



Legislation Text

File #: 1195-2016, **Version:** 1

BACKGROUND: This ordinance authorizes: 1) the Director of the Department of Public Service to enter into a Guaranteed Maximum Reimbursement and Construction Contribution Agreement with NRI Equity Land Investments, LLC (NRI) for purposes of NRI contributing construction funds for the Grandview Yard - Third Ave Railroad Bridge: Roadway Improvements - Third Ave Phase 2, Rail St Phase 3 and 5th/Edgehill Signal Improvements project; and 2) the City Auditor to deposit the funding contribution from NRI.

The City and NRI entered into a Tax Increment Financing Agreement (the "TIF Agreement") pursuant to Ordinance 2130-2011, executed on July 12, 2012, to pay for the construction of public infrastructure improvements in the Third and Olentangy River Road area of Columbus known as Grandview Yard. As part of the City's and NRI's commitment to the ongoing development of Grandview Yard, the parties continue to collaborate through the Public-Private Partnership Process (3P), on the design and construction of public infrastructure improvements that support private development activities.

NRI has undertaken the design of a public infrastructure project known as the Grandview Yard - Third Ave Railroad Bridge: Roadway Improvements - Third Ave Phase 2, Rail St Phase 3 and 5th/Edgehill Signal Improvements (the "Project"). Funding for the Project's construction will come from the following sources: 1) an Ohio Public Works Commission (OPWC) grant in the amount of \$4,999,999.00; 2) a contribution from the City of Grandview Heights in the amount of \$149,797.00; 3) a contribution from the City in the amount of \$277,698; and 4) a contribution from NRI in the amount of \$5,530,946.61. The amounts herein are estimates until the construction contract is awarded.

The Department of Public Service has determined that it is in the City's best interest to enter into a Guaranteed Maximum Reimbursement and Construction Contribution Agreement with NRI for purposes of NRI contributing funds for the Project and to accept a contribution from NRI for construction of the Project.

FISCAL IMPACT: NRI Equity Land Investments, LLC has agreed to provide funding to the Department of Public Service, through an estimated lump sum payment of \$5,530,946.61 to construct the Project.

EMERGENCY DESIGNATION: The Department of Public Service is requesting this ordinance to be considered an emergency measure in order to allow for immediate execution of this Guaranteed Maximum Reimbursement and Construction Contribution Agreement, which is necessary to facilitate the construction of these improvements to maintain the project schedule and meet community commitments, thereby immediately preserving the public health, peace, property, safety and welfare.

To authorize the Director of the Department of Public Service to enter into a Guaranteed Maximum Reimbursement and Construction Contribution Agreement with NRI Equity Land Investments, LLC, pursuant to Section 186 of the Columbus City Charter, for the construction of public infrastructure improvements in connection with the Grandview Yard - Third Ave Railroad Bridge: Roadway Improvements - Third Ave Phase 2, Rail St Phase 3 and 5th/Edgehill Signal Improvements project in an estimated amount up to \$5,530,946.61; to authorize the City Auditor to deposit the funding contribution from NRI and to appropriate said funds; and to declare an emergency. (\$5,530,946.61)

WHEREAS, the City and NRI entered into a TIF Agreement on July 12, 2012, under the authority of Ordinance 2130-2011, to pay for public infrastructure improvements in the Third and Olentangy River Road area of Columbus known as Grandview Yard; and

WHEREAS, as part of the City and NRI's commitment to the ongoing development of Grandview Yard, the parties continue to collaborate through the Public-Private Partnership Process (3P), on the design and construction of public infrastructure improvements that support private development activities; and

WHEREAS, NRI has undertaken the design of the Grandview Yard - Third Ave Railroad Bridge: Roadway Improvements - Third Ave Phase 2, Rail St Phase 3 and 5th/Edgehill Signal Improvements project (the "Project"); and

WHEREAS, funding for the construction of the Project will come from the following sources: 1) an Ohio Public Works Commission (OPWC) grant in the amount of \$4,999,999.00; 2) a contribution from the City of Grandview Heights in the amount of \$149,797.00; 3) a contribution from the City in the amount of \$277,698; and 4) a contribution from NRI in the estimated amount of \$5,530,946.61 which may increase once a construction contract is awarded.

WHEREAS, NRI has agreed to contribute an estimated \$5,530,946.61 toward the Project's construction costs, which will be eligible for reimbursement from the Third and Olentangy TIF; and

WHEREAS, this ordinance authorizes: 1) the Director of the Department of Public Service to enter into a Guaranteed Maximum Reimbursement and Construction Contribution Agreement, and future amendments for contribution agreements if needed, with NRI Equity Land Investments, LLC and to accept funding for the construction of the Project; and 2) the City Auditor to deposit the funding contribution from NRI; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Public Service in that it is immediately necessary to authorize the Director to enter into a Guaranteed Maximum Reimbursement Agreement with NRI Equity Land Investments, LLC, thereby preserving the public health, peace, property, safety and welfare; now therefore

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

SECTION 1. That the Director of the Department of Public Service is hereby is authorized to enter into a Guaranteed Maximum Reimbursement and Construction Contribution Agreement with NRI Equity Land Investments, LLC, 375 North Front Street, Suite 200, Columbus, Ohio 43215, and to accept funding for a public infrastructure improvement project pursuant to Section 186 of the Columbus City Charter for the construction of public infrastructure improvements in connection with the Grandview Yard - Third Ave Railroad Bridge: Roadway Improvements - Third Ave Phase 2, Rail St Phase 3 and 5th/Edgehill Signal Improvements project.

SECTION 2. That the City Auditor is authorized to deposit the funding contribution from NRI Equity Land Investments, LLC in the Street & Highway Improvements Fund 7766, Project P530161-100182, Roadway Improvements -- Third Avenue Railroad Bridge, Dept. 59, Div. 5912.

SECTION 3. That from the unappropriated monies 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 ended December 31, 2016, the sum of \$5,530,946.61 is appropriated in Fund 7766 Street & Highway Improvements Fund per the account codes in the attachment to this ordinance.

SECTION 4. 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 5. That the City Auditor is hereby authorized to transfer the unencumbered balance in a project account 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 passage if the Mayor neither approves nor vetoes the same.