



Legislation Text

File #: 2721-2022, Version: 1

1. BACKGROUND

Marble Cliff Canyon, LLC (the "Original Developer") plans to construct a multi-phased mixed-use commercial office, residential and retail development known as "Quarry Trails". In the first phase of Quarry Trails, the Original Developer plans to invest \$200 million to construct approximately 40,000 square feet of Class A office space, 600 apartment units (the "Multi-Family Project"), up to 440 single-family homes and condominiums, and up to 50,000 square feet of retail (collectively, the "Mixed-Use Project").

The City and the Original Developer entered into an Economic Development Agreement on September 19, 2019 (the "EDA"), pursuant to Ordinance No. 3075-2017, outlining the plans and mutual commitments of the parties relating to Quarry Trails, including a commitment by the Original Developer to reserve portions of the project to Inclusive Housing as follows:

- a) For the Mixed-Use Project, at least 10% of the units shall be occupied by, and affordable to households at or below 100% AMI, for a period of fifteen (15) years (the "Phase I Inclusive Housing"); and
- b) For all future phases, at least 10% of the units shall be occupied by, and affordable to households at or below 80% AMI, and an additional 10% of the units shall be occupied by, and affordable to households at or below 100% AMI for a period of fifteen (15) years (the "Future Phases Inclusive Housing").

The Original Developer created QT Apartments I, LLC (the "Multi-Family Developer") as a special purpose entity, which now owns the land comprising the Multi-Family Project, and is responsible for planning, financing, constructing, owning and operating the Multi-Family Project. In fulfillment of the Phase I Inclusive Housing commitment outlined in the EDA, the Multi-Family Developer has agreed to enter into an agreement with the City to memorialize said commitment.

This Ordinance authorizes the Director of Development to enter into a Housing Development Agreement (the "Agreement") with the Multi-Family Developer to memorialize the Multi-Family Developer's obligation to ensure that the Mixed-Use Project satisfies these affordable housing requirements for a fifteen-year term for each phase, commencing upon the issuance of the final certificate of occupancy, as outlined in the EDA.

2. EMERGENCY JUSTIFICATION

Emergency legislation is required to allow for immediate effectiveness of this ordinance, which is necessary in order to enable the timely development of the above described project.

3. FISCAL IMPACTS

There is no fiscal impact for this legislation.

To authorize the Director of the Department of Development to enter into a Housing Development Agreement with QT Apartments I, LLC, to memorialize the affordable housing commitments contained therein; and to declare an emergency.

WHEREAS, the CITY wishes to foster investment in and the development of affordable housing in mixed-use, mixed-

income neighborhoods in Columbus; and

WHEREAS, Marble Cliff Canyon, LLC (the “Original Developer”) plans to construct a multi-phased mixed-use commercial office, residential and retail development known as “Quarry Trails”; and

WHEREAS, the Original Developer plans to invest \$200 million into the first phase of Quarry Trails to construct approximately 40,000 square feet of Class A office space, 600 apartment units (the “Multi-Family Project”), up to 440 single-family homes and condominiums, and up to 50,000 square feet of retail (collectively, the “Mixed-Use Project”); and

WHEREAS, the City and the Original Developer entered into an Economic Development Agreement on September 19, 2019 (the “EDA”), pursuant to Ordinance No. 3075-2017, outlining the plans and mutual commitments of the parties relating to Quarry Trails, including a commitment by the Original Developer to reserve portions of the project to inclusive housing; and

WHEREAS, the EDA outlined the Original Developer’s commitment to inclusive housing as follows: a) for the Mixed-Use Project, at least 10% of the units shall be occupied by, and affordable to households at or below 100% AMI, for a period of fifteen (15) years (the “Phase I Inclusive Housing”); and b) for all future phases, at least 10% of the units shall be occupied by, and affordable to households at or below 80% AMI, and an additional 10% of the units shall be occupied by, and affordable to households at or below 100% AMI for a period of fifteen (15) years (the “Future Phases Inclusive Housing”); and

WHEREAS, the Original Developer created QT Apartments I, LLC (the “Multi-Family Developer”) as a special purpose entity, which now owns the land comprising the Multi-Family Project, and is responsible for planning, financing, constructing, owning and operating the Multi-Family Project; and

WHEREAS, in fulfillment of the Phase I Inclusive Housing commitment outlined in the EDA, the Multi-Family Developer has agreed to enter into a Housing Development Agreement with the City to memorialize said commitment; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Development in that it is immediately necessary to authorize the Director to enter into a Housing Development agreement with QT Apartments I, LLC in order to meet lender financing requirements and facilitate the construction of the Multi-Family Project at the earliest possible time, and for the preservation of the public health, peace, property, safety, and welfare; **now, therefore**

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

SECTION 1. That the Director of the Department of Development or his or her designee (the “Director”), on behalf of the City, is hereby authorized to enter into a Housing Development Agreement, presently on file with the Department of Development, along with any changes or amendments thereto not inconsistent with this Ordinance and not substantially adverse to the City and which shall be approved by the Director and the City Attorney, provided that the approval of such changes and amendments thereto, and the character of those changes and amendments not being substantially adverse to the City, shall be evidenced conclusively by the Director’s execution and delivery thereof, for purpose of memorializing QT Apartments, LLC’s commitments to inclusive housing.

SECTION 2. That the Director or other appropriate officers of the City are authorized to execute and approve other instruments necessary or conducive to implementing this Ordinance and the transactions contemplated by the Housing Development Agreement, as well as administrative amendments to the Housing Development Agreement and such other instruments, subject to approval by the City Attorney’s Office, and to take all actions as may be necessary to implement this Ordinance and the transactions contemplated by the Housing Development Agreement and/or such other instruments.

SECTION 3. That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is

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 passage if the Mayor neither approves nor vetoes the same.