



Legislation Text

File #: 1953-2007, **Version:** 1

Council by Ordinance No. 0670-2004, passed on April 26, 2004, approved the creation of the Harrison West Redevelopment Incentive District. Service payments in lieu of taxes are diverted to the Harrison West Municipal Public Improvement Tax Increment Equivalent Fund and in accordance with Ordinance No. 0670-2004, are intended to finance parkland acquisition, park improvements and other public improvements benefiting the TIF District. To pay for the acquisition of additional parkland and the construction of park improvements, the Columbus-Franklin County Finance Authority has agreed to issue bonds backed by the TIF service payments which upon passage and approval of Ordinance No. 1855-2007 the City agrees to assign to the Authority. It is anticipated that approximately \$3.2 million in bond proceeds will be deposited with the City and available for the acquisition and future park improvements. This ordinance authorizes the first stage of the development of the park by authorizing the Director of Recreation and Parks to acquire additional real property abutting on the north of previously dedicated parkland. The property is currently owned by Donald and Anna Compton, Trustees. The Wagenbrenner Investment Company, ("Wagenbrenner"), the redeveloper of the former AC Humko site, has entered into an Option Agreement for the purchase of the Compton property. The option to purchase must be exercised before December 31, 2007. This ordinance will authorize the Director to enter into an Assignment of the Option Agreement with Wagenbrenner, reimbursing Wagenbrenner for expenses incurred for environmental assessments of the property, a legal survey and other acquisition related expenses which are estimated not to exceed \$26,000. After executing the Assignment of Option and receipt of the bond proceeds by the City, the Director will be authorized to exercise the Option Agreement and purchase the property. Depending on the date of closing on the purchase the purchase price will not exceed \$1,577,000. The Harrison West Society has submitted a letter in support of this acquisition and the proposed park improvements. A copy of the letter is attached.

Fiscal Impact: The funds necessary for the Assignment of Option Agreement and the purchase of the property are \$1,603,000 from the Special Income Tax Fund (as a temporary funding measure until bonds are sold by the Columbus-Franklin County Finance Authority and the proceeds of that sale are deposited with the City pursuant to the Cooperative Agreement authorized by Ordinance No. 1855-2007).

To authorize the Director of Recreation and Parks Department to enter into an Assignment of Option Contract with the Wagenbrenner Investment Company; to exercise the option to purchase real property under the assigned Option Contract; to authorize the expenditure of up to \$1,603,000; and determining that such actions are necessary pursuant to Section 55(b) of the Charter of the City of Columbus.

WHEREAS, Council, by Ordinance No. 0670-2004 (the "TIF Ordinance"), created the Harrison West Redevelopment Incentive District (the "District"), and

WHEREAS, service payments in lieu of taxes, ("Service Payments"), made with respect to improvements within the District are directed to the Harrison West Municipal Public Improvement Tax Incentive Equivalent Fund, (the "TIF Fund") for use in financing public improvements, including acquisition of real property for a public park, public park improvements, and other public improvements which benefit the District; and

WHEREAS, the Columbus-Franklin County Finance Authority, (the "Authority") has proposed issuing bonds to finance these TIF improvements which bonds will be backed by Service Payments to be assigned by the City to the Authority pursuant to a Cooperative Agreement authorized by Ordinance No. 1855-2007; and

WHEREAS, bond proceeds from the Authority's issuance of bonds to be placed on deposit with the City are estimated to be sufficient to purchase additional real property for the future park and to pay for the design and construction of park improvements; and

WHEREAS, to purchase the additional property, currently owned by Donald and Anna Compton, Trustees, (the "Compton Property"), it is necessary to authorize the Director of Recreation and Parks to enter into an Assignment of Option Agreement with the Wagenbrenner Investment Company ("Wagenbrenner") and to authorize the Director to exercise the Option; and

WHEREAS, it is necessary to transfer funds from the Special Income Tax Fund to fund the Assignment and purchase; and

WHEREAS, the Authority pursuant to the Cooperative Agreement shall deposit bond proceeds with the City to reimburse the Special Income Tax Fund; and

WHEREAS, this transfer should be considered as a temporary funding method; and

WHEREAS, this Ordinance to authorize the execution of the Assignment of Option Agreement and to exercise the option to purchase and purchase the Compton Property is another in a series of ordinances subsequent to the TIF Ordinance and Ordinance No. 1855-2007 necessary to pay for the public improvements set forth in the TIF Ordinance such that action hereunder is determined to be pursuant to Section 55(b) of the Columbus City Charter;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

Section 1. That the Director of Recreation and Parks be, and hereby is, authorized to enter into an Assignment of Option Agreement with the Wagenbrenner Investment Company in the amount not to exceed \$ 26,000.

Section 2. That the Director of Recreation and Parks be, and hereby is, authorized to exercise the option to purchase the Compton Property in the amount not to exceed \$1,577,000.00.

Section 3. That from the unappropriated monies in the Special Income Tax Fund, Fund 430, and from the monies estimated to come into said fund from any and all sources and unappropriated for any other purpose, the sum of \$1,603,000.00 be and hereby is appropriated to the City Auditor, Department No. 22-1, Object Level One Code 10.

Section 4. That the City Auditor is hereby authorized to transfer said funds referred to in Section 3 to the Harrison West Recreation Park Fund, Fund 788, at such time as it is deemed necessary by the City Auditor and to expend said funds or so much thereof as may be necessary.

Section 5. That \$1,603,000.00 is hereby appropriated within, and the expenditure authorized from, Fund 788, the Harrison West Recreation Park Fund, for the purpose of acquiring such parkland pursuant to Section 1 and 2 herein.

Section 6. That the monies appropriated in the foregoing Section 5 shall be paid upon order of the Recreation and Parks Department and that no order shall be drawn or money paid except by voucher, the form of which shall be approved by the City Auditor.

Section 7. That upon obtaining other funds for this capital improvement, the City Auditor is hereby authorized to repay the Special Income Tax Fund the amount transferred under Section 6 above, and said funds are hereby deemed appropriated for such purpose.

Section 8. That the City intends that this ordinance constitute an official intent for purposes of Section 1.150-2(e) of the Treasury Regulations promulgated pursuant to the Internal Revenue Code of 1986, as amended.

Section 9. 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 and to assign necessary accounting codes within the City's accounting system.

Section 10. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.

