

City of Cincinnati’s Residential Tax Abatement Program Reform

Ordinance 106-2023, passed by City Council on March 29, 2023, authorizes, and legislates changes to the City’s Residential Tax Abatement Program (RTA) that establishes incentives based on a tiered structure. Neighborhoods, identified by community council boundaries, are tiered into three designations: Lift, Expand, and Sustain. These neighborhood designations are based on the evaluation of the following six criteria: Average Household Income, Poverty Rate, Housing Value, Mortgage Applications Approved and Originated, Market Value Change, and New Construction Permit Activity. The tiered structure is intended to promote a more widely used program that helps attract development and investment in neighborhoods that historically have not experienced it while right-sizing the incentives in the neighborhoods that historically have. The City will reassess neighborhood designations every three years. The reformed RTA will be made effective September 1, 2023, and will apply to all single-family, two-family, three-family, four-family dwellings and owner-occupied condominiums that commence construction on or after September 1, 2023. See the applicable Ordinance below as well as the corresponding Neighborhood Tiers and Incentive Tables:

Ordinance 106-2023 – Applicable to projects that commence, as evidenced by permit applications submitted and “accepted” by the Department of Buildings and Inspection on or after September 1, 2023. “Accepted” means the application, all required documents, and fees have been submitted to the Building and Inspections Department and have been “Routed” for review.

LIFT Neighborhoods	
Avondale	Mt. Washington
Bond Hill	North Avondale
Camp Washington	North Fairmount
Carthage	Paddock Hills
College Hill	Queensgate
Corryville	Riverside
CUF	Roselawn
East Price Hill	Sayler Park
East Westwood	Sedamsville
English Woods	South Cumminsville
Evanston	South Fairmount
Hartwell	Spring Grove Village
Heights	Villages at Roll Hill
Kennedy Heights	Walnut Hills
Lower Price Hill	West End
Millvale	West Price Hill
Mt. Airy	Westwood
Mt. Auburn	Winton Hills

EXPAND Neighborhoods	
California	Madisonville
Clifton	Northside
Downtown	Over-the-Rhine
East End	Pendleton
East Walnut Hills	Pleasant Ridge

SUSTAIN Neighborhoods	
Columbia Tusculum	Mt. Adams
Hyde Park	Mt. Lookout
Linwood	Oakley

Baseline Incentive Table with Bonuses Applicable to Ordinance 106-2023

LIFT Neighborhood	Abatement Term Length	Maximum Abated Increase in Market Improvement Value
Remodeling	15 years	\$350,000
New Construction	15 years	\$300,000
EXPAND Neighborhood	Abatement Term Length	Maximum Abated Increase in Market Improvement Value
Remodeling	12 years	\$350,000
New Construction	10 years	\$300,000
SUSTAIN Neighborhood	Abatement Term Length	Maximum Abated Increase in Market Improvement Value
Remodeling	8 years	\$250,000
New Construction	5 years	\$200,000

Note: Additions are classified as remodels for the purpose of Ordinance 106-2023.

The following Bonus Incentives can be added to the relevant baseline maximum abated increase in market improvement value:

Bonus Incentive	Additional Amount of Maximum Abated Increase in Market Improvement Value
LEED Silver HERS Qualified Certified Environmental Programs	\$200,000
LEED Gold or Platinum LBC Qualified Net Zero, Full, or Petal – must include “Energy Petal”	\$300,000
Meets the Cincinnati Visitability and Universal Design Standards	\$50,000
Meets Visitability+	\$25,000 (in addition to \$50,000 for Visitability)
Missing Middle Bonus (2 to 4 units)	\$75,000 for 2 units \$150,000 for 3 units \$225,000 for 4 units
Public Transit Corridor Bonus (2 to 4 units)	\$75,000 for 2 units \$150,000 for 3 units \$225,000 for 4 units
Historic Restoration (50+ years old; remodeling only)	\$50,000

Note: Bonuses can be cumulative. For example, an environmental certification (LEED, LBC, or HERS) can be combined with Visitability, Visitability+, Historic Restoration, Missing Middle, and/or Transit Corridor bonuses.

Projects that commenced before September 1st, 2023, are still eligible for the Residential Tax Abatement Program incentives under Ordinances 276-2017 and 370-2020:

- **Ordinance 276-2017:** Applicable to eligible projects that commenced, as evidenced by **permit issuance date, prior to January 1, 2022.**
- **Ordinance 370-2020:** Applicable to eligible projects that commenced, as evidenced by **permit issuance date, on or after January 1, 2022, and building permits applied for and “accepted” through August 31, 2023.** “Accepted” means the application, all required documents, and fees have been submitted to the Building and Inspections Department and have been “Routed” for review.