



Legislation Text

File #: 3149-2022, **Version:** 1

Background: The City determined to facilitate the urban redevelopment of approximately 300 acres of real property generally located at the northeast corner of Dublin Road and Trabue Road. The redevelopment includes about 80 acres of approximately 20,000 square feet of Class A office space, 600 multi-family housing units, 440 single family homes and condominiums, up to 50,000 square feet of retail space (collectively, the “Project”) to be constructed during three separate phases (the “Phases”), and includes 220 acres for the new Quarry Trails Metro Park. In connection with that redevelopment and pursuant to Ordinance 3075-2017, the City entered into an Economic Development Agreement dated September 9, 2019 (the “EDA”) with Marble Cliff Canyon, LLC (the “Developer”). Under the EDA, it contemplated the creation of tax increment financing (“TIF”) area for the Project pursuant to Section 5709.40(B) of the Ohio Revised Code as well as a new community authority (“NCA”) pursuant to Chapter 349 of the Ohio Revised Code. Therefore, in order to implement the EDA, Council passed Ordinance 3176-2019 to establish the Quarry TIF area to provide 100%, 30-year exemptions from real property taxation on all improvements to each of the Phases within the Quarry TIF area. Pursuant to the passage of Resolutions 0268X-2019 and 0284X-2019, the Marble Cliff Quarry NCA (the “Authority”) was created of which the Project parcels are a part thereof.

The applicable portion of those service payments from the Quarry TIF will be distributed directly to the Hilliard City School District and the Central Ohio Joint Vocational School District (Tolles) with the remaining non-school portion of those service payments paid to the City. Those non-school service payments from the Quarry TIF Fund are pledged to the Authority to be used to fund public infrastructure improvements benefiting the TIF parcels pursuant to Ordinance 3253-2019, which authorized the Tax Increment Financing and Cooperative Agreement dated May 1, 2020 by and among the City, the Developer, and the Authority. Due to unforeseen market changes during the pandemic, the Developer has proposed changing which parts of the Project occur in the second and third Phases. In order to continue to maximize the amount of service payments available to the Authority for the public infrastructure improvements, this legislation will amend Ordinance 3176-2019 to update which parcels of the Quarry TIF are in each of the exemption Phases.

Emergency Justification: Emergency passage of this legislation is requested in order to exempt the improvements to the parcels of the Quarry TIF within the modified exemption Phases prior to the end of the current tax year, thereby continuing to maximize the amount of service payments necessary to finance the public infrastructure improvements, which will preserve the public peace, health, property, safety, and welfare.

Fiscal Impact: No funding is required for this legislation.

To amend Ordinance 3176-2019 to update which parcels of the Quarry TIF are in each of the three exemption phases of the project; and to declare an emergency.

WHEREAS, the City determined to facilitate the redevelopment of approximately 300 acres of real property generally located at the northeast corner of Dublin Road and Trabue Road with about 80 acres consisting of a mixed-use development (the “Project”) to be constructed during three separate phases (the “Phases” and each a “Phase”) and the remaining 220 acres consisting of the new Quarry Trails Metro Park; and

WHEREAS, pursuant to Ordinance 3075-2017, the City entered into an Economic Development Agreement dated

September 9, 2019 (the “EDA”) with Marble Cliff Canyon, LLC (the “Developer”) for the Project by which the City agreed to establish tax increment financing (“TIF”) on those Project parcels pursuant to Section 5709.40(B) of the Ohio Revised Code, and to support the creation of a new community authority (“NCA”) pursuant to Chapter 349 of the Ohio Revised Code; and

WHEREAS, to implement the EDA, Council passed Ordinance 3176-2019 to establish the Quarry TIF that provides for a 100% exemption from real property taxation on all improvements to the parcels of each of the Phases within the Quarry TIF area for separate periods of not more than thirty (30) years for each of the Phases; and

WHEREAS, in furtherance of the EDA, Council also passed Resolution 0268X-2019 to determine the sufficiency of the NCA petition submitted by the Developer and passed Resolution 0284X-2019 to establish the Marble Cliff Quarry NCA (the “Authority”) and its new community district over the Project parcels; and

WHEREAS, Council then passed Ordinance 3253-2019, which authorized the Tax Increment Financing and Cooperative Agreement dated May 1, 2020 (the “Agreement”) by and among the City, the Developer, and the Authority; and

WHEREAS, pursuant to the Agreement, the applicable service payments generated from the Quarry TIF not to be provided to the schools but directed to the Quarry TIF Fund are pledged by the City to the Authority to be used to fund public infrastructure improvements benefiting the TIF parcels; and

WHEREAS, due to unforeseen market changes during the pandemic, the Developer has proposed changing which parts of the Project occur in the second and third Phases thereby affecting when improvements in each of the Phases of the Quarry TIF will be exempted and for how long; and

WHEREAS, an emergency exists in the usual daily operations of the Department of Development in that it is immediately necessary to amend Ordinance 3176-2019 to update which parcels of the Quarry TIF are in each of the exemption Phases prior to the end of the current tax year thereby continuing to maximize the amount of service payments necessary to finance the public infrastructure improvements, such action being necessary for the preservation of the public health, peace, property and safety; **NOW, THEREFORE**,

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

Section 1. Modification of Quarry TIF Exemption Phases. Council repeals Exhibit A of Ordinance 3176-2019, and replaces it with Exhibit A attached hereto, that modifies which “Parcels,” as defined in Section 1 of Ordinance 3176-2019, of the Quarry TIF are incorporated into each exemption Phase of the Quarry TIF for the purposes of Section 4 of Ordinance 3176-2019, and any other applicable section therein. Franklin County Auditor Tax Parcel ID No. 560-183817 will be placed in the second Phase rather than the third Phase, and Franklin County Auditor Tax Parcel ID No. 560-239130 and the most northwestern part of Franklin County Auditor Tax Parcel ID No. 560-298029 adjoining Franklin County Auditor Tax Parcel ID No. 560-298031, will be placed in the third Phase rather than the second Phase as each is depicted on Exhibit A attached hereto.

Section 2. No Other Modifications. Except as amended or modified hereby, all terms, covenants, and conditions of Ordinance 3176-2019 as heretofore in effect shall remain in full force and effect. It is the intent of City Council that Ordinance 3176-2019 and this ordinance be construed together as a single instrument.

Section 3. Effective Date. For the reasons stated in the Preamble hereto, which is 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 the passage if the Mayor neither approves nor vetoes the same.