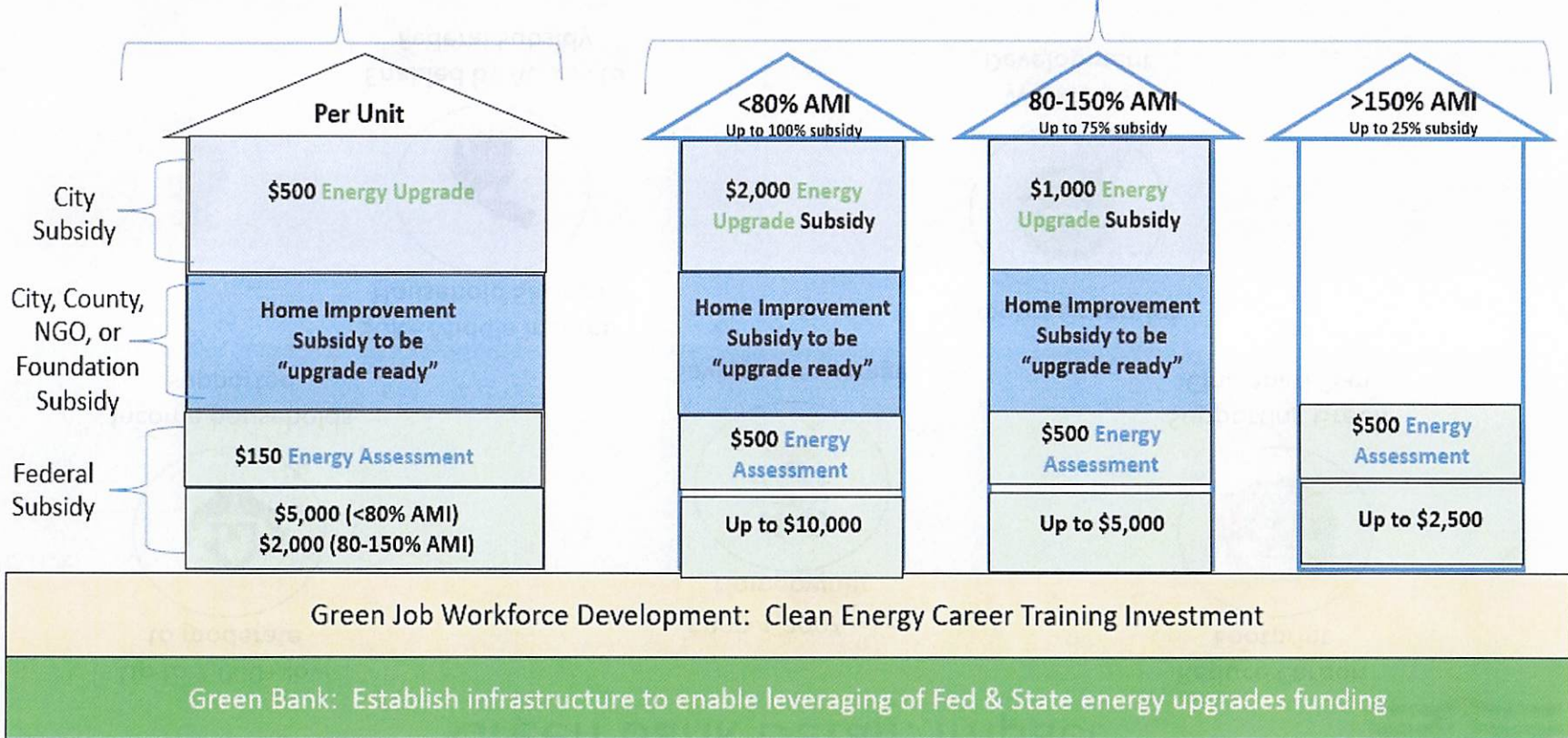
Green Bank How It Works: Reducing Energy Costs for Homeowners

Implement over the next 5 years



LMI Multifamily units: ~\$1,000/year savings

Single Family Homeowners: ~\$800-1,200/year avg savings



Green Bank Detail: Impact



Up to 7,000+ low to moderate



Income households supported

\$800-1,200/year Homeowner



Savings on average

Reduce Carbon Footprint



Supporting Green Cincinnati Plan

50K+ Middle Income Household Savings



Enabled by Access to Federal Subsidy

Support Green Job



Workforce Development

\$8 million + energy savings per year across 7,000+ households over next 5 years



Many of the potential drawbacks of Project Labor Agreements (PLAs) can be mitigated through various strategies and practices. Here’s how each of the listed items can be addressed:

1. Limited Competition:

- Mitigation: To enhance competition, the scope of the PLA could be carefully defined to limit its application to certain types of work or project components rather than the entire project. Additionally, providing clear and fair bidding procedures can help ensure a wider range of qualified contractors can participate.

2. Exclusion of Non-Union Workers:

- Mitigation: One approach is to negotiate the PLA to include provisions that allow for the inclusion of non-union workers or to create pathways for non-union contractors to become involved in the project. This might include allowing non-union workers to work alongside unionized workers under specific terms.

3. Administrative Complexity:

- Mitigation: Streamlining administrative processes through clear guidelines and a dedicated administrative team can help manage the complexities. Training for project managers and staff on the specifics of the PLA can also improve efficiency. Using technology for documentation and compliance tracking can further ease administrative burdens.

4. Potential for Increased Disputes:

- Mitigation: To reduce the likelihood of disputes, the PLA should include well-defined dispute resolution mechanisms and processes. Regular communication and collaboration between the parties involved, as well as clear and unambiguous language in the agreement, can help minimize misunderstandings and conflicts.

5. Reduced Flexibility:

- Mitigation: Negotiating flexibility into the PLA, where possible, can help. For instance, the agreement could allow for some variation in work rules and hiring practices to accommodate the needs of the project while still meeting the PLA’s objectives. Involving stakeholders in the drafting process can also help balance flexibility with the need for standardized terms.

6. Impact on Small Businesses:

- Mitigation: Including provisions in the PLA that support small businesses, such as creating opportunities for subcontracting or providing assistance for non-union contractors to become unionized, can help. Ensuring that the bidding process is transparent and fair, and that small businesses have access to necessary resources and information, can also support their participation.

By addressing these potential issues proactively during the negotiation and implementation of a PLA, it is possible to minimize the negative impacts while still achieving the benefits that PLAs are designed to provide, such as stability and consistency in labor relations.

September 5, 2024

To: Mayor and Members of City Council

202401937

From: Sheryl M. M. Long, City Manager

Subject: Emergency Ordinance – OES: ODNR NatureWorks Grant Application

Attached is an Emergency Ordinance captioned:

AUTHORIZING the City Manager to apply for a grant of up to \$150,000 from the Ohio Department of Natural Resources NatureWorks program to redevelop the former City playground located at 1721 Linn Street into a community greenspace.

This Emergency Ordinance authorizes the City Manager to apply for a grant of up to \$150,000 from the Ohio Department of Natural Resources (“ODNR”) NatureWorks program to redevelop the former City playground located at 1721 Linn Street in the West End neighborhood into a community greenspace.

In 2016, the former City playground located at 1721 Linn Street was attracting excessive criminal activity and was deconstructed following a vote by the West End Community Council. The City wishes to transform this property into a community greenspace, a design that was developed through the 2022 SafeGrowth report and the Spaces to Places Program with Keep Cincinnati Beautiful (KCB).

The NatureWorks Grant requires a 25% local match of up to \$37,500, which the City intends to supply with in-kind labor. If needed, resources are available in the capital improvement program project account no. 980x104x231029, “Green Cincinnati Sustainability Initiatives – GF,” and can be transferred to the Office of Environment and Sustainability’s General Fund operating budget for the local match requirement. There are no additional FTEs/full time equivalents associated with the NatureWorks Grant.

The City already applied for the NatureWorks Grant to meet the application deadline of August 15, 2024, but no funding will be accepted without City Council approval.

Redeveloping the former City playground located at 1721 Linn Street into a community greenspace is in accordance with the “Live” goal to “[b]uild a robust public life” and strategy to “[d]evelop and maintain inviting and engaging public spaces to encourage social interaction between different types of people” as described on pages 149 – 152 of Plan Cincinnati (2012).

The reason for the emergency is the need to provide an approved ordinance to the Ohio Department of Natural Resources by September 15, 2024.

The Administration recommends passage of this Emergency Ordinance.

cc: Andrew M. Dudas, Budget Director
Karen Alder, Finance Director



Attachment

EMERGENCY

IMD

-2024

AUTHORIZING the City Manager to apply for a grant of up to \$150,000 from the Ohio Department of Natural Resources NatureWorks program to redevelop the former City playground located at 1721 Linn Street into a community greenspace.

WHEREAS, the Ohio Department of Natural Resources NatureWorks program provides local governments with grant funding for the acquisition, development, and rehabilitation of recreational areas (the “NatureWorks Grant”); and

WHEREAS, in 2016, the former City playground located at 1721 Linn Street was attracting excessive criminal activity and was deconstructed following a vote by the West End Community Council; and

WHEREAS, the City wishes to transform the property located at 1721 Linn Street into a community greenspace, a design that was developed through the 2022 SafeGrowth report and the Spaces to Places Program with Keep Cincinnati Beautiful; and

WHEREAS, the NatureWorks Grant requires a 25 percent local match of up to \$37,500, which the City intends to supply with in-kind labor, but if needed, resources currently are available in capital improvement program project account no. 980x104x231029, “Green Cincinnati Sustainability Initiatives – GF,” and can be transferred to the Office of Environment and Sustainability’s operating budget to support the local match requirement; and

WHEREAS, there are no additional FTEs/full time equivalents associated with the NatureWorks Grant; and

WHEREAS, the City already applied for the NatureWorks Grant to meet the application deadline of August 15, 2024, but no funding will be accepted without approval by Council; and

WHEREAS, redeveloping the former City playground located at 1721 Linn Street into a community greenspace is in accordance with the “Live” goal to “[b]uild a robust public life” and strategy to “[d]evelop and maintain inviting and engaging public spaces to encourage social interaction between different types of people” as described on pages 149 – 152 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 authorized to apply for a grant of up to \$150,000 from the Ohio Department of Natural Resources NatureWorks program to redevelop the former City playground located at 1721 Linn Street into a community greenspace.

Section 2. That the proper City officials are authorized to do all things necessary and proper to carry out the terms of the grant application and Section 1.

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 the need to provide an approved ordinance to the Ohio Department of Natural Resources by September 15, 2024.

Passed: _____, 2024

Aftab Pureval, Mayor

Attest: _____
Clerk

September 5, 2024

To: Mayor and Members of City Council

202401946

From: Sheryl M. M. Long, City Manager

Subject: Ordinance – OES: USDA Compost & Food Waste Reduction Grant

Attached is an Ordinance captioned:

AUTHORIZING the City Manager to apply for a Compost & Food Waste Reduction Grant (ALN 10.935) of up to \$400,000 from the United States Department of Agriculture for the purpose of diverting distressed food loads from landfills to food rescue organizations and creating composting infrastructure to divert food waste from landfills.

Approval of this Ordinance authorizes the City Manager to apply for a Compost & Food Waste Reduction (CFWR) Grant (ALN 10.935) of up to \$400,000 from the United States Department of Agriculture (USDA) for the purpose of diverting distressed food loads from landfills to food rescue organizations and creating composting infrastructure to divert food waste from landfills.

This grant requires a 25% local match, which is anticipated to be provided by Last Mile Food Rescue and calculated by an approved and recognized value of food donated and rescued. No new FTEs/full time equivalents are associated with this grant.

The City already applied for the grant to meet the application deadline of September 4, 2024. However, no funds will be accepted without City Council approval.

Diverting food waste from landfills and creating compost 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 181-186 of Plan Cincinnati (2012).

The Administration recommends passage of this Ordinance.

cc: Andrew M. Dudas, Budget Director
Karen Alder, Finance Director



Attachment

AUTHORIZING the City Manager to apply for a Compost & Food Waste Reduction Grant (ALN 10.935) of up to \$400,000 from the United States Department of Agriculture for the purpose of diverting distressed food loads from landfills to food rescue organizations and creating composting infrastructure to divert food waste from landfills.

WHEREAS, a grant of up to \$400,000 is available from the United States Department of Agriculture through the Compost & Food Waste Reduction Grant Program (ALN 10.935); and

WHEREAS, the grant will provide resources to divert distressed food loads and food waste from landfills and to create composting infrastructure; and

WHEREAS, matching resources of 25 percent are anticipated to be provided by Last Mile Food Rescue and calculated by an approved and recognized value of food donated and rescued; and

WHEREAS, there are no new FTEs/full time equivalents associated with this grant; and

WHEREAS, to meet the grant application deadline of September 4, 2024, the City already applied for the grant, but no funds will be accepted without approval by Council; and

WHEREAS, diverting food waste from landfills and creating compost 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 181-186 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 authorized to apply for a Compost & Food Waste Reduction Grant (ALN 10.935) of up to \$400,000 from the United States Department of Agriculture for the purpose of diverting distressed food loads from landfills to food rescue organizations and creating composting infrastructure to divert food waste from landfills.

Section 2. That the proper City officials are authorized to do all things necessary and proper to carry out the terms of the grant and Section 1.

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

Passed: _____, 2024

Aftab Pureval, Mayor

Attest: _____
Clerk

September 5, 2024

To: Mayor and Members of City Council

From: Sheryl M. M. Long, City Manager

202401950

Subject: Ordinance – OES: USDN Resilience Hub Grant Application

Attached is an Ordinance captioned:

AUTHORIZING the City Manager to apply for a grant of up to \$30,000 from the Urban Sustainability Directors Network to perform a resilience hub assessment, prepare a resilience hub plan, and conduct an energy audit with solar assessment at the Urban League of Greater Southwest Ohio offices in the Avondale neighborhood.

Approval of this Ordinance authorizes the City Manager to apply for a grant of up to \$30,000 from the Urban Sustainability Directors Network (USDN) to perform a resilience hub assessment, prepare a resilience hub plan, and conduct an energy audit with solar assessment at the Urban League of Greater Southwest Ohio (ULGSO) offices in the Avondale neighborhood. The City served as the lead applicant for the grant, but the ULGSO and Groundwork Ohio will be sub-awardees of the grant.

A community codeveloped resilience hub assessment and plan would help meet the needs of Avondale residents by providing the next steps towards a solar array, a battery backup, energy efficiency upgrades, emergency preparedness, disaster recovery capabilities, job and life skills training, resource access, extreme heat and cold shelter, and connections to nature. A resilience hub could also improve social cohesion by serving as a safe gathering space and a point of community preparedness.

This grant does not require matching resources or new FTEs/full time equivalents.

The City already applied for the grant to meet the application deadline of August 15, 2024. However, no funds will be accepted without City Council approval.

Developing a resilience hub assessment and plan 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” and the “Collaborate” goal to “[s]peak in a unified voice with other entities to reach regional goals” and strategy to “[a]ctively coordinate our regional efforts” as described on pages 181-186 and 213-216 of Plan Cincinnati (2012).

The Administration recommends passage of this Ordinance.

cc: Andrew M. Dudas, Budget Director
Karen Alder, Finance Director



Attachment

AUTHORIZING the City Manager to apply for a grant of up to \$30,000 from the Urban Sustainability Directors Network to perform a resilience hub assessment, prepare a resilience hub plan, and conduct an energy audit with solar assessment at the Urban League of Greater Southwest Ohio offices in the Avondale neighborhood.

WHEREAS, a grant of up to \$30,000 is available from the Urban Sustainability Directors Network (“USDN”), under the Resilience Hub Fund for Resilient Power Systems, to perform a resilience hub assessment, prepare a resilience hub plan, and conduct an energy audit with solar assessment at the Urban League of Greater Southwest Ohio (“ULGSO”) offices in the Avondale neighborhood; and

WHEREAS, a community codeveloped resilience hub assessment and resilience hub plan would help meet the needs of Avondale residents by providing the next steps towards a solar array, a battery backup, energy efficiency upgrades, emergency preparedness, disaster recovery capabilities, job and life skills training, resource access, extreme heat and cold shelter, and connections to nature; and

WHEREAS, a resilience hub could also improve social cohesion by serving as a safe gathering space and a point of community preparedness; and

WHEREAS, acceptance of this grant requires no local matching funds, and no new FTEs/full time equivalents are associated with acceptance of this grant; and

WHEREAS, the City applied for this grant prior to the application deadline of August 15, 2024, but no grant funds will be accepted without approval by Council; and

WHEREAS, because the City is a member of USDN, it served as the lead applicant on the USDN grant application, but the ULGSO and Groundwork Ohio will serve as sub-awardees of the grant, if awarded; and

WHEREAS, developing a resilience hub assessment and plan 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” and the “Collaborate” goal to “[s]peak in a unified voice with other entities to reach regional goals” and strategy to “[a]ctively coordinate our regional efforts” as described on pages 181-186 and 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 authorized to apply for a grant of up to \$30,000 from the Urban Sustainability Directors Network to perform a resilience hub assessment, prepare a

resilience hub plan, and conduct an energy audit with solar assessment at the Urban League of Greater Southwest Ohio offices in the Avondale neighborhood.

Section 2. That the proper City officials are authorized to do all things necessary and proper to comply with the terms of the grant and Section 1.

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

Passed: _____, 2024

Aftab Pureval, Mayor

Attest: _____
Clerk

September 5, 2024

To: Mayor and Members of City Council

202401948

From: Sheryl M. M. Long, City Manager

Subject: Ordinance – FY 2024 Kevin and Avonte Program: Reducing Injury and Death of Missing Individuals with Dementia and Developmental Disabilities (RIDMIDD) Grant

Attached is an Ordinance captioned:

AUTHORIZING the City Manager to apply for, accept, and appropriate grant resources of up to \$150,000 from the U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Assistance, FY 2024 Kevin and Avonte Program: Reducing Injury and Death of Missing Individuals with Dementia and Developmental Disabilities (ALN 16.015), to expand the Cincinnati Police Department’s GRASP program and provide training to regional police and fire agencies; and **AUTHORIZING** the Director of Finance to deposit the grant funds into Law Enforcement Grant Fund 368x8553, project account no. 24RIDM.

This Ordinance authorizes the City Manager to apply for, accept, and appropriate grant resources of up to \$150,000 from the U.S. Department of Justice (DOJ), Office of Justice Programs (OJP), Bureau of Justice Assistance (BJA), FY 2024 Kevin and Avonte Program: Reducing Injury and Death of Missing Individuals with Dementia and Developmental Disabilities (ALN 16.015), to expand the Cincinnati Police Department’s (CPD) GRASP program and provide training to regional police and fire agencies. This Ordinance also authorizes the Director of Finance to deposit the grant funds into Law Enforcement Grant Fund 368x8553, project account no. 24RIDM.

The CPD GRASP program focuses on reducing injuries and death of missing individuals with dementia and developmental disabilities. The grant resources will allow CPD to increase awareness of at-risk populations and provide training to regional first responder agencies over a three-year period.

Acceptance of this grant requires no local matching funds, and no new FTEs/full time equivalents are associated with this grant.

The City applied for this grant prior to the deadline of July 25, 2024, but no grant funds will be accepted without approval by the City Council.

Acceptance of this grant is in accordance with the “Live” goal to “create a more livable community” as described on page 156 of Plan Cincinnati (2012).

The Administration recommends passage of this Ordinance.

cc: Andrew Dudas, Budget Director
Karen Alder, Finance Director



Attachment

AUTHORIZING the City Manager to apply for, accept, and appropriate grant resources of up to \$150,000 from the U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Assistance, FY 2024 Kevin and Avonte Program: Reducing Injury and Death of Missing Individuals with Dementia and Developmental Disabilities (ALN 16.015), to expand the Cincinnati Police Department’s GRASP program and provide training to regional police and fire agencies; and **AUTHORIZING** the Director of Finance to deposit the grant funds into Law Enforcement Grant Fund 368x8553, project account no. 24RIDM.

WHEREAS, a grant of up to \$150,000 is available from the U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Assistance, FY 2024 Kevin and Avonte Program: Reducing Injury and Death of Missing Individuals with Dementia and Developmental Disabilities (ALN 16.015) to provide funding to law enforcement and other public safety agencies to implement location tracking technologies to help find missing individuals and to develop or operate programs to prevent wandering, increase vulnerable individuals’ safety, and facilitate rescues; and

WHEREAS, the Cincinnati Police Department’s (“CPD”) GRASP program focuses on reducing injuries and deaths of missing individuals with dementia and developmental disabilities; and

WHEREAS, the grant resources will allow CPD to increase awareness of at-risk populations and provide training to regional first responder agencies over a three-year period; and

WHEREAS, acceptance of this grant requires no local matching funds, and no new FTEs/full time equivalents are associated with acceptance of this grant; and

WHEREAS, the City applied for this grant prior to the deadline of July 25, 2024, but no grant funds will be accepted without approval by Council; and

WHEREAS, acceptance of this grant is in accordance with the “Live” goal to “[c]reate a more livable community” as described on page 156 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 authorized to apply for, accept, and appropriate grant resources of up to \$150,000 from the U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Assistance, FY 2024 Kevin and Avonte Program: Reducing Injury and Death of Missing Individuals with Dementia and Developmental Disabilities (ALN 16.015), to expand the

Cincinnati Police Department's GRASP program and provide training to regional police and fire agencies.

Section 2. That the Director of Finance is authorized to deposit the grant funds into Law Enforcement Grant Fund 368x8553, project account no. 24RIDM.

Section 3. That the proper City officials are authorized to do all things necessary and proper to comply with the terms of this grant and Sections 1 and 2.

Section 4. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.

Passed: _____, 2024

Aftab Pureval, Mayor

Attest: _____
Clerk

September 5, 2024

To: Mayor and Members of City Council

202401949

From: Sheryl M. M. Long, City Manager

Subject: Emergency Ordinance – CMO: Budget Transfer for City Website Redesign

Attached is an Emergency Ordinance captioned:

AUTHORIZING the transfer and return of \$125,000 to source Fund 050, “General Fund,” from capital improvement program project account no. 980x101x231036, “Communication Equipment - GFCO”; and **AUTHORIZING** the transfer and appropriation of \$125,000 from the unappropriated surplus of the General Fund to the City Manager’s Office General Fund non-personnel operating budget account no. 050x101x7200 to provide resources for the redesign of the City’s official website.

Approval of this Emergency Ordinance authorizes the transfer and return to source of \$125,000 to the General Fund from capital improvement program project account no. 980x101x231036, “Communication Equipment – GFCO.” This Emergency Ordinance also authorizes the transfer and appropriation of \$125,000 from the unappropriated surplus of the General Fund to the City Manager’s Office General Fund non-personnel operating budget account no. 050x101x7200 to provide resources for the redesign of the City’s official website.

On October 19, 2022, the City Council passed Ordinance No. 0323-2022, the FY 2022 Carryover Ordinance, which established capital improvement program project account no. 980x101x231036, “Communication Equipment – GFCO,” and appropriated \$500,000 in General Fund resources to the project. The amount of \$125,000 is currently available in this project to redesign the City’s official website, but this requires \$125,000 to be returned to the General Fund and then appropriated to the City Manager’s Office General Fund non-personnel operating budget account no. 050x101x7200.

Redesigning the City’s official website is in accordance with the “Collaborate” goal to “[s]peak in a unified voice with other entities to reach regional goals” as described on page 213 of Plan Cincinnati (2012).

The reason for the emergency is the immediate need to provide resources for the redesign of the City’s official website

The Administration recommends passage of this Emergency Ordinance.

cc: Andrew M. Dudas, Budget Director
Karen Alder, Finance Director



Attachment

EMERGENCY

KKF

- 2024

AUTHORIZING the transfer and return of \$125,000 to source Fund 050, “General Fund,” from capital improvement program project account no. 980x101x231036, “Communication Equipment - GFCO”; and **AUTHORIZING** the transfer and appropriation of \$125,000 from the unappropriated surplus of the General Fund to the City Manager’s Office General Fund non-personnel operating budget account no. 050x101x7200 to provide resources for the redesign of the City’s official website.

WHEREAS, on October 19, 2022, Council approved Ordinance No. 323-2022, the FY 2022 Carryover Ordinance, which established capital improvement program project account no. 980x101x231036, “Communication Equipment – GFCO,” and appropriated \$500,000 in General Fund resources to the project; and

WHEREAS, there is \$125,000 currently available in capital improvement program project account no. 980x101x231036, “Communication Equipment – GFCO,” to redesign the City’s official website, but this requires \$125,000 to be returned to the unappropriated surplus of the General Fund and then appropriated to City Manager’s Office General Fund non-personnel operating budget account no. 050x101x7200; and

WHEREAS, redesigning the City’s official website is in accordance with the “Collaborate” goal to “[s]peak in a unified voice with other entities to reach regional goals” as described on page 213 of Plan Cincinnati (2012); now, therefore,

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

Section 1. That \$125,000 is transferred and returned to source Fund 050, “General Fund,” from capital improvement program project account no. 980x101x231036, “Communication Equipment – GFCO.”

Section 2. That \$125,000 is transferred and appropriated from the unappropriated surplus of Fund 050, “General Fund,” to City Manager’s Office General Fund non-personnel operating budget account no. 050x101x7200 to provide resources for the redesign of the City’s official website.

Section 3. That the proper City officials are authorized to do all things necessary and proper to carry out the terms of Sections 1 and 2.

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 provide resources for the redesign of the City's official website.

Passed: _____, 2024

Aftab Pureval, Mayor

Attest: _____
Clerk

September 5, 2024

202401943

To: Mayor and Members of City Council

From: Sheryl M. M. Long, City Manager

**Subject: Emergency Ordinance – Department of Public Services (DPS):
Appropriation of Obsolete Fleet Sales and Subrogation
Proceeds**

Attached is an Emergency Ordinance captioned:

AUTHORIZING the transfer and appropriation of \$178,977.20 from the unappropriated surplus of Miscellaneous Permanent Improvement Fund 757 to capital improvement program project account no. 980x981x232522, “Fleet Replacements – Obsolete,” to acquire automotive and motorized equipment funded by the sale and subrogation proceeds of obsolete automotive and motorized equipment.

This Emergency Ordinance authorizes the transfer and appropriation of \$178,977.20 from the unappropriated surplus of Miscellaneous Permanent Improvement Fund 757 to the existing capital improvement program project account no. 980x981x232522, “Fleet Replacements – Obsolete,” to acquire automotive and motorized equipment funded by the sale and subrogation proceeds of obsolete automotive and motorized equipment.

Between February 2024 and July 2025, the Department of Public Services collected \$178,977.20 from the disposal or auction of obsolete equipment and proceeds of subrogation payments for damage to City vehicles, which was deposited into Miscellaneous Permanent Improvement Fund 757.

Acquiring fleet replacements funded by the sale and subrogation proceeds of obsolete automotive and motorized equipment is in accordance with the “Sustain” goal to “[m]anage our financial resources” as described on pages 199-205 of Plan Cincinnati (2012).

The reason for the emergency is the immediate need to acquire necessary automotive and motorized equipment.

The Administration recommends passage of this Emergency Ordinance.

cc: Andrew M. Dudas, Budget Director
Karen Alder, Finance Director



Attachment

EMERGENCY

CNS

- 2024

AUTHORIZING the transfer and appropriation of \$178,977.20 from the unappropriated surplus of Miscellaneous Permanent Improvement Fund 757 to capital improvement program project account no. 980x981x232522, “Fleet Replacements – Obsolete,” to acquire automotive and motorized equipment funded by the sale and subrogation proceeds of obsolete automotive and motorized equipment.

WHEREAS, between February 2024 and July 2024, the Department of Public Services collected \$178,977.20 from the disposal or auction of obsolete equipment and proceeds of subrogation payments for damage to City vehicles, which was deposited in Miscellaneous Permanent Improvement Fund 757; and

WHEREAS, acquiring fleet replacements funded by the sale and subrogation proceeds of obsolete automotive and motorized equipment is in accordance with the “Sustain” goal to “[m]anage our financial resources” as described on pages 199-205 of Plan Cincinnati (2012); now, therefore,

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

Section 1. That the transfer and appropriation of \$178,977.20 from the unappropriated surplus of Miscellaneous Permanent Improvement Fund 757 to capital improvement program project account no. 980x981x232522, “Fleet Replacements – Obsolete,” is authorized to acquire automotive and motorized equipment funded by the sale and subrogation proceeds of obsolete automotive and motorized equipment.

Section 2. That the proper City officials are authorized to do all things necessary and proper to carry out the terms of Section 1.

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 the immediate need to acquire necessary automotive and motorized equipment.

Passed: _____ 2024

Aftab Pureval, Mayor

Attest: _____
Clerk

September 3, 2024

To: Members of the Budget and Finance Committee 202401953

From: Sheryl M. M. Long, City Manager

Subject: Emergency Ordinance – DCED: Blair Lofts Affordable Housing

Attached is an Emergency Ordinance captioned:

AUTHORIZING the transfer and appropriation of \$1,125,000 from the unappropriated surplus of Avondale Equivalent Fund 468 to Department of Community and Economic Development (“DCED”) non-personnel operating budget account no. 468x162x7200 to provide resources for the construction of affordable housing at property located at 548-588 Blair Avenue in Avondale; **AUTHORIZING** the transfer and appropriation of \$40,000 from the unappropriated surplus of Avondale Equivalent Fund 468 to DCED personnel operating budget account no. 468x162x7100 to provide staffing resources to support the construction of affordable housing at property located at 548-588 Blair Avenue in Avondale; and **DECLARING** that expenditures from DCED non-personnel operating budget account no. 468x162x7200 and from DCED personnel operating account no. 468x162x7100 relating to the construction of affordable housing at property located at 548-588 Blair Avenue in Avondale are for a public purpose and constitute a “Housing Renovation” (as defined in Section 5709.40(A)(3) of the Ohio Revised Code) that will benefit and/or serve the District 21-Avondale Incentive District, subject to compliance with Ohio Revised Code Sections 5709.40 through 5709.43.

Approval of this Emergency Ordinance authorizes the transfer and appropriation of \$1,125,000 from the unappropriated surplus of Avondale Equivalent Fund 468 to the DCED non-personnel operating budget account no. 468x162x7200 to provide resources for the construction of affordable housing at property located at 548-588 Blair Avenue in Avondale. Additionally, this Emergency Ordinance authorizes the transfer and appropriation of \$40,000 from the unappropriated surplus of Avondale Equivalent Fund 468 to DCED personnel operating budget account no. 468x162x7100 to provide staffing resources to support the construction of affordable housing at property located at 548-588 Blair Avenue in Avondale. Finally, this Emergency Ordinance declares the expenditures from non-personnel operating budget account no. 468x162x7200 and from DCED personnel operating budget account no. 468x162x7100 relating to the construction of affordable housing at property located at 548-588 Blair Avenue in Avondale are for a public purpose and constitute a “Housing Renovation” that will benefit and/or serve the District 21-Avondale Incentive District.

Blair Lofts Phase II is a proposed \$15.6 million new construction project consisting of approximately 55,000 square feet of residential space, comprised of 48 residential rental units in a single building located at 548-588 Blair Avenue in the Avondale neighborhood of Cincinnati (the “Project”).

Blair Lofts Phase II will be co-developed by Avondale Development Corporation and Kingsley and Company and will include a mixture of one-, two-, and three-bedroom units targeting households between 30%-60% Area Median Income (“AMI”), as established by the U.S. Department of Housing and Urban Development (HUD) and may be updated from time to time, with some units also affordable to households at 80% AMI.

Providing resources for the Project is in accordance with the “Live” goal to “[p]rovide a full spectrum of housing options, and improve housing quality and affordability” as described on page 164 of Plan Cincinnati (2012).

The reason for the emergency is the immediate need to make the resources available to the developer for the established sale closing deadline and to close the financing gap and mitigate rising Project construction costs, so the City can increase its stock of affordable housing units.

The Administration recommends passage of this Emergency Ordinance.

cc: Andrew M. Dudas, Budget Director
Karen Alder, Finance Director

Attachment



EMERGENCY

CNS

- 2024

AUTHORIZING the transfer and appropriation of \$1,125,000 from the unappropriated surplus of Avondale Equivalent Fund 468 to Department of Community and Economic Development (“DCED”) non-personnel operating budget account no. 468x162x7200 to provide resources for the construction of affordable housing at property located at 548-588 Blair Avenue in Avondale; **AUTHORIZING** the transfer and appropriation of \$40,000 from the unappropriated surplus of Avondale Equivalent Fund 468 to DCED personnel operating budget account no. 468x162x7100 to provide staffing resources to support the construction of affordable housing at property located at 548-588 Blair Avenue in Avondale; and **DECLARING** that expenditures from DCED non-personnel operating budget account no. 468x162x7200 and from DCED personnel operating account no. 468x162x7100 relating to the construction of affordable housing at property located at 548-588 Blair Avenue in Avondale are for a public purpose and constitute a “Housing Renovation” (as defined in Section 5709.40(A)(3) of the Ohio Revised Code) that will benefit and/or serve the District 21-Avondale Incentive District, subject to compliance with Ohio Revised Code Sections 5709.40 through 5709.43.

WHEREAS, Blair Lofts Phase II is a proposed \$15,600,000 new construction project consisting of approximately 55,000 square feet of residential space, comprised of 48 residential rental units in a single building located at 548-588 Blair Avenue in the Avondale neighborhood of Cincinnati (the “Project”); and

WHEREAS, the Project will be co-developed by Avondale Development Corporation and Kingsley and Company and will include a mixture of one-, two-, and three-bedroom units targeting households between thirty-sixty percent Area Median Income (“AMI”), as established by the U.S. Department of Housing and Urban Development and as may be updated from time to time, with some units also affordable to households at eighty percent AMI; and

WHEREAS, the Avondale Community Council issued a letter of support for affordable housing, dated November 21, 2023, for the use of \$1,100,000 from the Avondale Tax Increment Financing (“TIF”) District; and

WHEREAS, to finance the Project, Kingsley and Company will be committing its own equity, and further utilizing equity from Low Income Housing Tax Credits, a private loan, subordinate debt in the amount of \$600,000, a City Notice of Funding Availability (NOFA) award of \$600,000, and \$1,100,000 from the Avondale TIF district pursuant to this ordinance; and

WHEREAS, the Project also received awards from Cincinnati Development Fund (“CDF”), including \$1,050,000 in City of Cincinnati American Rescue Plan Act (“ARPA”) funding from the City’s Affordable Housing Leveraged Fund managed by CDF, and \$1,050,000 in Hamilton County ARPA funding; and

WHEREAS, providing resources for the Project is in accordance with the “Live” goal to “[p]rovide a full spectrum of housing options, and improve housing quality and affordability” as described on page 164 of Plan Cincinnati (2012); now, therefore,

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

Section 1. That the transfer and appropriation of \$1,125,000 from the unappropriated surplus of Avondale Equivalent Fund 468 to Department of Community and Economic Development (“DCED”) non-personnel operating budget account no. 468x162x7200 is authorized to provide resources for the construction of affordable housing at property located at 548-588 Blair Avenue in Avondale (the “Project”).

Section 2. That the transfer and appropriation of \$40,000 from the unappropriated surplus of Avondale Equivalent Fund 468 to DCED personnel operating budget account no. 468x162x7100 is authorized to provide staffing resources to support the Project.

Section 3. That Council declares that the expenditures from DCED non-personnel operating budget account no. 468x162x7200 and DCED personnel operating budget account no. 468x162x7100 relating to the Project are for a public purpose and constitute a “Housing Renovation” (as defined in Section 5709.40(A)(3) of the Ohio Revised Code) that will benefit and/or serve the District 21 - Avondale Incentive District, subject to compliance with Ohio Revised Code Sections 5709.40 through 5709.43.

Section 4. That the proper City officials are authorized to do all things necessary and proper to carry out the terms of Sections 1 through 3.

Section 5. 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 make the resources available to the developer for the established sale closing

deadline and to close the financing gap and mitigate rising Project construction costs, so the City can increase its stock of affordable housing units.

Passed: _____, 2024

Aftab Pureval, Mayor

Attest: _____
Clerk

September 5, 2024

To: Mayor and Members of City Council

From: Sheryl M.M. Long, City Manager

202401947

Subject: Emergency Ordinance – Approving and Authorizing CRA Tax Exemption Agreement with Supreme Bright Cincinnati, LLC

Attached is an Emergency Ordinance captioned:

APPROVING AND AUTHORIZING the City Manager to execute a Community Reinvestment Area Tax Exemption Agreement (LEED or Living Building Challenge) with Supreme Bright Cincinnati, LLC, thereby authorizing a fifteen-year tax exemption for 100 percent of the value of improvements made to real property located at 105 E. 4th Street in the Central Business District of Cincinnati, in connection with the remodeling of an existing building into (i) approximately 490,789 square feet of commercial space, consisting of an approximately 280-room hotel with meeting and ballroom space, and a restaurant/bar; and (ii) approximately 27,936 square feet of residential space, consisting of approximately sixteen residential rental units, which remodeling shall be completed in compliance with Leadership in Energy and Environmental Design Silver, Gold, or Platinum standard or Living Building Challenge standards, at a total construction cost of approximately \$102,000,000.

STATEMENT

HOTELS: The addition of these hotel rooms will relieve Cincinnati’s existing and worsening hotel demand issue; a healthy hotel room supply benefits residents by increasing tourist’s spending within city-limits instead of regional alternatives and decreasing necessity for the widespread proliferation of short-term-rentals (STR), ultimately allowing for more STR to long-term housing conversion.

BACKGROUND/CURRENT CONDITIONS

In 2018, Supreme Bright Cincinnati, LLC (“the Developer”) applied for and was granted a 15-year, net 60% LEED CRA for a hotel project at 105 E. 4th Street in the Central Business District. The property is commonly known as the Fourth and Walnut Centre. As originally proposed, the project would’ve resulted in a 349-room, dual-brand Canopy & IHG Hotel, along with a 135,315 sq. ft. parking garage. The proposed total project cost was around \$67 million and would’ve resulted in the creation of 116 permanent jobs at \$3 million in annual payroll.

Due to rising construction costs, the COVID-19 pandemic, and issues with financing, the Developer was unable to commence construction on the project in a timely manner. The City granted the Developer multiple extensions on the project completion deadline, but ultimately opted to move for mutual termination of the CRA agreement in July of 2023. A termination agreement for the 2018 CRA was executed in July of 2024.

Both the City and the Developer have remained committed to the project, however. The Developer re-engaged DCED in late 2023 with revised project plans and applied for a new CRA tax abatement. DCED has worked closely with the Developer throughout the review process to ensure the project is well-positioned to move forward.

The Developer now intends to deliver a 280-room luxury hotel at a total project cost of \$174 million. As proposed, the project will include a Presidential Suite, two Junior Suites, 11 Single Bedroom Suites, a 13,500 square foot ballroom, a three-meal restaurant and bar that will be accessible to the public, a 244-stall parking garage, and 16 high-end multifamily residential units.

DEVELOPER INFORMATION

Supreme Bright Cincinnati, LLC is a subsidiary of NewcrestImage, a premier hotel investment firm operating out of Grapevine, Texas. NewcrestImage was established in 2013 following the merger of two family-owned companies, newcrest Management and Image Hospitality. NewcrestImage is led by Mehul Patel, who built the firm from the ground up upon immigrating to the United States in 1990. To date, the company has handled over 270 hospitality transactions, valued at more than \$2.7 billion. The firm continues to grow and has acquired 75 hotels in the last year alone.

Examples of projects completed by NewcrestImage include the AC Hotel/Residence Inn by Marriott Dallas, located at 1712 Commerce Street in Dallas, Texas, and the Hampton Inn & Suites Downtown Dallas, located at 1700 Commerce Street. Both projects included the adaptive reuse of historic structures.

RECOMMENDATION

The Administration recommends approval of this Emergency Ordinance.

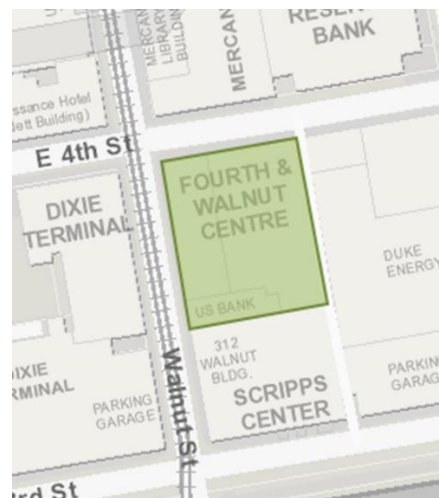
Attachment: Project Outline and Proposed Incentive

Copy: Markiea L. Carter, Director, Department of Community & Economic Development

Project Outline

Project Name	Fourth and Walnut Centre
Street Address	105 E. 4 th Street
Neighborhood	Downtown
Property Condition	Primarily Vacant Building
Project Type	Renovation
Project Cost	Hard Construction Costs: \$117,908,342 Acquisition Costs: \$19,674,634 Soft Costs: \$37,129,604 Total Project Cost: \$174,712,580
Private Investment	Private Financing: approx. \$88,431,256 or 75% of total construction costs Developer Equity: approx. \$40,300,081
Sq. Footage by Use	Commercial (Hotel): 490,789 SF Residential: 27,936 SF
Number of Units and Rent Ranges	280 Hotel Rooms; Avg. Daily Rate \$298.56 - Includes 1 Presidential Suite, 2 Junior Suites, and 11 Singel Bedroom Suites 16 2-BR Units; Rent Range \$4,466/month
Median 1-BD Rent Affordable To	Salary: \$178,640 City Job Classification: City Manager, Dental Director
Jobs and Payroll	Created FTE Positions: 381 Total Payroll for Created FTE Positions: \$19,570,624 Average Salary for Created FTE Positions: \$51,366 Construction FTE Positions: 498 Total Payroll for Construction FTE Positions: \$27.4 MM
Location and Transit	Located within the Central Business District Walk Score: 97 Transit Score: 80 Bike Score: 57
Community Engagement	None
Plan Cincinnati Goals	Compete Initiative Area Goal 2 (p. 114-120), Sustain Initiative Area Goal 2 (p.193-198)

Project Image and Site Map



Proposed Incentive

Incentive Terms	15-year, net 52%
Incentive Application Process	LEED Commercial CRA – Downtown Streetcar Area
“But For”	Y5 Without Abatement: 11% rate of return (stabilized) Y5 With Abatement: 14% rate of return (stabilized)
Environmental Building Certification	LEED Silver
VTICA	Streetcar VTICA – 15%
SBE/MBE/WBE Goals	SBE Goal of 30%

Potential Taxes Forgone & Public Benefit

Taxes Forgone	Value
Annual Net Incentive to Developer	\$924,687
Total Term Incentive to Developer	\$13,870,305
City's Portion of Property Taxes Forgone (Term)	\$3,748,486
City's TIF District Revenue Forgone (Term)	\$0

Public Benefit	Value	
CPS PILOT	Annual	\$586,821
	Total Term	\$8,802,309
VTICA	Annual	\$266,737
	Total Term	\$4,001,050
Income Tax Total Term (Maximum)	\$6,272,044	
Total Public Benefit (CPS PILOT, VTICA, Income Tax)	\$19,075,403	

Total Public Benefit ROI*	\$1.38
City's ROI**	\$1.67

* This figure represents the total dollars returned for public purposes (City/Schools/Other) over the benefit received.

**This figure represents the total dollars returned for City/ over the City's property taxes forgone.

For Reference: 2024 Cincinnati MSA Area Median Income Limits

AMI	1	2	3	4	5	6	7	8
30%	\$22,050	\$25,200	\$28,350	\$31,450	\$34,000	\$36,500	\$39,000	\$41,550
50%	\$36,700	\$41,950	\$47,200	\$52,400	\$56,600	\$60,800	\$65,000	\$69,200
60%	\$44,040	\$50,340	\$56,640	\$62,880	\$67,920	\$72,960	\$78,000	\$83,040
80%	\$58,700	\$67,100	\$75,500	\$83,850	\$90,600	\$97,300	\$104,000	\$110,700

EMERGENCY

EVK

- 2024

APPROVING, AND AUTHORIZING the City Manager to execute a Community Reinvestment Area Tax Exemption Agreement (LEED or Living Building Challenge) with Supreme Bright Cincinnati, LLC, thereby authorizing a fifteen-year tax exemption for 100 percent of the value of improvements made to real property located at 105 E. 4th Street in the Central Business District of Cincinnati, in connection with the remodeling of an existing building into (i) approximately 490,789 square feet of commercial space, consisting of an approximately 280-room hotel with meeting and ballroom space, and a restaurant/bar; and (ii) approximately 27,936 square feet of residential space consisting of approximately sixteen residential rental units, which remodeling shall be completed in compliance with Leadership in Energy and Environmental Design Silver, Gold, or Platinum standards or Living Building Challenge standards, at a total remodeling cost of approximately \$102,000,000.

WHEREAS, to encourage the development of real property and the acquisition of personal property, Council by Ordinance No. 274-2017 passed on September 27, 2017, designated the area within the corporate boundaries of the City of Cincinnati as a “Community Reinvestment Area” pursuant to Ohio Revised Code (“R.C.”) Sections 3735.65 through 3735.70 (the “Statute”); and

WHEREAS, Ordinance No. 275-2017 passed by Council on September 27, 2017, as amended by Ordinance No. 339-2018, passed by Council on October 31, 2018, (as amended, the “Commercial Policy Ordinance”), sets forth certain additional policies, conditions, and limitations regarding newly constructed or remodeled commercial and residential structures in the Community Reinvestment Area; and

WHEREAS, to encourage the development of real property in a more environmentally-friendly manner, the Commercial Policy Ordinance incentivizes: (i) construction and remodeling to Leadership in Energy and Environmental Design (“LEED”) standards (as defined by the U.S. Green Building Council); and (ii) construction and remodeling that obtains (a) Living Building Challenge Net Zero certification, (b) Living Building Challenge Full certification, or (c) solely in circumstances where the construction or remodeling complies with the requirements of the “Energy Petal” of the Living Building Challenge, Living Building Challenge Petal certification, in each case as defined by the International Living Future Institute and the Cascadia Green Building Council (collectively, “LBC” standards), all pursuant to the Statute; and

WHEREAS, effective October 23, 2017, the Director of Development of the State of Ohio determined that the area within the corporate boundaries of the City of Cincinnati contains the characteristics set forth in the Statute and confirmed such area as a Community Reinvestment Area under the Statute; and

WHEREAS, Supreme Bright Cincinnati, LLC (the “Company”) desires to remodel an existing building into (i) approximately 490,789 square feet of commercial space, consisting of an approximately 280-room hotel with meeting and ballroom space, and a restaurant/bar; and (ii) approximately 27,936 square feet of residential space consisting of approximately sixteen residential rental units on real property at 105 E. 4th Street located within the corporate boundaries of the City of Cincinnati, to LEED or LBC standards (the “Improvements”), provided that the appropriate development incentives are available to support the economic viability of the Improvements; and

WHEREAS, to provide an appropriate development incentive for the Improvements, the City Manager has recommended a Community Reinvestment Area Tax Exemption Agreement (LEED or Living Building Challenge), in substantially the form of Attachment A to this ordinance, to authorize a real property tax exemption for the Improvements in accordance with the Statute; and

WHEREAS, the property is located within the Cincinnati City School District; and

WHEREAS, the Board of Education of the Cincinnati City School District (the “Board of Education”), pursuant to that certain Tax Incentive Agreement effective as of April 28, 2020 (as may be amended, the “Board of Education Agreement”), has approved exemptions of up to 100 percent of Community Reinvestment Area projects, waived advance notice and the right to review such projects, and waived sharing or allocation of municipal income taxes in connection with such projects; and

WHEREAS, pursuant to the Board of Education Agreement, the Company has entered into (or will enter into) an agreement with the Board of Education requiring the Company to pay the Board of Education amounts equal to 33 percent of the exempt real property taxes; and

WHEREAS, the City’s Department of Community and Economic Development estimates that the real property tax exemption for the Improvements will provide an annual net benefit to the Company in the amount of approximately \$924,687; and

WHEREAS, the Company has represented that it has entered into (or will enter into) a voluntary tax incentive contribution agreement with a third-party organization for amounts equal to fifteen percent of the exempt real property taxes, which funds shall be committed by the third-party organization to support the streetcar that specially benefits the property; and

WHEREAS, the Improvements do not involve relocation of part or all of the Company’s operations from another county or municipal corporation in Ohio or, if there is relocation, notice has been given per R.C. Section 3735.673; now, therefore,

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

Section 1. That Council approves a Community Reinvestment Area Tax Exemption Agreement (LEED or Living Building Challenge) with Supreme Bright Cincinnati, LLC (the “Agreement”), thereby authorizing a fifteen-year tax exemption for 100 percent of the assessed value of improvements to be made to real property located at 105 E. 4th Street in Cincinnati, as calculated by the Hamilton County Auditor, in connection with the remodeling of an existing building into (a) approximately 490,789 square feet of commercial space, consisting of an approximately 280-room hotel with meeting and ballroom space, and a restaurant/bar, and (b) approximately 27,936 square feet of residential space consisting of approximately sixteen residential rental units, to be constructed in compliance with Leadership in Energy and Environmental Design Silver, Gold, or Platinum standards (as defined by the U.S. Green Building Council) or Living Building Challenge standards (as described in the Agreement and as determined by the International Living Future Institute and the Cascadia Green Building Council, as applicable) at a total remodeling cost of approximately \$102,000,000.

Section 2. That Council authorizes the City Manager:

- (i) to execute the Agreement on behalf of the City of Cincinnati (the “City”) in substantially the form of Attachment A to this ordinance;
- (ii) to submit on behalf of Council annual reports on the Agreement to the Director of the Ohio Department of Development, in accordance with Ohio Revised Code Section 3735.672, and to the Board of Education of the Cincinnati City School District, as necessary; and
- (iii) to take all necessary and proper actions to fulfill the City’s obligations under the Agreement.

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 the immediate need to allow the remodeling described in this ordinance and the

corresponding revitalization of the City of Cincinnati and the benefits to the City's economic welfare to begin at the earliest possible time.

Passed: _____, 2024

Aftab Pureval, Mayor

Attest: _____
Clerk

Community Reinvestment Area Tax Exemption Agreement
(LEED or Living Building Challenge)

This Community Reinvestment Area Tax Exemption Agreement (this “Agreement”) is made and entered into as of the Effective Date (as defined on the signature page hereof) by and between the CITY OF CINCINNATI, an Ohio municipal corporation (the “City”), and SUPREME BRIGHT CINCINNATI, LLC, a Delaware limited liability company (the “Company”).

Recitals:

- A. The City, through the adoption of Ordinance No. 274-2017 on September 27, 2017, designated the entire City of Cincinnati as a Community Reinvestment Area to encourage the development of real property and the acquisition of personal property in that area, pursuant to Ohio Revised Code Sections 3735.65 through 3735.70 (the “Statute”).
- B. In accordance with the Statute, the Ohio Director of Development has forwarded to the City the Director’s determination dated October 23, 2017, stating that the findings contained in Ordinance No. 274-2017 are valid and that the entire City is a Community Reinvestment Area under the Statute. By such determination, the Director of Development of the State of Ohio determined that the area within the corporate boundaries of the City of Cincinnati contains the characteristics set forth in the Statute and confirmed such area as a Community Reinvestment Area under the Statute.
- C. The Council of the City of Cincinnati has also passed Ordinance No. 275-2017 as of September 27, 2017, as amended by Ordinance No. 339-2018, passed on October 31, 2018, Ordinance No. 370-2020, passed on November 12, 2020, Ordinance No. 24-2022, passed on February 2, 2022, and Ordinance No. 28-2024, passed on January 31, 2024 (as amended, the “Commercial Policy Ordinance”), which sets forth certain additional policies, conditions and limitations regarding newly constructed or remodeled commercial and residential structures in the Community Reinvestment Area.
- D. Pursuant to the Commercial Policy Ordinance, a project that is constructed or remodeled to (1) Leadership in Energy and Environmental Design (“LEED”) Silver, Gold or Platinum standards (as defined by the U.S. Green Building Council), or (2) receives a (a) Living Building Challenge Net Zero certification, (b) Living Building Challenge Full certification, or (c) solely in circumstances where the construction or remodeling complies with the requirements of the “Energy Petal” of the Living Building Challenge, Living Building Challenge Petal certification, in each case as defined by the International Living Future Institute and the Cascadia Green Building Council (such qualifying remodeling or construction is referred to, collectively, as “LBC” remodeling or construction), may qualify for a longer term and/or greater abatement.
- E. The Company is the sole owner of certain real property within the City, located at 105 E. 4th Street, Cincinnati, Ohio 45202 (the “Property”), as further described in Exhibit A (Legal Description of Property) hereto. Notwithstanding the foregoing, the Property shall not include any residential condominiums being developed in connection with the Project (as defined below) (the “Excluded Property”), and the Company acknowledges and agrees that the City’s Community Reinvestment Area program entails separate applications by the owner of any residential condominium units included within the Project. For the avoidance of doubt, the Excluded Property shall not be exempt under this Agreement; however, this provision shall not be deemed to prohibit any owners from time to time of any Excluded Property from separately applying for a tax abatement in accordance with applicable law.
- F. The Company has proposed the remodeling of a building located on the Property to LBC standards or LEED Silver, Gold or Platinum standards, as defined by the U.S. Green Building Council, within the boundaries of the City of Cincinnati, as more fully described in Section 1 herein (the “Project”); provided that the appropriate development incentives are available to support the economic viability of the Project.

- G. The Statute provides that if any part of a project is to be used for commercial or industrial purposes, including projects containing five or more dwelling units, in order to be eligible for tax exemption the City and the Company must enter into an agreement pursuant to Ohio Revised Code Section 3735.671 prior to commencement of construction or remodeling.
- H. The City, having appropriate authority under the Statute for this type of project, agrees (as provided herein and subject to all conditions herein) to provide the Company with the tax exemption incentives stated herein, available under the Statute, for development of the Project.
- I. The Company has submitted to the City an application for this tax exemption agreement (the "Application"), a copy of which is attached hereto as Exhibit B, has remitted with the Application the City application fee of One Thousand Two Hundred Fifty Dollars (\$1,250) made payable to the City.
- J. The Director of the City's Department of Community and Economic Development has recommended approval of the Application on the basis that the Company is qualified by financial responsibility and business experience to create and preserve employment opportunities and improve the economic climate of the City.
- K. The Board of Education of the Cincinnati City School District (the "Board of Education"), pursuant to that certain *Tax Incentive Agreement* effective as of April 28, 2020, has approved exemptions of up to one hundred percent (100%) of Community Reinvestment Area projects, waived advance notice and right to review such projects, and waived sharing or allocation of municipal income taxes in connection with such projects.
- L. The Company has entered into (or will enter into) an agreement with the Board of Education requiring the Company to pay the Board of Education amounts equal to thirty-three percent (33%) of the full amount of exempt real property taxes that would have been paid to Hamilton County if this Agreement were not in effect (the "Board of Education Agreement").
- M. The Company represents and warrants to the City that the Company and its major tenants, if any, do not intend to relocate part or all of their operations to the City from another county or municipal corporation in the State of Ohio (the "State").
- N. The Company represents that within the past three (3) years neither the Company, any related member of the Company, nor any entity to which the Company is a successor has discontinued operations at a project site in the State during the term of a property tax exemption agreement (under Ohio Revised Code Section 3735.671, 5709.62, 5709.63 or 5709.632) applicable to that site, and the Company acknowledges that misrepresentation hereunder will result in voiding of this Agreement.
- O. The Company represents and warrants to the City that the Company is not subject to an Enterprise Zone Agreement with the City of Cincinnati for the Property or the Project.
- P. City Council passed (i) Motion No. 201401368 on November 19, 2014, establishing a tax incentive policy that incentivizes each applicant for a real property tax abatement in the neighborhoods of Downtown and OTR to enter into a voluntary tax incentive contribution agreement with a third-party organization ("VTICA") for an amount equal to a percentage of the real property taxes that would have been payable on the abated property but for the City-authorized tax abatement (the "VTICA Contribution"), which funds shall be committed by a third-party organization to support the streetcar that specially benefits the abated property, and (ii) Motion No. 201501592 on December 16, 2015, which established that the VTICA Contribution to be recognized by the Director of the Department of Community and Economic Development is 15% of the real property taxes that would have been payable on the abated property but for the City-authorized tax abatement. The Commercial Policy Ordinance confirmed that such motions have not been superseded and remain the will of Council.

- Q. The Company acknowledges that the Streetcar will specially benefit the Project due to (a) the Streetcar's enhancement of public transit options in such neighborhoods and (b) the anticipated increase in property values attributable to public investment in Streetcar infrastructure.
- R. The Company represents and warrants to the City that the Company has entered or will enter into a VTICA and shall pay the VTICA Contribution each year for the full term of the abatement.
- S. This Agreement has been authorized by Ordinance No. _____-2024, passed by Cincinnati City Council on _____, 2024.
- T. In determining to recommend and authorize this Agreement, the Department of Community and Economic Development and City Council, respectively, have acted in material reliance on the Company's representations in the Application and herein regarding the Project including, but not limited to, representations relating to the number of jobs to be created and/or retained by the Company, the Board of Education Agreement, the VTICA Contribution, and the Project's effect in promoting the general welfare of the people of Cincinnati by, for example, encouraging the development of real property located in the Community Reinvestment Area and thereby promoting economic growth and vitality in Cincinnati.

NOW, THEREFORE, pursuant to Ohio Revised Code Section 3735.67(A) and in conformity with the format required under Ohio Revised Code Section 3735.671, in consideration of the mutual covenants contained herein and the benefit to be derived by the parties from the execution hereof, the parties agree as follows:

Section 1. Project. Upon issuance of the necessary zoning and building approvals, the Company agrees to remodel the existing building into approximately 490,789 square feet of commercial space consisting of an approximately 280-room hotel with meeting and ballroom space, and a restaurant/bar, and approximately 27,936 square feet of residential space consisting of 16 multi-family units on the Property (the "Improvements") at an estimated aggregate cost of \$102,000,000 to commence after the execution of this Agreement and to be completed no later than March 31, 2027; *provided*, however, that the Director of the Department of Community and Economic Development (the "Housing Officer") may, in his or her discretion, extend such deadline for a period of up to 12 months by written notice if, in the Director's judgment, the Company is proceeding in good faith towards completion. The remodeling shall be in compliance with applicable building code and zoning regulations, as well as complying with LBC standards or LEED Silver, Gold or Platinum standards, as defined by the U.S. Green Building Council. The Company hereby represents that either or both of the following clauses (a) and (b) are true: (a) it has registered with the U.S. Green Building Council with intent to certify compliance with LEED Silver, Gold or Platinum standards, or (b) it has registered with the International Living Future Institute and/or the Cascadia Green Building Council with intent to certify compliance with LBC standards. In addition to the foregoing, (A) the Project shall comply with the Americans with Disabilities Act, together with any and all regulations or other binding directives promulgated pursuant thereto (collectively, the "**ADA**"), and (B) if (i) any building(s) within the Project is subject to the accessibility requirements of the ADA (e.g., by constituting a "place of public accommodation" or another category of structure to which the ADA is applicable) and (ii) such building(s) is not already required to meet the Contractual Minimum Accessibility Requirements (as defined below) pursuant to the ADA, applicable building code requirements, or by any other legal requirement, then the Company shall cause such building(s) to comply with the Contractual Minimum Accessibility Requirements in addition to any requirements pursuant to the ADA and the applicable building code or legal requirement. As used herein, "**Contractual Minimum Accessibility Requirements**" means that a building shall, at a minimum, include (1) at least one point of entry (as used in the ADA), accessible from a public right of way, with respect to which all architectural barriers (as used in the ADA) to entry have been eliminated, and (2) if such accessible point of entry is not a building's primary point of entry, conspicuous signage directing persons to such accessible point of entry.

Section 2. Real Property Tax Exemption. Subject to the satisfaction of the conditions set forth in this Agreement, the City approves exemption from real property taxation, pursuant to and to the fullest extent authorized by the Statute, of 100% of the amount by which the Improvements increase the assessed

value of the Property as determined by the Hamilton County Auditor, for a period of 15 years, provided that the Company shall have entered into the Board of Education Agreement. Within 120 days after completion of the Project (unless otherwise extended in writing by the City's Housing Officer), the Company must file the appropriate application for tax exemption with the City's Housing Officer. The Company is solely responsible to take this action. Upon receipt of the application for tax exemption, the City will proceed with the exemption authorized by this Agreement. In accordance with Ohio Revised Code Section 3735.67, the exemption is conditioned on verification by the Housing Officer of (A) the completion of remodeling, (B) the cost of remodeling, (C) the facts asserted in the application for exemption, (D) compliance with LBC standards or LEED Silver, Gold or Platinum standards, as defined by the U.S. Green Building Council, and (E) if a remodeled structure is a structure of historical or architectural significance as designated by the City, state or federal government, that the appropriateness of the remodeling has been certified in writing by the appropriate agency. If the required verification is made, the Housing Officer will forward the exemption application to the Hamilton County Auditor with the necessary certification by the Housing Officer. Subject to the conditions set forth in this Agreement, the exemption commences the first tax year for which the Improvements would first be taxable were the Improvements not exempted from taxation. The dates provided in this paragraph refer to tax years in which the subject property is assessed, as opposed to years in which taxes are billed. No exemption shall commence after tax year 2028 nor extend beyond the earlier of (i) tax year 2042 or (ii) the end of the fifteenth (15th) year of exemption.

Section 3. Use; Maintenance; Inspections. The Company shall use the Property solely for the purposes described in Section 1 hereof and shall properly maintain and repair the Property throughout the period of tax exemption authorized herein. The Company authorizes the Housing Officer, or the Housing Officer's designees, to enter upon the Property as reasonably required to perform property inspections in accordance with Ohio Revised Code Section 3735.68.

Section 4. Compliance with Board of Education Agreement. As a condition of the tax exemption authorized under this Agreement, the Company agrees to enter into and comply with its obligation under the Board of Education Agreement.

Section 5. Duty of Company to Pay Taxes. As required by Ohio Revised Code Section 3735.671(B)(3), the Company shall pay such real property taxes as are not exempted under this Agreement and are charged against the Property and shall file all tax reports and returns as required by law. If the Company fails to pay such taxes or file such returns and reports, exemptions from taxation granted or authorized under this Agreement are rescinded beginning with the year for which such taxes are charged or such reports or returns are required to be filed and continuing thereafter.

Section 6. Company Certifications Regarding Non-Delinquency of Tax Obligations. As required by Ohio Revised Code Section 3735.671(B)(4), the Company certifies that at the time this Agreement is executed, the Company does not owe any delinquent real or tangible personal property taxes to any taxing authority of the State, and does not owe delinquent taxes for which the Company is liable under Ohio Revised Code Chapters 5735, 5739, 5741, 5743, 5747 or 5753, or if such delinquent taxes are owed, the Company currently is paying the delinquent taxes pursuant to an undertaking enforceable by the State or an agent or instrumentality thereof, has filed a petition in bankruptcy under 11 U.S.C. §101, et seq., or such a petition has been filed against the Company. For the purposes of this certification, delinquent taxes are taxes that remain unpaid on the latest day prescribed for payment without penalty under the chapter of the Ohio Revised Code governing payment of those taxes.

Section 7. Covenant of Satisfaction of Tax and Other Obligations. In accordance with Ohio Revised Code Section 9.66, (A) the Company affirmatively covenants that it does not owe: (i) any delinquent taxes to the State or to a political subdivision of the State; (ii) any moneys to the State or a State agency for the administration or enforcement of any environmental laws of the State; or (iii) any other moneys to the State, a State agency or a political subdivision of the State that are past due, regardless of whether the amounts owed are being contested in a court of law or not; (B) the Company authorizes the City and/or the State to inspect the personal financial statements of the Company, including tax records and other similar information not ordinarily open to public inspection; and (C) the Company authorizes the Ohio Environmental Protection Agency and the Ohio Department of Taxation to release information to the City

and or other State departments in connection with the above statements. As provided by statute, a knowingly false statement under this section may be prosecuted as a first degree misdemeanor under Ohio Revised Code Section 2921.13, may render the Company ineligible for any future economic development assistance from the State or any political subdivision of the State, and will result in the City requiring the Company's repayment of any assistance provided by the City in connection with the Project.

Section 8. City Cooperation. As required by Ohio Revised Code Section 3735.671(C)(4), upon specific request from the Company, the City shall perform such acts as are reasonably necessary or appropriate to effect, claim, reserve and maintain exemptions from taxation granted under this Agreement including, without limitation, joining in the execution of all documentation and providing any necessary certificates required in connection with such exemptions.

Section 9. Continuation of Exemptions. As provided in Ohio Revised Code Section 3735.671(B)(7), if for any reason the City revokes the designation of the City of Cincinnati as a Community Reinvestment Area, entitlements granted under this Agreement shall continue for the number of years specified under this Agreement, unless the Company materially fails to fulfill its obligations under this Agreement and the City terminates or modifies the exemptions from taxation authorized pursuant to this Agreement.

Section 10. City Not Liable. The Company acknowledges that the exemption authorized in this Agreement is subject to approval and implementation by the appropriate state and/or county taxing authorities. The Company acknowledges that the City does not give any guarantee or assurance that the exemption approved in this Agreement will be so approved, and the Company agrees that in no event shall the Company seek to hold the City liable in any way in the event such exemption is not granted or implemented.

Section 11. Small Business Enterprise Program.

A. Compliance with Small Business Enterprise Program. The policy of the City is that a fair share of contracts be awarded to Small Business Enterprises (as such term is defined in Cincinnati Municipal Code ("CMC") Section 323-1-S, "SBEs"). Pursuant to CMC Section 323-11, the City's annual goal for SBE participation shall be thirty percent (30%) of the City's total dollars spent for construction (as such term is defined in CMC Section 323-1-C4), supplies (as such term is defined in CMC Section 323-1-S5), services (as such term is defined in CMC Section 323-1-S) and professional services (as such term is defined in CMC Section 323-1-P2). Accordingly, the Company shall use its best efforts and take affirmative steps to achieve the City's goal of voluntarily meeting thirty percent (30%) SBE participation. A list of SBEs may be obtained from the City's Department of Economic Inclusion. The Company may refer interested firms to the City's Department of Economic Inclusion for review and possible certification as an SBE. The Company shall comply with the provisions of CMC Chapter 323, including without limitation taking at least the following affirmative steps:

- (i) Including qualified SBEs on solicitation lists.
- (ii) Assuring that SBEs are solicited whenever they are potential sources. The Company must advertise, on at least two separate occasions, both in local minority publications and in other local newspapers of general circulation, invitations to SBEs to provide services, to supply materials, or to bid on construction contracts, as applicable.
- (iii) When economically feasible, dividing total requirements into small tasks or quantities so as to permit maximum SBE participation.
- (iv) If any subcontracts are to be let, the Company shall require the prime contractor (if different from the Company) to take the above affirmative steps.
- (v) Prior to the commencement of work under any subcontracts, the Company shall provide to the City a list of such subcontractors, including information as to the dollar amount of the subcontracts and such other information as may be requested by the City. The Company shall update the report monthly.

(vi) The Company shall periodically document its best efforts and affirmative steps to meet the above SBE participation goals by submitting such information as may be requested from time to time by the City.

B. Remedies for Noncompliance with Small Business Enterprise Program. Failure of the Company or its contractors and subcontractors to take the affirmative steps specified above, to provide fair and equal opportunity to SBEs, or to provide technical assistance to SBEs as may be necessary to reach SBE participation as set out in CMC Chapter 323 may be construed by the City as failure of the Company to use its best efforts, and, in addition to other remedies under this Agreement, may be a cause for the City to file suit in Common Pleas Court to enforce specific performance of the terms of this Section. The provisions of CMC Section 323-99 are hereby incorporated by reference into this Agreement.

Section 12. Jobs. The Company represents that, as of the date of the execution of this Agreement, the Company has no existing employment at the Property or in the State.

Section 13. Job Creation and Retention.

A. Jobs to be Created by Company. The Company agrees to use its best efforts to create (i) 381 full-time permanent jobs and (ii) 498 full-time temporary construction jobs, at the Property in connection with the Project. In the case of the construction jobs, the job creation and retention period shall be concurrent with remodeling, and in the case of the other jobs described herein, the job creation period shall begin upon completion of remodeling and shall end three (3) years thereafter.

B. Company's Estimated Payroll Increase. The Company's increase in the number of employees will result in approximately (i) \$19,570,624 of additional annual payroll with respect to the full-time permanent jobs and (ii) \$27,443,764 of additional annual payroll prior to the completion of the Project with respect to the full-time temporary construction jobs.

C. Community Reinvestment Area Employment. The Company shall (i) adopt hiring practices to ensure that at least twenty-five percent (25%) of the new employees shall be residents of the City of Cincinnati and (ii) give preference to residents of the City relative to residents of the State who do not reside in the City when hiring new employees under this Agreement.

D. Posting Available Employment Opportunities. To the extent allowable by law, the Company shall use its best efforts to post available employment opportunities within the Company's organization or the organization of any subcontractor working with the Company with the Ohio Means Jobs Center, 1916 Central Parkway, Cincinnati, Ohio 45214-2305, through its Employer Services Unit Manager at 513-746-7200.

Section 14. Equal Employment Opportunity. This Agreement is subject to the City's Equal Employment Opportunity Program contained in CMC Chapter 325. The Equal Employment Opportunity Clause in CMC Section 325-9 is incorporated by reference in this Agreement. The term "Company" is substituted for "Contractor" throughout CMC Section 325-9 in the context of this Agreement.

Section 15. Compliance with Immigration and Nationality Act. In the performance of its obligations under this Agreement, the Company agrees to comply with the provisions of the Immigration and Nationality Act codified at 8 U.S.C. §§ 1324a(a)(1)(A) and (a)(2). Any noncompliance with such provisions shall be solely determined by either the federal agencies authorized to enforce the Immigration and Nationality Act or the U.S. Attorney General, in accordance with Executive Order 12989 of the U.S. President dated February 13, 1996, and as amended by Executive Order 13465 of the U.S. President dated June 6, 2008.

Section 16. Default. As provided in Ohio Revised Code Section 3735.671(B)(7), if the Company materially fails to fulfill its obligations under this Agreement, or if the City determines that the

certification as to delinquent taxes required by this Agreement (Section 6 hereof) or the covenant of satisfaction of tax and other obligations (Section 7 hereof) is fraudulent, the City may terminate or modify the exemptions from taxation granted or authorized under this Agreement and may require the repayment by the Company of the amount of taxes that would have been payable had the Improvements not been exempted from taxation pursuant to this Agreement. A modification of exemption may be in the form of reduction in the number of years that eligible property is exempt and/or a reduction in the exemption percentage. The City shall provide written notice to the Company prior to finding the Company in default under this section. The notice shall provide the Company with not less than thirty (30) days to cure the default prior to City termination or modification of the exemptions under this Agreement. The City may extend the cure period as reasonably necessary under the circumstances. In the event of such termination or modification, the City is authorized to so notify the appropriate taxing authorities in order to effect the termination or modification. If repayment of previously exempt taxes is required by the City under this Section, such amount shall be paid as directed by the City within thirty (30) days of written demand. The City may secure repayment of such taxes by a lien on the Property in the amount required to be repaid. Such a lien shall attach, and may be perfected, collected, and enforced, in the same manner as a mortgage lien on real property, and shall otherwise have the same force and effect as a mortgage lien on real property. Amounts due and not paid when due under this Section 16 shall bear interest at the rate specified in Ohio Revised Code Section 1343.03(A) (as in effect on the date of the City's payment demand).

Section 17. Annual Review and Report. As required by Ohio Revised Code Sections 3735.671(B)(5) and 5709.85, the Company shall provide to the City's Tax Incentive Review Council (or to the City Manager if so requested by the City) any information reasonably required by the Council or the City Manager to evaluate the Company's compliance with this Agreement, including returns filed pursuant to Ohio Revised Code Section 5711.02 if requested by the Council or City Manager. The performance of the Company's obligations stated in this Agreement shall be subject to annual review by the City's Tax Incentive Review Council (the "Annual Review and Report"). The Company shall submit information for the Annual Review and Report to the City no later than March 1 of each year.

Section 18. Revocation.

A. Generally. Pursuant to Ohio Revised Code Section 3735.68, the housing officer shall make annual inspections of the properties within the community reinvestment area upon which are located structures or remodeling for which an exemption has been granted under Ohio Revised Code Section 3735.67. If the housing officer finds that the property has not been properly maintained or repaired due to the neglect of the Company, the housing officer may revoke the exemption at any time after the first year of exemption. If the Company has materially failed to fulfill its obligations under this Agreement, or if the owner is determined to have violated division (E) of that section (see Section 18(B) of this Agreement), City Council, subject to the terms of the agreement, may revoke the exemption at any time after the first year of exemption. The housing officer or City Council shall notify the county auditor and the Company that the tax exemption no longer applies. If the housing officer or legislative authority revokes a tax exemption, the housing officer shall send a report of the revocation to the community reinvestment area housing council and to the tax incentive review council established pursuant to section 3735.69 or 5709.85 of the Revised Code, containing a statement of the findings as to the maintenance and repair of the property, failure to fulfill obligations under the written agreement, or violation of division (E) of Ohio Revised Code Section 3735.671, and the reason for revoking the exemption.

B. Prior Statutory Violations. The Company represents and warrants to the City that it is not prohibited by Ohio Revised Code Section 3735.671(C) from entering into this Agreement. As required by Ohio Revised Code Section 3735.671(B)(7), exemptions from taxation granted or authorized under this Agreement shall be revoked if it is determined that the Company, any successor to the Company or any related member (as those terms are defined in division (C) of Ohio Revised Code Section 3735.671) has violated the prohibition against entering into this Agreement under division (C) of Ohio Revised Code Section 3735.671 or under Ohio Revised Code Sections 5709.62, 5709.63, or 5709.632 prior to the time prescribed by that division or either of those sections.

Section 19. False Statements; Penalties; Material Representations.

A. Generally. As required in connection with Ohio Revised Code Section 9.66(C), the Company affirmatively covenants that it has made no false statements to the State or the City in the process of obtaining approval for this Agreement. If any representative of the Company has knowingly made a false statement to the State or the City to obtain approval for this Agreement, or if the Company fails to provide any information expressly required under the Application, the Company shall be required to immediately return all benefits received under this Agreement (by payment of the amount of taxes exempted hereunder, paid as directed by the City within thirty (30) days of written demand) and the Company shall be ineligible for any future economic development assistance from the State, any State agency or any political subdivision of the State pursuant to Ohio Revised Code Section 9.66(C)(1). Amounts due and not paid under this Section 19 shall bear interest at the rate of twelve percent (12%) per year. Any person who provides a false statement to secure economic development assistance (as defined in Ohio Revised Code Section 9.66) may be guilty of falsification, a misdemeanor of the first degree, pursuant to Ohio Revised Code Section 2921.13(F)(1), which is punishable by fine of not more than One Thousand Dollars (\$1,000) and/or a term of imprisonment of not more than six (6) months.

B. Material Representations – Board of Education Agreement and VTICA. The Parties acknowledge and agree that a material failure by the Company to comply with its representations concerning the Board of Education Agreement or VTICA Contribution shall constitute an event of default for purposes of Section 16 (Default) and the basis for revocation under Section 18 (Revocation). Subject to the terms of the VTICA, if the VTICA is unenforceable for reasons of infeasibility or otherwise, the Company shall enter into alternative arrangements providing for the economic equivalent of the VTICA Contribution in order to support the streetcar. Such arrangements may include, but are not limited to, providing for the economic equivalent of the VTICA Contribution through formation of a special improvement district. For purposes of this Section 19.B, alternative arrangements must result in services substantially similar to those that would have been supported through the VTICA and at a value that is the economic equivalent of the VTICA Contribution, which value shall not be required to exceed the VTICA Contribution amount that would have been payable by the Company. Any determination of infeasibility or mechanism for providing alternative arrangements is subject to approval by the City at its sole discretion. Nothing in this Section 19.B shall operate to limit the City's enforcement authority under this Agreement including, without limitation, Section 16, Section 18, and Section 19.A.

Section 20. Conflict of Interest. The Company covenants that, to the Company's knowledge, no employee of the City has any personal interest, direct or indirect, in any matters pertaining to the Project, and the Company agrees to take appropriate steps to prevent any employee of the City from obtaining any such interest throughout the term of this Agreement.

Section 21. Annual Fee. The Company shall pay an annual fee of Five Hundred Dollars (\$500) or one percent (1%) of the annual taxes exempted under this Agreement, whichever is greater, but not to exceed Two Thousand, Five Hundred Dollars (\$2,500) per annum. This fee is due with submission of the information for Annual Review and Report by March 1 of each year.

Section 22. Discontinued Operations. As provided in Ohio Revised Code Section 3735.671(C), if, prior to the expiration of the term of this Agreement, the Company discontinues operations at the Project so that the Property is no longer being used for the purposes described in Section 1 hereof, then the Company, its successors, and any related member shall not enter into an agreement under Ohio Revised Code Sections 3735.671, 5709.62, 5709.63 or 5709.632, and no legislative authority shall enter into such an agreement with the Company, its successors or any related member prior to the expiration of three (3) years after the discontinuation of operations. As used in this Section 22, "successors" and "related member" shall have the meanings set forth in Ohio Revised Code Section 3735.671(C).

Section 23. Notices. Unless otherwise specified herein, each party shall address written notices, demands and communications in connection with this Agreement to the other party as follows (or to such other address as is communicated in accordance with this Section):

To the City:

City of Cincinnati
Attention: Director of the Department of Community and Economic Development
Centennial Plaza Two, Suite 700
805 Central Avenue
Cincinnati, Ohio 45202

To the Company:

Supreme Bright Cincinnati, LLC
Attention: Mital Patel, Vice President and Secretary
1785 State Highway 26, Suite 400
Grapevine, Texas 76051

If the Company sends a notice to the City alleging that the City is in default under this Agreement, the Company shall simultaneously send a copy of such notice to: City Solicitor, City of Cincinnati, 801 Plum Street, Room 214, Cincinnati, OH 45202.

Section 24. Acknowledgment of City Participation. The Company agrees to acknowledge the support of the City on construction signs, project and exhibition signage, and any publicity such as that appearing on the internet, television, cable television, radio, or in the press or any other printed media. In identifying the City as a Project partner, the Company shall use either the phrase "Project Assistance by the City of Cincinnati" or a City of Cincinnati logotype or other form of acknowledgement that has been approved in advance in writing by the City.

Section 25. Entire Agreement. This Agreement and the Exhibits attached hereto constitute the entire agreement between the City and the Company with respect to the subject matter herein, superseding any prior or contemporaneous agreement with respect thereto.

Section 26. Governing Law. This Agreement is entered into and is to be performed in the State. The City and the Company agree that the law of the State of Ohio shall govern the rights, obligations, duties and liabilities of the parties to this Agreement and shall govern the interpretation of this Agreement.

Section 27. Waiver. The City's waiver of any breach by the Company of any provision of this Agreement shall not constitute or operate as a waiver by the City of any other breach of such provision or of any other provisions, nor shall any failure or delay by the City to enforce any provision hereof operate as a waiver of such provision or of any other provision.

Section 28. Severability. This Agreement shall be severable; if any part or parts of this Agreement shall for any reason be held invalid or unenforceable by a court of competent jurisdiction, all remaining parts shall remain binding and in full force and effect.

Section 29. Amendment. This Agreement may be modified or amended only by a written agreement duly executed by the parties hereto or their representatives.

Section 30. Non-Assignment. As required by Ohio Revised Code Section 3735.671(B)(6), this Agreement is not transferable or assignable by the Company without the express written approval of the City Manager of the City. If the Company has entered into a Board of Education Agreement or VTICA in connection with the Property, the City shall not approve the assignment of this Agreement unless the assignee has assumed the Company's remaining obligations under the Board of Education Agreement and VTICA, as applicable. Failure to assign or otherwise perform the Company's obligations under the Board

of Education Agreement or VTICA upon transfer of the Property during the term of the tax abatement authorized by this Agreement shall be basis for revocation of the tax exemption under Section 18.

Section 31. Recording. At its election, the City may record this Agreement at the City's expense in the Hamilton County Recorder's Office.

Section 32. Legislative Action Required. As provided in Ohio Revised Code Section 3735.671, the Company and the City acknowledge that this Agreement must be approved by formal action of the City Council of the City as a condition for this Agreement to take effect. Notwithstanding anything to the contrary herein, this Agreement shall take effect after the later of the date of such approval or the final date of execution of this Agreement by all parties.

Section 33. Additional Representations and Warranties of Company. The Company represents and warrants that (a) it is duly organized and existing and it has full power and authority to take, and has taken, all action necessary to execute and deliver this Agreement and any other documents required or permitted to be executed or delivered by it in connection with this Agreement, and to fulfill its obligations hereunder; (b) no notices to, or consents, authorizations or approvals of, any person are required (other than any already given or obtained) for its due execution, delivery and performance of this Agreement; and (c) this Agreement has been duly executed and delivered by it and constitutes the legal, valid and binding obligation of the Company.

Section 34. Certification as to Non-Debarment. The Company represents that neither it nor any of its principals is presently debarred by any federal, state, or local government agency. In completing the Project, the Company shall not solicit bids from any contractors or subcontractors who are identified as being debarred by any federal, state, or local government agency. If the Company or any of its principals becomes debarred by any federal, state, or local government agency during the term of this Agreement, the company shall be considered in default under this Agreement.

Section 35. Appeals. Pursuant to Ohio Revised Code Section 3735.70, a person aggrieved under the Statute or this Agreement may appeal to the community reinvestment area housing council, which shall have the authority to overrule any decision of a housing officer. Appeals may be taken from a decision of the council to the court of common pleas of the county where the area is located.

Section 36. Wage Enforcement.

(i) Applicability. Council passed Ordinance No. 22-2016 on February 3, 2016, which ordained Chapter 326 (Wage Enforcement) of the Cincinnati Municipal Code (the "Wage Enforcement Chapter"). The Wage Enforcement Chapter was then amended by Ordinance No. 96-2017, passed May 17, 2017. As amended, the Wage Enforcement Chapter imposes certain requirements upon persons entering into agreements with the City whereby the City provides an incentive or benefit that is projected to exceed \$25,000, as described more particularly in the Wage Enforcement Chapter. Cincinnati Municipal Code Section 326-5 requires that the language below be included in contracts subject to the Wage Enforcement Chapter.

(ii) Required Contractual Language. Capitalized terms used, but not defined, in this clause (ii) have the meanings ascribed thereto in the Wage Enforcement Chapter.

(a) This contract is or may be subject to the Wage Enforcement provisions of the Cincinnati Municipal Code. These provisions require that any Person who has an Agreement with the city or with a Contractor or Subcontractor of that Person shall report all Complaints or Adverse Determinations of Wage Theft and Payroll Fraud (as each of those terms is defined in Chapter 326 of the Cincinnati Municipal Code) against the Contractor or Subcontractors to the Department of Economic Inclusion within 30 days of notification of the Complaint or Adverse Determination.

(b) If this contract is subject to the Wage Enforcement provisions of Chapter 326 of the Cincinnati Municipal Code, the Person entering into this contract is required to include provisions

in solicitations and contracts regarding a Development Site that all employers, Contractors or Subcontractors performing or proposing to perform work on a Development Site provide an initial sworn and notarized "Affidavit Regarding Wage Theft and Payroll Fraud" on a form prescribed by the city manager or his or her designee and, within 30 days of an Adverse Determination or Complaint of Wage Theft or Payroll Fraud, shall provide an "Amended Affidavit Regarding Wage Theft and Payroll Fraud" on a form prescribed by the city manager or his or her designee.

(c) If this contract is subject to the Wage Enforcement provisions of Chapter 326 of the Cincinnati Municipal Code, the Person entering into this contract is required to authorize, and does hereby specifically authorize, any local, state or federal agency, court, administrative body or other entity investigating a complaint of Wage Theft or Payroll Fraud against the Person (collectively "investigative bodies") to release to the City's Department of Economic Inclusion any and all evidence, findings, complaints and determinations associated with the allegations of Wage Theft or Payroll Fraud upon the City's request and further authorizes such investigative bodies to keep the City advised regarding the status of the investigation and ultimate determination. If the investigative bodies require the Person to provide additional authorization on a prescribed form or in another manner, the Person shall be required to provide such additional authorization within 14 days of a request by the City.

(d) If this Agreement is subject to the Wage Enforcement provisions of Chapter 326 of the Cincinnati Municipal Code, the Person entering into this Agreement shall include in its contracts with all Contractors language that requires the Contractors to provide the authorizations set forth in subsection (c) above and that further requires each Contractor to include in its contracts with Subcontractors those same obligations for each Subcontractor and each lower tier subcontractor.

(e) If this Agreement is subject to the Wage Enforcement provisions of Chapter 326 of the Cincinnati Municipal Code, the Person entering into this Agreement shall post a conspicuous notice on the Development Site throughout the entire period work is being performed pursuant to the Agreement indicating that the work being performed is subject to Cincinnati Municipal Code Chapter 326, Wage Enforcement, as administered by the City of Cincinnati Department of Economic Inclusion. Such notice shall include contact information for the Department of Economic Inclusion as provided by the department.

(f) Under the Wage Enforcement provisions, the City shall have the authority, under appropriate circumstances, to terminate this contract or to reduce the incentives or subsidies to be provided under this contract and to seek other remedies, including debarment.

Section 37. Legal Requirements. In completing and operating the Project, the Company shall comply with all applicable statutes, ordinances, regulations, and rules of the government of the United States, State of Ohio, County of Hamilton, and City of Cincinnati.

Section 38. Counterparts and Electronic Signatures. This Agreement may be executed by the parties hereto in two or more counterparts and each executed counterpart shall be considered an original but all of which together shall constitute one and the same instrument. This Agreement may be executed and delivered by electronic signature.

Remainder of this page intentionally left blank. Signature page follows.

Executed by the parties on the dates indicated below, effective as of the later of such dates (the "Effective Date").

CITY OF CINCINNATI,
an Ohio municipal corporation

SUPREME BRIGHT CINCINNATI, LLC,
a Delaware limited liability company

By: _____
Sheryl M. M. Long, City Manager

By: _____

Date: _____, 2024

Printed Name: _____

Title: _____

Date: _____, 2024

Authorized by resolution dated _____

Approved as to Form:

Assistant City Solicitor

Certified Date: _____

Fund/Code: _____

Amount: _____

By: _____
Karen Alder, City Finance Director

Exhibit A to CRA Agreement

LEGAL DESCRIPTION OF PROPERTY

Property Address: 105 E. 4th Street, Cincinnati, Ohio 45202
Parcel ID No.: 083-0001-0197-00

Situated in the City of Cincinnati, County of Hamilton, State of Ohio, described as follows:

Situated in the City of Cincinnati, County of Hamilton, State of Ohio, lying and being at the Southeast corner of Fourth and Walnut Streets, being the Northern 39.33 feet, more or less, of In-Lot 136 and all of In-Lots 137 and 138 of the original plan of Cincinnati and being more particularly described as follows:

Beginning at the Southeast corner of Fourth and Walnut Streets; thence Eastwardly along the South line of Fourth Street, North 73 deg. 20' East, 194.31 feet to the Southwest corner of Fourth Street and Berning Place; thence Southwardly along the West line of Berning Place, South 16 deg. 54' East, 237.22 feet to a point; thence Westwardly on a line within the walls adjoining, said line being along the Southerly face of the Fourth and Walnut Centre Building (formerly Clopay Building) wall and the Northerly face of the 312 Walnut Building (formerly a 4-story brick garage building) to the South, South 73 deg. 27' West, 194.59 feet to a point in the East line of Walnut Street; thence Northwardly along the East line of Walnut Street, North 16 deg. 50' West, 236.82 feet to the Southeast corner of Fourth and Walnut Streets and the point of beginning.

Exhibit B to CRA Agreement
APPLICATION FOR TAX EXEMPTION

TO BE ATTACHED



202401922

Seth Walsh
Councilmember

8/21/24

MOTION

To Provide a Report and Policy Update on Small Business Support During City Construction

WE MOVE that the Administration prepare a report and updated policy within 30 days for supporting small businesses during road closures.

STATEMENT

The repairs along and adjacent to Columbia Parkway have caused unintentional and unintended harm to the surrounding businesses. Repairs are a necessary and normal part of city business, but when road closure signs go up, starting with the “road closed ahead” sign, potential patrons can be confused as to whether businesses are open along the road construction and closure.

We are seeking an updated policy by the Administration to ensure that we reduce the impact to small businesses as much as possible, starting with the “road closed ahead” sign. This policy should include regular, proactive communication on the progress of the work and timeline to the impacted businesses along the construction and closure and updated signage starting with the first “road closed ahead” sign to make clear which businesses are open during the construction.

This report should also explore any potential opportunities to create grants or loans for impacted businesses.

Councilmember Seth Walsh