



Legislation Text

File #: 2061-2022, **Version:** 1

1. BACKGROUND

This legislation authorizes the Director of the Department of Development to reimburse NWD Investments, LLC (“NWD”) \$5,000,000.00 in connection with public infrastructure improvements located along Vine Street and Goodale Boulevard on the east and west side of Neil Avenue.

The City and NWD are engaged in a public-private partnership (P3) to coordinate the design and construction of public infrastructure improvements necessary to support new mixed-use development projects in the Arena District (the “Arena District Improvements”). On October 31, 2019, the City and NWD entered into both an Economic Development Agreement (the “EDA”) and a subsequent Amended and Restated TIF Reimbursement Agreement (the “TIF Agreement”), both pursuant to Ordinance No. 2043-2019 passed by Council on July 22, 2019. In the EDA and TIF Agreement, the City committed to invest \$20 million from the City’s capital improvement budget (the “Public Infrastructure Commitment”) toward the costs of the Arena District Improvements. Both the EDA and TIF Agreement contemplated that the Department of Development would endeavor to meet the Public Infrastructure Commitment by submitting for City Council consideration annual requests of \$5 million in the City’s capital improvement budget over a period of four consecutive years.

This legislation authorizes the expenditure of the first \$5 million of the Public Infrastructure Commitment in the 2021 capital improvement budget approved by City Council with the passage of Ordinance 2707-2021 on November 1, 2021. The first \$5 million will be used to reimburse NWD for the Arena District Improvements associated with the Hamilton Parker Phase 1 site redevelopment, a portion of which was completed in 2021 and included a new 130,000 square foot office building and 600-space structured parking garage. The City is authorized by Ordinance 2043-2021, as amended by Ordinance 2932-2021, passed by Council on December 6, 2021, to execute subsequent agreements and instruments with NWD related to the Arena District Improvements pursuant to the TIF Agreement. The Arena District Improvements to-date have included the reconstruction of Kilbourne Street, widening of Neil Avenue north of Vine Street, and the resurfacing of Vine Street, Spruce Street, and Armstrong Street; relocation of City of Columbus Division of Power poles and equipment along the west side of Kilbourne Street; combined sewer relocation and relocation of combined sewer on Vine Street between Kilbourne Street and Neil Avenue.

2. FISCAL IMPACT

Funding for this reimbursement in the amount of \$5,000,000.00 is available through the Department of Development’s 2021 Capital Improvement Budget within the Development Taxable Bonds Fund, Fund 7739. The funding will need to be authorized for expenditure from Fund 7739.

3. EMERGENCY DESIGNATION

Emergency action is requested in order to allow NWD to maintain its project schedule and to reimburse NWD in a timely manner thereby allowing the parties to maintain cost efficiency. (\$5,000,000.00)

To authorize the expenditure of funds in the Development Taxable Bonds Fund; to authorize the Director of the Department of Development to enter into contracts and/or reimburse NWD Investments, LLC in an amount of up to \$5,000,000.00 in connection with the costs of the public infrastructure improvements located along Vine Street and Goodale Boulevard on the east and west side of Neil Avenue pursuant to the Amended and Restated TIF Agreement dated October 31, 2019 and its subsequent agreements authorized by Ordinance 2043-2019, as amended by Ordinance 2932-2021; and to declare an emergency. (\$5,000,000.00)

WHEREAS, the City and NWD Investments, LLC (“NWD”) are engaged in a public-private partnership (P3) to

coordinate the design and construction of public infrastructure improvements necessary to support new mixed-use development projects in the Arena District located along Vine Street and Goodale Boulevard on the east and west side of Neil Avenue (the “Arena District Improvements”); and

WHEREAS, on October 31, 2019, the City and NWD entered into both an Economic Development Agreement (the “EDA”) and a subsequent Amended and Restated TIF Reimbursement Agreement (the “TIF Agreement”), both pursuant to Ordinance No. 2043-2019 passed by Council on July 22, 2019, wherein the City committed to invest \$20 million toward the Arena District Improvements (the “Public Infrastructure Commitment”); and

WHEREAS, the EDA and TIF Agreement both stated that the Department of Development would endeavor to meet the City’s Public Infrastructure Commitment towards the Arena District Improvements by submitting for City Council consideration annual requests of \$5 million in the City’s capital improvement budget over a period of four consecutive years; and

WHEREAS, this legislation meets the first installment of the Public Infrastructure Commitment by authorizing the expenditure of the first \$5 million in funding that was approved by City Council in the 2021 capital improvement budget pursuant to Ordinance 2707-2021 passed on November 1, 2021 in order to reimburse NWD for the Arena District Improvements associated with the Hamilton Parker Phase 1 site redevelopment; and

WHEREAS, a portion of the Hamilton Parker, Phase 1 site redevelopment was completed in 2021 and included a new 130,000 square foot office building and 600-space structured parking garage; and

WHEREAS, the City is authorized by Ordinance 2043-2021, as amended by Ordinance 2932-2021, passed by Council on December 6, 2021, to execute subsequent agreements and instruments with NWD related to the Arena District Improvements pursuant to the TIF Agreement (the “Subsequent Agreements”); and

WHEREAS, the Arena District Improvements to-date have included reconstruction of Kilbourne Street, widening of Neil Avenue north of Vine Street, and the resurfacing of Vine Street, Spruce Street, and Armstrong Street; relocation of Division of Power poles and equipment along the west side of Kilbourne Street; combined sewer relocation and relocation of combined sewer on Vine Street between Kilbourne Street and Neil Avenue; and

WHEREAS, it is necessary to reimburse NWD \$5,000,000.00 for the costs incurred to undertake the design and construction of the aforementioned Arena District Improvements to-date that have been made in support of the Hamilton Parker Phase 1 site redevelopment pursuant to the TIF Agreement and Subsequent Agreements; and

WHEREAS, it is necessary to authorize the expenditure of funds in the Development Taxable Bonds Fund, Fund 7739, for the purposes of the TIF Agreement and Subsequent Agreements related to the Arena District Improvements; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Development in that it is immediately necessary to authorize the Director of the Department of Development or other appropriate officers of the City to timely reimburse NWD in order to allow NWD to maintain its project schedule and allow the parties to maintain cost efficiency, thereby preserving 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 the Department of Development, or other appropriate officers of the City, be and is hereby authorized to enter into contracts and/or reimbursement agreements and amendments and reimburse NWD Investments, LLC for Arena District Improvements in the amount of \$5,000,000.00, or so much thereof as may be needed, in accordance with the EDA, the TIF Agreement, and the Subsequent Agreements, all authorized by Ordinance 2043-2019, as amended by Ordinance 2932-2021.

SECTION 2. That the expenditure of \$5,000,000.00, or so much thereof as may be needed, is hereby authorized in Fund

7739 (Development Taxable Bonds), Dept-Div 4402 (Economic Development), Project 440109-100000 (NWD Investments), in Object Class 06 Capital Outlay per the account codes in the attachment to this Ordinance.

SECTION 3. That the funds necessary to carry out the purpose of this ordinance are hereby deemed appropriated, authorized for expenditure to carry out the purposes of this ordinance, and the City Auditor shall establish such accounting codes as necessary.

SECTION 4. That the City Auditor is authorized to make any accounting changes to revise the funding source for all contracts or contract modifications associated with this ordinance.

SECTION 5. That the City Auditor is hereby authorized to transfer the unencumbered balance in a project account to the unallocated balance account within the same fund upon receipt of certification by the Director of the Department administering said project that the project has been completed and the monies are no longer required for said project.

SECTION 6. 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.