



## Legislation Text

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**File #:** 0169-2021, **Version:** 1

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**Background:** This legislation authorizes the Director of the Department of Finance and Management to enter into contract with the Greater Columbus Arts Council (GCAC) and the Franklin County Convention Facilities Authority (FCCFA) for the purpose of distributing 2021 Admissions Tax proceeds from the Facility Stabilization Fund for the purpose of infrastructure investment in Nationwide Arena, as well as other cultural arts, sports, and performance arts venues in the greater Columbus area.

Nationwide Arena is home to the Columbus Blue Jackets and attracts national events, conventions, conferences and performances. The arena is a cornerstone for Columbus economic development and directly and indirectly supports thousands of jobs in the city. As Columbus grows, and as the city earns an increasingly elevated status as a destination for concerts, conventions, and other major events, the demands upon the arena will increase as well. Since the arena is a publicly-owned facility, there is an inherent responsibility to plan for and support the costs of long-term maintenance and repairs.

As such, Columbus City Council authorized the establishment of the Facility Stabilization Fund, pursuant to Ord. 3379-2018. This fund was created in order to provide for the resources necessary to maintain this integral facility, as well as to invest in other cultural arts, sports, and performance arts venues in the greater Columbus area. Proceeds were made possible via the enactment of a 5% tax on admissions to events in Nationwide Arena. This tax is estimated to yield approximately \$843,750.00 per current year in revenue. Of that revenue, 80%, or approximately to \$675,000.00, will be contracted with the Franklin County Convention Facilities Authority for long-term capital improvements and building infrastructure at Nationwide Arena. The remaining 20% of that revenue, or approximately \$168,750.00, will be contracted with the Greater Columbus Arts Council for disbursement to outside organizations to invest in other cultural arts facilities, public art, sports venues, and performance arts spaces. GCAC will establish a process for application and consideration of grant proposals. It should be noted that the City will assess a 0.5% administrative fee from gross receipts.

**Emergency action** is requested so that 2021 Admissions Tax proceeds can be disbursed without delay to ensure that necessary infrastructure investment can occur in Nationwide Arena, as well as other cultural arts, sports, and performance arts venues in the greater Columbus area.

**Fiscal Impact:** This legislation authorizes the Director of Finance and Management to enter into contract with the Greater Columbus Arts Council and the Franklin County Convention Facilities Authority for the purpose of distributing 2021 Admissions Tax proceeds from the Facility Stabilization Fund for the purpose of infrastructure investment in Nationwide Arena, as well as other cultural arts, sports, and performance arts venues in the greater Columbus area. FCCFA will receive 80% of the annual revenue, (estimated at \$675,000.00) and GCAC will receive 20% of the annual revenue, (estimated at \$168,750.00) for a combined total estimated at \$843,750.00.

To authorize the Director of the Department of Finance and Management to enter into contract with the Greater Columbus Arts Council (GCAC) and the Franklin County Convention Facilities Authority (FCCFA) for the purpose of distributing 2021 Admissions Tax proceeds from the Facility Stabilization Fund for the purpose of infrastructure investment in Nationwide Arena, as well as other cultural arts, sports, and performance arts venues in the greater Columbus area; to authorize the combined appropriation and expenditure of proceeds from the Facility Stabilization Fund anticipated to be \$843,750.00; and to declare an emergency. (\$843,750.00).

**WHEREAS**, Ordinance 3379-2018 was passed on December 10, 2018, enacting Chapter 376 of the Columbus City Codes; and

**WHEREAS**, Ordinance 3102-2019 authorized the creation of the Facility Stabilization Fund; and

**WHEREAS**, the revenue generated by the creation of this fund provides necessary maintenance and long-term capital improvements for Nationwide Arena, a cornerstone for Columbus economic development that directly or indirectly supports thousands of jobs; and

**WHEREAS**, the revenue generated by the creation of this fund also provides the ability for the Greater Columbus Arts Council to invest in cultural arts facilities, public art, sports venues and performance arts spaces; and

**WHEREAS**, an emergency exists in the usual daily operation of the Department of Finance and Management in that it has become immediately necessary to authorize the Finance and Management Director to enter into contract with the Greater Columbus Arts Council and the Franklin County Convention Facilities Authority for the purpose of distributing 2021 Admissions Tax proceeds from the Facility Stabilization Fund, so that necessary infrastructure investment in Nationwide Arena and other cultural arts, sports, and performance arts venues can begin without delay, 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 Director of Finance and Management is hereby authorized to enter into a contract with the Greater Columbus Arts Council and the Franklin County Convention Facilities Authority for the purpose of distributing 2021 Admissions Tax proceeds from the Facility Stabilization Fund for the purpose of infrastructure investment in Nationwide Arena, as well as other cultural arts, sports, and performance arts venues in the greater Columbus area.

**SECTION 2.** That from the unappropriated monies 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 \$675,000.00, is appropriated in the Facility Stabilization Fund 2256, Sub-Fund 225602 in Object Class 03 per the account codes in the attachment to this ordinance:

**See Attached File: Ord 0169-2021 Legislation Template.xls**

**SECTION 3.** That the expenditure of \$675,000.00 or so much thereof as may be needed in regard to the action authorized in Section 1, is hereby authorized with the Franklin County Convention Facilities Authority to be expended from the Facility Stabilization Fund 2256, Sub-Fund 225602 in Object Class 03 Contractual Services per the accounting codes in the attachment to this ordinance.

**See Attached File: Ord 0169-2021 Legislation Template.xls**

**SECTION 4.** That from the unappropriated monies 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 \$168,750.00, is appropriated in the Facility Stabilization Fund 2256, Sub-Fund 225601 in Object Class 03 per the account codes in the attachment to this ordinance:

**See Attached File: Ord 0169-2021 Legislation Template.xls**

**SECTION 5.** That the expenditure of \$168,750.00 or so much thereof as may be needed in regard to the action authorized in Section 1, is hereby authorized with the Greater Columbus Arts Council to be expended from the Facility Stabilization Fund 2256, Sub-Fund 225601 in Object Class 03 Contractual Services per the accounting codes in the attachment to this ordinance.

**See Attached File: Ord 0169-2021 Legislation Template.xls**

**SECTION 6.** That these contracts are awarded in accordance with Section 376.03 of the Columbus City Code.

**SECTION 7.** That the 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 8.** 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.

**SECTION 9.** That for 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 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.