

**ECONOMIC DEVELOPMENT REFORM PANEL SUMMARY:
POTENTIAL RECOMMENDATION PROPOSALS FOR PURPOSES OF THE
7.9.21 PUBLIC HEARING**

I. BEHAVIORAL EXPECTATIONS AND TRAINING

A. With Respect to Conduct Expectations and Training, the EDRP recommends that Elected officials:

1. adopt formal rules of conduct and expectations governing interactions of elected officials and their staff with lobbyists/developers/city contractors and those who act on their behalf.
2. sign a pledge of behavior/code of ethics at their first public meeting.
3. understand charter roles and expectations for engagement with City administration and City employees with regard to City business.
4. who are members of Council should not be involved in negotiating or brokering development deals.
5. require their own and staff's participation and training with respect to applicable codes of conduct, legal, and administrative processes.

B. With Respect to Conduct Expectations and Training, the EDRP recommends that the City Manager's office:

1. continue to maintain code of conduct, personnel policy and existing ethics expectations for city employees.
2. review options for publicizing City rules and conduct expectations for developers, contractors and lobbyists, and those who act on their behalf, including conduct in relation to elected officials.
3. reinforce and regularly articulate behavioral, legal, and administrative expectations in written form.
4. regularly provide training and education about these conduct expectations as well as information about reporting improper behavior and whistleblower protection. Review and enforcement shall be by the City Manager or the City Manager's designee.

C. With Respect to Conduct Expectations and Training for Developers, Contractors and Lobbyists, the EDRP recommends that the City Manager's office:

1. should maintain conduct expectations for developers, contractors and lobbyists, as well as those who act on their behalf.
2. regularly provide training and information about the conduct expectations. Review and enforcement shall be by the City Manager or the City Manager's designee.

II. CONFIDENTIAL WHISTLEBLOWER HOTLINE

A. With Respect to a Confidential Hotline, the EDRP recommends that the City/ City Manager should:

1. continue to operate and expand a confidential whistleblower hotline for any person to report any unethical or illegal conduct, violations of city of council behavioral or administrative codes and any inappropriate request or demand from any public servant, elected or otherwise.
2. change the name of the current "Fraud, Waste and Abuse Hotline" to one that reflects the scope of the reports it is available to receive and so as to encourage reporting.
3. make clear to callers the applicability of city and state whistleblower protections afforded to them.
4. the existence and availability of the hotline should be promoted, encouraged, and well publicized.

III. LINK BETWEEN CAMPAIGN CONTRIBUTIONS AND DEVELOPMENT PROJECTS.

A. With Respect To The Charge To The EDRP to Study The Link Between Campaign Contributions And Approval Of Development Projects, the EDRP:

1. notes that by Ordinance No. 216-2021 City Council passed, and the Mayor approved, funding for a forensic audit of City Council ordinances that passed related to economic development between January 1, 2018 and December 31, 2020.
2. recommends that once the forensic audit of three years of development projects is completed, City Council should examine whether any additional action is needed to study possible links between campaign contributions and development contracts and budget accordingly.

IV. SOLICITATION, RECEIPT AND REPORTING OF CAMPAIGN CONTRIBUTIONS.

A. With respect to soliciting, receiving and making contributions:

1. The EDRP recommends that City Council adopt an ordinance that prohibits the Mayor and Councilmembers from soliciting or accepting, and a developer from making, any contributions from the time a matter involving the developer is transmitted to the Clerk of Council until the matter is disposed of by final action of Council and the Mayor. Final action will vary with the circumstances, but generally occurs upon the end of the exercise of Council and Mayoral authority

over the legislative matter (e.g., upon passage of legislation by Council signed by the Mayor, upon conclusion the veto process, or upon failure of an item in Council).

2. In response to City Council's direction, the EDRP considered and does not recommend that developers who contribute to elected officials be barred from receiving contracts with the City for 24 months.
3. The EDRP recommends that the City define what constitutes a developer for the purposes of the various EDRP recommendations.
4. The EDRP recommends that the definition of developer includes, **at minimum**, the following criteria:
 - a. An entity who is pursuing a "qualifying matter" that falls into the following criteria:
 - 1) Seeking tax or other economic development incentives valued at more than \$100,000;
 - 2) Seeking to purchase City property valued at more than \$200,000; and/or
 - 3) Applying for zoning changes that require City Council approval
 - b. And pursuant to section a.:
 - 1) If the entity is an individual, it means the individual and the spouse of the individual.
 - 2) If the entity is a corporation, partnership, trust, or unincorporated association, it means (i) the corporation, partnership, trust, or unincorporated association itself, (ii) the owners, members, partners, directors, and principal officers of such corporation, partnership, trust, or unincorporated association, and the spouses of each.

B. With respect to reporting and disclosure of campaign contributions, the EDRP recommends that City Council adopt an ordinance that requires:

1. the Mayor, Councilmembers and candidates for those offices to file with the Cincinnati Elections Commission copies of all campaign finance reports of other campaign accounts or committees, including PACs, over which they have control. This is in addition to the requirements of Article XIII of the City Charter.
2. the Mayor, Councilmembers and candidates for those offices to provide such reports or a statement to the Commission that identifies all other campaign accounts or committees which they control in addition to their Mayoral or Council Campaign Committee to the Cincinnati Elections Commission within 48 hours of their filing with whatever body with which they were otherwise required to be filed.
3. that the City shall post such information on its website along with the filings of each office holder or candidates required by Article XIII of the City Charter.

4. for purposes of this section, the definition of Candidate is governed by ORC 3517.01, which the Cincinnati Elections Commission incorporates.
5. that the City create and maintain an “active developer” list that is published on the City’s website.
 - a. Developers would be placed on the “active developer list” from the time a “qualifying matter” involving the developer is transmitted to the Clerk of Council until the matter is disposed of by final action of Council and the Mayor. Final action will vary with the circumstances, but generally occurs upon the end of the exercise of Council and mayoral authority over the legislative matter (e.g., upon passage of legislation by Council signed by the Mayor, upon conclusion the veto process, or upon failure of an item in Council)
 - b. During the period in which a developer is on the “active developer” list, City Councilmembers and the Mayor should be prohibited from soliciting or accepting any contributions to any of their campaign or political accounts. (see also in campaign contribution section.)
 - c. Prior to or immediately upon entering the “active developer” list, developers should be given and sign a “Dos & Don’ts” document, for interacting with City elected officials.
 - d. This list should be publicly available on the city’s website and when someone rolls off the “active” developer list, the developer should be placed on a separate “archive” section. This paired with a searchable database of political contributions should provide the public with a significant amount of disclosure and transparency.

V. DEVELOPMENT PROCESS

A. With respect to the involvement of City elected officials in development contract negotiations, the EDRP recommends that:

1. Council should direct a developer’s questions regarding the negotiation or brokering of the terms of a development deal to the City administration.
2. Council should not be involved in negotiating or brokering development deals.
3. Council should encourage constituents to contact the Office of Constituent Affairs for questions about development projects.
4. Council should adopt an ordinance requiring the zoning hearing examiner or any member of a board or commission conducting quasi-judicial proceedings who is contacted privately by an elected official or their staff member regarding a matter coming before them to report such contact to the City Solicitor.

B. With respect to the Economic Development Process, the EDRP recommends that the City administration:

1. continue to assess the effectiveness of current efforts to streamline the development process and that additional bureaucracy be avoided.
2. provide widespread public education about the process to amplify existing efforts to encourage new developers and ensure compliance by all developers.
3. assess current efforts to encourage and promote new developers, small developers, and minority businesses.
4. provide training about the development process to public officials and their staff.
5. publicize to the various stakeholders in the development process the appropriate contact people in the Economic Development department and City administration to avoid the need to contact elected officials.

C. With respect to the charge in section (b) of the ordinance which created the EDRP, regarding the review and evaluation of the City's use of development incentives, the EDRP:

1. notes that a review of this topic is beyond the expertise and resources of the panel. These issues are probably best undertaken by industry experts, and academic or professional economists who have the appropriate expertise and resources.
2. recommends that the City review the efficacy of development incentives and real property tax exemptions for accomplishing the City's goals, and establish an objective basis for evaluating developments and setting council policy.