

February 4, 2026

To: Mayor and Members of City Council

From: Sheryl M.M. Long, City Manager

202600234

Subject: Ordinance –MVCD Funding Agreement B VERSION

Attached is an Ordinance captioned:

AUTHORIZING the City Manager to enter into and execute a Funding Agreement, in substantially the form of Attachment A hereto, to enable the Millcreek Valley Conservancy District to develop the revenue and capacity to operate, maintain, repair, and replace the Mill Creek Local Flood Protection Project when it is completed and turned over to the district by the United States Army Corps of Engineers; **AUTHORIZING** the transfer and appropriation of \$1,500,000 from the unappropriated surplus of Stormwater Management Fund 107 to Stormwater Management Utility Stormwater Management Fund non-personnel operating budget account no.107x311x7200 to provide resources to the Millcreek Valley Conservancy District to operate, maintain, repair, and replace the Mill Creek Local Flood Protection Project; and **DECLARING** the project to be for a public purpose.

The Millcreek Valley Conservancy District (MVCD) is an Ohio Conservancy District formed under R.C. 6101 to provide local flood protection, water stewardship, and recreational use along the Mill Creek across municipal and township boundaries stretching from the Hamilton and Butler County line south to the Barrier Dam. MVCD of the local partner U.S. Army Corps of Engineers (USACE) that will be responsible for the operation and maintenance of over \$275 million in Mill Creek Channel flood management improvements (the “Project”) following the USACE’s imminent completion of construction. The MVCD currently lacks revenue and organizational capacity to meet these responsibilities. This Ordinance is to authorize the City Manager to enter into a Funding Agreement to provide a loan in the amount of up to \$1.5 million for MVCD to complete the R.C. 6101 process to approve assessment revenue and to build the organization’s capacity to manage the Project.

As background, the City of Cincinnati sits at the confluence of the Mill Creek and the Ohio River, where stormwater from the Mill Creek watershed empties into the Ohio River. Both waterways have experienced historic flooding with significant loss of life and property. In 1938, the City and the USACE entered into an agreement to construct the Barrier Dam Project to protect the Mill Creek valley from inundation when the Ohio River floods. After another devastating flood in 1958, nine local governments, with the support of the Cincinnati Chamber of Commerce, petitioned to form the MVCD in 1962 as a R.C. 6101 Conservancy District to prevent flooding along the Mill Creek in Hamilton County. MVCD and the USACE partnered in the design of the Mill Creek Channel Project, which was comprised of a series of channelization projects, pumping plants, and addition of two pumps at the Barrier Dam to facilitate conveyance of stormwater from the Mill Creek drainage basin to the Ohio River to prevent flooding of upstream communities. The Mill Creek Channel protects over a billion dollars of property and infrastructure from flood damage,

including MSDGC's largest sewage treatment plant, a significant railway corridor, a portion of I-75, GE Aviation and P&G facilities, and residences in multiple communities along the creek. In a 1979 agreement, MVCD also agreed to take over the City's OMRR&R responsibilities for the Barrier Dam in exchange for property for the Mill Creek Channel project.

The MVCD currently is run by a three-member board with no permanent staff, funded by an annual \$20,000 contribution from the City of Cincinnati as well as intermittent funding from the Village of Evendale and the City of Sharonville. MVCD has requested support in the amount of \$1,500,000 from the City to complete the R.C. 6101 process to approve assessment revenue and to build the organization's capacity to manage the Project upon the USACE's completion of the project. The attached loan agreement provides for a loan to the MVCD of this amount, and the MVCD agrees to: seek support from multiple sources, including the other eight communities that formed the MVCD, to expand the Conservancy District boundaries and levy assessments so that all properties contributing drainage to the Projects (within Hamilton County) share in the cost, and to develop the capacity and revenue to discharge its responsibilities for the OMRR&R of the Barrier Dam and the Mill Creek Channel projects.

The MVCD has indicated that it will file a petition with the Conservancy court to dissolve the organization if there does not appear to be a path for the organization to become sustainable and able to meet its responsibilities for this significant regional flood protection infrastructure. This would leave the City with ownership, maintenance responsibility, and costs of the portions of the Project within the City. It would also make cross-jurisdictional collaboration for flood management in the Mill Creek Valley more difficult. Finally, there are a number of efforts to improve water quality, recreational and economic development opportunities along the Mill Creek that would face greater challenges to their efforts if MVCD were dissolved.

To ensure that MVCD can take over the OMRR&R responsibilities of the Barrier Dam, the City believes that it is in the best interest of the City to provide financial support in the form of a loan in the amount of \$1,500,000 over a maximum of six years from the Stormwater Management Utility budget (Fund 107) in accordance with the terms of the Agreement, attached as Exhibit A.

The Administration recommends passage of this Ordinance.

cc: Andrea Yang, Executive Director, Greater Cincinnati Water Works