



City of Columbus

Office of City Clerk
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columbuscitycouncil.org

Legislation Text

File #: 1913-2008, **Version:** 1

Background: The AC Humko Community Reinvestment Area (see [Exhibit A](#)) was created by Ordinance No. 1841-2005 passed by City Council on November 14, 2005, in order to incentivize the new construction of approximately 300 single-family residential units. The CRA authorizes a real property tax incentive of 75% for 10 years on those residential units.

The attached Ordinance amends Ordinance No. 1841-2005 to extend, from December 31, 2009, to December 31, 2015, (i) the date by which new construction work must be completed on certain parcels within the AC Humko CRA in order to qualify for the CRA exemption and (ii) the date after which Council reserves the right to reevaluate the designation of the CRA for that real property. The attached Ordinance also makes certain technical amendments to Ordinance No. 1841-2005 to assure each new single-family residential unit receives upon its completion the intended exemption of 75% for 10 years.

Fiscal Impact: No funding is required for this legislation.

To amend Ordinance No. 1841-2005 creating the AC Humko Community Reinvestment Area to extend the date by which new construction work on certain real property within that area must be completed in order to qualify for the CRA exemption and to make technical amendments to the terms of the exemption for certain real property within that area.

WHEREAS, pursuant to Sections 3735.65 through 3735.70 of the Ohio Revised Code, this Council passed Ordinance No. 1841-2005 on November 14, 2005 (the "CRA Ordinance"), to authorize real property tax exemptions of 75% for a term of ten (10) years for newly constructed single-family residences (the "CRA Exemption") on certain parcels of real property known as the former AC Humko site within the Harrison West neighborhood (the "AC Humko CRA") to encourage residential growth within that AC Humko CRA; and

WHEREAS, pursuant to the CRA Ordinance, this Council granted the CRA Exemption only for new construction work completed by December 31, 2009, and reserved to itself the right to reevaluate the designation of the AC Humko CRA after December 31, 2009; and

WHEREAS, due to changes in the housing market since the passage in 2005 of the CRA Ordinance, the developer of the AC Humko CRA site has advised the City that 58 new single family residences have been completed but that the build-out of three remaining parcels of real property within the AC Humko CRA identified on [Exhibit B](#) attached hereto (the "Future Development Parcels") will not be complete prior to December 31, 2009; and

WHEREAS, in order to accommodate the build-out period of those three Future Development Parcels, this Council desires to amend the CRA Ordinance to extend to December 31, 2015 both the date by which new construction work on the Future Development Parcels must be completed in order to qualify for the CRA Exemption and the date after which Council reserves the right to reevaluate the designation of the AC Humko CRA for the Future Development Parcels; and

WHEREAS, this Council further desires to make certain technical amendments to the CRA Ordinance to ensure that the twenty new homes already built on the parcels of real property identified on [Exhibit C](#) attached hereto (the "Existing Development Parcels") receive the full benefit of the 75% ten year CRA Exemption; **NOW, THEREFORE**,

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

Section 1. Section 3 of the CRA Ordinance is hereby amended to read in its entirety as follows:

Section 3. That within AC Humko Community Reinvestment Area tax exemptions for new construction as described in Section 3735.67 of the Ohio Revised Code will be granted for the following periods:

a. A 75% abatement, for 10 years, for new construction of single-family residences as described in Division D of Section 3735.67.

b. For purposes of clarification, the tax abatement will be only granted for new construction work completed by December 31, 2015, and for each tax parcel or residence will be for ten years from the completion of the construction to be abated; provided, however, that in order to achieve a ten year abatement as provided in the CRA Ordinance the abatement shall extend through the eleventh year from the year of completion of the construction for any new single family residence completed prior to December 31, 2009 and for which an abatement application was filed and the abatement commenced in the year following the completion of construction resulting in the new residential structure being subject to taxation in its year of completion when the first year of abatement should otherwise have applied.

Section 2. Section 8 of the CRA Ordinance is hereby amended, with respect to the Future Development Parcels only, to read in its entirety as follows:

Section 8. Tax abatements may be granted with respect to new construction completed after the effective date of this resolution and before December 31, 2015.

Section 3. Section 9 of the CRA Ordinance is hereby amended, with respect to the Future Development Parcels only, to read in its entirety as follows:

Section 9. This Council reserves the right to reevaluate the designation of the AC Humko Community Reinvestment Area after December 31, 2015, at which time Council may direct the Housing Officer not to accept any new applications for exemptions as described in Section 3735.67 of the Ohio Revised Code.

Section 4. The Director of the City's Department of Development, the City Clerk, or other appropriate officers of the City are hereby authorized and directed to prepare and sign all agreements and instruments and to take any other actions as may be appropriate to implement this Ordinance.

Section 5. A copy of this Ordinance shall be forwarded to the Franklin County Auditor by the City Clerk for information and reference and the City Clerk is directed to cause notice of the passage of this Ordinance to be published in a newspaper of general circulation in the City once a week for two consecutive weeks immediately following its passage, as required by Section 3735.66 of the Ohio Revised Code.

Section 6. Except as provided on this Ordinance, all other provisions of the CRA Ordinance shall remain in full force and effect.

Section 7. This Council finds and determines that all formal actions of this Council and any of its committees concerning and relating to the passage of this Ordinance were taken in an open meeting of this Council or its committees, and that all deliberations of this Council and any of its committees that resulted in those formal actions were in meetings open to the public, all in compliance with the law including Ohio Revised Code Section 121.22.

Section 8. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.