

EMERGENCY

City of Cincinnati

ZDS

An Ordinance No. 99

- 2025

EESW

APPROVING AND AUTHORIZING the execution of a Second Amendment to Job Creation Tax Credit Agreement with Core Specialty Insurance Services, Inc., pursuant to which the company agrees to an increased investment in the City of Cincinnati, including creation of fifty additional new jobs and an additional \$1.5 million investment in the property located at 201 E. Fifth Street in the Central Business District of Cincinnati, and the City agrees to extend the tax credit term from four years to seven years and increase the job creation tax credit from 35 percent to 45 percent.

WHEREAS, the City of Cincinnati (the “City”) and Core Specialty Insurance Services, Inc. (“Employer”) are parties to a Job Creation Tax Credit Agreement dated November 1, 2021, amended by a First Amendment to the Job Creation Tax Credit Agreement dated February 6, 2024 (as amended, the “Agreement”), pursuant to which the City is providing Employer a four-year, 35 percent tax credit applicable to the City’s tax on net profits under Cincinnati Municipal Code (“CMC”) Chapter 311 to facilitate the creation and retention of jobs within Cincinnati; and

WHEREAS, the Agreement obligates Employer to (i) spend a minimum of \$2,925,000 on leasehold improvements at 201 E. Fifth Street (the “Project Site”), and (ii) create at least eighty new jobs at an average salary of at least \$91,520 per employee (the “Phase I Jobs”); and

WHEREAS, Employer now anticipates creating an additional fifty new jobs (the “Phase II Jobs”) over and above the Phase I Jobs, and has requested an amendment to the Agreement to provide for a City tax credit to offset a portion of its corporate earnings taxes to facilitate such expansion; and

WHEREAS, more particularly, the City and Employer desire to amend the Agreement to (i) extend the four-year tax credit term initially provided for in the Agreement to seven years, commencing in 2024 and continuing through 2030 (the “New Tax Credit Term”), (ii) maintain the terms and conditions of the Agreement with respect to the Phase I Jobs through the New Tax Credit Term, (iii) for both the Phase I Jobs and the Phase II Jobs, increase the tax credit applicable to the City’s tax on net profits under CMC Chapter 311 from the lesser of \$45,000 or 35 percent to the lesser of \$60,000 or 45 percent of the New Income Tax Revenue (as defined in the Agreement), (iv) extend the Employment Retention Period required of Employer from eight years to thirteen years, and (v) require Employer to increase its employment commitment under the Agreement to provide an additional fifty jobs at an average annual salary of at least \$95,000 and to expend a minimum of \$1,500,000 on the construction of additional leasehold improvements at the Project Site, in addition to the \$2,925,000 Employer is obligated to spend under the Agreement, on substantially the terms and conditions contained in the draft Amendment attached as Attachment A hereto (the “Amendment”); and

WHEREAS, the City seeks to increase employment opportunities and encourage the establishment of new jobs in the City in order to improve the economic welfare of the City and its citizens, in furtherance of the public purposes enunciated in Article VIII, Section 13 of the Ohio Constitution; and

WHEREAS, Employer represents and has documented to the City that the income tax credit authorized by the Amendment is a major factor in Employer's decision to go forward with the expansion of its employment within the corporate boundaries of the City of Cincinnati; and

WHEREAS, the City income tax credit to be provided by the Amendment is authorized by R.C. Sections 718.15 and 718.151; now, therefore,

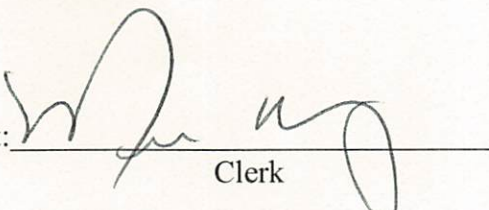
BE IT ORDAINED by the Council of the City of Cincinnati, State of Ohio:

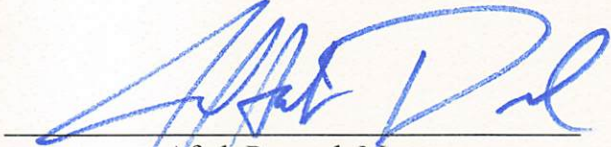
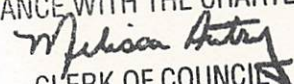
Section 1. That Council approves and authorizes the execution of a Second Amendment to Job Creation Tax Credit Agreement with Core Specialty Insurance Services, Inc. ("Employer"), in substantially the form attached as Attachment A hereto (the "Amendment"), pursuant to which (a) Employer agrees to create at least fifty new additional jobs at 201 E. Fifth Street in Cincinnati's Central Business District and agrees to spend an additional \$1,500,000 in leasehold improvements, and (b) the City agrees to extend the tax credit term to seven years and increase the job creation tax credit to 45 percent.

Section 2. That Council authorizes the proper City officials to take all necessary and proper actions to fulfill the terms of this ordinance and to enforce and carry out on behalf of the City the terms of the Amendment.

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 to enable the parties to execute the Amendment as soon as possible in order to allow the increase in employment and the corresponding improvement of the City's economic welfare to begin at the earliest possible time.

Passed: April 23, 2025

Attest:  Clerk


Aftab Pureval, Mayor
I HEREBY CERTIFY THAT ORDINANCE NO 98-2025
WAS PUBLISHED IN THE CITY BULLETIN
IN ACCORDANCE WITH THE CHARTER ON 5/6/2025

CLERK OF COUNCIL