



Proponent Testimony in Support of HB 312
Ohio Development Services Agency 166 Loan Program
Ohio Senate Finance Committee
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Chairman Dolan, Vice Chair Burke, Ranking Member Sykes and Members of the Committee:

Thank you for the opportunity to present proponent testimony on behalf of the Columbus Crew SC in support of the Ohio Development Services Agency 166 Direct Loan Program. The Ohio 166 Direct Loan Program is a long-standing economic development tool that provides capital to support economically significant expansion projects. The language proposed to be included in HB 312 provides the Ohio Development Services Agency with the underlying legislative authority to issue the 166 Loans. All such loans must then be subsequently approved by the Ohio Controlling Board.

The Ohio Development Services Agency proposes to provide a 166 Direct Loan to Confluence Community Authority ("Borrower"). The \$25,000,000 166 Loan is part of the overall funding package to construction for a new ~\$300+ million stadium (the "New Stadium") for the Major League Soccer (MLS) team, the Columbus Crew SC, to be located in Downtown Columbus. The Borrower, which owns the Stadium, is a New Community Authority ("NCA") and political subdivision and body politic organized under Chapter 349 of the Ohio Revised Code.

Adjacent to the New Stadium is a planned mixed-use real estate development (the "Mixed-Use Development") which will be developed by Confluence Development, LLC and Pizzuti Companies, the first phase of which is contemplated to include up to; 440 residential units, 150,000 square feet of office and retail space, a 685-space parking garage, a 2-acre river-side park, additional surface parking spaces, and other development to be determined. Collectively these projects will result in more than \$600 million in private investment in Central Ohio.

The stadium, training facility, and mixed-use development projects will support 605 direct full-time construction jobs. After construction, it is estimated that the Project and Mixed-Use Development will support approximately 775 permanent FTE jobs, which includes approximately 580 permanent FTE jobs relating to the Stadium, 70 permanent FTE jobs relating to the Sports Park and Training Facility and 125 permanent FTE jobs relating to the Mixed-Use Development.

The 166 Direct Loan is fully collateralized and pledged to be paid back to the state in its entirety. The loan will be paid back through pledged NCA charge revenue, which will be generated by and collected from the Mixed-Use Development in years 1-15 and all TIF PILOT payments generated by the Mixed-Use Development in years 16-25. Together, NCA charges and TIF PILOT payments will be sufficient to cover the 166 Loan annual debt service payments over the term of the 166 Loan. The Loan is further guaranteed through pledged revenues from Crew SC Training Company, LLC, a wholly owned subsidiary of Crew SC Holdings, LLC.

Thank you, Mr. Chairman and Members of the Committee for the opportunity to provide testimony in support of this provision that will allow the Development Services Agency to issue a 166 Loan for this important project.