



## Legislation Text

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**File #:** 0167-2008, **Version:** 1

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### **BACKGROUND:**

This Ordinance is one of a series of ordinances specifically, Ordinances No. 0628-2007, passed by Council on May 9, 2007, No. 1167-2007, passed July 25, 2007, and No. 1277-2007, passed August 2, 2007, all of which generally advance the development by the City of two parking garages to be located in Downtown Columbus, one in the area of Front and Rich Streets and the other in the area of 4<sup>th</sup> and Elm Streets.

This Ordinance provides for the development, design and construction of a parking garage at Front and Rich Streets for the City by Capitol South Community Urban Redevelopment Corporation and for the donation to the City by Columbus Downtown Development Corporation of the required development site. Because this contract is being entered into under Section 186 of the Charter, competitive bidding is not required and therefore it is necessary to waive the competitive bidding procedures of Chapter 329. Capital South is uniquely positioned to serve as the design/builder of this project due to its familiarity with the project and other redevelopment activities in the Downtown area and is prepared to serve without compensation, other than the reimbursement to Capitol South of the actual costs of development, design and construction, free from any profit or mark-up.

### **FISCAL IMPACT:**

The funding for the contract with Capitol South will come from Parking Garages Enterprise Fund. A companion ordinance, Ordinance No. 0109-2008 authorizes a temporary transfer from the Special Income Tax Fund to the Parking Garages Enterprise Fund in order to provide funding for this Ordinance. The transfer from the Special Income Tax Fund is a temporary measure until the next bond/note sale occurs, at which time that fund will be reimbursed.

To authorize a Guaranteed Maximum Price Contract under Section 186 of the Columbus City Charter between Capitol South Community Urban Redevelopment Corporation and the City for the development, design and construction of a parking garage at Front and Rich Streets; to authorize the expenditure of an amount not to exceed \$14,191,492; to accept a donation to the City from Columbus Downtown Development Corporation of the property required for such parking garage; and determining that such actions are necessary pursuant to Section 55(b) of The Charter of the City of Columbus (\$14,191,492.00).

**WHEREAS**, the City has approved Ordinance No. 0628-2007, providing generally for the execution of a Parking Study by Capitol South Community Urban Redevelopment Corporation that identifies, articulates and recommends practical strategies for making Downtown more competitive through improvements in the availability, value and convenience of Downtown parking; and

**WHEREAS**, Capitol South has, among other things, recommended the development of a parking garage in the vicinity of Front and Rich Streets to service the increased parking demand created by the influx of approximately 1,900 additional employees at the redeveloped Lazarus Building and to replace approximately 900 surface parking spaces eliminated by the development of the new Franklin County Courts Building and to be eliminated by the proposed development of a substantial residential community in RiverSouth; and

**WHEREAS**, Capitol South has advised the City that the development of such parking garage will generally improve the competitiveness of Downtown, reduce vacancies in Downtown buildings, eliminate Downtown blight and deterioration and preserve and increase municipal income tax revenues; and

**WHEREAS**, the City has approved Ordinance No. 1167-2007, providing generally for the use by Capitol South of certain monies to advance the development of two parking garages in Downtown Columbus, one in the area of Rich and Front Streets (the "Front Street Parking Garage") and the other in the area of 4<sup>th</sup> and Elm Streets (the "Fourth Street Parking Garage"); and

**WHEREAS**, Capitol South has advised the City that the Front Street Parking Garage will contain approximately 773 spaces and can be developed, designed and constructed on the property bounded by Front Street on the west, Rich Street on the north, Wall Street on the east and Cherry Street on the south (the "Front Street Garage Site") at a cost of \$14,510,254; and

**WHEREAS**, Capitol South has further advised that parking garages are routinely developed employing a design/build project delivery method, that such project delivery method for parking garages provides greater efficiency and flexibility, lower costs and, in general, greater value and has recommended that the City employ a variation of the design/build project delivery method to develop the Front Street Parking Garage; and

**WHEREAS**, Capitol South is prepared to serve as the design/builder of the Front Street Parking Garage without compensation, other than the reimbursement to Capitol South of the actual costs of development, design and construction, free from any profit or mark-up to Capitol South, and is willing to enter into a Guaranteed Maximum Price Contract pursuant to Section 186 of the Columbus City Charter; and

**WHEREAS**, Columbus Downtown Development Corporation is prepared to donate to the City the Front Street Garage Site, since the development of the Front Street Parking Garage will generally advance the development of RiverSouth by servicing existing parking demand and by providing a parking inventory for future development in RiverSouth; and

**WHEREAS**, this Ordinance is another in a series of ordinances subsequent to Ordinance Nos. 0628-2007, 1167-2007 and 1277-2007, all relating to, and all necessary to pay for, the development, design and construction of the Front Street Parking Garage and Fourth Street Parking Garage, such that action hereunder is deemed to be necessary pursuant to Section 55(b) of the Columbus City Charter; **NOW THEREFORE**,

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

**Section 1.** That the Director of Finance and Management be, and hereby is authorized to enter into a Guaranteed Maximum Price Contract, pursuant to Section 186 of the Columbus City Charter, with Capitol South (the "Guaranteed Maximum Price Contract") for the development, design and construction of the Front Street Parking Garage on the Front Street Garage Site, and generally providing:

- (a) for payment by the City to Capitol South of the actual cost of the development, design and construction of the Front Street Parking Garage, all free from any profit or mark-up to Capitol South, but in no case of more than a Guaranteed Maximum Price of \$14,191,492, such amount being the estimated cost of \$14,510,254, less a credit of \$318,762 for costs paid or payable under authority of Ordinance 1167-2007; and
- (b) for the provision of a performance bond, the award of work on a competitive basis, the payment of a prevailing wage, the withholding of City income tax and compliance with the ordinances made and provided for equal opportunity.

**Section 2.** That for the purpose of paying the cost of the Guaranteed Maximum Price Contract, the sum of \$14,191,492.00 or so much thereof as may be needed, is hereby authorized to be expended from the Parking Garages Enterprise Fund, Fund No. 630, Sub fund 003 Front Street Garage, Dept-Div 45-01 Department of Finance and Management, Director's Office, OCA Code 630103, OL1-06, OL3-6600.

**Section 3.** That the competitive bidding procedures of Chapter 329 be, and hereby are waived for the procurement of the design and construction services under the Guaranteed Maximum Price Contract for the Front Street Parking Garage.

**Section 4.** That the Director of Finance and Management be, and hereby is authorized (a) to accept a limited warranty deed from Columbus Downtown Development Corporation donating the Front Street Garage Site for the construction and operation of the Front Street Parking Garage, (b) to enter an agreement or agreements with Columbus Downtown Development Corporation granting to the City a temporary right of possession in the Front Street Garage Site for the purposes of demolishing any existing structures and of developing the Front Street Parking Garage, all pending completion of the donation, and (c) to enter into an agreement or agreements for the preferential use of parking spaces in the Front Street Parking Garage by Columbus Downtown Development Corporation, but (i) only to the extent that bond counsel for the City opines that, based on the then provisions of the Internal Revenue Code and the regulations promulgated thereunder, such preferential use will not threaten or jeopardize the tax-exempt status of any notes and/or bonds that have been issued or that may be issued in the future with respect to the Front Street Parking Garage and (ii) only upon payment of a parking charge equal to the parking charges levied upon other users of the Front Street Parking Garage for

comparable parking privileges.

**Section 5.** 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 6.** That for the reasons stated in the preamble hereto, which is hereby made a part hereof, and in accordance with Section 55(b) of the Charter of the City of Columbus, this Ordinance shall take effect and be in force from and immediately after its passage and approval by the Mayor, or ten days after passage if the Mayor neither approves nor vetoes the same.