



Legislation Details (With Text)

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Title: To consent to the issuance of Refunding Bonds by the Franklin County Convention Facilities Authority and to the application of the CFA Hotel Residuals Fund to the payment of the Refunding Bonds; and to declare an emergency. (\$0.00)

Sponsors:

Indexes:

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Attachments:

Date	Ver.	Action By	Action	Result
12/12/2019	1	CITY CLERK	Attest	
12/11/2019	1	MAYOR	Signed	
12/9/2019	1	COUNCIL PRESIDENT	Signed	
12/9/2019	1	Columbus City Council	Approved	Pass

Background: The Franklin County Convention Facilities Authority (the “FCCFA”), pursuant to existing lease and sublease agreements with the City of Columbus, (the “City”), must receive the consent of the City prior to the issuance of FCCFA bonds. The FCCFA previously issued its Second Lien Convention Facilities Authority Arena Lease Revenue Bonds dated February 22, 2012 (the “Series 2012 Bonds”) and now desires to refund and redeem the Series 2012 Bonds by the issuance of its Convention Facilities Authority Arena Lease Refunding Revenue Bonds in a principal amount of \$51,500,000 (the “Refunding Bonds”), an amount less than the current principal and accrued interest of the Series 2012 Bonds, and to provide an additional source of funding for the payment thereof. The additional source of payment is a surplus fund designated the “CFA Hotel Residuals Fund,” which was created by the FCCFA in connection with the issuance of its Hotel Project Revenue Bonds, Series 2019 (Greater Columbus Convention Center Hotel Expansion Project). In accordance with the First Supplement to the Cooperative Agreement Dated As Of January 1, 2010, dated as of May 1, 2019 (the “Supplement”) among the FCCFA, the County of Franklin, Ohio and the City, the FCCFA seeks the consent of the City to the use by the FCCFA of its CFA Hotel Residuals Fund for the payment of the Refunding Bonds. This legislation provides the consent of the City to the issuance of the Refunding Bonds and to the use by the FCCFA of its CFA Hotel Residuals Funds and authorizes the Mayor and the Director of Finance and Management to execute such other instruments that may be necessary or appropriate in the opinion of the City Attorney to effect the intent of the legislation.

Fiscal Impact: There are no additional costs to the City.

To consent to the issuance of Refunding Bonds by the Franklin County Convention Facilities Authority and to the application of the CFA Hotel Residuals Fund to the payment of the Refunding Bonds; and to declare an emergency. (\$0.00)

WHEREAS, this Council has heretofore found and hereby confirms that it is in the best interest of the residents of the City of Columbus, Ohio (the “City”), and a proper public purpose of the government of the City, to promote and publicize the City as a desirable location for conventions, trade shows and similar events; and

WHEREAS, The Franklin County Convention Facilities Authority (the “FCCFA”) has been established by the Board of County Commissioners of the County of Franklin, Ohio (the “County”) pursuant to Chapter 351 of the Ohio Revised Code (the “Act”) as a body corporate and politic performing essential governmental functions, to, among other things, (a) acquire, purchase, construct, furnish, equip, lease or rent, and operate, “facilities”, as defined in the Act, within the County; and (b) issue obligations, from time to time, anticipating “revenues”, as defined in the Act, in such principal amounts as are necessary to pay any part of the “cost” of such facilities, as defined in the Act; and

WHEREAS, pursuant to the Act, the FCCFA previously issued its Second Lien Convention Facilities Authority Arena Lease Revenue Bonds dated February 22, 2012 (the “Series 2012 Bonds”) and wishes to refund and redeem the Series 2012 Bonds by its Convention Facilities Authority Arena Lease Refunding Revenue Bonds in a principal amount of \$51,500,000 (the “Refunding Bonds”) and to provide an additional source of funding for the payment thereof; and

WHEREAS, pursuant to the Act, the FCCFA has previously issued its Hotel Project Revenue Bonds, Series 2019 (Greater Columbus Convention Center Hotel Expansion Project), and in connection therewith, previously entered into the First Supplement to the Cooperative Agreement Dated As Of January 1, 2010, dated as of May 1, 2019 (the “Supplement”), with the County and the City, pursuant to which Supplement and pursuant to Resolution No. 2019-9 adopted by the FCCFA Board of Directors, the FCCFA created a surplus fund designated the “CFA Hotel Residuals Fund”; and

WHEREAS, pursuant to the Supplement, the FCCFA shall obtain the written consent of the City Representative, as defined in the Supplement, prior to an expenditure by the FCCFA of its CFA Hotel Residuals Fund, and the FCCFA has requested the City to consent to the use of the CFA Hotel Residuals Fund by the FCCFA for the payment of the Refunding Bonds; and

WHEREAS, this Council desires to authorize the FCCFA’s issuance of its Refunding Bonds and to consent to the use of the CFA Hotel Residuals Fund for the payment of such Refunding Bonds; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Finance and Management and the City Auditor's office in that the timely issuance of the Refunding Bonds will allow the FCCFA to take advantage of favorable market conditions in issuing the Refunding Bonds and enable the payment of those Refunding Bonds by the CFA Hotel Residuals Fund, all of which will inure to the benefit of the City, its taxpayers and its citizens and therefore, the passage of this ordinance is necessary for the public peace, property, health and safety; Now, Therefore,

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

SECTION 1. That in accordance with the provisions of certain previous agreements among the FCCFA, the City and the County, the City hereby consents to the issuance of the Refunding Bonds by the FCCFA and consents to the application of the CFA Hotel Residuals Fund to the payment of the Refunding Bonds.

SECTION 2. That the Mayor, the Director of Finance and Management, the Clerk of this council, the City Auditor and the City Treasurer, are each hereby separately authorized to take any and all actions and to execute such other instruments that may be necessary or appropriate in the opinion of the City Attorney in order to effect the intent of this ordinance.

SECTION 3. 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.