

## EMERGENCY

ZDS

- 2024

**AUTHORIZING** the City Manager to execute an Operations Agreement with Build Cincinnati Development Fund LLC and Cincinnati Housing Development Fund LLC; **ESTABLISHING** a new Cincinnati Access to Capital Fund for the purpose of receiving and disbursing resources to provide a loan loss reserve for the Cincinnati Access to Capital program; **AUTHORIZING** the Director of Finance to redirect and appropriate \$3,000,000 from the Build Cincinnati Development Fund to the newly established Cincinnati Access to Capital Fund; and further **DECLARING** expenditures from the Build Cincinnati Development Fund and the Cincinnati Access to Capital Fund to be for a public purpose.

WHEREAS, in 2003 and as restructured in 2009, the City contributed approximately \$10.9 million to the program formerly known as the Cincinnati Housing Development Fund (now known as the Build Cincinnati Development Fund) which funds served as cash collateral for loans originated by Cincinnati Housing Development Fund LLC (“CHDF”, later through Build Cincinnati Development Fund LLC, “BCDF”), in partnership with several member banks with a significant presence in the City of Cincinnati, which public dollars were used to leverage considerable private investment in the City; and

WHEREAS, BCDF and CHDF (collectively, “CDF”) desire to execute an Operations Agreement with the City (the “Operations Agreement”) pertaining to the creation of a new program to be known as the Cincinnati Access to Capital program (as described more particularly in the Operations Agreement, the “ATC Program”); and

WHEREAS, the purpose of the ATC Program is for CDF and participating lenders to provide credit-enhanced funding to small business contractors and developers that would not typically have readily-available access to capital, with a particular (though non-exclusive) emphasis on cultivating minority-owned developers and contractors; and

WHEREAS, the City and CDF desire to redirect \$3,000,000 of uncommitted resources in the Build Cincinnati Development Fund to the newly established Cincinnati Access to Capital Fund so that the City can provide such resources as a loan loss reserve for the ATC Program, in accordance with the Operations Agreement, as it may be amended; and

WHEREAS, the actions authorized in this ordinance are in accordance with the “Live” goal to “create a more livable community” and strategy to “support and stabilize our neighborhoods” as described on pages 160-163 of Plan Cincinnati; now, therefore,

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

Section 1. That the City Manager is hereby authorized to execute an Operations Agreement, in substantially the form attached to this ordinance as Attachment A (the “Operations

Agreement”), with Build Cincinnati Development Fund LLC and Cincinnati Housing Development Fund LLC, to establish a new program known as the Cincinnati Access to Capital program (as more particularly described in the Operations Agreement, the “ATC Program”) and contribute \$3,000,000 to the ATC Program (the “City’s Contribution”).

Section 2. That the establishment of the new Cincinnati Access to Capital Fund is hereby authorized for the purpose of receiving and disbursing resources to provide a loan loss reserve for the ATC Program in accordance with the Operations Agreement, as it may be amended.

Section 3. That the Director of Finance is hereby authorized to redirect and appropriate \$3,000,000 of uncommitted resources from the Build Cincinnati Development Fund to the newly established Cincinnati Access to Capital Fund for the purpose of receiving and disbursing resources to provide a loan loss reserve for the ATC Program in accordance with the Operations Agreement, as it may be amended.

Section 4. That expenditures from the Build Cincinnati Development Fund and the Cincinnati Access to Capital Fund are hereby declared to be for a public purpose because they will provide valuable access to capital to businesses that would not typically have readily available access to such capital, thereby providing a significant economic benefit and enhancement to the City.

Section 5. That the City Manager and other City officials are authorized to take all necessary and proper actions to carry out the provisions of this ordinance and the Operations Agreement, including, without limitation, executing all ancillary agreements, amendments, and other documents.

Section 6. 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

the immediate need to provide the City's Contribution to the ATC Program as soon as possible so that businesses are able to obtain valuable access to capital necessary to grow their businesses, thereby creating a significant economic benefit and enhancement to the City at the earliest possible time.

Passed: \_\_\_\_\_, 2024

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Aftab Pureval, Mayor

Attest: \_\_\_\_\_  
Clerk