

EMERGENCY

City of Cincinnati

WPW *PBM*

An Ordinance No. 493 - 2019

DECLARING, pursuant to Ohio Revised Code Section 5709.40(B), improvements to a certain parcel of real property located at 2950 Robertson Avenue in the Oakley neighborhood of Cincinnati, which is a former industrial site that will be redeveloped by Neyer Properties and its affiliates, to be a public purpose and exempt from real property taxation for a period of 30 years.

WHEREAS, Neyer Properties (jointly with its affiliates, "Developer") owns and/or controls real property in Cincinnati located at 2950 Robertson Avenue, as more particularly described in Attachment A attached hereto (the "Property"); and

WHEREAS, Developer will be redeveloping the Property by demolishing the existing industrial structures, remediating any environmental contamination, and developing the site for multi-family and single-family residential uses, including multi-family rental and for-sale single family homes (the "Project"); and

WHEREAS, the Project necessitates the construction of various public infrastructure improvements, including, without limitation, environmental remediation; and

WHEREAS, Ohio Revised Code ("ORC") Sections 5709.40, *et seq.*, provide that City Council may (i) declare any "Improvement" (as defined in Section 5709.40 of the Ohio Revised Code) to one or more parcels of real property located in the City to be a public purpose, thereby exempting those Improvements from real property taxation for a period of time; (ii) designate public infrastructure improvements that directly benefit the parcels for which such Improvement is declared to be a public purpose; (iii) require the payment of service payments in lieu of taxes by the owner or owners of such parcel or parcels; and (iv) provide for the distribution of the applicable portion of those service payments to the overlapping city, local, or exempted village school district; and

WHEREAS, ORC Section 5709.40(B), provides that City Council may declare an Improvement to a "parcel that is used or to be used for residential purposes" (as that phrase is defined in ORC Section 5709.40) a public purpose only if (i) the City qualifies as an "impacted city" (as defined in ORC Section 5709.40) and (ii) the parcel is located in a "blighted area" (as defined in ORC Section 5709.40); and

WHEREAS, City Council wishes to use the authority granted pursuant to such ORC Sections in connection with certain Improvements in the City, in order to encourage development of the Property; and

WHEREAS, ORC Section 5709.40(A)(4) and (8) define certain terms as follows:

Section 5. That this Council hereby designates the following public infrastructure improvements as the “public infrastructure improvements” made (or to be made) that benefit or serve the Property pursuant to ORC Section 5709.40(B): public infrastructure improvements including, but not limited to, improvements to public roads and highways; improvements to water and sewer lines; the continued maintenance of those public roads and highways and water and sewer lines; environmental remediation; land acquisition, including acquisition in aid of industry, commerce, distribution, or research; demolition, including demolition on private property when determined to be necessary for economic development purposes; stormwater and flood remediation projects, including such projects on private property when determined to be necessary for public health, safety, and welfare; the provision of gas, electric, and communications service facilities, including the provision of gas or electric service facilities owned by nongovernmental entities when such improvements are determined to be necessary for economic development purposes; and the enhancement of public waterways through improvements that allow for greater public access.

Section 6. That this Council hereby finds and determines (i) that the Property is composed of a single parcel and that this parcel is a “blighted parcel” (as defined in ORC Section 1.08(B)(2)) as the existing conditions on the Property adversely affect surrounding property values due to in part the presence of dilapidated and deteriorated structures, unsafe and unsanitary conditions, and identified hazards to health and safety that are conducive to ill health (including environmental contamination); (ii) that the Property in its present condition and use constitutes a social and economic liability and is a menace to public health and safety and, therefore, the Property is located in a valid “blighted area” (as defined in ORC Section 5709.40), with the subject “blighted area” determined to be approximately 30 acres in size and composed

of the single parcel containing the Property; and (iii) that the City qualifies as an “impacted city” under the definition set forth in ORC Section 1728.01(C).

Section 7. That this Council hereby requires the owners of the Property to make semiannual service payments in lieu of taxes to the County Treasurer on or before the final dates for payment of real property taxes and further hereby expresses its intention to enter into such agreements as may be necessary and appropriate to construct such public infrastructure improvements (including, without limitation, (i) Service Agreement(s) between the City and Developer or its successor(s)-in-interest as to the Property (“Owner”), and (ii) a cooperative agreement among the City, Owner, and the Port of Greater Cincinnati Development Authority (the “Port Authority”). Such requirements, along with such other provisions as are deemed appropriate by this Council and as are agreed to by the owners of the Property, may be included in Service Agreements which may (but are not required to) be entered into between the City and the Owner. To the extent necessary to secure such obligations as agreed to by the City, this Council hereby pledges such service payments to secure any obligations of the City or the Port Authority issued to finance the public infrastructure improvements described in Sections 2 and 5 hereof. The payments in lieu of taxes provided for in ORC Section 5709.42 shall be paid to the County Treasurer, for payment by the County Treasurer to the City.

Section 8. That there has previously been established by the City, pursuant to Ordinance No. 209-2003, Fund No. 491, Municipal Public Improvement Tax Increment Equivalent Fund (the “Fund”), into which Fund all service payments in lieu of taxes made by the owners of the Property pursuant to this ordinance shall be deposited.

Section 9. That moneys deposited in the Fund shall be used only for the purposes set forth in ORC Section 5709.43, with respect to the public infrastructure improvements designated

“Improvement” means the increase in the assessed value of any real property that would first appear on the tax list and duplicate of real and public utility property after the effective date of an ordinance adopted under this section were it not for the exemption granted by that ordinance;

“Public infrastructure improvement” includes, but is not limited to, public roads and highways; water and sewer lines; the continued maintenance of those public roads and highways and water and sewer lines; environmental remediation; land acquisition, including acquisition in aid of industry, commerce, distribution, or research; demolition, including demolition on private property when determined to be necessary for economic development purposes; stormwater and flood remediation projects, including such projects on private property when determined to be necessary for public health, safety, and welfare; the provision of: gas, electric, and communications service facilities, including the provision of gas or electric service facilities owned by nongovernmental entities when such improvements are determined to be necessary for economic development purposes; and the enhancement of public waterways through improvements that allow for greater public access; and

WHEREAS, the Board of Education of the City School District of the City of Cincinnati (the “School Board”), by *Agreement* with the City of Cincinnati dated July 2, 1999, as amended (the “School Board Agreement”), has approved tax exemptions of up to 100% for periods not to exceed 30 years and has waived the statutory notification requirements for such exemptions; and

WHEREAS, the City has determined that it is necessary and appropriate, and in the best interest of the City, (i) to provide for exemption of Improvement to the Property from real property taxation under ORC Section 5709.40, *et seq.*, and (ii) provide for the payment of semiannual service payments in lieu of taxes with respect to the Property; and

WHEREAS, ORC Section 5709.43 requires that the city council of a city that receives service payments in lieu of taxes under ORC Section 5709.40, *et seq.*, establish a municipal public improvement tax increment equivalent fund into which shall be deposited such service payments in lieu of taxes; and

WHEREAS, the Property is located within the boundaries of Tax Increment Financing District 20, known as the “District 20 - Oakley Incentive District”; now, therefore,

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

Section 1. That pursuant to Section 5709.40(B) of the Ohio Revised Code (“ORC”), this Council hereby creates the “Oakley Yards TIF,” the boundaries of which shall be coextensive with the boundaries of the parcel and shall include the parcel specifically identified and/or described in Attachment A to this ordinance (the “Property”), which Property is located in the incorporated area of the City.

Section 2. That Council hereby finds and declares that the “Improvement” (as defined in ORC Section 5709.40(A)(4)) to the Property to be a public purpose and shall be 100% exempt from real property taxes commencing on the first day of the tax year in which an Improvement resulting from the construction of a structure on the Property first appears on the tax duplicate of real and public utility property and ends on the earlier to occur of (i) 30 years after such date or (ii) the date on which the City can no longer require service payments to be paid with respect to the Improvements in accordance with ORC Section 5709.40, *et seq.*

Section 3. That this Council hereby finds and determines that: (i) additional public infrastructure, including construction and maintenance of street improvements, water improvements, sewer improvements, parking facilities, and/or related improvements, is necessary as a result of and for the further development of the Property for creating jobs, increasing property values, providing adequate public services, and to preserve the health, safety, and welfare of the current citizens of Cincinnati; (ii) the project(s) being, or to be, undertaken that place additional demand on the public infrastructure improvements designated in this ordinance include the development being undertaken by Neyer Properties (including any affiliates thereof, “Developer”); and (iii) the proposed use of the Property includes commercial uses.

Section 4. That pursuant to and in accordance with the provisions of ORC Section 5709.40(B), this Council hereby declares that development of the Property will place direct additional demand on the public infrastructure improvements described in Section 3 hereof when such public infrastructure improvements are completed; therefore, such public infrastructure improvements will directly benefit the Property.

in this ordinance, and for making compensation payments to the affected school districts as provided in ORC Section 5709.40, *et seq.*, and in the *Agreement* between the City and the Board of Education of the City School District of the City of Cincinnati dated July 2, 1999, as amended.

Section 10. That the proper City officials are hereby authorized to do all things necessary and proper to carry out the actions contemplated herein, including, without limitation, filing any required applications for tax exemption with the Hamilton County Auditor and State Tax Commissioner.

Section 11. That, pursuant to ORC Section 5709.40(I), the Clerk is hereby directed to deliver a copy of this ordinance to the Director of the Department of Development Services of the State of Ohio within 15 days after its adoption, and, on or before March 31 of each year that the exemption set forth herein remains in effect, the Clerk or other authorized officer of this City shall prepare and submit to the Director of the Department of Development Services of the State of Ohio the status report required under ORC Section 5709.40(I).

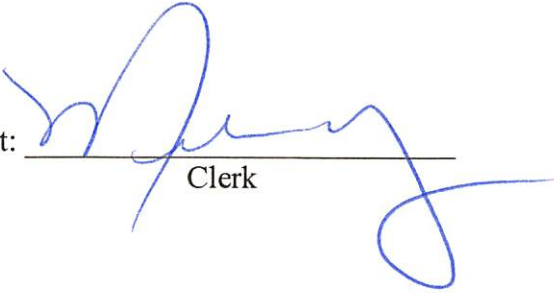
Section 12. That it is hereby found and determined that all formal actions of this Council concerning and relating to the passage of this ordinance were taken in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action were taken in meetings open to the public, in compliance with all legal requirements, including ORC Section 121.22.

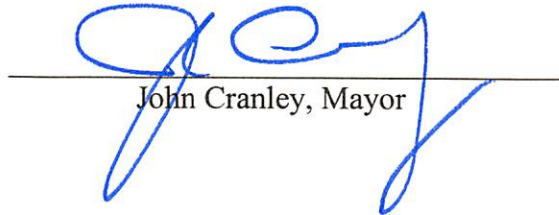
Section 13. That this ordinance shall be an emergency measure necessary for the preservation of the public peace, health, safety, and general welfare and shall, subject to the terms of Article II, Section 6 of the Charter, be effective immediately. The reason for the emergency is to enable construction of the development described herein to commence at the

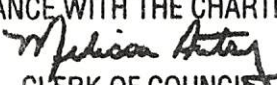
earliest possible time in order to facilitate the redevelopment of the Property, for the economic welfare of the people of the City.

Passed: December 11, 2019

Attest:


Clerk


John Cranley, Mayor

I HEREBY CERTIFY THAT ORDINANCE NO 493-2019
WAS PUBLISHED IN THE CITY BULLETIN
IN ACCORDANCE WITH THE CHARTER ON 12-24-2019

CLERK OF COUNCIL