



## Legislation Details (With Text)

**File #:** 1159-2007      **Version:** 1  
**Type:** Ordinance      **Status:** Passed  
**File created:** 7/3/2007      **In control:** Development Committee  
**On agenda:** 7/23/2007      **Final action:** 7/25/2007

**Title:** To authorize and direct the payment of \$1,805,738 to the Columbus City School District, \$107,003 to the Hilliard City School District, \$84,588 to the South-Western City School District and \$266,246 to the Olentangy Local School District for income tax revenue sharing totaling \$2,263,575; to authorize the expenditure of \$2,263,575 from the General Fund; and to declare an emergency. (\$2,263,575).

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
7/25/2007	1	CITY CLERK	Attest	
7/24/2007	1	MAYOR	Signed	
7/23/2007	1	Columbus City Council	Approved	Pass
7/23/2007	1	COUNCIL PRESIDENT	Signed	
7/9/2007	1	FINANCE DIRECTOR	Reviewed and Approved	
7/9/2007	1	Dev Drafter	Sent for Approval	
7/9/2007	1	Auditor Reviewer	Reviewed and Approved	
7/9/2007	1	CITY AUDITOR	Reviewed and Approved	
7/9/2007	1	Dev Drafter	Sent for Approval	
7/9/2007	1	CITY ATTORNEY	Reviewed and Approved	
7/9/2007	1	Dev Drafter	Sent to Clerk's Office for Council	
7/6/2007	1	Dev Drafter	Sent for Approval	
7/6/2007	1	DEVELOPMENT DIRECTOR	Reviewed and Approved	
7/6/2007	1	Dev Drafter	Sent for Approval	
7/6/2007	1	Finance Reviewer	Reviewed and Approved	

**BACKGROUND:** By authority of ORC Section 5709.82, the City is required to pay affected school districts 50 percent (50%) of the municipal income tax revenue attributable to tax abated projects where the annual 'new employee' payroll for a project is one million dollars or more, in a given tax year, during the abatement. This municipal income tax revenue sharing with affected school districts applies to all property tax abatements approved by the legislative authority after July 1, 1994 and is based on the 'new employee' wages paid in a tax year, during the years of tax exemption, and also on the wages of the construction workers.

Emergency action is requested in order to expedite payment to the four school districts to compensate them for property tax revenues forgone due to tax abatements.

**FISCAL IMPACT:** For tax year 2006, the City of Columbus has a total of thirty-eight (38) projects requiring revenue sharing and

the total amount of revenue to be shared is \$2,263,575. The thirty-eight projects are located in four different school districts with the revenue share subtotals as follows: \$1,805,738 to Columbus City School District for 31 projects; \$107,003 to Hilliard City School District for 3 projects; \$84,588 to the South-Western City School District for 2 projects; and \$266,246 to the Olentangy Local School District for 2 projects. The 2007 General Fund Budget included \$3,320,514 for payments to school districts. To date, we have expended \$633,383.92. This ordinance will bring the total expenditures to \$2,896,958.92.

To authorize and direct the payment of \$1,805,738 to the Columbus City School District, \$107,003 to the Hilliard City School District, \$84,588 to the South-Western City School District and \$266,246 to the Olentangy Local School District for income tax revenue sharing totaling \$2,263,575; to authorize the expenditure of \$2,263,575 from the General Fund; and to declare an emergency. (\$2,263,575).

**WHEREAS,** the Ohio Revised Code Section 5709.82 requires the City to pay affected school districts fifty percent (50%) of municipal income tax revenue attributable to tax abated projects where 'new employee' payroll for a project is one million dollars or more in a tax year, during the years of tax exemption; and

**WHEREAS,** the City of Columbus is subject to the income tax revenue sharing provisions of Ohio Revised Code 5709.82; and

**WHEREAS,** the City of Columbus has a total of thirty-eight (38) tax abated projects subject to the income tax revenue sharing provisions and these projects are located in four school districts as follows: thirty-one (31) projects in the Columbus City School District, three (3) projects in the Hilliard City School District, two (2) projects in the South-Western City School District, and two (2) projects in the Olentangy Local School District; and

**WHEREAS,** it is necessary at this time to authorize payment of \$1,805,738 to the Columbus City School District, \$107,003 to the Hilliard City School District, \$84,588 to the South-Western City School District and \$266,246 to the Olentangy Local School District; and

**WHEREAS,** the matter herein constitutes an emergency in that it is immediately necessary to authorize payment to the Columbus City School District, the Hilliard City School District, the South-Western City School District and the Olentangy Local School District thereby preserving the public health, peace, prosperity, safety and welfare; **NOW, THEREFORE,**

**BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:**

**Section 1.** That the City Auditor is hereby authorized to make payment to the Columbus City School District in the amount of \$1,805,738; to the Hilliard City School District in the amount of \$107,003, to the South-Western City School District in the amount of \$84,588 and to the Olentangy Local School District in the amount of \$266,246; for income tax revenue sharing.

**Section 2.** That the payment totaling \$2,263,575 is hereby authorized from the General Fund, Fund 010, Department of Development, Economic Development Division No. 44-02, Object Level Three 5513, OCA Code 440314.

**Section 3.** That for the reasons stated in the preamble hereto, which is hereby made a part hereof, the ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor, or ten days after passage if the Mayor neither approves nor vetoes the same.