

ORDINANCE NO.: 2018-067

*Consenting to the Inclusion of Property in a Multi-County Industrial/Business Park
(Project BullStreet Residential and Retail Mixed Use Development,
Portions of TMS R11501-01-01 and TMS R11501-02-01)*

WHEREAS, the City of Columbia, South Carolina ("City"), is a body, politic and corporate located in Richland County, South Carolina ("County"); and,

WHEREAS, through Columbia City Council ("Council"), the City is entitled to exercise all the powers and privileges provided to municipal corporations in the State of South Carolina; and,

WHEREAS, the project to be undertaken is Project BullStreet Residential and Retail Mixed Use Development (the "Project"), that will be two buildings comprised of a mix of uses including residential and retail along with a parking deck, surface parking and public improvements necessary to support the project. The project will be located on approximately 3.75 acres of property bounded by Boyce Street, Saunders Street, Pickens Street and Freed Street, as depicted on Exhibit A, and requires an investment of approximately \$60 million dollars. The residential portion will be for lease and designed with an urban aesthetic, catering to a cross section of demographics with studio, 1-bedroom, 2-bedroom and 3-bedroom apartment homes, totaling +/- 260 units, of which approximately 30% will be affordable to 120% of AMI. Approximately +/- 65,000 sf of Class-A ground floor retail space will front the neighboring streets. Approximately +/- 81 Surface parking spots and +/- 325 spots in a covered parking deck will meet industry standards and municipal requirements, including the 25% public advantage excess. The project will provide residential, retail, parking and infrastructure to benefit the overall district.

WHEREAS, the residential portion of the Project will serve as a catalyst for not only the +/- 65,000sf of Class-A retail space represented above, but also other retail, hospitality and office development. The Project is a key component of the 181-acre BullStreet District, which is striving to densely mix uses in a manner that drives private investment in the region and grows the tax base.

WHEREAS, to encourage a public parking component in the Project, representatives of Proffitt Dixon Partners (the "Developer"), and the City approached the County seeking certain property tax incentives for the Project; and,

WHEREAS, the County has agreed to offer a parking credit to reduce the property taxes due on the Project ("Credit") pursuant to the terms of Section 4-1-175 of the Code of Laws of South Carolina 1976, as amended ("Credit Act") and an infrastructure credit agreement between the County and the Developer ("Credit Agreement"); and,

WHEREAS, to grant the Developer the full value of the Credit, the County desires to locate the Project in the multi-county industrial park ("Park") the County has jointly developed with Fairfield County, South Carolina ("Fairfield"), pursuant to Article VIII, Section 13(D) of the South Carolina Constitution and Section 4-1-170 of the Code of Laws of South Carolina, 1976, as amended ("Park Act"); and,

WHEREAS, pursuant to the Park Act and the agreement between the County and Fairfield which governs the operation of the Park ("Park Agreement"), following application of the Credit and distribution of the net fees in lieu of taxes ("FILOT") generated from the Project to Fairfield, the FILOT payment will be distributed on a pro-rata basis to the taxing entities in the County that, at the time the Project is included in the Park, are eligible to levy tax millage on the Project; and,

WHEREAS, pursuant to the Park Act, because the Project is located within the City's geographical borders, the City must consent to the inclusion of the Project within the boundaries of the Park; and

WHEREAS, the Project is anticipated to meet the criteria set forth in Resolution No.: R-2018-094, and any amendments thereto, and it is appropriate to consent to including the Project in the Park; NOW, THEREFORE,

BE IT ORDAINED by the Mayor and City Council this 18th day of December, 2018, that the City hereby consents to the inclusion of the Property in the Park, which consent is conditioned upon the following:

1. The County's approval, execution and delivery of the Credit Agreement with the Developer related to the Project; and,

2. Collectively, the Park Agreement and Credit Agreement will provide that (a) the owner of the Property will pay a FILOT with respect to the Project during the term of the Credit Agreement; (b) the annual FILOT payment due with respect to the Project will be subject to reduction by the Credit, which is equal to a maximum of 50% of the FILOT due with respect to the Project, for a period of time that allows an abatement amount equivalent to \$25,000 per space for all spaces within the garage or no more than 15 years, whichever occurs first; and, beginning with the first full year for which the Developer owes a FILOT payment with respect to the Project; (c) the City will be entitled to receive the portion of the net FILOT payment; and (d) the Project will be deemed removed from the Park on the expiration or earlier termination of the Credit Agreement. $\frac{1}{2}$

If the project proceeds in a phased approach, the first phase must meet the criteria established in Resolution No.: R-2018-108 to be eligible for the abatement. The time limit for the project abatement period as allowed in this ordinance shall begin the first full year for which the Developer owes a FILOT payment. The timeline for additional phases shall be for the period of time or abatement amount that remains available on the original period and shall not have a new beginning date. Any phasing is at the discretion of the developer with a full understanding of the limitations on the abatement amount of \$25,000 per space in the parking deck or no greater than fifteen (15) years, whichever occurs first; and,

3. The project will incorporate a minimum of 25% public parking in addition to the minimum parking requirements as required by the Bull Street Neighborhood Form Based Code as it relates to the residential use of the project. Said public parking will be made available for public use for the duration of the credit period and owner will be responsible for verifying that use to the City Parking Services on an annual basis. Such use is also subject to periodic inspections by the City.

a. Public Parking for this site shall be a blend of monthly, daily and hourly parking.

b. Notwithstanding, handicap spaces and electric vehicle charging, the daily and hourly parking shall be located in closest proximity to the entrance of the facilities to be most convenient to high turn over users.

c. The agreed upon monthly parking may be located at upper levels of the parking facilities but shall be grouped together and posted according to agreed upon signage that reflects a public use component.

d. The blend of monthly/daily/hourly may be changed from year to year based on usage records and parking demands for the area. Such changes require approval of the City. At no time during the Credit period shall the blend of public parking be reduced below the number of spaces required to meet the 25% public parking component.

e. The Developer will own, operate and manage the parking facilities and as of such, the City will not receive any revenues from the public parking component. If at any time the Developer elects to contract with the City to operate/manage the facilities, the Developer will pay the City a fee sufficient to cover all expenses (hard and soft costs) plus a 20% management fee, the details of which will be outlined in a separate management agreement.

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f. The City and Developer can also work together to identify options for use of the public parking as event parking as/if needed. If managed by the City, the revenues generated from such use will be provided to the Developer after all City expenses plus a 20% management fee have been paid.

g. The public parking will be made available at the rate agreed upon by the City and facility owner and will be based on market rates established in other public places within close proximity to the facility and are subject to change as those rates change. While such rates do not have to mirror the public rate in close proximity, there will be a logical comparison between the various rates. The City agrees to revisit and reconsider the rates no more than quarterly if the operator feels changes are needed in order to maximize revenues and adjust to demands of the area. The City agrees that dynamic pricing models will be allowed as part of the rate structure.

h. If at any time the developer elects to terminate use of parking for public parking purposes, the abatement shall terminate immediately and the owner will be required to reimburse the governing bodies the previous five years' worth of abatement. If the Developer sells the project as a whole or the garage prior to or within the first five years after receiving a certificate of occupancy, the abatement period continues with the new owner for the duration of the term; however, the previous owner/seller will be required to reimburse the governing bodies an amount equal to the previous five years' worth of abatement or whatever period of time up to five years that the abatement has been applied to the property, otherwise the abatement period will terminate immediately.

4. The City Manager is authorized to execute any documents as approved by the City Attorney, and take any further action as may be reasonably necessary to further the intent of this Ordinance.

5. Approval of this ordinance does not constitute a development approval, as all regulatory permitting and approval requirements remain in effect, the requirement of such is not altered in any way by the approval of this ordinance. Project must proceed with site plan review no later than December 31, 2020 in order to be eligible to receive the credit and must continue to progress forward at a reasonable pace for a project of this magnitude or else the approved tax credit will be repealed by the City.

6. Any prior ordinance, resolution or order, the terms of which conflict with this Ordinance, is, only to the extent of that conflict, repealed.

Requested by:

Assistant City Manager Gentry




Mayor

Approved by:

Geneva Wilson
City Manager

Approved as to form:



City Attorney

ATTEST:



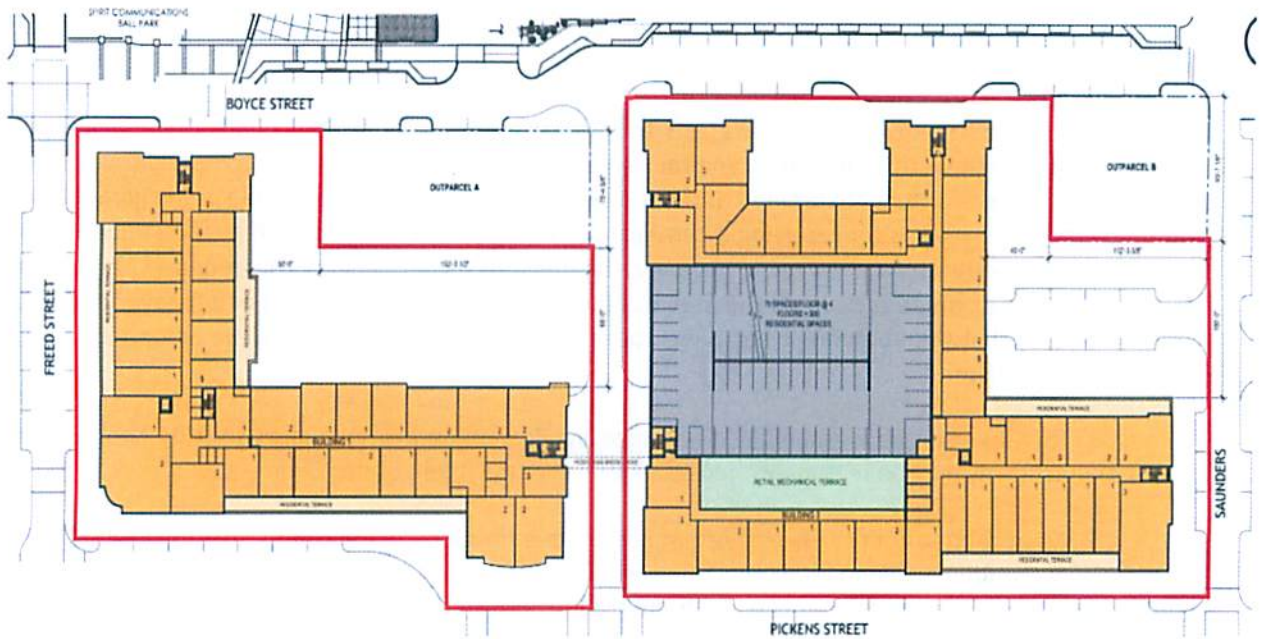
City Clerk

Introduced: 12/4/2018

Final Reading: 12/18/2018

ORDINANCE NO.: 2018-067
EXHIBIT A
PROPERTY SITE PLAN

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Disclaimer: This plan is included only as an illustration of the intended mixed-use development layout and location. The inclusion of this development site plan in no way infers approval of any specific elements of the plan by the City of Columbia.

ORDINANCE NO.: 2018-067
EXHIBIT A
PROPERTY DESCRIPTION

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Parcel C-6

LEGAL DESCRIPTION: ALL that certain piece, parcel or lot of land, situate, lying and being in the City of Columbia, County of Richland, State of South Carolina, shown as Parcel C-6 on a Subdivision Plat prepared for Bull Street Development, LLC, by Jeffrey W. Poole, PLS NO. 18267, Davis & Floyd and dated September 4, 2018 and recorded _____, 2018 in the Office of the Register of Deeds for Richland County in Book _____, at page _____. Said property containing 1.62 Acres, and being described as follows: Commencing at a #5 rebar found in the southern quadrant of the Boyce Street and Freed Street intersection; said #5 rebar found is the Point of Beginning; thence running in a southeasterly direction S19°07'17"E along the Boyce Street westerly right-of-way for a distance of 302.96 feet to a #5 rebar set on said right-of-way; thence turning and running in a southwesterly direction S70°52'43"W along Parcel C-7 belonging to Tellus Delaware, LLC for a distance of 262.78 feet to a P.K. Nail set; thence turning and running in a northwesterly direction N19°07'17"W along Tract 2 of property belonging to South Carolina Department of Mental Health for a distance of 43.35 feet to a P.K. Nail set; thence turning and running in a northeasterly direction N70°56'58"E along Tract 2 of property belonging to South Carolina Department of Mental Health for a distance of 34.79 feet to a P.K. Nail set; thence turning and running in a northwesterly direction N19°03'02"W through the Williams Building and along Tract 2 of property belonging to South Carolina Department of Mental Health for a distance of 259.92 feet to a P.K. Nail set; thence turning and running in a northeasterly direction N70°56'45"E along Parcel A-4 belonging to Tellus Delaware, LLC for a distance of 227.67 feet to a #5 rebar found on the Boyce Street right-of-way in the southern quadrant of the Boyce Street and Freed Street intersection; said point being the Point of Beginning.

Parcel C-7

LEGAL DESCRIPTION: ALL that certain piece, parcel or lot of land, situate, lying and being in the City of Columbia, County of Richland, State of South Carolina, shown as Parcel C-7 on a Subdivision Plat prepared for Bull Street Development, LLC, by Jeffrey W. Poole, PLS NO. 18267, Davis & Floyd and dated November 15, 2017 and recorded _____, 2017 in the Office of the Register of Deeds for Richland County in Book _____, at page _____. Said property containing 3.05 Acres, and being described as follows: Commencing at a #5 rebar set in the northwest quadrant of the Boyce Street and Saunders Street intersection; said #5 rebar set is the Point of Beginning; thence running in a southwesterly direction S70°52'43"W along Tract 2 of property belonging to South Carolina Department of Mental Health for a distance of 286.84 feet to a #5 rebar set; thence turning and running in a northwesterly direction N19°07'17"W along Tract 2 of property belonging to South Carolina Department of Mental Health for a distance of 465.65 feet to a #5 rebar set; thence turning and running in a northeasterly direction N70°52'43"E along Tract 2 of property belonging to South Carolina Department of Mental Health for a distance of 262.78 feet to a #5 rebar set on the Boyce Street westerly right-of-way; thence turning and running in a southeasterly direction S19°07'17"E along the Boyce Street westerly right-of-way for a distance of 15.85 feet to a #5 rebar found on said right-of-way; thence continuing in a southeasterly direction S49°03'15"E along the Boyce Street westerly right-of-way for a distance of 49.17 feet to a #5 rebar found on said right-of-way; thence continuing in a southeasterly direction S19°03'15"E along the Boyce Street westerly right-of-way for a distance of 407.20 feet to a #5 rebar set on said right-of-way; said point being the Point of Beginning.