

Legislation Text

File #: 0236-2023, Version: 1

BACKGROUND: This ordinance authorizes the Director of the Department of Development to enter into an Economic Development Agreement with Clinton Township. The Agreement is for the purpose of providing water and/ or sewer services to specific property in the Joint Economic Development Zone (JEDZ), providing financial support for the initiative, and the payment of income to the City of Columbus for designated property within the Joint Economic Development Zone (JEDZ).

The following parcels will be impacted by the Economic Development Agreement between the City of Columbus and Clinton Township:

- Parcel #130-000001; Parcel #130-011916, and; Parcel #130-011917 3251 Westerville Road: The designated parcels will be used to construct manufacturing housing units and affordable housing units by the property owner, 3251 Westerville Road, LLC. The City of Columbus is contributing eight million, one hundred thousand dollars (\$8,100,000.00) in support of the project to address the regional need for affordable housing. The City of Columbus will also provide additional and/or larger diameter water/sewer service to the site without the requirement of annexation. Clinton Township, in consideration of the eight million, one hundred thousand dollars (\$8,100,000.00) contributed by the City of Columbus, will repay the City of Columbus the equivalent of 80% of the income tax revenue received by Clinton Township from 3251 Westerville Road levied by the JEDZ income tax for this project.
- 2. <u>Parcel #130-011856 Nationwide Children's Hospital:</u> The City of Columbus currently provides water and sewer services to the site and will provide additional and/or larger diameter water services, if needed, without the requirement of annexation to facilitate the newly established clinic. The utility services will not extend to new structures/development of the shopping center.

Shared Revenue: Clinton Township, in consideration of the eight million, one hundred thousand dollars (\$8,100,000.00) in financial support from the City of Columbus, the annexation moratorium and additional and/or larger diameter water/sewer service, will agree to repay the City of Columbus the equivalent of eighty percent (80%) of the income tax revenue received by Clinton Township from the 3251 Westerville Road parcels, levied from the JEDZ income tax, for this project until the earliest date of (a) the repayment of the \$8.1 million grant amount, or (b) the expiration date of the initial term of the JEDZ in 2043.

Fiscal Impact: There is no fiscal impact on the 2023 General Fund Budget as \$3.1 million for the project were authorized and appropriated in 2022 in Ordinance No. 1235-2022.

To authorize the Director of the Department of Development to enter into an Economic Development Agreement with Clinton Township for the purpose of working cooperatively to plan for future growth, development and revenue sharing of 3251 Westerville Road (parcel# 130-000001; parcel #130-011916, and; parcel #130-011917) and Nationwide Children's Hospital Clinic (parcel #130-011856); and to declare an emergency.

WHEREAS, the City of Columbus and Clinton Township recognize the importance of planning for future growth of their two communities and working cooperatively on issues relating to economic development as well as utilizing community resources for responsible growth, and development opportunities beneficial to both the City of Columbus and Clinton Township; and

WHEREAS, in furtherance of the recognition of the importance of planning for their future growth and working cooperatively, the City of Columbus and Clinton Township desire to enter an Economic Development Agreement ("EDA") for specific properties within the Joint Economic Development Zone (JEDZ); and

WHEREAS, the EDA will impact 3251 Westerville Road (parcel #130-000001; parcel #130-011916, and; parcel #130-011917) and Nationwide Children's Hospital Clinic (parcel #130-011856); and

WHEREAS, the owners of 3251 Westerville Road intend to use the site to construct manufacturing housing units as well as build affordable housing units and the City of Columbus is providing eight million, one hundred thousand dollars (\$8,100,000.00) in financial support for this initiative due to its ongoing contributions to address the regional need for affordable housing; and

WHEREAS, the City of Columbus also plans to provide additional and/or larger diameter water and sewer service to the site without the requirement of annexation; and

WHEREAS, the City of Columbus, per the EDA, plans to increase water and/or sewer service to the Nationwide Children's Hospital Clinic without the requirement of annexation to facilitate the newly established clinic; and

WHEREAS, in consideration of the City of Columbus's eight million, one hundred thousand dollars (\$8,100,000.00) financial support for the project, the annexation moratorium and additional and/or larger diameter water and/or sewer service, Clinton Township agrees to repay the City of Columbus the equivalent of eighty per cent (80%) of the income tax revenue received by Clinton Township from the 3251 Westerville Road parcels levied from JEDZ income tax for the project until the earlier date of (a) the repayment of the \$8.1 million grant amount, or (b) the expiration date of the initial term of the JEDZ in 2043; and

WHEREAS, the City of Columbus and Clinton Township acknowledge the public purpose and value to both communities in cooperating in the development of Central Ohio; and in sharing financially in the region's economic growth and prosperity; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Development in that it is immediately necessary to authorize the Director to enter into an EDA with Clinton Township for the purpose of providing additional and/or larger diameter water and/or sewer service to 3251 Westerville Road (parcel #130-000001; parcel #130-011916, and; parcel #130-011917) and Nationwide Children's Hospital Clinic (parcel #130-011856); and such immediate action being necessary for the preservation of 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 Development is authorized to enter into an Economic Development Agreement with Clinton Township, Ohio for the purpose of working cooperatively to plan future growth, development and revenue sharing of income taxes derived from development occurring at 3251 Westerville Road (on parcel #130-000001; parcel #130-011916, and; parcel #130-011917) and from Nationwide Children's Hospital (on parcel

130-011856), as permitted by the Joint Economic Development Zone ("JEDZ") encompassing those parcels.

SECTION 2. For the reasons stated in the Preamble hereto, which is hereby made a part hereto, 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 the passage if the Mayor neither approves nor vetoes the same.