

August 6, 2025

To: Mayor and Members of City Council

202501515

From: Sheryl M.M. Long, City Manager

Subject: **Report - Tax Incentive Review Council Status of Property Tax Exemptions for Year End 2024**

BACKGROUND

The Tax Incentive Review Council (TIRC) held its annual meeting on June 26, 2025, to review the 2024 period performance of companies granted property tax exemptions under Sections 5709.85, 725, and 3735.671 of the Ohio Revised Code (ORC). The TIRC review determines whether businesses have complied with the terms of their agreement related to project investment and job retention/creation. The tax exemption agreements typically allow the company three years to achieve investment and job goals.

The TIRC recommends continuation, modification, or termination of Tax Increment Financing (TIF) exemptions and Community Reinvestment Area (CRA) agreements. It is important to note that the majority of tax exemption agreements executed by the City in recent years have been CRA agreements. TIF Agreements are more complex and tend to be used for large projects and have longer terms.

The following documents are attached:

- Attachment I (*TIRC 2025 Minutes and Summary Report*) reflects the minutes of the TIRC's 2025 Annual Meeting and the Summary Report.
- Attachment II (*2025 TIRC Detailed Reports – TIFs*) represents details of the 2024 year-end status of TIF Projects (General Information and Revenues and Expenditures) and TIF Districts.
- Attachment III (*2025 TIRC Detailed Reports – CRAs*) reflects details of the 2024 CRA Tax Abatements in four sections: General Information, Construction Issues, Jobs & Payroll Issues, and Reporting Issues.

PERFORMANCE OF TIF DISTRICTS AND TIF PROJECTS

The TIRC is required to review TIF exemptions created after 1994 including TIF Projects and TIF Districts. Attachment II provides detailed information on the 49 Project TIFs and 35 District TIFs. Details on the six ORC 725 Urban Renewal exemptions are included in the Summary document. All companies with TIF or ORC 725 exemptions were in compliance with required service payments in 2024 and these exemptions are recommended for continuation.

PERFORMANCE OF COMMERCIAL CRA AGREEMENTS

During the 2024 period, there were 373 active commercial CRA agreements. A breakdown of the 2024 review and performance is summarized below and is also detailed in Attachment III:

- There are 323 agreements recommended for **continuation**.
- There are 13 agreements recommended for **modification**. These include two pending assignment, seven pending an extension amendment to extend their construction deadline, and four pending construction start. Most of the construction delays continue to be related to employment and supply issues as a result of the pandemic and economic factors. Amendments are being drafted for agreements where a letter from the Department Director is not sufficient. Construction starts are usually delayed as a result of financing issues.
- Eleven companies are recommended for **termination**. Most of these companies were in default on their CRA Agreement and will be terminated should the default not be remedied.
- Two CRA Agreements were terminated as a result of the developer selling these properties back to the City.
- Twenty-six agreements have expired and the projects have been closed.

Agreements that Expired in 2024

- BarbAurora, LLC (1500 Race Street)
- Document Destruction (MPC Management-4527 Reading Road)
- Grandin Company LTD (1600 Central Parkway)
- Kirby Lofts, LLC (1710 Bruce Avenue)
- Urban Legacy VIII, LLC (1428, 1430, and 1438 Race Street)
- Urban Legacy VIII, LLC (18 W. 13th Street)
- Ale House Landlord LLC (Taft Ale House Brewery-1429 Race Street)
- Urban Legacy VIII, LLC (15 W. 14th Street)
- Urban Legacy VIII, LLC (1403 Vine Street)
- St. Paul Village II Limited Partnership (5515 Madison Road)
- OTR Predevelopment LLC (Color Building-1400 Vine Street)
- CBD Holdings (122 E. 6th Street)
- Union on Taft, LLC (Taft Offices-237 William H Taft Road)
- Elberon Senior Apartments, LLC (3414 W. 8th Street)
- Masi Realty LLC (Malton Art Gallery-3804 Edwards Road)
- Towne Properties, Inc. (DeSales Apartments II-1524 Chapel Street)
- Cutter Historic Apartments, LLC (1316 Broadway St.; 506, 510, 511, 513 E. 13th St.)
- Avondale Housing LP (Avondale Revit. Phase 1B – Reading Rd and Hutchins Ave)
- Abigail Flats, LLC (512 E. 12th Street)
- Hagen Properties, LLC (1833 Vine Street)
- 5011 Kenwood, LLC (Camargo Capital Renovation)
- OTR A.D.O.P.T. (1702 Central Parkway)
- Post Office Place, LLC (3923 Eastern Avenue)
- Borgman Properties, LLC (6250 Este Avenue)
- Mountain Cincinnati, LLC (1101 Regina Graeter Way)
- Daffin Investments Ohio, LLC (28-23 W. Court Street)

RECOMMENDATION

The ORC Section 5709.85(E) states that City Council must act on the CRA and TIF program recommendations determined at the annual TIRC meeting. Recommendations to continue, modify, or terminate company agreements are contained in the 2025 TIRC Minutes (Attachment I). The Administration recommends approval of these minutes and the recommendations therein.

Attachments: I. TIRC 2025 Meeting Minutes and Summary Report
 II. 2025 TIRC Report – TIFs
 III. 2025 TIRC Report – CRAs

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