

August 5, 2024

To: Members of the Budget and Finance Committee

From: Sheryl M. M. Long, City Manager

202401857

Subject: Emergency Ordinance – DCED: MBS Moral Obligation

Attached is an Emergency Ordinance captioned:

AUTHORIZING the payment of \$60,000 from the Department of Community and Economic Development General Fund non-personnel operating budget account no. 050x164x0000x7289 as a moral obligation to McCormack Baron Salazar for consulting services provided to the City regarding the Choice Neighborhoods Implementation Grant application process.

Approval of this Emergency Ordinance authorizes the payment of \$60,000 from the Department of Community and Economic Development (DCED) General Fund non-personnel operating budget account no. 050x164x0000x7289 as a moral obligation to McCormack Baron Salazar (MBS) for services provided to the City related to the Choice Neighborhoods Implementation Grant application process.

In August 2023, the City was negotiating a Memorandum of Understanding (MOU) with the Cincinnati Metropolitan Housing Authority (CMHA) as part of the U.S. Department of Housing and Urban Development (HUD) application process for the Choice Neighborhood Implementation Grant for the West End Choice Neighborhoods Initiative. The City, as “Co-Applicant,” and CMHA, as “Lead Applicant,” intended to submit a fiscal year 2023 Choice Neighborhoods Implementation Grant application, with MBS providing services as co-developer to prepare the application and lead the development team in refining, augmenting, and finalizing the grant plan.

MBS provided consulting services as a co-developer for the HUD Choice Neighborhoods Implementation Grant application for the West End Choice Neighborhoods Initiative. This initiative aimed to develop a comprehensive plan to transform the West End neighborhood and revitalize key public housing sites: Stanley Rowe Towers A and B, Stanley Rowe Rowhouses, and Liberty Street Apartments.

MBS was designated as the housing implementation entity, while their subconsultants worked as the implementation entity for the transformation plan. The City Administration, in collaboration with the CMHA, engaged MBS for their expertise in the grant application process to prepare a grant application to be submitted to HUD in December 2023. MBS and their subconsultants provided services including grant writing, legal services, coordinated multiple meetings, and drafted numerous documents to prepare a full Choice Neighborhood Implementation Grant application by the December 2023 deadline. After MBS conducted consulting

services related to this grant application, the City Administration informed CMHA and MBS that the City was not going to proceed with the 2023 Choice Neighborhoods Implementation Grant Application. Due to the nature of these services, which were completed before a formal contract was established, a moral obligation payment is required to compensate MBS for their contributions. The \$60,000 payment is intended to reimburse MBS for services rendered, which were essential for the grant application process.

The reason for the emergency is the immediate need to pay MBS in a timely manner for consulting services provided to the City.

The Administration recommends passage of this Emergency Ordinance.

cc: Andrew M. Dudas, Budget Director
Karen Alder, Finance Director

Attachment