



City of Columbus

Office of City Clerk
90 West Broad Street
Columbus OH 43215-9015
columbuscitycouncil.org

Legislation Text

File #: 0775-2007, Version: 1

Background: The City owns fee title to the Deaf School Office Building and adjoining parking lot, the "DSOB", located at 400 E. Town Street. In 2004, at the request of the City, Capitol South Community Redevelopment Corporation, "Capitol South", purchased the long-term leasehold interest in the DSOB from PNL, LLC for \$1.8 million. At that time the City anticipated reimbursing Capitol South and relocating offices for Recreation and Parks into the DSOB. Subsequently, it was decided to move Recreation and Parks to 1111 East Broad St. The DSOB was offered for sale. A stakeholder committee comprised of the City, Capitol South, Columbus Landmark Foundation and the area business community evaluated various proposals and recommended selling DSOB for \$2.25 million to Campus Apartments, LLC or its assignee or designee. Campus Apartments' proposal would convert the DSOB to residential rental units utilizing federal historic tax credits. Under the proposed sales agreement Capitol South would surrender its leasehold interest for its investment in purchasing and maintaining the DSOB which amount, depending on the date of closing, is estimated to be \$2,062,700.00. The City will retain the balance of \$152,300.00. This ordinance authorizes the Executive Director of Recreation and Parks to enter into the sale agreement.

Fiscal Impact: Proceeds from this transaction shall be deposited in the Recreation and Parks Permanent Improvement Fund.

Emergency Justification: Emergency action is requested to allow this acquisition to proceed in agreement with the proposed June closing transaction deadline and other terms and conditions of the purchase contract.

To authorize the Executive Director of the Recreation and Parks Department to enter into agreement with Capitol South Community Urban Redevelopment Corporation and Campus Apartments for the sale of the City owned Ohio Deaf School Office Building, and to the extent they may be applicable, to waive the competitive bidding and Land Review Commission requirements of the Columbus City Codes, and to declare an emergency.

WHEREAS, the City of Columbus, Recreation and Parks Department ("City"), desires to enter into an agreement with Campus Apartments, LLC, its assignee or designee, and Capitol South Community Redevelopment Corporation ("Capitol South") for the sale of the City's and Capitol South's interest in Ohio Deaf School Office Building ("DSOB"), located at 400 East Town Street; and

WHEREAS, the DSOB was offered for sale through public notice and a stakeholder committee, consisting of representatives of the Business Community, Columbus City Government, The Columbus Landmarks Foundation and Capitol South to assist in evaluating the three proposals submitted, with consideration as to the importance of the DSOB to Deaf School Park, the historic preservation community and immediate neighborhood among other crucial considerations; and

WHEREAS, the committee recommended that the Campus Apartments be selected to acquire and redevelop the DSOB based on their track record for successfully acquiring and redeveloping historically important properties, the better rental housing proposal and extensive experience with historic tax credits; and

WHEREAS, the sale price of the office building is \$2.25 Million dollars; and

WHEREAS, under this agreement, Capitol South would recover its full investment of \$1,800,000.00, from its 2004 purchase of PNL LLCs' ("PNL") leasehold interest in the DSOB, plus its net expenses to date for maintaining the property, with the balance of the sale proceeds to go to the City; and

WHEREAS, an emergency exists in the usual daily operation of the City of Columbus, in order to meet timeframes set forth in the sale contract it is immediately necessary to authorized the Director of the Recreation and Parks Department to execute those documents necessary to enter into an agreement among the City of Columbus, Capitol South Community Urban Redevelopment Corporation and Campus Apartments, its assignee or designee, as approved by the Department of Law, Real Estate Division,

necessary for the sale of that City owned real property commonly known as the Ohio Deaf School Office Building, 400 East Town Street, Columbus, Ohio 43215, to Campus Apartments for the immediate preservation of the public health, peace, property and safety; now, therefore:

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

Section 1. To authorize the Executive Director of the Recreation and Parks Department to enter into an agreement among the City of Columbus, Capitol South Community Urban Redevelopment Corporation and Campus Apartments, its assignee or designee, as approved by the Department of Law, Real Estate Division, necessary for the sale of that City owned real property commonly known as the Ohio Deaf School Office Building, 400 East Town Street, Columbus, Ohio 43215, to Campus Apartments, its assignee or designee, which agreement provides that the sale proceeds be used to reimburse South Capitol for its investment and net expenses in acquiring and maintaining the property, with the balance of the proceeds paid to the City.

Section 2. That the balance set forth in Section One to be received by the City shall be deposited in Fund 747, Recreation and Parks Permanent Improvement Fund, Dept./Div 51-01; Fund 747, OCA Code: 640862.

Section 3. That this Council has determined that it is in the best interest of the City of Columbus to waive and does hereby waive the requirements of Columbus City Codes (1959) Revised, Section 328.01 (*Land Review Commission*) and Section 329.29 (*competitive bidding*) to the extent that they may apply to this transaction with regards to this ordinance only.

Section 4. 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 passage and approval by the Mayor or ten days after passage if the Mayor neither approves nor vetoes the same.