



To: Members of Dublin City Council

From: Marsha I. Grigsby, City Manager *MIG*

Date: June 27, 2013

Initiated By: Terry Foegler, Director of Strategic Initiatives/Special Projects
Angel L. Mumma, Deputy City Manager/Director of Finance & Administration

Re: Ordinance 60-13 - Authorizing the Execution and Delivery of a Development and Tax Increment Financing Agreement and an Infrastructure Agreement to Provide for the First Phase of Redevelopment of Dublin Village Center, and Declaring an Emergency.

Ordinance 61-13 - Authorizing the City Manager to Execute and Deliver Documents on Behalf of the City to Accept Title to a Parcel of Real Property within the Dublin Village Center and to Transfer that Parcel Back to the Original Owner, and Declaring an Emergency.

Background

As Council is aware, for a number of months the Administration has been working with representatives from the Stavroff Interests, LTD. and the Edwards Companies, LLC regarding a cooperative series of agreements intended to advance the Phase 1 redevelopment of Dublin Village Center (DVC), which include both public and private improvements. The Phase 1 private improvements contemplate the development of a 324-unit multi-family housing project by the Edwards Communities (refer to the associated "Information Only" memo submitted in Council's packet for more information about this project), the nearly \$7 million renovation of the AMC Theatre facility, and the renovation of the existing Applebee's restaurant. The public improvements include a series of roadway related improvements intended to provide the initial framework of an urban street grid as contemplated by the Bridge Street District plans and regulations.

On Council's Monday, July 1, 2013 meeting agenda are several Council actions requested to advance the implementation of first phase of the Dublin Village Center redevelopment. It is important to note that implementation of all of these requested Council actions is contingent upon the Dublin City School District Board of Education's approval of a Tax Increment Financing agreement that would fund some of the contemplated Phase 1 improvements. (As Council is aware, we have been engaged in ongoing discussions with representatives from the School District to provide them with the information, analysis and background materials about the City's Bridge Street initiative, and the Phase 1 Dublin Village Center redevelopment project, to allow the Board to make a fully informed decision about this matter.)

The actions before Council for action on July 1 include:

Ordinance 60-13 - Authorizing the Execution and Delivery of a Development and Tax Increment Financing Agreement and an Infrastructure Agreement to Provide for the First Phase of Redevelopment of Dublin Village Center, and Declaring an Emergency.

- Ordinance 60-13 authorizes an agreement between the City of Dublin and two developers: affiliates of the Stavroff Interests, LTD (Whittingham Capital, LLC) and Edwards Companies, LLC (Multicon Development Company). The agreement lays out:
 - The basic understandings associated with the implementation of the developments contemplated as part of the Phase 1 private and public improvements; and
 - The terms of the proposed Tax Increment Financing agreement.

Based upon the anticipated value of the private improvements, tax increment proceeds will be generated sufficient to fund approximately \$5.6 million in roadway related improvements and up to \$3.24 million to reimburse Edwards for the incremental cost of providing podium parking within the multifamily project.

- Under this agreement, the private development interests will implement (or cause to be implemented) the contemplated private improvements, provide the land for the proposed public improvements, provide the minimum service payments needed to pay the required reimbursements, and carry out a series of other terms and provisions needed to ensure the successful implementation of the Phase 1 improvements.
- Because the Phase 1 DVC project is a redevelopment project, it is eligible for the statutory provisions of Ohio Revised Code Section 5709.41 (the "*Urban Redevelopment TIF*"). Under the so called "Chapter 41" provisions, the TIF proceeds can actually help fund (or reimburse a developer for) certain private improvements, and in this case will be used to help reimburse Edwards for the incremental costs of its podium parking. As contemplated within the Bridge Street Vision, such structured parking is necessary to achieve the desired levels of density and pedestrian vitality, and will also help produce significantly higher per-acre real estate valuations for the proposed development. The Chapter 41 TIF is only being applied to the Edwards multi-family project site. The cinema renovation and the Applebee's renovation are proceeding under more traditional Chapter 40 TIF provisions, for which TIF proceeds are used to fund public improvements, and will fully include provisions to reimburse the Dublin City School District for all of its normal tax revenues.
- This ordinance also authorizes the execution of an Infrastructure Agreement which will establish the terms and conditions under which Edwards can perform the City's public roadway improvements within this Phase 1 project, and be reimbursed for the cost of those improvements. The terms and conditions of this agreement are very similar to those entered into by the City with other private developers in the past (including Edwards).

Ordinance 61-13 - Authorizing the City Manager to Execute and Deliver Documents on Behalf of the City to Accept Title to a Parcel of Real Property within the Dublin Village Center and to Transfer that Parcel Back to the Original Owner, and Declaring an Emergency.

- One of the requirements of the Chapter 41 TIF is that the City must hold fee title to the parcel on which the private improvements will occur prior to enacting an ordinance establishing the Urban Redevelopment TIF. Ordinance 61-13 provides for the needed transfers of the Edwards parcel to and from the City to meet this requirement. The City's ownership of the parcel will only last for approximately one day, and will not require any payment by the City.

Other related matters

On a related matter, on Council's July 1 agenda are two other items related to this development and the actions outlined above:

- **Ordinance 62-13** provides for acceptance of a waterline easement to allow Edwards to initiate construction of a waterline before a final plat is accepted and recorded by the City. The rationale for the easement is related to timing and is explained in the staff memo accompanying that ordinance.
- Also requested of Council is action to approve the **Preliminary Plat** associated with the Phase1 Dublin Village Center redevelopment project, and a separate staff memo is included in your packet for that item.

Approval of the Plat and the Easement Agreement are also needed if the project is to be in a position to move forward in July or early August, but their execution will also be dependent upon approval of the proposed TIF arrangements by the Dublin City Schools Board of Education.

Recommendation

Staff recommends that Council dispense with the public hearings and approve Ordinance 60-13 and 61-13 by emergency action at the July 1, 2013 Council meeting.

The Administration is requesting that Council act on Ordinances 60-13 and 61-13 with emergency language because Council is not scheduled to meet again until August 12, and the developers have represented that the window of opportunity for successful project implementation requires that they begin construction in July. The Developers are aware that the agreements will not be executed until the Dublin City School Board has approved the proposed Tax Increment Financing arrangement for the Edwards project.

The Administration believes that the Phase 1 projects will have a positive catalytic effect to begin and to encourage the further redevelopment of the Dublin Village Center; they will create the framework for the critical first phases of the urban street grid as envisioned for the Bridge Street District planning to guide and accommodate future phases of redevelopment; and the type and density of the housing proposed for young professionals by Edwards is fully consistent with the housing types recommended by the Bridge Street planning efforts.

RECORD OF ORDINANCES

61-13

Ordinance No. _____

Passed _____, 20____

AN ORDINANCE AUTHORIZING THE CITY MANAGER TO EXECUTE AND DELIVER DOCUMENTS ON BEHALF OF THE CITY TO ACCEPT TITLE TO A PARCEL OF REAL PROPERTY WITHIN THE DUBLIN VILLAGE CENTER AND TO TRANSFER THAT PARCEL BACK TO THE ORIGINAL OWNER, AND DECLARING AN EMERGENCY.

WHEREAS, this Council desires to encourage the acquisition and construction of improvements to a 8.365 ± acre parcel of real property in Dublin Village Center (as further depicted in Exhibit A, the "*Parcel*"); and

WHEREAS, The Edwards Companies, LLC ("*Edwards*") owns or will acquire the Parcel and proposes to construct a high-quality residential apartment building through the urban redevelopment of the Parcel (the "*Project*"); and

WHEREAS, Edwards and the City desire to create a tax increment financing area under Ohio Revised Code Section 5709.41 (the "*Urban Redevelopment TIF*"), to establish a tax increment financing program for the Parcel and to encourage the redevelopment of the Parcel; and

WHEREAS, the City must hold fee title to the Parcel prior to enacting an ordinance establishing the Urban Redevelopment TIF (the "*TIF Ordinance*"); and

WHEREAS, it is necessary for the City to execute certain documents to accomplish the acceptance and subsequent transfer back to Edwards of title to the Parcel prior to City Council's enactment of the TIF Ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Dublin, Franklin, Union and Delaware Counties, Ohio, _____ of the elected members concurring, that:

Section 1. Acceptance of Title. The City Manager is authorized to accept on behalf of the City title to the Parcel and to cause such title to be transferred according to State of Ohio law; provided, however, that no title to the Parcel may be accepted prior to Edwards' execution and delivery to the City of the Transfer and Indemnification Agreement authorized in Section 2.

Section 2. Transfer and Indemnification Agreement. The City Manager, for and in the name of the City, is authorized to execute and deliver the Transfer and Indemnification Agreement in substantially the form presently on file with the City Clerk along with any changes or completions thereto that are not substantially adverse to the City, provided that the approval of such changes and completions by the City Manager, and the character of those changes and completions as not being substantially adverse to the City, is evidenced conclusively by the execution and delivery thereof by the City Manager.

Section 3. Reconveyance of Title. The City Manager is authorized and directed to execute and deliver, in accordance with this ordinance, all documents necessary, and to take any other required actions, to transfer the City's title to the Parcel acquired pursuant to this ordinance to Edwards, which transfer must occur within one business day following the City's acceptance of title to the Parcel.

Section 4. Open Meetings. This Council finds and determines that all formal actions of this Council and any of its committees concerning and relating to the passage of this ordinance were taken in an open meeting of this Council or its committees, and that all deliberations of this Council and any of its committees that resulted in those formal actions were in meetings open to the public, all in compliance with the law including ORC Section 121.22.

RECORD OF ORDINANCES

61-13

Page 2 of 2

Ordinance No. _____

Passed _____, 20____

Section 5. Effective Date. This ordinance is declared to be an emergency measure necessary for the immediate preservation of the public peace, health, safety or welfare of this City and for the further reason that this ordinance is required to be immediately effective in order to authorize the timely conveyance of the Parcel, thereby allowing construction of private and public improvements necessary for the redevelopment of a portion of Dublin Village Center to commence as quickly as possible, providing necessary jobs and employment opportunities and improving the economic welfare of the people; wherefore, this ordinance will be in full force and effect immediately upon its passage.

Signed:

Presiding Officer

Attest:

Clerk of Council

Passed: _____, 2013

Effective: _____, 2013



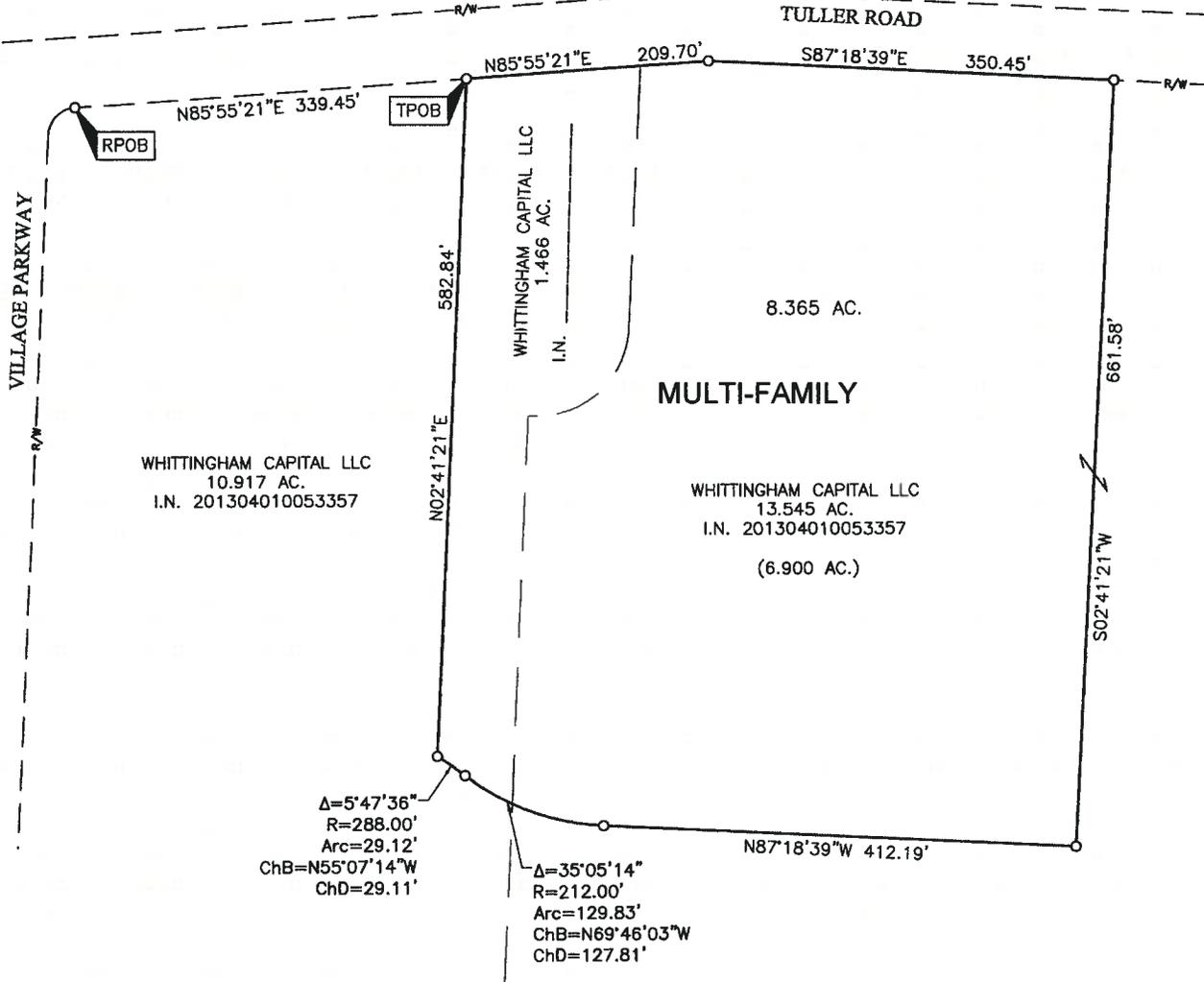
Evors, Mechwart, Hambleton & Tilton, Inc.
 Engineers • Surveyors • Planners • Scientists
 5500 New Albany Road, Columbus, OH 43054
 Phone: 614.775.4500 Toll Free: 888.775.3648
 emht.com

SURVEY OF ACREAGE PARCEL
 QUARTER TOWNSHIP 2, TOWNSHIP 2 NORTH, RANGE 19 WEST
 UNITED STATES MILITARY LANDS
 CITY OF DUBLIN, COUNTY OF FRANKLIN, STATE OF OHIO

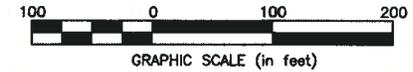
Date: May 22, 2013

Scale: 1" = 100'

Job No: 2013-0432



- = STONE FND.
 - = MON. FND.
 - = I.P. FND.
 - = I.P. SET
 - = MAG. NAIL FND.
 - = MAG. NAIL SET
 - ▲ = R.R. SPK. FND.
 - △ = R.R. SPK. SET
 - ◆ = P.K. NAIL FND.
- I.P. Set are 13/16" I.D. iron pipe with cap inscribed EMHT INC



BASIS OF BEARINGS:
 The Bearings shown hereon are based on the Ohio State Plane Coordinate System (South Zone) as per NAD83 (1986 Adjustment). Control for bearings was from coordinates of monuments FCGS 7772 and FCGS 7769, established by the Franklin County Engineering Department, using Global Positioning System procedures and equipment and giving a bearing of South 87°18'39" East for a portion of the southerly right-of-way line of Tuller Road, as shown hereon.

SURVEY NOTE:
 This survey was prepared using documents of record, prior plats of survey, and observed evidence located by an actual field survey.

By _____ Date _____
 Edward J. Miller
 Professional Surveyor No. 8250

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