



## Legislation Text

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**File #:** 2311-2019, **Version:** 1

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**Background:** Pursuant to Ordinance 1080-2010, passed by City Council July 12, 2010 and as amended, the City entered into an Underground Limestone Mining Lease with Columbus Limestone, Inc. (CLI), a subsidiary of Shelly Materials, Inc., for subsurface (underground) mining of limestone and other minerals under that City-owned property, containing approximately 52 acres, located at 2500 Jackson Pike, Columbus Ohio. During mining activities conducted by CLI certain subsidence incidents occurred that were unanticipated by the parties at the time of execution of the Lease.

To reduce the probability of future similar occurrences the parties agreed to modify mining areas and procedures as set forth in the Lease. In order to eliminate any incidence of subsidence and allow CLI to continue its mining operation at this site, the City and CLI have agreed to cease all mining activities allowed the Underground Limestone Mining Lease and the City has agreed to sell CLI a 4.687 acre portion of a 52.087 acre tract of City-owned real property identified as Franklin County Tax Parcel 570-181425, located on State Route 104 (Jackson Pike) for surface mining. The purchase price for the 4.687 acre tract is Two Hundred Ninety-Three Thousand Dollars (\$293,000.00).

This legislation authorizes the Director of the Department of Finance and Management to execute those documents necessary to enter into a purchase contract with Columbus Limestone, Inc. for the sale of a 4.687 acre portion of the City's property identified as Franklin County Tax Parcel 570-181425, to execute a quitclaim deed and any ancillary documents necessary to grant fee simple title to said property, and to execute a Second Amendment To Underground Limestone Mining Lease terminating CLI's right to conduct mining activities under the Lease and confirming that City has no obligations to repay any of the Advance Royalty received under the Lease.

**Fiscal Impact:** The total amount of the sale is \$293,000 and the proceeds from the sale transaction shall be deposited in Fund 7748, the General Permanent Improvement Fund.

To authorize the Director of Finance and Management to execute a second amendment to the Underground Limestone Mining Lease with Columbus Limestone, Inc. and to execute those documents necessary to enter into contract with Columbus Limestone, Inc. for the sale of a 4.687 acre portion City-owned property identified as Franklin County Tax Parcel 570-181425 and to execute those documents necessary to grant fee simple title.

**WHEREAS**, the City and Columbus Limestone, Inc. (CLI) entered into an Underground Limestone Mining Lease dated September 22, 2010 and as amended by a First Amendment To Underground Limestone Mining Lease dated September 25, 2015; and

**WHEREAS**, it is now necessary to amend the Underground Limestone Mining Lease to cease future mining activities under the Lease and confirm that City has no obligations to repay any of the Advance Royalty received under the Lease; and

**WHEREAS**, it has been determined that it is in the City's best interest to allow Columbus Limestone to continue mining operations by the surface mining of a 4.687 acre portion of a 52.087 acre tract of City-owned real property identified as Franklin County Tax Parcel 570-18142; and

**WHEREAS**, the area to be mined by surface mining methods will be contained within the 4.687 acre tract to be purchased from the City at the price of Two Hundred Ninety-Three Thousand Dollars (\$293,000.00); and

**WHEREAS**, it is necessary in the usual daily operation of the City of Columbus, to authorize the Director of the Department of Finance and Management to execute of those documents necessary to enter into a second amendment of the Underground Limestone Mining Lease with Columbus Limestone, Inc. and to enter into a Real Estate Purchase and Sale Contract with Columbus Limestone, Inc. for the sale of a 4.687 acre portion of the City's property identified as Franklin County Tax Parcel 570-181425 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 the Finance and Management Director be and is hereby authorized to execute those documents as approved by the Department of Law, Real Estate Division, necessary to enter into a second amendment of the Underground Limestone Mining Lease, dated September 22, 2010, to enter into a Real Estate Purchase and Sale Contract with Columbus Limestone, Inc. for the sale of a 4.687 acre portion of the City's property identified as Franklin County Tax Parcel 570-181425, and to execute a quitclaim deed and any ancillary documents necessary to grant fee simple title to said property.

**SECTION 2.** That the City shall sell to Columbus Limestone Inc. the 4.687 acres in the agreed amount of \$293,000.00 and that sale proceeds received by the City shall be deposited in Fund 7748, the General Permanent Improvement Fund.

**SECTION 3.** That this Ordinance shall take effect and be in force from and after the earliest period allowed by law.