



To: Members of Dublin City Council
From: Marsha I. Grigsby, City Manager *MD*
Date: March 6, 2014
Initiated By: Dana L. McDaniel, Director of Development
Jennifer Readler, Assistant Law Director
Re: Resolution No. 10-14 – Ohio University Subarea One Development Requirements

Background

Attached for your consideration is Resolution No. 10-14. City Council previously passed Ordinance No. 22-12 in April of 2012. The Ordinance authorized the execution of an Economic Development Agreement (EDA) between the City of Dublin and Ohio University for the extension campus of Ohio University's Heritage College of Osteopathic Medicine and associated bioscience, medical research and education facilities that will be compatible with and an enhancement to the City's medical, biosciences and healthcare services industries as envisioned in the City's Economic Advancement Zone. If passed, the Resolution will acknowledge that Ohio University has met the Subarea One Requirements.

Specifically, Article IV, Section 4.2 (c) of the EDA states that:

"Promptly following the conveyance by Dublin of Subarea One to Ohio University, Ohio University shall proceed in good faith and with all reasonable dispatch to design, renovate and develop the Ohio University Property for the purpose of opening and operating the College of Osteopathic Medicine on or before September 1, 2015. Ohio University agrees that until such time as the Subarea One Development Requirements are satisfied and satisfaction thereof has been acknowledged in writing by Dublin, which acknowledgement shall not be unreasonably conditioned, delayed or withheld, Ohio University will not make or create, or permit to be made or created, any total or partial sale, encumbrance, mortgage, lien, assignment, conveyance, or lease, or transfer in any other form with respect this Agreement of Subarea One without the prior written approval of Dublin."

The Article goes on to say that if the above is not satisfied, Ohio University would be in default and Subarea One could be re-conveyed back to Dublin.

The Subarea One Development Requirements are defined in the EDA as:

"Subarea One Development Requirements means collectively, the (a) completion by Ohio University of the design, renovation and development of the Ohio University Property and (b) opening and operation upon the Ohio University Property of the College of Osteopathic Medicine". (Subarea One and the Ohio University Property are depicted in Attachment 1)

As Council is aware, Ohio University has purchased the Ohio University Property consisting of approximately 14 acres with three buildings, including 7001 and 7003 Post Road, as well as an existing third building used for storage. Ohio University is well underway with the renovations of all three of these facilities. Additionally, Ohio University has been hiring staff and has significantly recruited the students necessary to start its first class in August of 2014. Ohio University has initiated all processes to begin accreditation of the new extension of the Heritage College of Osteopathic medicine at its Dublin campus.

Ohio University desires to move forward with additional construction on the new campus to include a nearly 100,000 square foot facility to house Ohio University College of Health Sciences and Professions and other educational programs. This facility will house a new Physician Assistants program. This facility will be constructed in Subarea One. Attachment 2 shows the site plan and architecture of the building. Ohio University has obtained the necessary reviews and approval for this facility from the Dublin Planning and Zoning Commission and now desires to complete the permitting process in order to break ground in March of 2014 with the intent to make programming available in 2015. Dublin's legal staff has reviewed the EDA and Ohio University's proposed Ground Lease Agreement and associated arrangements it intends to pursue for the construction and use of the proposed facility. Legal staff has only minor comments to the proposed Ground Lease and is working with Ohio University to make several small modifications.

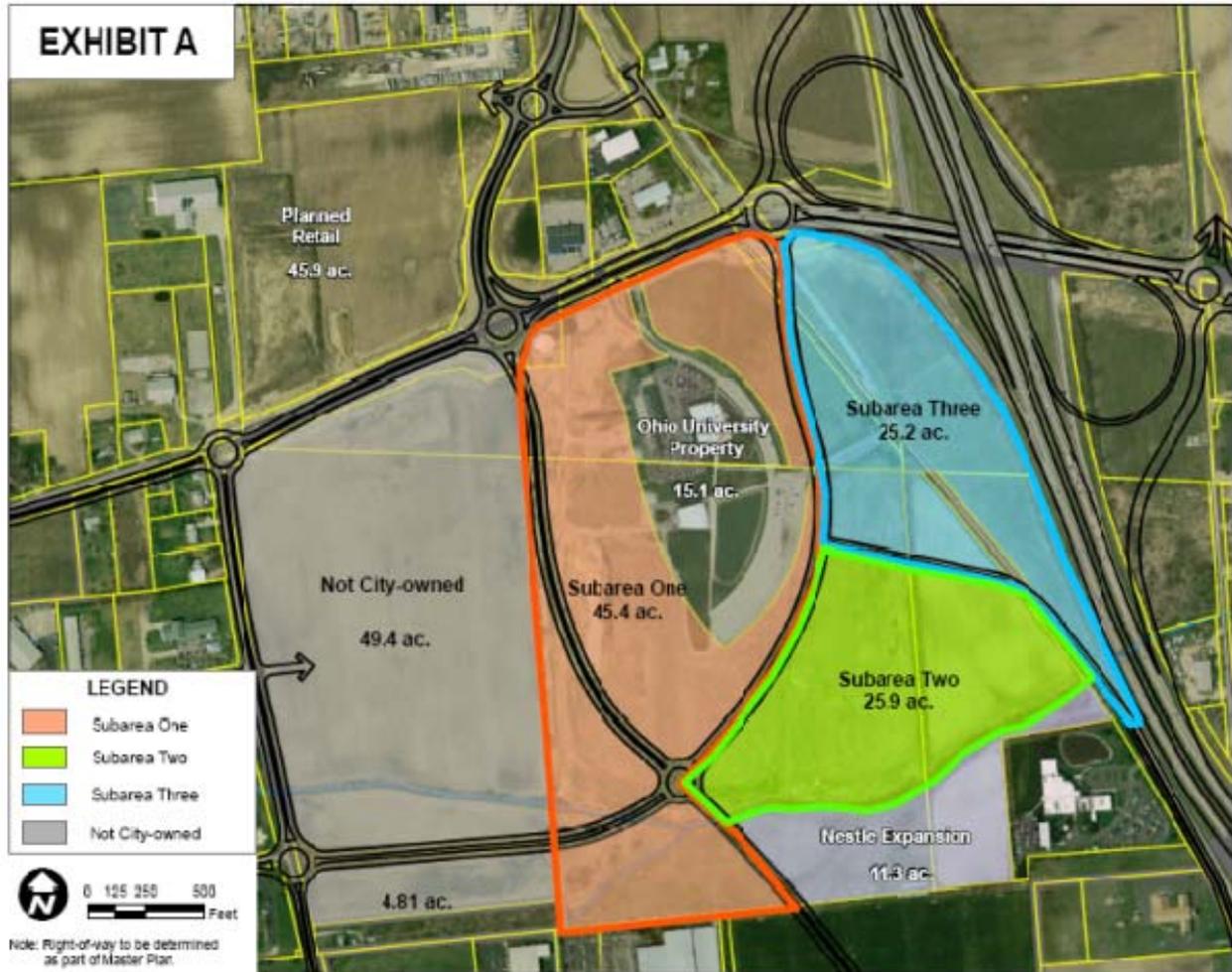
Recommendation

Both City staff and legal staff concur that Ohio University has satisfactorily met all Subarea One Development Requirements in accordance with the EDA as demonstrated by:

- The purchase of the Ohio University Property;
- The renovations of the three existing buildings on the Ohio University Property;
- Recruitment of students for a 2014 inaugural class;
- Pursuit of accreditation requirements for the Heritage College Of Osteopathic Medicine, Dublin, Ohio campus; and
- Intent to construct an additional educational facility in Subarea One.

Staff recommends Council pass Resolution No. 10-14 as official acknowledgement that Ohio University has, in a satisfactory manner, met the Subarea One Development Requirements in accordance with the EDA. Please address any questions to Dana McDaniel.

Attachment 1



Attachment 2 (Cont'd)
North elevation facing roundabout at
Industrial Parkway and SR 161



Attachment 2 (cont'd)
South elevation



RECORD OF RESOLUTIONS

Dayton Legal Blank, Inc., Form No. 30045

10-14

Resolution No. _____

Passed _____

, 20 _____

A RESOLUTION ACKNOWLEDGING THAT OHIO UNIVERSITY HAS MET THE SUBAREA ONE DEVELOPMENT REQUIREMENTS IN ACCORDANCE WITH ORDINANCE NO. 22-12 AND THE ASSOCIATED ECONOMIC DEVELOPMENT AGREEMENT

WHEREAS, Ohio University ("Ohio University") desires to establish an extension medical school campus, an education and research campus, as well as other economic, education and research development related initiatives, all within the City's research and development corridor; and

WHEREAS, the City has determined that the development and operation of an extension campus of Ohio University's Heritage College of Osteopathic Medicine and associated bioscience/medical research facilities will be compatible with and an enhancement to the City's medical, biosciences and healthcare services industries as envisioned in the City's Economic Advancement Zone; and

WHEREAS, Dublin City Council previously approved Ordinance No. 22-12, authorizing the provision of certain incentives to Ohio University to induce it to establish an extension medical school campus, an education and research campus, as well as other economic, education and research development related initiatives; and

WHEREAS, Ordinance No. 22-12 authorized the execution of an Economic Development Agreement between the City of Dublin and Ohio University and all agreements and instruments to implement this Ordinance; and

WHEREAS, Ohio University desires to construct a nearly 100,000 square foot facility upon portions of Subarea One to accommodate additional growth in programs and functions, consistent with the intent of the Economic Development Agreement; and

WHEREAS, the City of Dublin desires to acknowledge, in accordance with Article IV, Section 4.2 (c) that the City of Dublin is satisfied that the Subarea One Development Requirements have been met.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Dublin, State of Ohio, _____ of the elected members concurring that:

Section 1. City Council hereby acknowledges that Ohio University has satisfied the Subarea One Development Requirements in accordance with the executed Economic Development Agreement between the City of Dublin, Ohio and Ohio University and that Ohio University may encumber the property with the anticipated ground lease for the construction of the new facility upon portions of Subarea One.

Section 2. Subarea One is hereby conveyed to Ohio University in accordance with said Economic Development Agreement, as previously authorized by Ordinance No. 22-12.

Section 3. This Resolution shall take effect upon passage in accordance with Section 4.04(a) of the Revised Charter.

Passed this _____ day of _____, 2014.

Mayor – Presiding Officer

ATTEST:

Clerk of Council