

October 21, 2020

To: Mayor and Members of City Council

From: Paula Boggs Muething, City Manager

PM

202001998

Subject: **TAX INCREMENT FINANCING (TIF) EXEMPTION FOR CAST-FAB REDEVELOPMENT**

Attached is an Emergency Ordinance captioned as follows:

DECLARING, pursuant to Ohio Revised Code Section 5709.40(B), improvements to certain parcels of real property at the former Cast-Fab site, located west of Disney Street in the Oakley neighborhood of Cincinnati to be a public purpose and exempt from real property taxation for a period of 30 years.

BACKGROUND/CURRENT CONDITIONS

The property is a former industrial site in the Oakley neighborhood of Cincinnati. The site, once the home of Cast-Fab Technologies, is approximately 28 acres. Local Oakley, LLC, owned by partners Bill Davin and Jared Davis, are serving as the site's master developer. To date, the Developer has demolished the former manufacturing facility, performed environmental remediation, and begun subdividing the site to market to vertical development partners. The Developer and DCED now anticipate a need for public financing to fund public infrastructure required by the development.

DEVELOPER INFORMATION

Local Oakley, LLC is owned by Bill Davin and Jared Davis. Mr. Davis is the founder of CNG Financial Corp., the parent company of Axxess Financial. The developer purchased the property in late 2018 and is working with Blue Ash developer Hills Properties on the project's multi-family residential phase. Hills has been successfully developing and managing multi-family residential communities in the southwest Ohio region since 1958.

PROJECT DESCRIPTION

Local Oakley, LLC, serving as the site's master developer, will partner with other developers, including Hills Properties and NorthPoint Development, to redevelop the

28-acre former Cast-Fab Technologies site to include a 139,000 square foot self-storage facility, a 316 multifamily apartment complex, as well as other anticipated mixed-use commercial development phases. The project necessitates the construction of various public infrastructure improvements, including right-of-way, public parking and utility improvements.

PROPOSED INCENTIVE

DCED is recommending a Tax Increment Financing (TIF) exemption for the project site pursuant to Ohio Revised Code 5709.40(B) for a period of 30 years. The project TIF is necessary to aid in the construction of various public infrastructure improvements, including right-of-way, public parking and utility improvements.

Establishment of the TIF exemption by City Council does not commit any increment to the project. The final details of the project and the City's intended financial or incentive contribution will be formalized in a forthcoming Development Agreement, which will be subject to future consideration by City Council. Until that time, no City resources will be committed to the project and City Administration retains full discretion on the structuring of any forthcoming project incentive.

RECOMMENDATION

The Administration recommends approval of this Emergency Ordinance. The emergency clause is necessary to establish the TIF exemption prior to the start of construction of improvements which are anticipated to begin on the site in November.

Attachment: A. Property location and photographs

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