



## Legislation Text

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**File #:** 1916-2023, **Version:** 1

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**Background:** Ordinance No. 3313-2018 authorized the establishment of a third tax increment financing area pursuant to Ohio Revised Code Section 5709.40(B) near the Polaris Centers of Commerce development (the “Polaris III TIF”). The purpose of this ordinance is to amend Ordinance No. 3313-2018 in order to 1) clarify which parcels in the Polaris III TIF were removed from both of the previously existing tax increment financing areas around Polaris; 2) to clarify the distribution of service payments in lieu of taxes to be made by the Delaware County Treasurer; 3) to appropriate the service payments in lieu of taxes and property tax rollback payments generated from the Polaris III TIF (the “Service Payments”) deposited into the Polaris TIF Fund pursuant to Sections 2, 3, and 4 of Ordinance No. 3313-2018; and 4) to authorize an expenditure to the Olentangy Local School District and the Delaware Area Career Center, pursuant to the terms and conditions of the Compensation Agreement dated December 11, 2019 authorized by Section 7 of Ordinance No. 3313-2018.

**Emergency Justification:**

Emergency legislation is requested because the Compensation Agreement requires that the City make compensation payments from the Service Payments to the Olentangy Local School District and the Delaware Area Career Center within thirty (30) days of receiving the verification statement from the administrator, which the time period will have elapsed if this legislation were not passed by emergency.

**Fiscal Impact:** No funding is required for this legislation. The City is appropriating and authorizing the expenditure of the Service Payments to be deposited in the Polaris TIF Fund (4402) in accordance with the Compensation Agreement.

To amend Ordinance No. 3313-2018 in order to clarify (i) which Polaris III TIF parcels were removed from existing tax increment financing areas and (ii) the distribution of the Polaris III TIF service payments in lieu of taxes by the Delaware County Treasurer; (iii) to appropriate and authorize the expenditure of Polaris III TIF service payments in lieu of taxes from the City to the Olentangy Local School District and the Delaware Area Career Center pursuant to the terms and conditions of the Compensation Agreement dated December 11, 2019; and to declare an emergency.

**WHEREAS,** Ordinance No. 3313-2018 passed by City Council on December 10, 2018, authorized City Council to establish a third tax increment financing area near the Polaris Centers of Commerce development (the “Polaris III TIF”), and to provide for a 30-year, one hundred percent (100%) tax increment financing exemption of the improvements to the Polaris III TIF parcels pursuant to Sections 5709.40(B), 5709.42, and 5709.43 of the Ohio Revised Code; and

**WHEREAS,** it is necessary to amend certain sections of Ordinance No. 3313-2018 to (1) clarify which Polaris III TIF parcels were removed from existing tax increment financing areas and included in the Polaris III TIF; (2) to clarify the distribution of the Polaris III TIF service payments and property tax rollback payments (the “Service Payments”) by the Delaware County Treasurer; and (3) to appropriate and authorize the expenditure of the Service Payments to the Olentangy Local School District (the “Olentangy School District”) and the Delaware Area Career Center (the “Career Center”) pursuant to the terms and conditions of the Compensation Agreement dated December 11, 2019 (the “School Compensation Agreement”) authorized by Section 7 of Ordinance No. 3313-2018; and

**WHEREAS,** an emergency exists in the usual daily operation of the Department of Development in that it is immediately

necessary to amend parts of Ordinance No. 3313-2018 because the School Compensation Agreement requires that the City make compensation payments from the Service Payments to the Olentangy School District and the Career Center within thirty (30) days of receiving the verification statement from the administrator, which the time period will have elapsed if this legislation were not passed by emergency for the immediate preservation of the public peace, health, property, safety, and welfare; **NOW, THEREFORE,**

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

**SECTION 1.** That City Council finds and determines that Sections 1, 5, and 11 of Ordinance No. 3313-2018 shall be amended to read as provided below, with new language underlined and deletions stricken:

**Section 1.** Amendment of both Ordinance No. 3106-96 and Ordinance No. 1847-2015. Exhibit A to Ordinance No. 3106-96, as previously amended by Ordinance Nos. 0627-2004, 1560-2005, 1914-2008, 1582-2013, and Exhibit A to Ordinance No. 1847-2015 passed by the Columbus City Council on July 13, 2015, is hereby amended to remove the Parcels included are both repealed and replaced within Exhibit A attached to this Ordinance No. 3313-2018; as applicable, and the Department of Development shall prepare a substitute Exhibit A to that Ordinance No. 1847-2015 reflecting those removals.

**Section 5.** Distribution of Service Payments. Pursuant to the TIF Statutes, the Delaware County Treasurer is requested to distribute the Service Payments as follows:

(i) to the Olentangy School District, for its respective amount due in accordance with the School Compensation Agreement, if not otherwise legally required to be distributed by the City, equal to one-hundred percent (100%) of the real property taxes the Olentangy School District would have received if not for the Polaris III TIF exemption, but only during years 21-30 of the Polaris III TIF exemption authorized by Section 2 of Ordinance No. 3313-2018; and

(ii) to the Career Center for its respective amount due in accordance with the School Compensation Agreement, if not otherwise legally required to be distributed by the City, equal to one-hundred percent (100%) of the real property taxes the Career Center would have received if not for the Polaris III TIF exemption, but only during years 21-30 of the Polaris III TIF exemption authorized by Section 2 of Ordinance No. 3313-2018; and

(iii) to the City, all remaining amounts, as applicable, for further deposit into the Special Fund for payment first to the Olentangy School District and to the Career Center equal to fifty percent (50%) of the real property taxes the Olentangy School District and the Career Center would have received if not for the Polaris III TIF exemption, but only during years 1-20 of the Polaris III TIF exemption authorized by Section 2 of Ordinance No. 3313-2018 and thereafter, the remainder for payment of costs of the Public Infrastructure Improvements (i) by reimbursing such party as may be authorized by any tax increment financing agreement in connection with the Parcels, (ii) as security for and to pay the costs of issuance and interest on and principal of any bonds or notes issued in order to finance the Public Infrastructure Improvements, or (iii) by otherwise paying for the costs of the Public Infrastructure Improvements.

All distributions required under this Section 5 are requested to be made at the same time and in the same manner as real property tax distributions.

**Section 11. Effective Date.** For the reasons stated in the Preamble hereto, this Ordinance Amenis hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, health, welfare and safety of the City 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. That the Service Payments and property tax rollback payments deposited into the Special Fund as a result of the exemption authorized in Section 2 of Ordinance No. 3313-2018 shall be deemed appropriated for the purposes set forth in the School Compensation Agreement authorized in Section 7 of Ordinance No. 3313-2018 and authorized to be expended therefrom in accordance with the School Compensation Agreement, and the City Auditor is authorized to make payments to the Olentangy School District and the Career Center or their designees from the Special Fund in accordance with the School Compensation Agreement upon order of the Director of the Department of Development, or his or her designee, and that no order shall be drawn or money paid except by voucher, the form of which shall be approved by the City Auditor.

**SECTION 2.** All references to Exhibit A of Ordinance No. 3313-2018 shall now refer to Exhibit A of this amending Ordinance.

**SECTION 3.** The following Sections of Ordinance No. 3313-2018, not amended herein, remain the same: Sections 2, 3, 4, 6, 7, 8, 9, and 10.

**SECTION 4.** For the reasons stated in the preamble 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.