



**Seth Walsh**  
Councilmember

6/4/24

## **MOTION**

*To Adjust the Quick Strike Acquisition Fund ("QSAF") Based Upon Council Priorities*

WE MOVE that the Administration adjust the QUICK STRIKE ACQUISITION FUND ("QSAF") to better prepare our neighborhoods and community development corporations for long term success.

## **POLICY GUIDANCE**

Site control is the most important factor for community-lead development when it comes to revitalizing our communities and ensuring that the community does not ultimately experience the negative impact of "outsider" development.

In December 2023, Cincinnati City Council allocated \$1,000,000 from the Annual Close Out budget process to develop the QSAF. This funding was awarded to HOMEBASE CINCINNATI to ensure a quick allocation and distribution of the funding.

The stated intention of the program was: "Redevelopment efforts can take years and decades to occur. We seek to create a pot of funding that can be accessed by community-based non-profits to be rapidly deployed for the acquisition of strategic assets in their communities to help jumpstart these efforts. Such assets can include vacant buildings or naturally occurring affordable housing that will be preserved as affordable housing. This money should be deployed by HomeBase. These sites can be acquired with the intention of future redevelopment efforts or to preserve naturally occurring affordable housing."<sup>1</sup>

After a pilot implementation of the program in April 2024, this Council seeks to adjust the program to ensure that it both continues strategic acquisitions in neighborhoods that allow for catalytic development, but also allows us to equitably develop Cincinnati's underserved neighborhoods.

This Council requests the QSAF be adjusted through three lenses: (1) structure, (2) scorecard, and (3) reporting.

---

<sup>1</sup> Owens – Walsh Close Out Priority Motion November 2023

## **STRUCTURE**

- Instead of only having one application deadline and scoring period, HOMEBASE should create a system in line with their scoring criteria in which projects over X score are immediately funded, projects lower than X but above Y are queued for consideration once a quarter by the selection committee for potential strategic funding, and projects lower than Y are denied funding.
- QSAF should be used to acquire property, acquisitions costs, securing options, and strategically used by HOMEBASE or others to secure rights of first refusal on important properties throughout Cincinnati neighborhoods.
- QSAF should be a program that exists year-round and which the unused funding continues to roll over year after year. It should not be a program that is completed in a finite amount of time to projects that are ready to go in this moment.
- QSAF should not have a cap on funding per project. Each individual project should be measured based on the above set criteria and underwritten based on timeline, funding availability, other funding sources available, and strategic impact to a community vision.
- QSAF should not come with requirements that the acquired property begin redevelopment within a set period. QSAF should set requirements for the properties acquired based on the planned purpose of the property (i.e. maintaining and improving naturally occurring affordable housing, preparing for future development, etc.)

## **SCORECARD**

- HOMEBASE should update, maintain, and publish a transparent scorecard based on clear metrics such as transformational impact, timeline, and ability to help organizations reach sustainability and goals. In addition, the scorecard should be weighted based on the below mentioned priorities or and those items that we suggest being deprioritized.
- The scorecard should prioritize funding for the RISING 15<sup>2</sup> neighborhoods to secure property as it becomes available for future long term development opportunities. In doing so, the priority should be on critical site control and long-term impact, not necessarily leverage or short-term impact.
- The scorecard should prioritize funding for projects that have no other avenues for funding or are in critical need of acquisition funding immediately. So often in real estate acquisition, development corporations are given an option to buy in a limited window of time that makes putting together large capital stacks difficult.
- The scorecard should prioritize funding to close gaps on acquisitions that maintain naturally occurring affordable housing in communities. An additional emphasis

---

<sup>2</sup> Kearney – Johnson Rising 15 Motion October 2023

2/20/19 - 4/1/19  
95

should be on providing the appropriate gap filler to ensure adequate cashflow from the naturally occurring affordable housing to provide support to the community development corporation for their long-term operations.

- The scorecard should deprioritize projects that are already receiving significant City funding (TIF, NBDIP, NOFA, VTICA, CBR, etc.) from receiving funding from this pot. QSAF Funding should not be a loan and should only be used to take the place of previously allocated City funding under extreme circumstances.

## REPORTING

Because a program like this has never existed with the City of Cincinnati before, this Council requests that a quarterly report and yearly presentation be given to the appropriate committee on the following items:

- All applicants to the fund during that quarter, including total acquisition cost, amount awarded, and other funding leveraged when needed or possible and their scorecard.
- What applicants have been listed for future review but were not yet funded.
- What acquisitions have been closed on and which acquisitions are outstanding.
- Any awarded funding that has had to be clawed back.
- The state of all previously awarded projects and their position in implementing their stated goals.

All currently awarded projects will move forward under the previous system but any future awards of the QSAF should follow an updated program that incorporates all the requirements as listed above. HOMEBASE CINCINNATI will present to City Council a revised plan prior to the City awarding them any future funds.



---

Councilmember Seth Walsh