



Legislation Text

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In 2016 and 2017, the City of Columbus commissioned a study from HR&A on the effectiveness of the City's economic development incentives, including real property tax abatements in Community Reinvestment Areas ("CRAs"). Based on the results of the study, the City revised its policies concerning CRA abatements, and decided to encourage the development of affordable housing by conditioning the provision of CRA abatements, in certain circumstances, on the inclusion of affordable housing.

In July 2018, City Council passed Ordinance No. 2184-2018, adopting Chapter 4565 of the Columbus City Codes to require certain entities seeking CRA abatements in Post-1994 CRAs to meet certain affordable housing requirements.

Pursuant to Chapter 4565, the affordable housing requirements applicable to any particular development project depends on whether the CRA in which the project will be constructed is designated as Market Ready, Ready for Revitalization, or Ready for Opportunity (the "area designations"). Generally speaking, the area designations reflect the extent to which housing within the CRA is blighted. Development projects located in areas with less blight must satisfy higher affordable housing requirements in order to receive the abatement.

Pursuant to Chapter 4565, the area designation assigned to each CRA must be reassessed every three years. This code change will alter the reassessment dates going forward to ensure that uniform review dates are applied to all CRAs.

In addition to amending the tri-annual reassessment dates, this code change will modify the affordable housing requirements to receive a CRA abatement in Market Ready, Ready for Revitalization, and Ready for Opportunity areas. The Ordinance adopting the code change will set forth transition timelines for projects to qualify for a CRA abatement under terms established prior to the passage of this Ordinance.

To repeal and amend Chapter 4565 of the Columbus City Codes to alter the affordable housing requirements applicable in Market Ready, Ready for Revitalization, and Ready for Opportunity Community Reinvestment Areas, and to incorporate certain administrative modifications.

WHEREAS, in 2016 and 2017 the City of Columbus commissioned and received a study from HR&A on the effectiveness of its economic development incentives, including real property tax abatements in Community Reinvestment Areas; and

WHEREAS, in response to the study, the City developed a revised incentive policy to encourage the development of affordable housing in CRAs in stronger market areas within the City by requiring developers to construct affordable housing in consideration of the City granting the developer a tax abatement; and

WHEREAS, in July 2018, City Council passed Ordinance No. 2184-2018, amending Title 45 of the Columbus City Codes to add Chapter 4565 embodying the City's new residential CRA incentive policy for Post-1994 CRAs; and

WHEREAS, Chapter 4565 empowers the Director of the Department of Development to assign each residential CRA within the City one of three housing area designations: Market Ready, Ready for Revitalization, or Ready for

Opportunity; and

WHEREAS, in accordance with the foregoing, Chapter 4565 requires certain property owners in Market Ready, Ready for Revitalization, and Ready for Opportunity areas to satisfy certain affordable housing requirements to receive a CRA abatement; and

WHEREAS, Chapter 4565 requires the Director to reassess the area designations assigned to each post-1994 CRA every three years to evaluate current market conditions based on the criteria outlined in Chapter 4565; and

WHEREAS, Chapter 4565 was updated in 2022 with the passage of 1843-2022; and

WHEREAS, it is now necessary to amend the code in order to alter the affordable housing requirements applicable in Market Ready, Ready for Revitalization, and Ready for Opportunity Areas, to clarify the tri-annual reassessment dates to ensure all post-1994 City CRAs are reassessed on a uniform schedule; and to make certain administrative modifications to correct errors in Ordinance No. 1843-2022. **NOW, THEREFORE**,

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

Section 1. That Sections 4565.01, 4565.02, 4565.03, 4565.04, 4565.05, 4565.06, 4565.07, 4565.08, and 4565.09 of the Columbus City Codes are repealed and replaced as identified and included in Exhibit A, attached hereto and incorporated as if fully rewritten herein, with deletions stricken, and new language underlined.

Section 2. All sections of Chapter 4565 not repealed and amended herein remain in full force and effect.

Section 3. That this Ordinance shall take effect and be in force from and after the earliest date allowed by law.