



Legislation Details (With Text)

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File created: 7/5/2007 **In control:** Finance & Economic Development Committee
On agenda: 7/23/2007 **Final action:** 7/25/2007

Title: To authorize the Director of Finance and Management to enter into an amendment to the July 30, 2001 Operative Agreement between the City and Capitol South Community Urban Redevelopment Corporation, which revises the Rental Payment Schedule and provides for the use of a portion of the ground rents that would otherwise be payable to the City, and to declare an emergency.

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
7/25/2007	1	CITY CLERK	Attest	
7/24/2007	1	MAYOR	Signed	
7/23/2007	1	Columbus City Council	Approved	Pass
7/23/2007	1	COUNCIL PRESIDENT	Signed	
7/11/2007	1	City Clerk's Office	Sent back for Clarification/Correction	
7/11/2007	1	Finance Drafter	Sent to Clerk's Office for Council	
7/10/2007	1	Finance Reviewer	Reviewed and Approved	
7/10/2007	1	FINANCE DIRECTOR	Reviewed and Approved	
7/10/2007	1	Finance Drafter	Sent for Approval	
7/10/2007	1	Auditor Reviewer	Reviewed and Approved	
7/10/2007	1	CITY AUDITOR	Reviewed and Approved	
7/10/2007	1	Finance Drafter	Sent for Approval	
7/10/2007	1	CITY ATTORNEY	Reviewed and Approved	
7/10/2007	1	Finance Drafter	Sent to Clerk's Office for Council	
7/9/2007	1	Finance Drafter	Sent for Approval	

BACKGROUND:

With the acquiescence of the City, Capitol South Community Urban Redevelopment Corporation has accumulated ground rents that would otherwise be payable to the City for the periods ending June 30, 2006 and December 31, 2006, with a view to (a) advancing a downtown parking development program pursuant to the results of the parking study commissioned by the City pursuant to Ordinance No. 0628-2007, and (b) allowing Capitol South to make a contribution on behalf of the City in support of the Capital Crossroads Special Improvement District. In addition, Capitol South has changed its fiscal year from a period ending June 30 to a period ending December 31 and has requested that the Rental Payment Schedule under the July 30, 2001 Operative Agreement between the City and Capitol South be revised to reflect this change in Capitol South's fiscal year.

This legislation authorizes the Director of Finance and Management to enter into an amendment to the July 30, 2001 Operative Agreement between the City and Capitol South, which (i) revises the Rental Payment Schedule and other provisions to reflect the change in Capitol South's fiscal year from a year ending June 30, to a year ending December 31; (ii) allows Capitol South to hold from ground rents that would otherwise be payable to the City at this time, the sum of \$600,100.00 and to use so much thereof as may be required to (a) facilitate the design of, and provide assistance to the City with respect to land acquisition for two downtown parking facilities, (b) facilitate the creation of a special assessment district to support the construction and/or operation of such downtown parking facilities, and (c) facilitate the creation of one or more non-school tax increment financing districts to support the downtown parking and other initiatives, (iii) directs Capitol South to hold from grounds rents that would otherwise be payable to the City at this time, the sum of \$187,900 and to pay the same to Capital Crossroads on behalf of the City, (iv) directs Capitol South to pay to the City any grounds rents would otherwise payable to the City at this time and not so held or used, and (iv) generally updates the Operative Agreement to conform to any ordinances previously adopted.

Emergency action is requested to allow the foregoing actions to be initiated and completed in a timely manner.

To authorize the Director of Finance and Management to enter into an amendment to the July 30, 2001 Operative Agreement between the City and Capitol South Community Urban Redevelopment Corporation, which revises the Rental Payment Schedule and provides for the use of a portion of the ground rents that would otherwise be payable to the City, and to declare an emergency.

WHEREAS, Capitol South Community Urban Redevelopment Corporation ("Capitol South") has to date paid to the City over \$54.6 million in ground rents pursuant to the July 30, 2001 Operative Agreement between the City of Columbus and Capitol South (the "Operative Agreement") and its predecessor agreements; and

WHEREAS, Capitol South has assisted the City by, among other things, providing \$500,000 for the redevelopment of the South Theatre, \$250,000 for the expansion of the Ohio Theatre, \$738,182.41 for Façade Improvement Assistance Grants for 48 downtown building façades, \$1,000,000 for the support of the Capital Crossroads Special Improvement District ("Capital Crossroads"), \$1,050,000 for the redevelopment of the Senaca Hotel and \$14,090,000 for low-interest loans to 18 downtown housing projects containing 728 new housing units; and

WHEREAS, Capitol South has revised its fiscal year from a period ending June 30 to a period ending December 31, and the City and Capitol South deem it desirable to amend the Rental Payment Schedule and other provisions under the Operative Agreement to reflect the change in Capitol South's fiscal year; and

WHEREAS, under the Operative Agreement as so amended, Capitol South will owe the City ground rent payments for the periods ending June 30, 2006 and December 31, 2006 (the "2006 Ground Rents") in the estimated amount of \$788,000.00; and

WHEREAS, the City has engaged Capitol South, pursuant to Ordinance No. 0628-2007, to plan, manage and execute a study of parking in downtown Columbus; and

WHEREAS, the City and Capitol South deem it desirable to amend the Operative Agreement and apply a portion of the 2006 Ground Rents to advancing the development of downtown parking facilities; and

WHEREAS, the City and Capitol South joined to facilitate and establish in 2000 the Capital Crossroads Special Improvement District ("Capital Crossroads SID"), which, with its partners at the Public Safety Department, the Public Service Department and the Parks and Recreation Department, has materially improved the safety and cleanliness of Downtown Columbus; and

WHEREAS, the City and Capitol South deem it desirable to amend the Operative Agreement and apply a portion of the 2006 Ground Rents to support the 2007 operations of Capital Crossroads SID; and

WHEREAS, an emergency exists in the usual daily operation of the Departments of Finance and Management and Development in that expediting the advance of the development of downtown parking facilities and the payment to Capital Crossroads will preserve 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 Finance and Management be and is hereby authorized to enter into an amendment to the Operative Agreement (the "Operative Agreement"), which:

- (a) revises the Rental Payment Schedule and other provisions to reflect the change in Capitol South's fiscal year from a year ending June 30 to a year ending December 31;
- (b) allows Capitol South to hold from the 2006 Ground Rents, the sum of \$600,100.00 and to use so much thereof as may be required to (a) facilitate the design of and land acquisition for two downtown parking facilities, (b) facilitate the creation of a special assessment district to support the construction and/or operation of such downtown parking facilities, and (c) facilitate the creation of one or more non-school tax increment financing districts to support the downtown parking and other initiatives;
- (c) requires and directs Capitol South to hold from the 2006 Ground Rents, the sum of \$187,900 and to pay the same, on behalf of the City, to Capital Crossroads for its 2007 operations,
- (d) generally updates the Operative Agreement to conform to any and all ordinances previously adopted.

Section 2. That the Director of Finance and Management be and hereby is authorized to execute any and all documents and instruments required or helpful to effect the intent of this Ordinance.

Section 3. That 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 passage if the Mayor neither approves, nor vetoes, the same.