



Legislation Text

File #: 2918-2021, **Version:** 1

Background: The City and the Developer previously executed a Tax Increment Financing Agreement dated April 17, 2013 pursuant to authorization by Ordinance 0205-2012 to provide Weinland Park Development, LLC (the “Developer”) for reimbursement of costs for eligible public infrastructure improvements benefiting or serving the Weinland Park neighborhood using payments in lieu of taxes generated from the parcels subject to the Weinland Park Incentive District .40(C) TIF established pursuant to authorization by Ordinance 1799-2010 (the “TIF Ordinance”). The Weinland Park Incentive District and surrounding neighborhoods have experienced new growth and development since the passage of the TIF Ordinance, and the area now needs more public parking to allow the public to access the residences, businesses, and public facilities in the area. The Developer is proposing to construct a 311-unit apartment complex and a 557-space structured parking facility with approximately 189 public spaces (the “Project”) for a total estimated investment of approximately ninety-eight million dollars (\$98,000,000). The Project will be constructed on approximately ±3.445 acres of real property known as Franklin County Auditor Tax Parcel ID No. 010-024540 owned by an affiliate of the Developer and located to the northeast corner of N. 4th Street and E. 5th Avenue. The Department of Development has submitted Ordinance 2923-2021 to this Council to authorize the Director of Development to enter into a Cooperative Agreement and 1st Amendment to Tax Increment Financing Agreement (the “Cooperative Agreement and 1st Amendment”) with the Columbus-Franklin County Finance Authority and the Developer. This ordinance will amend the TIF Ordinance to modify the authorized list of public infrastructure improvements to include parking facilities thereby allowing the City to enter into the Cooperative Agreement and 1st Amendment to finance the public spaces in the Project to address the parking need.

Fiscal Impact: No funding is required for this legislation.

Emergency Justification: Emergency legislation is necessary to allow the Developer to maintain its Project schedule and to allow for the timely sale of bonds to finance the public spaces.

To amend Ordinance 1799-2010 to supplement the authorized list of public infrastructure improvements; and to declare an emergency.

WHEREAS, City Council, by its Ordinance 1799-2010 passed on December 13, 2010 (the “TIF Ordinance”), (i) declared that 100% of the increase in assessed value of the property in the Weinland Park neighborhood of the City to be a public purpose, (ii) exempted such increase in assessed value from real property taxation for a period of thirty (30) years, (iii) required the owners of such property to make service payments to the Franklin County Treasurer, (iv) established a municipal public improvement tax increment equivalent fund for the deposit of those non-school service payments from the Franklin County Treasurer (the “Service Payments”), and (v) designated the public infrastructure improvements to be financed with the Service Payments; and

WHEREAS, the City, as previously authorized pursuant to City Ordinance 0205-2012 passed on February 6, 2012, entered into a Tax Increment Financing Agreement with Weinland Park Development, LLC (the “Developer”) dated as of April 17, 2013 (the “Prior TIF Agreement”), under which the City agreed to use the Service Payments to reimburse the Developer for its costs plus additional accrued interest incurred for certain public infrastructure improvements; and

WHEREAS, the Weinland Park Incentive District and the surrounding University District and Short North neighborhoods having experienced new growth and development since the passage of the TIF Ordinance are now in need of more public parking to allow the public to access the residences, businesses, and public facilities in the area; and

WHEREAS, an affiliate of the Developer has acquired certain real property in the City identified as Franklin County

Auditor Tax Parcel ID No. 010-024540 (as may be subdivided in the future) which is subject to the TIF Ordinance and on which it plans to develop a 311-unit apartment complex and 557-space parking garage (the “Project”) with approximately 189 public spaces (the “Public Spaces”); and

WHEREAS, the Department of Development has submitted Ordinance 2923-2021 to this Council to authorize the Director of Development to enter into a Cooperative Agreement and 1st Amendment (the “Cooperative Agreement and 1st Amendment”) with the Columbus-Franklin County Finance Authority (the “CFCFA”) and the Developer to finance the Public Spaces; and

WHEREAS, pursuant to the Cooperative Agreement and 1st Amendment, the parties, among other things, agree the CFCFA will sell bonds to finance the Public Spaces (the “Bonds”), the City will pledge the Service Payments to the debt service of the Bonds, the Developer’s right to reimbursement under the Prior TIF Agreement shall be subordinate to the Bonds, and the Developer will indemnify the City for use of the Service Payments; and

WHEREAS, Section 6 of the TIF Ordinance designated the eligible public infrastructure improvements on Exhibit B of the TIF Ordinance as well as authorized any other public infrastructure improvements thereafter designated by ordinance as public infrastructure improvements made, to be made, or once made that benefit or serve parcels subject to the TIF Ordinance; and

WHEREAS, in order to meet parking demand and allow the City to pledge the Service Payments to the financing of the Public Spaces, the City desires to amend the TIF Ordinance to supplement the authorized list of public infrastructure improvements in Exhibit B of the TIF Ordinance to include parking facilities; and

WHEREAS, an emergency exists in the usual daily operations of the Department of Development in that it is necessary to proceed as quickly as possible with supplementing the eligible public infrastructure improvements of the TIF Ordinance to expedite the development of the Project including the timely sale of bonds to finance the Public Spaces, all for the preservation of the public health, peace, safety and welfare without delay; **NOW, THEREFORE,**

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

Section 1. Modify Eligible Public Infrastructure Improvements. That Exhibit B to Ordinance 1799-2010 is hereby repealed and replaced with Exhibit B-1 attached hereto in order to add improvements to the list of public infrastructure improvements that may be funded from service payments in lieu of taxes that are generated and collected from the parcels subject to the tax increment financing incentive district established pursuant to Ordinance 1799-2010.

Section 2. Effective Date. For the reasons stated in the Preamble hereto, which is hereby made a part hereof, this Ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor or ten days after the passage if the Mayor neither approves nor vetoes the same.