



Legislation Details (With Text)

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Title: To authorize the Finance and Management Director, on behalf of the City, to execute an amendment to the Contribution Agreement with the Confluence Community Authority, regarding the timing related to the City's Contribution and Annual CRF Contribution payment to the Confluence Community Authority; and to declare an emergency.

Sponsors:

Indexes:

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Attachments:

Date	Ver.	Action By	Action	Result
7/27/2022	1	CITY CLERK	Attest	
7/26/2022	1	ACTING MAYOR	Signed	
7/26/2022	1	ACTING MAYOR	Signed	
7/25/2022	1	COUNCIL PRESIDENT	Signed	
7/25/2022	1	Columbus City Council	Approved	Pass

This ordinance authorizes the City to amend a Contribution Agreement ("Contribution Agreement") with the Confluence Community Authority ("Authority") which was authorized by Ordinance No. 1858-2019 passed by Columbus City Council on July 22, 2019.

The Authority is a New Community Authority organized pursuant to Chapter 349 of the Ohio Revised Code for the purposes of owning and operating a new stadium for the Columbus Crew SC, undertaking private development activities on property adjacent to the new stadium, and facilitating the redevelopment of the MAPFRE Stadium site that includes a training facility and providing for a Community Sports Park.

The Contribution Agreement outlines the timing and other mechanics related to the payment of all or a portion of the City Contribution or other amounts to be contributed through the Authority, as contemplated in the Development Agreement between the City, Franklin County ("County"), Confluence Community Authority ("Authority"), Crew SC Development Company, LLC ("DeveloperCo"), and Crew SC Stadium Company, LLC ("StadCo"), collectively, the "Parties," dated July 3, 2019, which was subsequently amended by that certain First Amendment to Development Agreement dated December 19, 2019, and that certain Second Amendment to Development Agreement dated November 10, 2021 (collectively, the "Development Agreement").

Pursuant to the Contribution Agreement, the City shall contribute funds to the Authority in the amount of \$38 million to pay for Project Costs (other than Stadium Costs), as follows:

- Not later than March 1, 2020, the amount of \$13,000,000 (the "2020 Payment")
- Not later than March 1, 2021, the amount of \$12,500,000 (the "2021 Payment")
- Not later than March 1, 2022, the amount of \$12,500,000 (the "2022 Payment")

The City made the 2020 Payment and the 2021 Payment under the authority of Ordinance No.'s 0456-2020 and 0208-2021, respectively. The 2022 Payment has not yet been made.

Other amounts to be contributed by the City to the Authority are an Annual CRF Contribution in the amount of \$250,000 for base building capital repairs, as required by and in accordance with the Stadium Lease. Payment of the Annual CRF Contribution was to commence June 1, 2022. This Payment has not yet been made.

The amendment proposed below will modify the Contribution Agreement to extend the 2022 Payment date and commencement of the Annual CRF Contribution payment to September 1, 2022. This also requires that the Development Agreement, as amended, and the Project Funding Agreement be amended to also include the new contribution due dates.

FISCAL IMPACT: No funding is required for this legislation. The City has forwarded Separate legislation to City Council requesting the appropriation of funds for the City's Contribution.

To authorize the Finance and Management Director, on behalf of the City, to execute an amendment to the Contribution Agreement with the Confluence Community Authority, regarding the timing related to the City's Contribution and Annual CRF Contribution payment to the Confluence Community Authority; and to declare an emergency.

WHEREAS, the City, Franklin County ("County"), Confluence Community Authority ("Authority"), Crew SC Development Company, LLC ("DeveloperCo"), and Crew SC Stadium Company, LLC ("StadCo"), collectively, the "Parties," entered into a Development Agreement dated July 3, 2019, a subsequent First Amendment to Development Agreement dated December 19, 2019, and a subsequent Second Amendment to Development Agreement dated November 10, 2021 to add Crew SC Development Company ("TrainingCo") (collectively, the "Development Agreement") outlining certain mutual commitments of the Parties related to the financing, development, construction, operation, and occupancy of a new stadium, redevelopment of the MAPFRE Stadium site, and creation of a Community Sports Park, and the development of a mixed-use project adjacent to the new stadium; and

WHEREAS, the Authority is a New Community Authority organized pursuant to Chapter 349 of the Ohio Revised Code for the purposes of owning and operating a new stadium for the Columbus Crew SC, undertaking private development activities on property adjacent to the new stadium, to facilitate the redevelopment of the MAPFRE Stadium, and to create a Community Sports Park; and

WHEREAS, Ordinance No. 1858-2019, passed by Council on July 22, 2019, authorized the Finance and Management Director to enter into a Contribution Agreement with the Authority (the "Contribution Agreement") to provide for the timing and other mechanics relating to all or a portion of the City Contribution or other amounts to be contributed through the Authority; and

WHEREAS, pursuant to the Contribution Agreement, the City committed to contributing \$38 million to the Authority to pay for certain Project Costs (other than Stadium Costs) as defined in the Development Agreement (as amended), and pay an Annual CRF Contribution (the "CRF Contribution") in the amount of \$250,000 for base building capital repairs, as required by and in accordance with the Stadium Lease; and

WHEREAS, pursuant to the Contribution Agreement, the City's contribution of \$38 million to the Authority is to be made in three installments to be due no later than March 1, 2020 (the "2020 Payment"); March 1, 2021 (the "2021 Payment"); and March 1, 2022 (the "2022 Payment"), and payment of the Annual CRF Contribution was to commence June 1, 2022; and

WHEREAS, the City made the 2020 Payment in the amount of \$13 million under the authority of Ordinance No. 0456-

2020 and the 2021 Payment in the amount of \$12.5 million under the authority of Ordinance No. 0208-2021; and

WHEREAS, the City's payment of the 2022 Payment of \$12.5 million and the Annual CRF Contribution of \$250,000 have been delayed due to ongoing discussions between the parties regarding the location and amenities associated with the Community Sports Park; and

WHEREAS, the Department of Development has submitted separate legislation to amend the Development Agreement and commitments related to the Community Sports Park; and

WHEREAS, this legislation authorizes an amendment to the Contribution Agreement that will extend the date of the City's 2022 Payment, and of the 2022 CRF payment, to no later than September 1, 2022, subject to appropriations by City Council; and

WHEREAS, the Department of Finance and Management has submitted Ordinance No. 0347-2022 authorizing the appropriation and expenditure of \$12.5 million to make the 2022 Payment to the Authority; and

WHEREAS, the Department of Finance and Management has submitted Ordinance No. 2065-2022 authorizing the appropriation and expenditure of \$250,000 for the City to make the Annual CRF Contribution; and

WHEREAS, the City has determined that it is in the best interest of the City of Columbus to amend the Contribution Agreement to modify the due date for payment of the City's 2022 Payment and for payment of the City's Annual CRF Contribution to no later than September 1, 2022; and

WHEREAS, emergency passage is necessary so that the City's Director of Finance and Management receives authorization to make the required payments prior to Council's summer break. **NOW, THEREFORE,**

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

SECTION 1. City Council finds and determines that it is in the City's best interest to amend the Contribution Agreement to extend the due dates for making the 2022 Payment and the CRF Payment. Pursuant thereto, the Director of the Department of Finance and Management is authorized to enter into a First Amendment to Contribution Agreement with the Confluence Community Authority, dated December 12, 2019 and presently on file with the Director, to extend the due date for payment of the City's 2022 Payment of \$12.5 million, and for the City's 2022 CRF Contribution of \$250,000, to no later than September 1, 2022.

SECTION 2. Consistent therewith, the Director of the Department of Finance and Management is authorized and directed to execute an amendment to the Contribution Agreement to provide for payments as directed in Section 1, along with any changes thereto that are necessary to effectuate the two payments, and in a manner that is not inconsistent with this Ordinance.

SECTION 3. That the Director of the Department of Finance and Management is authorized to execute and approve such other agreements and instruments and to take all actions necessary to implement this ordinance and the transactions contemplated herein.

SECTION 4. That for the reasons stated in the preamble hereto, which is made a part hereof, this ordinance 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 passage if the Mayor neither approves nor vetoes the same.