



Legislation Text

File #: 0286-2023, **Version:** 1

Background: This legislation authorizes the appropriation of \$7,039,250.00 from the Special Income Tax Fund for lease payments to the RiverSouth Authority. The RiverSouth Authority issued bonds in 2004 and 2005 to purchase and rehabilitate the former downtown Lazarus Department Store and refunding bonds in 2012 and in 2014. The City entered into a Master Lease Agreement and a First Supplemental Lease Agreement with The RiverSouth Authority on June 21, 2004 (Ordinance No. 1009-2004). The City entered into a Second Supplemental Lease Agreement with RiverSouth on July 25, 2005 (Ordinance No. 1312-2005). The City entered into a Third Supplemental Lease Agreement with RiverSouth on February 27, 2012 (Ordinance No. 0382-2012). The City entered into a Fourth Supplemental Lease Agreement with RiverSouth on February 10, 2014 (Ordinance 0541-2014). These agreements call for the City to make lease payments to The RiverSouth Authority in annual amounts equal to the bond service charges.

This legislation also authorizes the expenditure of \$1,845,000.00 from the Mobility Enterprise Fund for lease payments to the RiverSouth Authority. The RiverSouth Authority issued bonds in 2016 for the Scioto Peninsula Area Redevelopment. These bonds were issued to construct an underground parking garage and park located at the Center of Science and Industry (COSI). The City entered into a Master Lease Agreement and Supplemental Lease Agreement with The RiverSouth Authority on July 25, 2016 (Ordinance No. 1980-2016). This agreement calls for the City to make lease payments to The RiverSouth Authority in annual amounts equal to the bond service charges. Prior to 2022, these payments were paid from the Special Income Tax fund. With the consolidation of parking services, lease payments for the parking garage will be budgeted in the Mobility Enterprise Fund.

Emergency: This ordinance is submitted as an emergency so as to allow the financial transactions to be posted into the City's accounting system as soon as possible. Up to date financial posting promotes accurate accounting and financial management.

Fiscal Impact: Funding in the amount of \$7,039,250.00 for 2023 has been accounted for in the Special Income Tax Fund 4430 for the RiverSouth Authority.
2022 funding was \$7,032,950.00.
2021 funding was \$7,039,362.50.
2020 funding was \$7,036,937.50.

Funding for the expenditure of \$1,845,000.00 for 2023 has been accounted for in the Mobility Enterprise Fund 6500 for the RiverSouth Authority relating to the Scioto Peninsula Redevelopment Bonds. **Funding is contingent on the passage of Ordinance 2937-2022.**

2022 funding was \$1,844,000.00 in fund 6500.
2021 funding was \$1,846,250.00 in fund 4430.
2020 funding was \$1,841,500.00 in fund 4430.

To authorize the City Auditor to appropriate and expend up to \$7,039,250.00 within the Special Income Tax Fund for reimbursement to the RiverSouth Authority to make lease payments; to authorize the City Auditor, on behalf of the Department of Public Service, to expend up to \$1,845,000.00 within the Mobility Enterprise Fund to the RiverSouth Authority to make lease payments; and to declare an emergency (\$8,884,250.00).

WHEREAS, pursuant to Ordinance No. 1009-2004 adopted by City Council on June 21, 2004 the City entered into a Master Lease Agreement and a First Supplemental Lease Agreement with The RiverSouth Authority (RiverSouth); and

WHEREAS, pursuant to Ordinance No. 1312-2005 adopted by this Council on July 25, 2005 the City entered into a Second Supplemental Lease Agreement with The RiverSouth Authority; and

WHEREAS, pursuant to Ordinance No. 0382-2012 adopted by this Council on February 27, 2012 the City entered into a Third Supplemental Lease Agreement with The RiverSouth Authority; and

WHEREAS, pursuant to Ordinance No. 0541-2014 adopted by this Council on February 10, 2014 the City entered into a Fourth Supplemental Lease Agreement with The RiverSouth Authority; and

WHEREAS, these Lease Agreements call for the lease rental payments from the City to RiverSouth equal to the bond service charges on the following bonds issued by RiverSouth:

- RiverSouth Areas Redevelopment 2004 Bonds Series A
- RiverSouth Areas Redevelopment 2005 Bonds Series A
- RiverSouth Areas Redevelopment Refunding 2012 Bonds Series A
- RiverSouth Areas Redevelopment Refunding 2014 Bonds Series A;

WHEREAS, pursuant to Ordinance No. 1980-2016 adopted by City Council on July 25, 2016 the City entered into a Lease Agreement and a Supplemental Lease Agreement with The RiverSouth Authority (RiverSouth); and

WHEREAS, these Lease Agreements call for the lease rental payments from the City to RiverSouth equal to the bond service charges on the following bonds issued by RiverSouth:

- Scioto Peninsula Redevelopment Bonds, Series 2016

WHEREAS, an emergency exists in the usual daily operation of the City Auditor and the Department of Public Service in that it is immediately necessary to both appropriate funds within the Special Income Tax Fund and authorize the expenditures within the Special Income Tax Fund and the Mobility Enterprise Fund for the above-described purposes so as to allow the financial transactions to be posted into the City's accounting system as soon as possible; now: therefore,

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

SECTION 1. That from the unappropriated monies in the Special Income Tax Fund, Fund 4430, Subfund 443001, 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 \$7,039,250.00 be and hereby is appropriated to the City Auditor per the account codes in the attachment to this ordinance.

SECTION 2. That the City Auditor is hereby authorized to expend up to \$7,039,250.00 or so much thereof as may be necessary from Fund 4430 Subfund 443001, for the purpose of making lease rental payments to the RiverSouth Authority per the account codes in the attachment to this ordinance.

SECTION 3. That the City Auditor is hereby authorized to expend up to \$1,845,000.00 or so much thereof as may be necessary from Fund 6500 Subfund 650001, for the purpose of making lease rental payments to the RiverSouth Authority per the account codes in the attachment to this ordinance.

SECTION 4. All 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 5. That the City Auditor is authorized to make any accounting changes to revise the fund source for any contract or contract modifications.

SECTION 6. That for the reason 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.