



Legislation Text

File #: 3244-2019, **Version:** 1

Background: Kaufman Development dba The Gravity Project 2, LLC (the “Developer”) has finalized plans for its Gravity Phase II urban redevelopment project (“Project”) located between W. Broad St. on the north, W. State St. on the south, McDowell St. on the west, and the CSX railroad on the east. The City and the Developer have entered into an Economic Development Agreement to further the Project, and pursuant to that Economic Development Agreement, the City and the Developer desire for City Council to approve Tax Increment Financing (“TIF”) under Section 5709.41 of the Ohio Revised Code to pay for certain infrastructure improvements in support of the Project.

Ohio Revised Code Section 5709.41 requires the City to hold fee title to the parcel(s) prior to the adoption of the ordinance(s) establishing the TIF(s). Therefore, this legislation is necessary to authorize the City to accept title to the land, and then transfer ownership back to the Developer or its designee for redevelopment of the Project.

Emergency Justification:

Emergency legislation is required to allow for immediate transfer of title to the property, which must occur before the City can adopt the TIF ordinance and which is necessary to facilitate the timely completion of the above-described Project.

Fiscal Impact: There is no expenditure of City funds associated with the transfer of the property.

To authorize the Director of the Department of Development to execute documents to allow the City to accept title to certain real property generally known as the site of the Gravity Project 2.0 and subsequently transfer title to such property back to Kaufman Development dba The Gravity Project 2, LLC or its designee; and to declare an emergency.

WHEREAS, Kaufman Development dba The Gravity Project 2, LLC (the “Developer”) has proposed to redevelop property located between W. Broad St. on the north, W. State St. on the south, McDowell St. on the west, and the CSX railroad on the east as described on Exhibit A (the “Property”) by constructing a mixed use commercial and residential development known as the Gravity Phase II project (the “Project”) consisting of approximately one hundred eighty thousand (180,000) square feet of class A commercial office space, ten thousand (10,000) square feet of retail space, two hundred fifty-eight (258) multi-family residential units, twenty-four (24) multi-family residential units comprised of flats (18) and townhomes (6), one hundred one (101) multi-family residential units comprised of studio, one-bedroom and co-living units, and an approximately eight hundred (800) space structured parking garage - of which a minimum of 200 are for public use and 60 are for the McDowell Low Income Housing Tax Credit (LIHTC) Project, subject to final design and all requisite approvals; and

WHEREAS, this Council has previously adopted Ordinance 1732-2019 on July 22, 2019, authorizing an Economic Development Agreement with the Developer with respect to the Project; and

WHEREAS, pursuant to the Economic Development Agreement, the City agreed to facilitate the redevelopment of the Property by declaring the improvements to the Property to be a public purpose under ORC Section 5709.41; and

WHEREAS, pursuant to ORC Section 5709.41, the City must have held fee title to the parcel(s) prior to the adoption of the tax increment financing (TIF) ordinance; and

WHEREAS, an emergency exists in the usual daily operations of the Department of Development in that it is necessary to proceed as quickly as possible with the acquisition of the property described herein to facilitate such redevelopment for

the preservation of the public health, peace, safety and welfare without delay; **NOW, THEREFORE,**

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

Section 1. That the Director of the Department of Development is hereby authorized to accept on behalf of the City title to the Property to facilitate the urban redevelopment plan for the Property set forth in the Economic Development Agreement; provided, however, that no interest in the Property shall be accepted without the execution of an indemnity agreement wherein the Developer provides indemnification acceptable to the City for any liability that may arise from the City's ownership of the Property.

Section 2. That the Director of the Department of Development is hereby authorized and directed to execute all necessary documents in a form acceptable to the City Attorney and to take any required actions to cause the transfer of the City's ownership interest in the Property back to the Developer or its designee.

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 full 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.