

Balanced Development Priorities

In January of 2019, Cincinnati City Council requested a report from the Administration detailing the City's current incentive policies and an updated framework for reviewing incentive requests to determine what policy objectives are being met through the granting of the incentive.

In March of 2021, Cincinnati City Council adopted the Balanced Development Priorities framework for use in reviewing commercial tax incentives that come to City Council for consideration.

The *Balanced Development Priorities* attachment is 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 with a present value exceeding \$3,000,000 to ensure the City's tax incentives support the City's residents and neighborhoods while attracting local investment.

The Department of Community and Economic Development has updated its applications to include this *Balanced Development Priorities* document. The areas involved under the recommendation include:

- **BALANCED HOUSING**
 - Enhances an underutilized site
 - Replaces vacant or blighted property without displacing tenants
 - Creates an environmentally sustainable development
 - Preserves an existing community asset
- **ENHANCING AFFORDABILITY**
 - Creates or preserves low-income housing units or a mixture of very low to low-income housing units to promote a balanced, mixed-income neighborhood without displacing lower income residents
- **LOCAL JOB CREATION, INCLUSION**
 - Creates or retains significant jobs and payroll
 - Expand Cohort of Local Minority Development Professionals
 - Complies with Living Wage Policy
- **DISPLACEMENT AND EVICTION PREVENTION**
 - Housing Court
 - Reduce Barriers to Homeownership and Mortgage Lending
 - Loan Forgiveness

We hope this effort provides a new reliable framework for ongoing and more inclusive investments in our city. If you have any questions about the Balanced Development Priorities attachment, please contact your assigned Development Officer.

BALANCED DEVELOPMENT PRIORITIES

Do total costs of the Project exceed \$5 million? Yes No

Does the present value of proposed City assistance exceed \$3 million? Yes No

CATEGORY	APPLICABLE?	EXCEEDS	MEETS
<p><u>BALANCED HOUSING PRODUCTION</u></p> <ul style="list-style-type: none"> Project creates or preserves, low-income (51%-80% AMI) housing units and/or very low-income housing units (31%-50% AMI) to the extent financially feasible given project conditions. Project creates or preserves extremely low-income housing units (0%-30% AMI) to the extent financially feasible given project conditions. Project creates a mixture of extremely low (0%-30% AMI), very low (31%-50% AMI), and/or low-income (51%-80% AMI) housing units with workforce/middle housing units (81%-120% AMI) and/or market-rate units to the extent financially feasible given project conditions. Project creates additional market-rate or workforce/middle income (81%-120% AMI) housing units that promote a balanced, mixed-income neighborhood without displacing existing lower income residents. 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><u>IMPROVEMENT OF VACANT, BLIGHTED AND/OR UNDERUTILIZED PROPERTIES</u></p> <ul style="list-style-type: none"> Project replaces a vacant and/or underutilized property and adds net-new housing units without displacing existing residents. Project activates a previously vacant building or property. Project eliminates a blighted parcel or parcels (as defined in Ohio Revised Code Section 1.08). Project enhances an underutilized site (i.e. vacant parcel or surface parking lot) and adds new amenities (like housing, office, commercial, community space, etc.) to the neighborhood. Project will involve remediation of a brownfield site or involves mitigation of previously existing site conditions that make redevelopment difficult. 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><u>ENVIRONMENTALLY SUSTAINABLE DEVELOPMENT</u></p> <ul style="list-style-type: none"> Project will obtain requisite level of U.S. Green Building Council Leadership in Energy and Environmental Design Silver, Gold or Platinum or Living Building Challenge Net Zero or Petal (which must comply with the requirements of LBC). 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><u>VOLUNTARY TAX INCENTIVE CONTRIBUTION</u></p> <ul style="list-style-type: none"> Applicant has represented that it (i) will contribute at least 15% of the exempted value of the improvements either in support streetcar operations or to further 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<p>neighborhood improvements in the neighborhood of the project and affordable housing city-wide and (ii) will execute an agreement with a third-party memorializing such contribution.</p>			
<p><u>INCLUSION AND LOCAL BUSINESSES</u></p> <ul style="list-style-type: none"> • Applicant has committed to using good-faith efforts to achieve 17% MBE and 10% WBE utilization goals for construction contracts related to the Project consistent with Chapter 324 of the Cincinnati Municipal Code. • Applicant has participated, is participating, or will participate in the City’s program advancing minority development professionals. • To the extent financially feasible, if a new commercial space becomes available as part of this Project, Applicant has committed (or will cause the end-user to commit) to using commercially reasonable efforts to market and offer this space to local businesses and minority businesses. 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><u>COMMUNITY OUTREACH</u></p> <ul style="list-style-type: none"> • Applicant has engaged all necessary stakeholders in the community in an open and public process, as early as feasible. DCED made information available to Applicant regarding best practices for community engagement. • In the interest of mitigating displacement directly associated with the Project, Applicant has engaged any and all tenants, businesses, and persons that as a direct result of the Project may be entitled to relocation benefits pursuant to Chapter 740 of the Cincinnati Municipal Code. 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><u>LIVING WAGES AND LOCAL JOBS</u></p> <ul style="list-style-type: none"> • Applicant has committed that all jobs created by the Project (during construction and after) will comply with the City’s Living Wage Policy. • Applicant has represented that it will engage a partner in the Labor community on construction of the Project to ensure good wages and career training. • Applicant will (or will cause the end-user to) adopt hiring policies to ensure at least 25% of any new employees hired are residents of the City and such policies will give preference to residents of the City. 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><u>JOB CREATION AND RETENTION</u></p> <ul style="list-style-type: none"> • Project will create and/or retain significant jobs and payroll. • Project will create and/or retain small/neighborhood business jobs and payroll. • Project will create and/or retain more than 10 jobs per acre. 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><u>PLACE-BASED INVESTMENT</u></p> <ul style="list-style-type: none"> • Project is located in a Federally designated NRSA and/or Opportunity Zone. • Project is located within 1/2 mile of a Neighborhood Business District. • Project is located along a transit corridor. 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<ul style="list-style-type: none"> • Project encourages traditional compact, walkable neighborhood development. • Project is placed within a federally designated Hub Zone. 			
<p><u>HISTORIC PRESERVATION</u></p> <ul style="list-style-type: none"> • Project will directly lead to the preservation of a historic structure. • Project will create increased market activity and investment that will support and encourage preservation of proximate historic structures. 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><u>TRANSFORMATIVE PROJECT</u></p> <ul style="list-style-type: none"> • Project fills a neighborhood need and/or adds a new community asset (i.e. retail, commercial, grocery, housing). • Project saves or preserves existing community asset. • Project creates or enhances a public space to be utilized by the community. • Project creates/repairs City infrastructure. • Project is within a “Targeted Neighborhood” as defined in Ordinance No. 275-2017, as amended. • Project is a “Catalytic Project” as defined in Ordinance No. 275-2017, as amended. 	Yes <input type="checkbox"/> No <input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Balanced Development Priorities outlined herein are intended to be utilized as a starting point for discussions of certain public benefits created by applicable projects, and are not intended to prevent or discourage the City Administration from presenting projects for Council consideration that do not meet the criteria listed herein. Acknowledging that projects may have benefits that are not captured in the criteria set forth in the Balanced Development Priorities, Council encourages the City Administration to bring forth all worthy projects.