



## Legislation Text

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**File #:** 0631-2023, **Version:** 1

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**Background:** This legislation authorizes the Director of the Department of Finance and Management to enter into contract with the Franklin County Convention Facilities Authority (FCCFA) for the purpose of distributing 2023 Admissions Tax proceeds from the Facility Stabilization Fund for the purpose of infrastructure investment in Nationwide Arena that have been collected pursuant to City Code Chapter 376.

Nationwide Arena is home to the Columbus Blue Jackets and attracts national events, conventions, conferences and performances. The Arena is a cornerstone for Columbus economic development and directly and indirectly supports thousands of jobs in the city. As Columbus grows, and as the city earns an increasingly elevated status as a destination for concerts, conventions, and other major events, the demands upon the Arena will increase as well. Since the Arena is a publicly-owned facility, there is an inherent responsibility to plan for and support the costs of long-term maintenance and repairs.

As such, Columbus City Council authorized the establishment of the Facility Stabilization Fund, pursuant to Ord. 3379-2018. This Fund was created in order to provide for the resources necessary to maintain this integral facility. Proceeds were made possible via the enactment of a 5% tax on admissions to events occurring at Nationwide Arena. This tax is estimated to yield approximately \$3,460,000.00 per year in revenue. Per Chapter 376, of that revenue, 80%, or an estimated \$2,765,000.00, will be contracted with the Franklin County Convention Facilities Authority for long-term capital improvements and building infrastructure at Nationwide Arena.

Nationwide Arena is a public owned facility and support for this facility includes long term maintenance and repairs. The services provided cannot be provided by existing city employees because these services are beyond the City's current staffing capacity to provide.

**Emergency action** is requested so that 2023 Admissions Tax proceeds can be disbursed without delay to ensure timely payments so that necessary infrastructure investments can continue in Nationwide Arena without interruption.

**Fiscal Impact:** This legislation authorizes the Director of Finance and Management to enter into contract with the Franklin County Convention Facilities Authority for the purpose of distributing 2023 Admissions Tax proceeds from the Facility Stabilization Fund for the purpose of infrastructure investment in Nationwide Arena. Franklin County Convention Facilities Authority will receive 80% of the estimated annual revenue (\$2,765,000.00).

To authorize the Director of the Department of Finance and Management to enter into contract with the Franklin County Convention Facilities Authority (FCCFA) for the purpose of distributing 2023 Admissions Tax proceeds from the Facility Stabilization Fund for the purpose of infrastructure investment in Nationwide Arena; to authorize the appropriation and expenditure of an estimated \$2,765,000.00 from the Facility Stabilization Fund; and to declare an emergency. (\$2,765,000.00).

**WHEREAS,** Ordinance 3379-2018 was passed on December 10, 2018, enacting Chapter 376 of the Columbus City Codes; and

**WHEREAS**, Ordinance 3379-2018 authorized the creation of the Facility Stabilization Fund; and

**WHEREAS**, the revenue generated by the creation of this fund provides necessary maintenance and long-term capital improvements for Nationwide Arena, a cornerstone for Columbus economic development that directly or indirectly supports thousands of jobs; and

**WHEREAS**, an emergency exists in the usual daily operation of the Department of Finance and Management in that it has become immediately necessary to authorize the Finance and Management Director to enter into contract with the Franklin County Convention Facilities Authority for the purpose of distributing 2023 Admissions Tax proceeds from the Facility Stabilization Fund, so that necessary infrastructure investment in Nationwide Arena can continue without interruption; **now, therefore**

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

**SECTION 1.** That the Director of the Department Finance and Management is hereby authorized to enter into a contract with the Franklin County Convention Facilities Authority for the purpose of distributing 2023 Admissions Tax proceeds from the Facility Stabilization Fund for the purpose of infrastructure investment in Nationwide Arena.

**SECTION 2.** That from the unappropriated monies and from all monies estimated to come into said fund from any and all sources and unappropriated for any other purpose during the fiscal year ending December 31, 2023, the sum of \$2,765,000.00 is appropriated in the Facility Stabilization Fund 2256, Sub-Fund 225602 in Object Class 03 per the account codes in the attachment to this ordinance: This figure constitutes an estimation and amounts collected will be distributed pursuant to Section 376.02 of the Columbus City Code. It should be noted that the City will assess a 0.5% administrative fee from gross receipts.

**See Attached File: Ord 0631-2023 Legislation Template.xls**

**SECTION 3.** That the expenditure of \$2,765,000.00 or so much thereof as may be needed in regard to the action authorized in Section 1, is hereby authorized with the Franklin County Convention Facilities Authority to be expended from the Facility Stabilization Fund 2256, Sub-Fund 225602 in Object Class 03 Contractual Services per the accounting codes in the attachment to this ordinance.

**See Attached File: Ord 0631-2023 Legislation Template.xls**

**SECTION 4.** That this contract is entered into in accordance with Section 376.03 of the Columbus City Code.

**SECTION 5.** That the funds necessary to carry out the purpose of this ordinance are hereby deemed appropriated, and the City Auditor shall establish such accounting codes as necessary.

**SECTION 6.** 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 7.** That for 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.