



Legislation Text

File #: 0046X-2023, **Version:** 1

Background:

By Ordinance Nos. 2446-2003, 0451-2004, and 1007-2004, City Council, as the “organizational board of commissioners,” determined a petition for a new community authority filed with the Clerk of City Council was sufficient and established the RiverSouth Authority (the “Authority”) pursuant to Ohio Revised Code Chapter 349 to support the redevelopment of several square blocks in downtown Columbus generally bounded by Town Street and State Street on the north, High Street and Wall Street on the east, Rich Street and Cherry Street on the south, and Front Street and Ludlow Street on the west (the “New Community District”). The Authority issued bonds for “land acquisition,” “land development,” and “community facilities,” as those terms are defined in Ohio Revised Code Section 349.01, within and around the New Community District. Pursuant to prior ordinances passed by City Council after the establishment of the Authority, the City and the Authority entered into the Master Lease Agreement dated June 21, 2004 and several supplemental lease agreements to provide for the City making lease payments for property within and around the New Community District equal to the bond service charges.

In partnership with the City to implement the 2022 Downtown Columbus Strategic Plan, Columbus Downtown Development Corporation (CDDC), the developer of the New Community District (the “Developer”), is currently planning additional financing, land acquisition, land development, and community facilities in downtown Columbus. The City and the Developer now seek to add certain properties to the New Community District that it (or the City) owns or controls. On or about January 19, 2023, the Developer submitted to the Clerk of City Council an Amendment to Petition for Organization of a New Community Authority (the “Amendment”) to add the Developer’s additional properties to the New Community District. By Resolution 0018X-2023, City Council authorized the consent to add certain City-owned property to the New Community District, determined the sufficiency of the Amendment, and set a public hearing, which was held February 21, 2023, on the Amendment and consent for the additional properties and programming related to the aforementioned plan. This resolution authorizes the expansion of the New Community District, approves supplementation of the Authority’s new community development program in alignment with the plan, and certifies that the public hearing was held in compliance with the requirements of Ohio Revised Code Chapter 349.

Emergency Justification: Emergency action is requested in order to allow for the immediate expansion of the Authority’s district and programming for which the City, in support thereof, is also advancing legislation for the Fifth Supplemental Lease Agreement with the Authority and its issuance of additional obligations at the most advantageous interest rate.

Fiscal Impact: No funding is required for this legislation.

To authorize the expansion of the new community district of The RiverSouth Authority to include certain property controlled by Columbus Downtown Development Corporation or the City; to authorize the supplementation of the new community development program of The RiverSouth Authority in alignment with the 2022 Downtown Columbus Strategic Plan; to certify compliance of the requirements of the public hearing on the expansion area and supplemented program; and to declare an emergency.

WHEREAS, Ordinance No. 2446-2003 passed by City Council on November 17, 2003, authorized the Clerk of City

Council (the “Clerk”) to execute a petition for the organization of a new community authority (the “Petition”) to indicate the approval of the Petition by the City as the sole “proximate city” as that term is defined in Section 349.01(M) of the Ohio Revised Code; and

WHEREAS, pursuant to Chapter 349 of the Ohio Revised Code, on February 4, 2004, the Columbus Downtown Development Commission (the “Developer”) filed that Petition to establish the RiverSouth Authority (the “Authority”) with the Clerk; and

WHEREAS, City Council, as the “organizational board of commissioners” as that term is defined in Section 349.01(F) of the Ohio Revised Code, passed Ordinance No. 0451-2004 on March 25, 2004, and determined that the Petition complied as to form and substance with the requirements of Section 349.03(A) of the Ohio Revised Code and fixed the time and place for a hearing on the establishment of the Authority; and

WHEREAS, on June 21, 2004, a hearing was held on the Petition after public notice was duly published in accordance with Section 349.03(A) of the Ohio Revised Code; and

WHEREAS, City Council passed Ordinance No. 1007-2004 on June 21, 2004, and determined that the RiverSouth New Community District (the “District”) would be conducive to the public health, safety, convenience and welfare and that it was intended to result in the development of a new community as described in Chapter 349 of the Ohio Revised Code, and declared the Authority organized as a body corporate and politic in the State of Ohio; and

WHEREAS, pursuant to ordinances passed by City Council in 2004, 2005, 2012, and 2014, the City and the Authority entered into the Master Lease Agreement dated June 21, 2004 as well as the first, second, third, and fourth supplemental lease agreements for the issuance of bonds and lease payments in support of improvements within and around the District; and

WHEREAS, Section 349.03(B) of the Ohio Revised Code authorizes City Council to add territory to the District at any time after the creation of the Authority by following the same procedure as required by Section 349.03 of the Ohio Revised Code in relation to the Petition, but only after the Developer files an application to amend the Petition or another property owner provides their consent to such addition with the Clerk; and

WHEREAS, on or about January 19, 2023, the Developer who owns or controls the property shown as the “Developer Expansion Area” on Exhibit A attached hereto, filed an application titled “Amendment to Petition for Organization of a New Community Authority” with the Clerk, to add such property to the District (the “Amendment”) in accordance with Section 349.03(B) of the Ohio Revised Code; and

WHEREAS, because the Developer did not object in the Amendment to the addition of parcels to the District, City Council may approve and authorize the consent to add certain real property owned by the City, as shown as the “City Expansion Area” on Exhibit A attached hereto, to the District; and

WHEREAS, through the Amendment, the Developer also desires to supplement the “new community development program,” as that term is defined in Section 349.01(B) of the Ohio Revised Code, to align with the 2022 Downtown Columbus Strategic Plan; and

WHEREAS, City Council, as the organizational board of commissioners, adopted Resolution No. 0018X-2023 on January 30, 2023 to determine that the Amendment complied as to form and substance, authorized the consent of the City Expansion Area, and fixed the time and place for a hearing on the expansion of the Authority’s District and program; and

WHEREAS, the Department of Finance and Management represents to City Council that the City Expansion Area is owned by the City and consents to the addition of it to the District as attested on the Consent to Add Property to a New Community District attached hereto as Exhibit B (the “Consent”); and

WHEREAS, the Department of Development certifies to City Council that the required public hearing was held on February 21, 2023 as advertised, and as attested on the Certificate of Compliance with the Public Hearing Requirements attached hereto as Exhibit C (the “Certification”); and

WHEREAS, an emergency exists in the usual daily operation of the Department of Development in that it is immediately necessary to allow for the immediate expansion of the District and program for which the City, in support thereof, is also presenting legislation to Council to pass emergency legislation to enter into the Fifth Supplemental Lease Agreement with the Authority that is needed in order for the Authority to issue additional bonds at the most advantageous interest rate, all for the preservation of the public health, peace, property, safety, and welfare of the City; **NOW, THEREFORE**,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF COLUMBUS THAT:

Section 1. This Council acknowledges and determines that it is the “organizational board of commissioners” of the Authority, and the City of Columbus, Ohio is the only “proximate city” with respect to the Authority, the Developer Expansion Area, and City Expansion Area for all purposes of Chapter 349 of the Ohio Revised Code.

Section 2. The Amendment and Consent are accepted and shall be recorded, along with this Resolution, in the journal of the City Council, pursuant to Section 349.03 of the Ohio Revised Code.

Section 3. This Council finds and determines pursuant to Section 349.03 of the Ohio Revised Code that the expansion of the District to include the Developer Expansion Area and the City Expansion Area will be conducive to the public health, safety, convenience and welfare, will be consistent with the development of the Authority’s “new community,” as described in Section 349.01(A) of the Ohio Revised Code, will not jeopardize the plan of that new community, and is intended to result in the development of the new community; defines the boundaries of the District to now also include the Developer Expansion Area and the City Expansion Area as well as those consistent with the boundaries described in the Petition.

Section 4. This Council finds and determines pursuant to Chapter 349 of the Ohio Revised Code that the supplementation of the Authority’s new community development program with the 2022 Downtown Columbus Strategic Plan as described in the Amendment will be conducive to the public health, safety, convenience and welfare, will be consistent with the development of the Authority’s “new community,” as described in Section 349.01(A) of the Ohio Revised Code, will not jeopardize the plan of that new community, and is intended to result in the development of the new community

Section 5. This Council finds and determines that the public hearing was held as advertised and as attested to by the Department of Development on the Certification.

Section 6. For the reasons stated in the preamble hereinabove, this Resolution is 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.