

APPLICATION FOR COMMERCIAL TAX ABATEMENT

CITY OF CINCINNATI COMMUNITY REINVESTMENT AREA

COMMERCIAL, INDUSTRIAL, MIXED-USE, MULTI-UNIT (5+ UNITS)

*Note: After review and recommendation by the Department of Community & Economic Development, all applications must be reviewed and approved by the City of Cincinnati Council before commencing construction. Any projects that start construction before City Council approval will be **INELIGIBLE** for a Commercial CRA Tax Abatement.*

SECTION I – Applicant/Project Information

Applicant Information:

Legal Name of Property Owner Applying for Abatement: _____

Form of business enterprise _____ (corporation, partnership, proprietorship, LLC, non-profit, or other)

Is the Applicant affiliated with a larger developer or development entity? (Yes / No). If Yes, please provide the name of this developer or development entity: _____

Legal Address of real property owner: _____

Federal Tax ID #(s): _____

Applicant Contact Person: _____ Title: _____

Phone: _____ Main Contact email address: _____

Address of subject property _____ Zip: 452 _____

Hamilton County Auditor Parcel ID#: ____ - ____ - ____ (attach a page listing all parcels and addresses if more than one parcel)

City of Cincinnati Neighborhood: _____

Is any other financial assistance being requested from the City of Cincinnati for this project? Yes No

If yes, please indicate the Development Analyst with whom you are working:

Space/Units to be constructed/renovated:

Construction Type: New Construction Renovation

What percentage of the existing structure is currently occupied: _____%

Total sqft/units to be constructed/renovated:

Commercial: _____ (sqft) Office: _____ (sqft) Industrial: _____ (sqft)

Residential: _____ (sqft) Residential: _____ (# of units)

Project Type:

- Commercial (Retail, Office etc)
 - Industrial
 - Multi-Unit Residential (5 or more units)
 - Mixed-Use (Residential & Commercial)
- Describe the break down in use in SF below:

Please indicate if the project intends to meet Leadership in Energy and Environmental Design (LEED) levels as defined by the U.S. Green Building Council (www.usgbc.org).

- Project is not LEED-certified
- LEED Silver
- LEED Gold
- LEED Platinum

Please indicate if the project will be qualified under the Living Building Challenge program (<http://living-future.org/lbc>):

- Project is not LBC qualified
- LBC Full
- LBC Net Zero
- LBC Petal (requires "Energy Petal")

If approved for an abatement, does the Applicant intend to enter into a Voluntary Tax Incentive Contribution Agreement (VTICA)?

Yes _____ % No

(A VTICA is an agreement with a third-party non-profit designated by the City in which the Applicant would contribute a portion of the abated taxes to support neighborhood-based projects and services as well as City-wide affordable housing initiatives [note that VTICAs in the vicinity of the Streetcar are used to support streetcar operations]. As indicated the applicable City legislation & policies as this is a significant factor in determining the terms of the abatement.)

General Project Information:

Project Name (of Applicable): _____

Description of the project:

Please provide a brief description of the applicant's development experience:

Please state why this project deserves a tax exemption from the City of Cincinnati and what benefits the project will bring to the neighborhood where it is located:

If Commercial or Industrial, state the nature of commercial/industrial activity (manufacturing, warehousing, wholesale or retail stores, or other) to be conducted at the site: _____

Please detail the project's planned community engagement (link for community council boundaries):

SECTION II – Job Creation/Retention

Job Creation and Retention:

The Company will agree to use its best efforts to retain and/or create at least the following estimated number of employee positions at the Property in connection with the Project, in accordance with the specified schedule, and to maintain the minimum employment levels throughout the period of the incentive. The Job numbers below are to be listed in Full Time Equivalent (FTE) positions. FTEs are calculated by the number of total hours worked divided by the maximum number of compensable hours for a full-time work schedule (40hrs/week).

Existing positions at the site of the company to be retained:

Full-Time Equivalent _____ employees; total annual payroll \$ _____

Will the project involve relocation of positions from another company location in the State of Ohio to the City of Cincinnati? Yes No

Existing positions at other company locations in Ohio to be relocated:

Address of Other Location(s): _____

Full-Time Equivalent _____ employees; total annual payroll \$ _____

Address of Other Location(s): _____

Full-Time Equivalent _____ employees; total annual payroll \$ _____

*Please attach additional sheets if other locations exceed spaces provided above.

Will the project involve relocation of positions from another company location outside of the State of Ohio to the City of Cincinnati? _____

Existing positions at other company locations outside of the State of Ohio:

Address of Other Location: _____
Full-Time Equivalent _____ employees; total annual payroll \$ _____

Address of Other Location: _____
Full-Time Equivalent _____ employees; total annual payroll \$ _____

Address of Other Location: _____
Full-Time Equivalent _____ employees; total annual payroll \$ _____

*Please attach additional sheets if other locations exceed spaces provided above.

Estimate the number of **new employees** the property owner will cause **to be created at the facility that comprises the project site within three years**. Job creation projection must be itemized by the name of the employer (add an additional page if more than one employer). FTEs are calculated by the number of total hours worked divided by the maximum number of compensable hours for a full-time work schedule (40hrs/week):

Full-Time Equivalent _____ employees (Total); total annual payroll \$ _____

During the first twelve months of the agreement: _____ positions

During the second twelve months of the agreement: _____ additional positions

During the third twelve months of the agreement: _____ additional positions

Temporary Construction _____ jobs; total annual payroll \$ _____

Length of Construction Period: _____

In addition to the Full Time Equivalent positions listed above, are there any part time jobs and associated payroll? If so, please provide, as well as a description of the positions:

Please provide a brief description of the Job Creation that is associated with this Project (types of jobs; e.g. fabrication, warehousing, sales, operations, management, technical, retail, etc.):

Note to Applicant: Ohio Revised Code Section 3735.673 requires the City formally to notify each county or corporation from which the company intends to relocate, and the Ohio Development, prior to approval of a tax exemption agreement. This notification must be sent prior to consideration of the exemption by Cincinnati City Council.

SECTION III – Project Investment

Real Estate Investment:

Indicate the estimated cost of the construction or remodeling: \$ _____

Estimated total cost of the project (including soft costs & acquisition): \$ _____

Estimated Project start date: _____ Estimated Project completion date: _____

Current Auditor's value of property (aggregate value of all parcels involved): _____

Estimated post-construction value of property: _____

(Please provide appraisal or other method for determining post-construction value of the property)

Other Investment

Investment in Machinery & Equipment (M&E) at the Property: \$ _____

Investment in Furniture, Fixtures, and Equipment (FF&E) at the Property: \$ _____

Other Investment: \$ _____

Description of Other Investment: _____

SECTION IV – Applicant Certifications

Does the property owner owe:

- 1. Any delinquent taxes to the State of Ohio, the City of Cincinnati or another political subdivision of the State? YES NO
- 2. Any moneys to the State of a state agency for the administration or enforcement of any environmental laws of the State? YES NO
- 3. Any other moneys to the State, a state agency or a political subdivision of the State that are past due, whether the amounts owed are being contested in a court of law or not? YES NO

If the applicant responds yes to any of the three above questions, please provide details of each instance including but not limited to the location, amounts, and/or case identification numbers (please submit additional sheets for response).

The Applicant authorizes the City and/or the Ohio Department of Development to inspect the personal financial statements of the Applicant, including but not limited to tax records and other similar information not ordinarily open to public inspection; and authorizes the Ohio Environmental Protection Agency and the Ohio Department of Taxation to release information to the City and/or the Ohio Department of Development in connection with the above statements.

Note: The above statements as to taxes and other obligations, and authorization to inspect, are required by Ohio Revised Code Section 9.66 (C) (1), As provided by statute, a knowingly false statement under this paragraph may be prosecuted as a first degree misdemeanor under Ohio Revised Code 2921.13 (D) and may render the Applicant ineligible for any future economic development assistance from the state or any political subdivision.

Please initial that you have read the above. X _____

Project Completion:

Once the project is complete, the Applicant is required to submit a CRA Completion Application Form along with required documentation noted therein. It is the Applicant's responsibility to submit this completed form to the City of Cincinnati to ensure the tax abatement will be initiated by the Hamilton County Auditor.

Please initial that you have read the above statement and understand that the abatement will not be considered by the Hamilton County Auditor's Office until the CRA Completion Application Form is complete and submitted.

X _____

Additional Certifications by Applicant:

- The Applicant acknowledges that the property is **Not Eligible** for tax exemption if construction activities are commenced prior to the execution of a Community Reinvestment Area Tax Exemption Agreement between the Applicant and the City. No agreement may be executed by the City without prior approval by Cincinnati City Council.
- The Applicant acknowledges that if the application is approved by Cincinnati City Council, a \$750.00 application fee payable to "Treasurer, State of Ohio" will be due. Applicant must submit this fee to the City's Department of Community & Economic Development upon approval by Cincinnati City Council.
- The Applicant acknowledges that a Payment In Lieu of Taxes (PILOT) agreement in the amount of 33% of the annual value of the exemption with Cincinnati Board of Education will be required. The form of this PILOT agreement is available upon request.
- The Applicant acknowledges that if one of the City's considerations for granting a tax exemption is the applicant's representation that it will enter into a VTICA, then the failure by the Applicant to do so is considered grounds for the City of Cincinnati to terminate the tax exemption granted to the Applicant.
- The Applicant acknowledges that all tax exemptions must submit an Annual Report on or before March 31 of each year. This report must be submitted for each year of the tax exemption agreement including during the construction period.
- The Applicant acknowledges that all tax exemptions will be subject to an annual monitoring fee of 1% of the annual taxes exempted under the agreement or \$500, whichever is greater; no City annual fee will be greater than \$2,500 per year. This annual monitoring fee must be submitted with each Annual Report.
- The Applicant acknowledges that to be eligible for tax exemption by the City of Cincinnati, the subject property must be located within the City of Cincinnati.
- The Applicant acknowledges that exemption values are determined by the Hamilton County Auditor's Office.
- The Applicant acknowledges that the City of Cincinnati may revoke the tax exemption any time after the first year if the property has building code violations or is delinquent on the property taxes.
- The Applicant acknowledges that the City of Cincinnati Council may rescind or alter the Ordinance granting tax exemptions.
- The Applicant agrees to supply additional information upon request.

Please initial that you have read the above. X _____

Prior Agreement. Applicant represents and warrants that neither Applicant, nor any "predecessor" or "related member" is a party to another agreement granting tax exemption relating to a structure in this state at which the Applicant (or the predecessor or related member) has discontinued or intends to discontinue operations prior to the expiration of the term of that agreement. (Note: This information is required by Ohio Revised Code 3735.671 (E). As used herein "predecessor" means a person or entity that has transferred assets or equity to Applicant, which transfer resulted in the full or partial non-recognition of gain or loss, or resulted in a carryover basis, both as determined by rule adopted by the Ohio Tax Commissioner; and "related member" has the same meaning as defined in Ohio Revised Code 5733.042 without regard to division (B) of that section.)

Please initial that you have read the above. X _____

I declare under the penalties of falsification that this application, including all enclosed documents and statements, has been examined by me, and to the best of my knowledge and belief is true, correct, and complete.

Signature of Applicant

Date

Printed Name

Title (if signed as officer)

Please complete this application in its entirety and submit to the Department of Community & Economic Development along with required supporting documentation. Please make and retain a copy of this application for your records. Please allow 4 weeks for the Department of Community & Economic Development to review and follow-up on this application.

Send Completed Application to:

City of Cincinnati
Department of Community & Economic Development
805 Central Avenue, Suite 710
Cincinnati, Ohio 45202
Attention: Commercial Tax Abatement Application

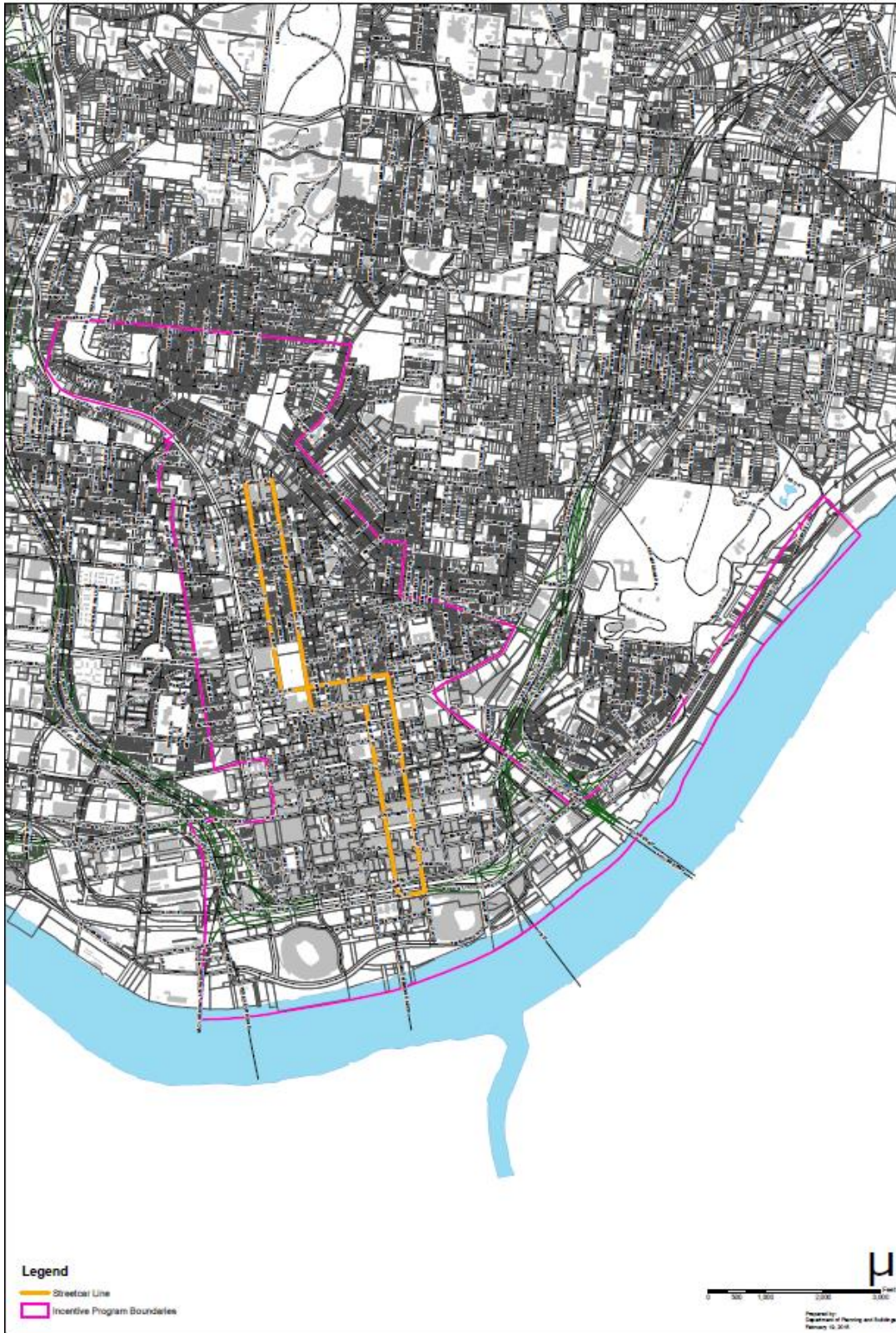
Processing Timeline

Upon receipt of a completed application, city staff will work diligently to process the request and respond to the applicant in a timely manner. For estimating purposes, below is a timeline that the applicant should use from the date of the completed application to estimate the date that the applicant will be able to commence construction if the assistance request is approved. Note that most applicants do not initially submit a complete application and for most applicants some back and forth will be required with city staff to ensure the application is complete before the internal city review process can begin.

Internal City Review & Offer Letter	Four weeks
Contract Drafting & Legislative Approval	Twelve weeks
Contract Signature & Pre-construction Process	Two weeks
Estimated Timeline	Eighteen weeks

Note that the applicant cannot commence construction prior to having a signed agreement from the city or the requested assistance may not be provided by the city.

STREETCAR VTICA AREA



Required Application Attachments

Please provide the following required items as a corresponding attachment. *If you believe a particular item is not applicable to your project, please address the item by including an explanation of why you believe it is not applicable.* Please ensure that all sections of the application are complete and that **ALL REQUIRED ATTACHMENTS LISTED BELOW ARE SUBMITTED/ ADDRESSED WITH YOUR APPLICATION.** Please check all items that are included. If an item is left unaddressed by the Applicant, the reviewing department cannot complete its review of the application.

Attachment Number	Attached Y/N	Attachment Description
#1	<input type="checkbox"/> Yes <input type="checkbox"/> No	<u>Public Purpose:</u> List the major reasons why City Assistance is necessary. Discuss the project gap, why other sources are not available to fill that gap (including debt and owner equity) and how City assistance will allow the gap to be filled. For property sale requests explain why a non-competitive sale is being requested and the public benefits that will be realized.
#2	<input type="checkbox"/> Yes <input type="checkbox"/> No	<u>Development Team:</u> A) Corporate Resolution, Articles of Incorporation, and an Operating/Partnership Agreement for entity applying for assistance showing who is authorized to sign for the organization B) Certificate of Good Standing from the Ohio Secretary of State for all Organizations that will be involved in the project C) Resumes of owners and/or key managers or partners. In the case of Real Estate development, provide information for the entire development team (developer, architect, contractor, leasing/sales agent, LEED certifications, etc.) D) Names, addresses, photos and a brief description of recent projects completed by the development team of similar type and size to that proposed in this application.
#3	<input type="checkbox"/> Yes <input type="checkbox"/> No	Current Financial Statement or other acceptable third party verification of funds from all entities or individuals who will be contributing more than 20% of the required equity for the investment.
#4	<input type="checkbox"/> Yes <input type="checkbox"/> No	<u>Financial Information:</u> A) Real Estate Projects: Provide spreadsheet of 10 year cash flow projection and list all project assumptions (rent rates, revenue & expense growth, etc). Provide budget that details total project investment (reference Section III of application). These documents may be requested in Excel format.

		<p>2) Current business financial statement (less than 90 days old);</p> <p>3) Business financial projections for three fiscal years (privately held companies only);</p> <p>4) Business financial information for the last three fiscal years on affiliate businesses when appropriate.</p>
#5	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p><u>Sources of Funds:</u> For all sources included in the sources and uses provided in #4 above, please attach documentation:</p> <p>A) Conditional bank commitment and/or term sheet</p> <p>B) List of any additional grant requests pending or committed</p> <p>C) Tax credits allocated or being applied for</p> <p>D) Financing Projections</p> <p>E) Other</p>
#6	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p><u>Cost Verifications:</u> Cost verifications and/or third party cost estimates. If third-party estimates are not available, explain your methodology for arriving at your project budget. Please include:</p> <p>A) Purchase agreements for any acquisitions</p> <p>B) Contractor Estimates or bids for new construction and/or rehabilitation</p> <p>C) Architectural Contract</p> <p>D) Other</p>
#7	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p><u>Environmental Site Assessments:</u> Summary Review / Statement of Phase I & Phase II ESA results</p>
#8	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p><u>Market Information:</u></p> <p>A) Summary of appraisal, market study, Real Estate comps and industry information with sources.</p> <p>B) Include a copy of any third-party or in-house market analysis completed for the preparation of financial projection assumptions (sales or lease prices, absorption and capture rates, vacancy rates, expense escalators, etc.).</p>
#9	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<p>Copy of proposed construction plans/renderings etc.</p>
#10	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p><u>Proposed Project Timeline:</u> Anticipated milestones – Please provide in Gantt format if available.</p>
#11	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p><u>Legal Description of the Property Involved:</u> This may include a survey as well as a written legal.</p>
#12	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>If this project is seeking LEED or Living Building Challenge (Full, Net Zero, or Petal [must include “Energy Petal”]) Certification, provide confirmation of registration</p>
#13	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p><u>Application Fee</u> (\$1,250 made payable to city of Cincinnati and \$750 for the Ohio Department of Development)</p>

#14	Yes No	City Business Disclosure Form
#15	Yes No	SBE Utilization Plan
#16	Yes No	Balanced Development Application