



Legislation Text

File #: 1393-2024, Version: 2

BACKGROUND

On December 11, 2023, Columbus City Council adopted Ordinance No. 3448-2023, which created the Columbus Housing Community Reinvestment Area (CHCRA), expanding the geographic area for residential tax abatement eligibility under Chapter 4565 of the Columbus City Codes.

Prior to the creation of the CHCRA, the Columbus City Council amended several Community Reinvestment Areas (CRAs) to adopt transition language to provide Project Sponsors additional time to obtain the benefits of the policies applicable to a given CRA prior to the enactment of Ordinance Nos. 1843-2022 and 1839-2023, which adopted affordability requirements in connection with receipt of a tax abatement under Ohio Revised Code Sections 3735.65 through 3735.70. Such transition language provided a Project Sponsor the opportunity to follow the requirements established by Ordinance Nos. 2184-2018 and 2781-2018 if the Project Sponsors either (a) obtained all necessary building permits on or before August 31, 2023; or (b) closed on all project construction financing and obtained at least 50% of the project's building permits by August 31, 2023 ("2022 Policy Transition").

Sections 3(b) and 5 of the CHCRA Ordinance, however, absorbed and dissolved a number of the previously existing CRAs that contained the 2022 Policy Transition. As a result of the enactment of the CHCRA Ordinance and the dissolution of certain of the CRAs that contained the 2022 Policy Transition, the 2022 Policy Transition was inadvertently eliminated from the CRAs that were dissolved and absorbed into the boundaries of the CHCRA.

City Council, on the recommendation of the Director of the Department of Development, finds that, in fairness to the Project Sponsors who were relying upon the 2022 Policy Transition to complete their respective Development Projects, it is necessary to amend the CHCRA Ordinance to reinstate the 2022 Policy Transition for those Project Sponsors affected by the enactment of the CHCRA Ordinance and dissolution of the CRAs that contained the 2022 Policy Transition. City Council wishes to amend the CHCRA Ordinance to expressly authorize Project Sponsors who were eligible to take advantage of the 2022 Policy Transition at the time the CHCRA Ordinance went into effect to continue to take advantage of the 2022 Policy Transition.

Emergency action is requested to allow the City to execute CRA agreements for projects that are in the approval process so that projects can proceed with the development of housing units across the City.

FISCAL IMPACT: This ordinance will have no fiscal impact.

To amend Ordinance No. 3448-2023 to reinstate policy transition language available to Project Sponsors prior to the enactment of Ordinance No. 3448-2023 and clarify administrative procedures **and to declare an emergency.**

WHEREAS, Ordinance No. 3448-2023 created the Columbus Housing Community Reinvestment Area (CHCRA), expanding the geographic area for residential tax abatement eligibility under Chapter 4565 of the Columbus City Codes (the "CHCRA Ordinance"); and

WHEREAS, prior to the creation of the CHCRA, the Columbus City Council amended several Community Reinvestment Areas (CRAs) to adopt transition language to provide Project Sponsors additional time to obtain the benefits of the policies applicable to a given CRA prior to the enactment of Ordinance Nos. 1843-2022 and 1839-2023,

which adopted affordability requirements in connection with receipt of a tax abatement under Ohio Revised Code Sections 3735.65 through 3735.70; and

WHEREAS, such transition language provided a Project Sponsor the opportunity to follow the requirements established by Ordinance Nos. 2184-2018 and 2781-2018 if the Project Sponsors either (a) obtained all necessary building permits on or before August 31, 2023; or (b) closed on all project construction financing and obtained at least 50% of the project's building permits by August 31, 2023 ("2022 Policy Transition"); and

WHEREAS, Section 3(b) and Section 5 of the CHCRA Ordinance absorbed and dissolved a number of the previously existing CRAs that contained the 2022 Policy Transition; and

WHEREAS, as a result of the enactment of the CHCRA Ordinance and the dissolution of certain of the CRAs that contained the 2022 Policy Transition, the 2022 Policy Transition was inadvertently eliminated from the CRAs that were dissolved and absorbed into the boundaries of the CHCRA; and

WHEREAS, City Council, on the recommendation of the Director of the Department of Development, finds that, in fairness to the Project Sponsors who were relying upon the 2022 Policy Transition to complete their respective Development Projects, it is necessary to amend the CHCRA Ordinance to reinstate the 2022 Policy Transition for those Project Sponsors affected by the enactment of the CHCRA Ordinance and dissolution of the CRAs that contained the 2022 Policy Transition; and

WHEREAS, City Council wishes to amend the CHCRA Ordinance to expressly authorize Project Sponsors who were eligible to take advantage of the 2022 Policy Transition at the time the CHCRA Ordinance went into effect to continue to take advantage of the 2022 Policy Transition; and

WHEREAS, it has also become necessary to clarify certain administrative procedures as to the opportunity for Project Sponsors to be subject to an Area Designation existing prior to the effective date of the CHCRA Ordinance, January 10, 2024; and

WHEREAS, Emergency action is requested to allow the City to execute CRA agreements for projects that are in the approval process so that projects can proceed with the development of housing units across the City; NOW, THEREFORE,

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

SECTION 1. That Section 1 of Ordinance No. 3448-2023 is hereby amended as follows [with additions in underline and deletions in strikethrough](#):

Section 1. Definitions

That the defined terms as used in Chapter 4565 of the CCC shall have the same meaning as in Chapter 4565, unless otherwise defined in this Ordinance. Definitions of CRAs and TIFs referenced in this Ordinance are found in Exhibits C, D, and E, which are incorporated herein by reference.

That "2022 Policy Transition" shall mean the opportunity for a Project Sponsor to be subject to the requirements under then-existing Chapter 4565 of the Columbus City Codes, as described in Ordinance Nos. 2184-2018 and 2781-2018, if the Project Sponsor either (a) obtained all necessary building permits on or before August 31, 2023; or (b) closed on all project construction financing and obtained at least 50% of the project's building permits by August 31, 2023. By way of example, and not limitation, Section 4 of Ordinance No. 1887-2022 amending the Far East Community Reinvestment Area contained

the 2022 Policy Transition.

SECTION 2. That existing Section 1 of Ordinance No. 3448-2023 is hereby repealed.

SECTION 3. That Section 5 of Ordinance No. 3448-2023 is hereby amended as follows **with additions in underline and deletions in strikethrough**:

Section 5. That, except as otherwise provided in Section 8 of this Ordinance, the following CRAs are hereby dissolved and the ordinance(s) establishing said CRAs and adjusting the boundaries of said CRAs, as described in Exhibit C, are hereby repealed. Exhibit C is incorporated herein by reference.

- 1) 161;
- 2) AC Humko;
- 3) Brewers Yard;
- 4) Brookwood;
- 5) Cassady/I-670;
- 6) Cleveland Avenue;
- 7) Crosswoods;
- 8) Far East;
- 9) Far South;
- 10) Far West Broad;
- 11) Fifth by Northwest;
- 12) Franklinton / Area G;
- 13) Front Street/West Street;
- 14) Gibbard Avenue;
- 15) Grandview Crossing;
- 16) High and Second;
- 17) Hilltop / Area D;
- 18) Hubbard and High;
- 19) Jeffrey Square;
- 20) Kenny and Henderson;
- 21) Linden / Area A;
- 22) Livingston and James;
- 23) Milo Grogan;
- 24) Nazarene;
- 25) Near East;
- 26) North Central;
- 27) Northeast;
- 28) Northland;
- 29) Oak Street;
- 30) Petzinger Road;
- 31) Quarry;
- 32) Riverside;
- 33) South of Main / Area E;
- 34) Southeast;
- 35) Southside / Area C;
- 36) Weinland Park / Area F;
- 37) West Scioto;
- 38) Wilson Road (Residential)

SECTION 4. That existing Section 5 of Ordinance No. 3448-2023 is hereby repealed.

SECTION 5. That Section 8 of Ordinance No. 3448-2023 is hereby amended as follows with additions in underline and deletions in strikethrough:

Section 8. That Development Project applications that have all necessary building permits issued (as defined in Director's Rules) on or following January 10, 2024 ~~the date of State certification of the CHCRA~~ must use the Area Designation of the census tract that the Development Project's parcel(s) are located in; provided, however, for Development Project applications that have all necessary building permits issued (as defined in Director's Rules) prior to or on December 31, 2024, the ~~Project Sponsor may request that their~~ Development Project shall be instead assigned the Area Designation of the ~~Post-1994 Absorbed~~ CRA that existed on the Development Project's parcel(s) as of prior to State certification of the CHCRA January 9, 2024 if the Area Designation that existed on the parcel(s) on January 9, 2024 had a lower Area Designation than the Area Designation that existed on the parcel(s) on or after January 10, 2024, at the City's Director of the Department of Development's discretion.

That the 2022 Policy Transition contained within the enacting or amending legislation of a CRA described in Exhibit C to this Ordinance shall continue in effect notwithstanding the dissolution and absorption of such CRA as described in Section 5 of this Ordinance. For the avoidance of doubt, this paragraph shall have retroactive application to the effective date of Ordinance No. 3448-2023, which is January 10, 2024.

The ranking of Area Designations, from highest to lowest, is as follows: Market Ready, Ready for Revitalization, and Ready for Opportunity.

SECTION 6. That existing Section 8 of Ordinance No. 3448-2023 is hereby repealed.

SECTION 7. That all other Sections of Ordinance No. 3448-2023 not amended or repealed by this Ordinance shall remain in full force and effect.

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

SECTION 8. That for the reasons stated in the Preamble hereto, which is hereby made a part hereof, this 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.