



Legislation Details (With Text)

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On agenda: 3/19/2012 **Final action:** 3/21/2012

Title: To authorize the Director of the Department of Development to enter into an Economic Development Agreement with Pizzuti Short North LLC; and to declare an emergency.

Sponsors:

Indexes:

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Attachments:

Date	Ver.	Action By	Action	Result
3/21/2012	1	ACTING CITY CLERK	Attest	
3/20/2012	1	MAYOR	Signed	
3/19/2012	1	COUNCIL PRESIDENT	Signed	
3/19/2012	1	Columbus City Council	Approved	Pass

Background: The purpose of this ordinance is to give the Director of the Department of Development the authority to enter into an Economic Development Agreement with Pizzuti Short North LLC. The Economic Development Agreement will outline the plans and certain commitments of the parties relating to the proposed mixed use Commercial Development that encompasses both sides of a two block area of N. High Street in the Short North area of Downtown Columbus. The plans and proposals remain subject to authorization pursuant to the adoption of appropriate legislation by Columbus City Council.

The Pizzuti Project, a proposed \$59 million investment, has been undertaken in cooperation/partnership with the City of Columbus as signature projects for both the Italian Village Commission Area and Victorian Village Commission Area. The project will include a \$33 million, boutique hotel with approximately 135 rooms; a \$12 million, approximately 60,000 square foot class A office building; a \$12 million parking structure that will accommodate approximately 313 cars; and the \$2 million renovation of the former United Commercial Travelers Headquarters to house the Pizzuti Collection Gallery.

Under the Economic Development Agreement, the Development Department will, for purposes of development of the Parking Garage, submit for City Council consideration all necessary legislation to enter into a TIF Reimbursement Agreement with Pizzuti. Additionally, the Department of Development will submit for City Council consideration all necessary legislation to provide an Enterprise Zone Real Property tax abatement of 75% for a term of ten (10) years for the office building to be located at 621-629 N. High Street, identified by parcel number 010-002258 to Pizzuti.

The Department agrees to submit an ordinance for Council consideration authorizing the Director to enter into a real estate purchase agreement with Pizzuti to transfer fee title by quit claim deed the real property, situated at 618 N. High Street, identified by parcel number 010-003663 for a purchase price of \$1.00. The agreement shall be approved by the City Attorney. The City and Pizzuti will enter into an agreement to reimburse the City for the displacement of the existing forty (40) parking meters currently located at 618 N. High Street in the amount of \$125,000 annually for a term of five (5) years.

The Department will submit for Council consideration all necessary legislation to authorize the contribution of up to \$1.9 million in capital dollars for eligible public improvements required as a result of the development. These improvements will include, but not be limited to, the reconstruction of Malay Alley and water, sanitary and storm sewers upgrades and/or relocation. Pizzuti will follow the processes of the Departments of Public Service and Public Utilities for the design and construction of the public improvements.

Fiscal Impact: No funding is required for this legislation.

To authorize the Director of the Department of Development to enter into an Economic Development Agreement with Pizzuti Short North LLC; and to declare an emergency.

WHEREAS, Pizzuti is proposing a mixed use Commercial Development (the "Project") that encompasses both sides of a two block area of N. High Street in the Short North area of Downtown Columbus; and

WHEREAS, the Pizzuti Project has been undertaken in cooperation/partnership with the City of Columbus as signature projects for both the Italian Village Commission Area and Victorian Village Commission Area; and

WHEREAS, Pizzuti is proposing to invest approximately \$33 million to construct and operate an approximately 135 room boutique hotel along N. High Street; and

WHEREAS, Pizzuti is proposing to invest over \$2 million to renovate the former United Commercial Travelers headquarters to house the Pizzuti Collection Gallery; and

WHEREAS, Pizzuti is proposing to invest approximately \$12 million to develop a new approximately 60,000 square foot, Class A office building along N. High Street; and

WHEREAS, the new approximately 60,000 square foot, Class A office building is projected to attract over 400 jobs to the Short North area; and

WHEREAS, Pizzuti is proposing to construct a new parking garage at a cost of approximately \$12 million that will accommodate approximately 313 cars; and

WHEREAS, the City, by its Ordinance 2172-2005, passed December 12, 2005, authorized the creation of the Short North Incentive District to encourage the construction of structured public parking spaces; and

WHEREAS, a public parking shortage continues to exist within the Short North Incentive District; and

WHEREAS, Pizzuti is the owner of real property situated at 621-629 N. High Street, identified by parcel number 010-002258 and situated at 632 N. Park Street, identified by parcel number 010-052208; and

WHEREAS, the City is the owner of real property situated at 618 N. High Street, identified by parcel number 010-003663; and

WHEREAS, the City desires to enter into an Agreement with Pizzuti to outline the framework for many of the major terms of cooperation for the development of the Project; and

WHEREAS, the Parties desire to memorialize their understanding and agreements with respect to such cooperation; and

WHEREAS, the City's agreement to provide the referenced financial assistance is contingent upon authorization

pursuant to the adoption of appropriate legislation by Columbus City Council; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Development in that this Ordinance is required to be immediately effective in order to facilitate the timely and continuing development of the Short North and the resulting creation and retention of jobs, such immediate 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. That the Director of the Department of Development is authorized to enter an Economic Development Agreement with Pizzuti Short North LLC to outline the plans and certain commitments of the parties relating to the proposed mixed use Commercial Development that encompasses both sides of a two block area of N. High Street in the Short North area of Downtown Columbus.

Section 2. 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.