

**City of Cincinnati**

SSB

**An Ordinance No. 84 - 2023**

EESW

**AUTHORIZING** the City Manager to enter into a Funding Agreement with Whex Garage LLC, a wholly owned subsidiary of Cincinnati Center City Development Corporation (3CDC), and take such other steps as may be necessary in order to facilitate the company’s financing to acquire certain real property located at 212 W. Fourth Street in the Central Business District of Cincinnati, upon which is located a 780-space parking garage commonly known as the Whex Garage; **AUTHORIZING** the transfer and appropriation of \$275,000 from the unappropriated surplus of Downtown South/Riverfront Equivalent Fund 481 to the Department of Finance non-personnel operating budget account no. 481x133x7200 for the purpose of providing resources to facilitate Whex Garage LLC’s financing to acquire certain real property located 212 W. Fourth Street in the Central Business District of Cincinnati, upon which is located a 780-space parking garage commonly known as the Whex Garage; and **DECLARING** that expenditures from the Department of Finance non-personnel operating budget account no. 481x133x7200 are for a public purpose and constitute a “Public Infrastructure Improvement” (as defined in Section 5709.40(A)(8) of the Ohio Revised Code), that will benefit and/or serve the District 2-Downtown South/Riverfront District Incentive District, subject to compliance with Ohio Revised Code Sections 5709.40 through 5709.43.

WHEREAS, pursuant to Resolution No. 6-2022, approved by Council on January 26, 2022, the Mayor and Council expressed their support for the City of Cincinnati (the “City”) to generate a comprehensive strategy for redevelopment of the Duke Energy Convention Center (the “DECC”) and the surrounding area generally bounded by Race Street, Central Avenue, Fourth Street, and Sixth Street (collectively, the “District”), including through the engagement of Cincinnati Center City Development Corporation (“3CDC”) for planning and management services related to the District (the “Services”); and

WHEREAS, as part of the Services and in furtherance of the redevelopment efforts within the District, 3CDC entered into an agreement to purchase certain real property located at 212 W. Fourth Street in the Central Business District of Cincinnati (the “Property”), upon which is a located a 780-space parking garage commonly known as the Whex Garage (the “Garage”), and which is located within the District; and

WHEREAS, Whex Garage LLC (“Developer”), a wholly owned subsidiary of 3CDC, anticipates working with the Port of Greater Cincinnati Development Authority, or affiliate thereof (the “Port Authority”), for the Port Authority to acquire title to the Property and lease it back to Developer; and

WHEREAS, Developer is financing the acquisition of the Property by obtaining (i) a loan in the amount of \$7,000,000 from the Ohio Department of Development (the "State Loan"), and (ii) a loan in the amount of \$4,100,000 (the "CEFIII Loan"); and

WHEREAS, to facilitate the acquisition of the Property and promote its economic feasibility, the City is agreeable to annually provide City funds, subject to appropriation, in an amount not to exceed \$275,000 for a period of up to seven years, for a total contribution not to exceed \$1,925,000 (the "Funds"), which funds will be set aside and made available (i) to make debt service payments on the State Loan to the extent revenues from the Garage are insufficient (the "Loan Obligations"); and (ii) to the extent there are Funds left over following satisfaction of the Loan Obligations, to be applied to the final payment of any outstanding amounts due on the State Loan or, as necessary, the CEFIII Loan, all as more particularly described in the proposed Funding Agreement between the City and Developer, a copy of which is attached hereto as Attachment A (the "Agreement"); and

WHEREAS, the City currently anticipates that the Funds will be paid from revenues it receives in connection with the District 2-Downtown South/Riverfront District Incentive District; and

WHEREAS, in determining to provide the Funds, the City is acting in material reliance on the Board of County Commissioners of Hamilton County, Ohio providing a matching annual contribution of \$275,000 for up to seven years in support of acquiring the Property; and

WHEREAS, following the acquisition of the Property, Developer will maintain the Garage as a public parking garage in support of the District while developing a more comprehensive redevelopment plan for how the Property will be utilized in support of the DECC and the District; and

WHEREAS, the City, upon recommendation of the Department of Community and Economic Development, believes that the acquisition of the Property is in the vital and best interests of the City and the health, safety, and welfare of its residents, and in accordance with the public purposes and provisions of applicable federal, state, and local laws and requirements; for this reason, the City desires to facilitate the acquisition of the Property by providing the assistance as described in the Agreement; 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 enter into a Funding Agreement with Whex Garage LLC ("Developer"), in substantially the form attached hereto as Attachment A, to facilitate Developer's financing to acquire certain real property located 212 W. Fourth

Street in the Central Business District of Cincinnati (the "Property"), upon which is located a 780-space parking garage commonly known as the Whex Garage.

Section 2. That Council hereby authorizes the transfer and appropriation of \$275,000 from the unappropriated surplus of Downtown South/Riverfront Equivalent Fund 481 to the Department of Finance non-personnel operating budget account no. 481x133x7200 for the purpose of providing resources to facilitate Developer's financing to acquire the Property.

Section 3. That the City Manager is hereby authorized to take such actions as are necessary and appropriate, including, without limitation, entering into a Deposit Control Account Agreement with the Ohio Department of Development, if necessary, to facilitate Developer's financing to acquire the Property.

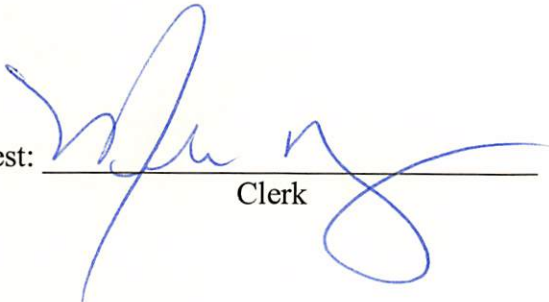
Section 4. That Council hereby declares that providing resources to facilitate Developer's financing to acquire the Property (a) constitutes a "Public Infrastructure Improvement" (as defined in Section 5709.40(A)(8) of the Ohio Revised Code ("R.C.)) that will benefit and/or serve the District 2-Downtown South/Riverfront District Incentive District, subject to compliance with R.C. Sections 5709.40 through 5709.43; and (b) serves a public purpose because the Whex Garage will be utilized by Developer in support of the Duke Energy Convention Center and surrounding areas.

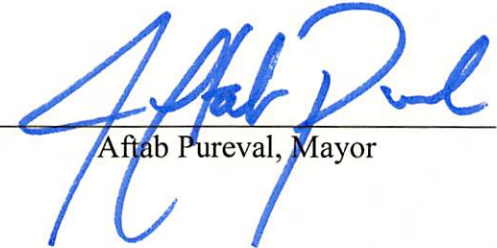
Section 5. That the proper City officials are hereby authorized to do all things necessary and proper to carry out the terms of Sections 1 through 4 hereof.

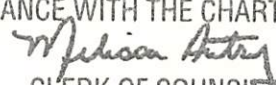
Section 6. That this ordinance shall be an emergency measure necessary for the preservation of the public peace, health, safety and general welfare and shall, subject to the terms of Article II, Section 6 of the Charter, be effective immediately. The reason for the emergency is

the immediate need to facilitate Developer's closing on its acquisition of the Property and associated financing in order to meet the agreed-upon closing timeline.

Passed: March 15, 2023

Attest:   
Clerk

  
Aftab Pureval, Mayor

I HEREBY CERTIFY THAT ORDINANCE NO 84-2023  
WAS PUBLISHED IN THE CITY BULLETIN  
IN ACCORDANCE WITH THE CHARTER ON 3/28/2023  
  
CLERK OF COUNCIL