

# City of Cincinnati

SSB/B

BWB

## An Ordinance No. \_\_\_\_\_

- 2021

ESTABLISHING a City Council policy for evaluating real property tax incentives authorized by the City of Cincinnati.

WHEREAS, City Council has the authority to declare up to 100% of the increase in the assessed value of improvements to be exempt from real property taxation by means of (i) project-based tax increment financing incentives pursuant to Ohio Revised Code ("ORC") Sections 5709.40(B) and 5709.41; and (ii) "Community Reinvestment Area" incentives pursuant to ORC Sections 3735.65 through 3735.70; and

WHEREAS, Motion No. 201901811, as adopted by this Council on December 11, 2019, recommended updates to how the City Administration evaluates the public benefits created by projects receiving real property tax incentives pursuant to the aforementioned ORC provisions, with a focus on prioritizing projects that create good, local jobs; preserve and/or create affordable housing; minimize displacement of residents and businesses; and/or commit to project-specific inclusion goals; and

WHEREAS, to incentivize balanced development throughout the City of Cincinnati as recommended in the aforementioned Motion, City Council desires to adopt a *Priorities Rubric*, a copy of which is attached hereto as Attachment A, to (i) communicate City Council's policy objectives to developers applying for City incentives; (ii) assist City Council in evaluating development projects when qualifying real property tax exemptions or abatements are recommended; and (iii) establish certain City Council policy objectives that can be memorialized and monitored as part of an eventual incentive agreement between the City and the developer; now therefore,

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

Section 1. That City Council adopts the *Priorities Rubric* attached to this ordinance as Attachment A, which establishes a City Council policy relating to qualifying real property tax abatements and exemptions.

Section 2. That Council intends that the *Priorities Rubric* be prepared by the Administration as a policy tool to be utilized for evaluating the public benefits associated with economic and community development projects for which (a) the total estimated costs of the project exceed \$5,000,000, and (b) the proposed City assistance includes a real property tax

incentive authorized pursuant to Ohio Revised Code (“ORC”) Section 5709.40(B), ORC Section 5709.41, or ORC Sections 3735.65 through 3735.70 with a present value exceeding \$3,000,000. Council desires that the Administration (i) include the form *Priorities Rubric* as part of its applicable incentive applications and (ii) present project-based rubric information for Council consideration as part of the Administration’s recommendation to Council. Council intends that the Administration have latitude to create additional criteria and update the *Priorities Rubric* as appropriate to ensure the City’s tax incentives support the City’s residents and neighborhoods while attracting local investment. City Council further acknowledges that the *Priorities Rubric* process is a policy tool to guide City Council decision making and does not diminish the Administration’s executive authority under the Charter of the City of Cincinnati, which authority includes the power to (1) determine whether and on what terms to recommend development deals for Council consideration and (2) enforce any such related agreement.

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

Passed: \_\_\_\_\_, 2021

\_\_\_\_\_  
John Cranley, Mayor

Attest: \_\_\_\_\_  
Clerk