



Legislation Text

File #: 1417-2021, **Version:** 1

Background: Council passed Ordinance 3097-2015 on December 14, 2015 to establish the Milo-Grogan tax increment financing area (the “Milo-Grogan TIF”) to provide funding for public infrastructure improvements in the Milo-Grogan neighborhood by exempting certain improvements to parcels in the Milo-Grogan TIF; to require the owners of said parcels to make service payments in lieu of taxes for which the City will receive the non-school portion (the “Service Payments”) in a TIF fund created by the abovementioned ordinance (the “Milo-Grogan TIF Fund”) for the public infrastructure improvements. ECP AP MILO PARTNERS, LLC (the “Developer”) constructed or caused to be constructed approximately 192 multi-family units on approximately ±5 acres of real property adjacent to the southwest corner of Cleveland Avenue and Reynolds Avenue within the Milo-Grogan TIF composed of Franklin County Auditor Tax Parcel ID Number: 010-000752 (the “Site”). The City has determined that it is in the best interest of the City and its residents to cause the Developer to design and/or construct or cause to be designed and/or constructed certain public infrastructure improvements benefiting the Site and the Milo-Grogan TIF and to use the Service Payments deposited into the Milo-Grogan TIF Fund to reimburse the Developer for the costs of the construction of the public infrastructure improvements. This legislation will authorize the Director of Development to enter into a Tax Increment Financing Agreement (the “TIF Agreement”) with the Developer for the reimbursement of the construction of its public infrastructure improvements pursuant to the TIF Agreement, and this legislation will appropriate and authorize the expenditure of Service Payments in the Milo-Grogan TIF Fund for payment to the Developer or its designee pursuant to the terms of the TIF Agreement.

Fiscal Impact: No City funding is required for this legislation. The City is appropriating and authorizing the expenditure of Service Payments deposited in the Milo-Grogan TIF Fund (7469) in accordance with the tax increment financing agreement between the City and ECP AP MILO PARTNERS, LLC.

Emergency Justification: Emergency legislation is required to allow for immediate execution of the tax increment financing agreement in order to allow the Developer to timely complete the public infrastructure improvements for the Site on which the private development is near or has been completed, all for the preservation of the public health, peace, safety and welfare without delay.

To appropriate and authorize the expenditure of Service Payments in the Milo-Grogan TIF Fund (7469); to authorize the Director of Development, on behalf of the City, to enter into a tax increment financing agreement between the City and ECP AP MILO PARTNERS, LLC for the public infrastructure improvements to be caused to be completed by the developer; and to declare an emergency.

WHEREAS, Sections 5709.40, 5709.42 and 5709.43 of the Ohio Revised Code authorized this Council by its Ordinance 3097-2015 passed on December 14, 2015 to establish the Milo-Grogan tax increment financing area (the "Milo-Grogan TIF") in order to (i) declare the improvement to certain parcels of real property located within the Milo-Grogan TIF to be a public purpose and 100% exempt from taxation for a period of 30 years, (ii) require the owner of each parcel to make service payments in lieu of taxes (the “Service Payment”) to the Columbus City Schools and the City, (iii) establish a TIF fund for deposit of those non-school Service Payments to the City (the “Milo-Grogan TIF Fund”) and (iv) specify the public infrastructure improvements made, to be made or in the process of being made that directly benefit, or that once made will directly benefit the Milo-Grogan TIF; and

WHEREAS, ECP AP MILO PARTNERS, LLC (the “Developer”) constructed or caused to be constructed approximately 192 multi-family units on approximately ±5 acres of real property adjacent to the southwest corner of Cleveland Avenue and Reynolds Avenue within the Milo-Grogan TIF composed of Franklin County Auditor Tax Parcel Number: 010-000752 (the “Site”); and

WHEREAS, the City has determined that it is in the best interest of the City and its residents to cause the Developer to design and/or construct or cause to be designed and/or constructed certain public infrastructure improvements including adjacent to the Site and benefiting the Milo-Grogan TIF; and

WHEREAS, it is necessary and appropriate to authorize the Director of Development to enter into a tax increment financing agreement (the “TIF Agreement”) with the Developer for the reimbursement of eligible costs of the public infrastructure improvements from the non-school Service Payments in the Milo-Grogan TIF Fund pursuant to the TIF Agreement; and

WHEREAS, it is now necessary to appropriate and authorize expenditure of the non-school Service Payments in the Milo-Grogan TIF Fund in accordance with the TIF Agreement; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Development in that it is necessary to authorize the Director to enter into a TIF Agreement with the Developer in order to facilitate the timely construction and reimbursement of the public infrastructure improvements for the nearly completed or completed development on the Site all for the preservation of the public health, peace, property and safety without delay; **NOW, THEREFORE,**

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

Section 1. That the Director of Development (the “Director”), for and in the name of the City, is hereby authorized to execute the tax increment financing agreement (the “TIF Agreement”) presently on file with the Director along with any changes or amendments thereto not inconsistent with this Ordinance and not substantially adverse to the City and which shall be approved by the Director and the City Attorney, provided that the approval of such changes and amendments thereto, and the character of those changes and amendments as not being substantially adverse to the City, shall be evidenced conclusively by the execution and delivery hereof.

Section 2. That the Director or other appropriate officers of the City are authorized to execute subsequent amendments to the TIF Agreement to add additional work related to the public infrastructure improvements or to increase the maximum reimbursement provided thereunder and to execute such other agreements, modifications, and instruments, subject to approval by the City Attorney’s Office, and to take all actions as may be necessary to implement this Ordinance and the transactions contemplated by the TIF Agreement.

Section 3. That the service payments in lieu of taxes and property tax rollback payments deposited into the Milo-Grogan public improvement tax increment equivalent fund (Fund 7469, or the “Milo-Grogan TIF Fund”) created by Ordinance 3097-2015 shall be deemed appropriated for the purposes set forth in the TIF Agreement and authorized to be expended therefrom in accordance with the TIF Agreement; provider however, the Director reserves the right to amend the amount of the authorized maximum obligation pursuant to the TIF Agreement if it is determined by the City additional financing is required for the public infrastructure improvements; and the City Auditor is authorized to make payments to the Developer or its designee from the Milo-Grogan TIF Fund in accordance with the TIF Agreement upon order of the Director 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 4. That the City Auditor is authorized to establish such accounting codes as necessary, to make any accounting changes to revise the funding source for all agreements, contracts, amendments, or modifications associated with this Ordinance and the transactions contemplated by the TIF Agreement or its amendments.

Section 5. That the City Auditor is hereby authorized to transfer the unencumbered balance in a project account or subfund 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 the passage if the Mayor neither approves nor vetoes the same.