

To: Members of Dublin City Council
From: Dana L. McDaniel, City Manager
Date: February 16, 2021
Initiated By: Colleen Gilger, CECD, Director of Economic Development
Sara O'Malley, Economic Development Administrator
Re: Ordinances 48-20, 49-20, and 50-20 for Property Assessed Clean Energy (PACE)
Special Improvement for 600 Metro Place North

Background

The building ownership for 600 Metro Place North requested the use of PACE financing assessments totaling \$8,732,416.80 for the retrofit and conversion of a former Crowne Plaza hotel into a DoubleTree hotel by Hilton. As part of this process, the two resolutions were approved at the City Council meeting on Nov. 16, 2020. The three ordinances were tabled, at the request of the applicant, at the second reading/public hearing on Dec. 7, 2020. At the Council Meeting on Feb. 8 2021, building ownership requested Ordinances 48-20, 49-20, and 50-20 be removed from the table and scheduled for second reading/public hearing on February 22, which was approved, in order to move forward with the PACE project.

Process

PACE allows qualifying energy improvements to be financed through special assessments on a property owner's real estate tax bill. To satisfy this request, Dublin City Council must pass a series of two resolutions and three ordinances:

- The first resolution approves the owner's petition to the City to levy special assessments. (Approved Nov. 16, 2020)
- The second resolution and two of the ordinances, provide for the steps set forth in the Ohio Revised Code for levying special assessments. (Resolutions approved Nov. 16, 2020; Ordinances were introduced)
- The last ordinance approves the transaction documents. (Introduced Nov. 16, 2020)

This process, while detailed, follows the requirements of the Ohio Revised Code and City's Charter. The City has no financial obligations with any PACE project and serves only as a pass-through entity for financing.

Recommendation

Staff recommends Council approve Ordinances 48-20, 49-20, and 50-20 on Feb. 22, 2021. Please contact Sara O'Malley with any questions.

50-20 (AMENDED)

AN ORDINANCE AUTHORIZING AND APPROVING AN ENERGY PROJECT COOPERATIVE AGREEMENT BY AND BETWEEN THE CITY OF DUBLIN, OHIO, THE COLUMBUS REGIONAL ENERGY SPECIAL IMPROVEMENT DISTRICT, INC., DUBLIN WITNESS, LLC, AND TWAIN COMMUNITY PARTNERS III LLC, A SPECIAL ASSESSMENT AGREEMENT BY AND BETWEEN THE CITY OF DUBLIN, OHIO, THE COUNTY TREASURER OF FRANKLIN COUNTY, OHIO, THE COLUMBUS REGIONAL ENERGY SPECIAL IMPROVEMENT DISTRICT, INC., DUBLIN WITNESS, LLC, AND TWAIN COMMUNITY PARTNERS III LLC, AND RELATED AGREEMENTS, ALL OF WHICH PROVIDE FOR THE FINANCING OF SPECIAL ENERGY IMPROVEMENTS PROJECTS (600 METRO PLACE NORTH, DUBLIN, OHIO PROJECT)

WHEREAS, Dublin Witness, LLC (the "Owner") has submitted its *Petition for Special Assessments for Special Energy Improvement Projects and Affidavit* (the "Petition") in order to provide for the completion of a special energy improvement project on real property owned by the Owner in the City of Dublin, Ohio (the "City"); and

WHEREAS, on November 16, 2020, this Council approved the Petition and added the Owner's property subject to the Petition to the Columbus Regional Energy Special Improvement District, Inc. (the "District"); and

WHEREAS, on November 16, 2020, this Council duly adopted a resolution declaring the necessity of acquiring, constructing, and improving certain public improvements in the City in cooperation with the District (the "Resolution of Necessity"); and

WHEREAS, on February 22, 2021, this Council passed Ordinance No. ____-21 determining to proceed with the Project (as defined in the Resolution of Necessity) and adopted the estimated Special Assessments filed with the Clerk of the Council pursuant to the Resolution of Necessity; and

WHEREAS, pursuant to Ordinance No. ____-21 passed on February 22, 2021, the City has levied special assessments against the Property (as defined in the Resolution of Necessity) to pay costs of the special energy improvement project (the "Special Assessments");

WHEREAS, the City intends to enter into an Energy Project Cooperative Agreement (the "Energy Project Cooperative Agreement") with the District, the Owner, and Twain Community Partners III LLC (the "Investor") to provide for, among other things, (i) the making of the Project Advance (as defined in the Energy Project Cooperative Agreement) to pay costs of the Project, (ii) the disbursement of the Project Advance for the acquisition, construction, and improvement of the Project and the transfer of the Special Assessments by the City to the Investor to pay principal and interest and other costs relating to the Project Advance; and

WHEREAS, to provide for the security for the Project Advance and for administration of payments on the Project Advance and related matters, the

City intends to enter into the Special Assessment Agreement with the County Treasurer of Franklin County, Ohio, the Investor, the District, and the Owner.

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

Section 1. Each capitalized term or definition not otherwise defined in this Ordinance or by reference to another document shall have the meaning assigned to it in the Resolution of Necessity.

Section 2. This Council hereby approves the Energy Project Cooperative Agreement, a copy of which is on file in the office of the Clerk of Council. The City Manager shall sign and deliver, in the name and on behalf of the City, the Energy Project Cooperative Agreement, in substantially the form as is now on file with the Clerk of Council. The Energy Project Cooperative Agreement is approved, together with any changes or amendments that are not inconsistent with this Ordinance and not substantially adverse to the City and that are approved by the City Manager on behalf of the City, all of which shall be conclusively evidenced by the signing of the Energy Project Cooperative Agreement or amendments to the Energy Project Cooperative Agreement.

Section 3. This Council hereby approves the Special Assessment Agreement, a copy of which is on file in the office of the Clerk of Council. The City Manager shall sign and deliver, in the name and on behalf of the City, the Special Assessment Agreement, in substantially the form as is now on file with the Clerk of Council. The Special Assessment Agreement is approved, together with any changes or amendments that are not inconsistent with this Ordinance and not substantially adverse to the City and that are approved by the City Manager on behalf of the City, all of which shall be conclusively evidenced by the signing of the Special Assessment Agreement or amendments to the Special Assessment Agreement.

Section 4. The City is hereby authorized to enter into such other agreements that are not inconsistent with the Resolution of Necessity and this Ordinance and that are approved by the City Manager on behalf of the City, all of which shall be conclusively evidenced by the signing of such agreements or any amendments to such agreements.

Section 5. This Council finds and determines that all formal actions of this Council concerning and relating to the passage of this Ordinance were taken in an open meeting of this Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action, were in meetings open to the public, in compliance with all legal requirements including Ohio Revised Code Section 121.22.

Section 6. Under Section 4.04 of the Charter of the City, this Ordinance is an Ordinance for improvements petitioned for by owners of the requisite majority (100%) of the front footage or the area of the property benefited and to be assessed and shall be in full force and effect immediately upon its passage.

[Signature Page Follows]

Passed this _____ day of _____, 20__.

Mayor – Presiding Officer

ATTEST:

Clerk of Council