



City of Columbus

Office of City Clerk
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Legislation Text

File #: 1090-2008, **Version:** 1

BACKGROUND: In June 2004, in response to a petition from Columbus Downtown Development Corporation ("CDDC"), this Council approved the creation of The RiverSouth Authority (the "Authority"). The Authority then entered into a Master Lease Agreement and a First Supplemental Lease Agreement with the City in support of the Authority's issuance to \$37,870,000 of RiverSouth Area Redevelopment Bonds, 2004 Series A (the "2004 Series A Bonds") to pay costs of CDDC's acquisition of the former Lazarus properties and redevelopment initiatives in and for the area of Downtown Columbus generally known as the "RiverSouth Area". Under the First Supplemental Lease, City Council approval is required for the Authority's release of the \$10,000,000 of the proceeds of the 2004 Series A Bonds currently held in the RiverSouth Area Redevelopment Project Fund (the "Project Fund").

Recent public and private investments have made RiverSouth an emerging neighborhood. Construction for the Main Street Bridge has been underway for several years, and the Lazarus Building has been renovated into premier "green" office space and is 99% leased. The Scioto Mile Park is set to begin construction in May and the municipal garage will be completed in the spring of 2009. In addition, a moderately priced housing development, featuring both rental and for-sale units, will be constructed on four empty lots just south of the Lazarus Building, providing an important housing product downtown.

This ordinance authorizes the release of final bond funds in the amount of \$503,670 from the Project Fund *i.e.*, (a) \$253,670 to fund repairs necessary to repair the structure beneath Wall Street and Chapel Street at The Lazarus Building, and (b) \$250,000 assist with funding the demolition of the sky bridge over High Street and the creation of street level retail space in The Lazarus Building. This funding will augment the anticipated 2008 State Capital funding.

This ordinance is submitted as an emergency measure to expedite the redevelopment of the RiverSouth Area.

FISCAL IMPACT: No funding is required for the legislation.

To authorize the release of \$503,670 of bond proceeds currently held in the Project Fund in support of Columbus Downtown Development Corporation's plan to repair the two alleys adjoining the northwest portion of The Lazarus Building and to complete a plan to demolish the sky bridge connecting The Lazarus Building to City Center; and to declare an emergency.

WHEREAS, in order to create or preserve jobs and employment opportunities and to improve the economic welfare of the people of the City of Columbus, Ohio (the "City"), this Council desires to provide for the continued redevelopment and revitalization of that certain area situated within the corporate limits of the City, being generally the area of the City's downtown and surrounding areas known as the "RiverSouth Area"; and

WHEREAS, to further the redevelopment and revitalization of the RiverSouth Area, Columbus Downtown Development Corporation ("CDDC") petitioned this Council for the creation of The RiverSouth Authority (the "Authority") as a new community authority pursuant to Chapter 349 of the Ohio Revised Code (the "Revised Code"), and, by adoption of its Resolution No. 1008-2003 on June 21, 2004, this Council approved the creation of the Authority; and

WHEREAS, pursuant to Ordinance No. 1009-2004 by this Council on June 21, 2004, the City then entered into a Master Lease Agreement and a Final Supplemental Lease Agreement (the "Final Supplemental Lease") with the Authority in support of the Authority's issuance of \$37,870,000 of RiverSouth Area Redevelopment Bonds, 2004 Series A, to pay costs of CDDC's acquisition of redevelopment properties, and initiation of redevelopment, in and for the RiverSouth Area, with the First Supplemental Lease providing for City Council approval prior to release of any portion of the \$10,000,000 of proceeds of the 2004 Series A Bonds currently held in the RiverSouth Area Redevelopment Project Fund (the "Project Fund"); and

WHEREAS, CDDC has requested that this Council approve the release of the remaining funds totaling \$503,670 of 2004 Series A Bond proceeds (the "Bond Proceeds") currently held in the Project Fund to pay \$503,670 from the Project Fund *i.e.*, (a) \$253,670 to fund repairs necessary to repair the structure beneath Wall Street and Chapel Street at The Lazarus Building, and (b) \$250,000 assist with funding the demolition of the sky bridge over High Street and the creation of street level retail space in The Lazarus Building. This funding will augment the anticipated 2008 State Capital funding.

WHEREAS, an emergency exists in the usual daily operation of the City, in that it is immediately necessary to authorize the release of the Bond Proceeds from the Project Fund in order to expedite the redevelopment of the RiverSouth Area, all 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 pursuant to Section 2 of the First Supplemental Lease between the City and the Authority, this Council hereby authorizes the release of \$503,670 of 2004 Series A Bond proceeds currently held in the Project Fund as follows: (a) \$253,670 to fund repairs necessary to repair the structure beneath Wall Street and Chapel Street at The Lazarus Building, and (b) \$250,000 assist with funding the demolition of the sky bridge over High Street and the creation of street level retail space in The Lazarus Building. This funding will augment the anticipated 2008 State Capital funding. The Director of Development, for and in the name of the City, and other appropriate officials of the City, are hereby authorized to execute any documents or other instruments and to take any other actions as may be appropriate to implement this release for those purposes.

Section 2. That this Council finds and determines that all formal actions of this Council concerning and relating to the passage of this Ordinance were taken in an open meeting of this Council and that all deliberations of this Council and of any committees that resulted in formal actions were in meetings open to the public in compliance with the law.

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.