



Legislation Details (With Text)

File #: 0101-2021 **Version:** 1

Type: Ordinance **Status:** Passed

File created: 1/11/2021 **In control:** Finance Committee

On agenda: 1/25/2021 **Final action:** 1/29/2021

Title: To appropriate and authorize the City Auditor to transfer \$3,968,643.50 from the Special Income Tax Fund to the Franklin County Convention Facilities Authority Fund, for the purpose of providing secondary funding in the event that Franklin County Convention Facilities Authority cannot meet its debt obligations; and to declare an emergency (\$3,968,643.50).

Sponsors:

Indexes:

Code sections:

Attachments: 1. FCCFA 0101-2021 DAX

Date	Ver.	Action By	Action	Result
1/29/2021	1	CITY CLERK	Attest	
1/28/2021	1	MAYOR	Signed	
1/25/2021	1	COUNCIL PRESIDENT	Signed	
1/25/2021	1	Columbus City Council	Approved	Pass

Background: This legislation authorizes the appropriation and transfer of \$3,968,643.50 from the Special Income Tax Fund, to the Franklin County Convention Facilities Authority Fund. The appropriation and transfer of \$3,968,643.50 from the Special Income Tax Fund provides the backing, as stipulated in the City's lease agreement with the Franklin County Convention Facilities Authority (CFA). In 2020, the CFA refunding outstanding debt obligations that reduced the City's appropriation obligations for 2021. The actual transfer of these funds will only occur if the CFA is unable to meet its debt obligations as outlined in its lease with the City. The City provides fifty percent of this backing, while Franklin County is responsible for the other fifty percent. Since 1990, no such payments have been needed, nor are any anticipated.

In 2019, the City entered into a Lease Agreement and Sub-Lease Agreement with the CFA and Franklin County, Ohio (Ordinance No. 2815-2019) in connection with the issuance of the hotel expansion bonds. The agreement allowed the CFA to issue the 2019B Lease Appropriation bonds. These bonds are to provide additional funding for the downtown convention center hotel expansion. Interest on these bonds will be capitalized through 2022. No appropriation is required in 2021 for these bonds. The City along with Franklin County will provide the backing for these bonds. The City provides fifty percent of this backing, while Franklin County is responsible for the other fifty percent. The actual transfer of these funds will only occur if the CFA is unable to meet its debt obligations.

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 for the transfer and expenditure of \$3,968,643.50 for 2021 has been accounted for in the Special Income Tax Fund 4430 for the Franklin County Convention Facilities Authority.
2020 funding was \$9,564,227.00.
2019 funding was \$9,115,625.46.

2018 funding was \$9,115,907.63.

To appropriate and authorize the City Auditor to transfer \$3,968,643.50 from the Special Income Tax Fund to the Franklin County Convention Facilities Authority Fund, for the purpose of providing secondary funding in the event that Franklin County Convention Facilities Authority cannot meet its debt obligations; and to declare an emergency (\$3,968,643.50).

WHEREAS, as stipulated in the City's lease agreement with the CFA, the City has agreed to provide a secondary revenue source to assure that these funds will be available; and

WHEREAS, the actual transfer of these funds will only occur if the CFA is unable to meet its debt obligations as outlined in its lease with the City; and

WHEREAS, an emergency exists in the usual daily operation of the City in that it is immediately necessary to both appropriate funds within the Special Income Tax Fund and transfer said funds for the above-described purposes, 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 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, 2021, the sum of \$3,968,643.50 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 transfer said funds in SECTION 1 to the Franklin County Convention Facilities Authority Fund, Fund 2282 Subfund 228201, at such time as is deemed necessary by the City Auditor, and to expend said funds or so much thereof as may be necessary per the account codes in the attachment to this ordinance.

SECTION 3. 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 4. That the City Auditor is authorized to make any accounting changes to revise the fund source for any contract or contract modifications associated with the expenditure of the funds transferred under Section 2.

SECTION 5. 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.