



Legislation Text

File #: 0894-2026, **Version:** 1

BACKGROUND: This ordinance authorizes the Director of the Department of Development to seek an amendment of the certification of an area designated within the City of Columbus (“City”) as a Community Reinvestment Area (“CRA”). CRAs have been designated by Columbus City Council under the general guidelines of Ordinance No. 1698-78. Such CRAs allow for the granting of real property tax abatements to encourage industrial, commercial, and residential growth. This designated CRA within the Port Columbus Executive Park between Airport Drive and Alum Creek (the “Airport Drive CRA”, number 049-18000-28) was originally authorized by City Council by Resolution No. 42X-94 passed on March 21, 1994.

This ordinance will amend the existing Airport Drive CRA by (1) renaming the Airport Drive CRA to be the Airport CRA (the "Airport CRA"); (2) revising the improvements eligible for abatement within the Airport CRA; and by (3) adding approximately 3,679.18 acres as described in the map and parcel list attached hereto as Exhibits A-1 and A-2. This additional area is comprised of 1,095 individual parcels within the City contiguous with the current boundary of the Airport Drive CRA but not currently within the boundary of the Airport Drive CRA. Approximately ninety-two percent (92%) of the parcels to be added to the Airport CRA are within the Columbus City School District and approximately eight percent (8%) will be within the Gahanna-Jefferson City School District.

Resolution No. 147X-94, passed by City Council on June 27, 1994, was the first amendment to the existing Airport Drive CRA, and amended it to include the area between Airport Drive and I-670 and west of North Cassady Avenue and to authorize tax abatements within the area for 100% abatement not exceeding 5 years for new construction of every non-retail business or industrial structure but only in the amended area. For the purpose of determining the "first two amendments" referenced in division (B) of Section 3 of Amended Substitute S.B. 19 of the 120th General Assembly, Resolution No. 147X-94 does not count toward the “first two amendments” as Resolution No. 147X-94 was passed prior to such Senate Bill going into effect on July 22, 1994.

Resolution No. 61X-96 passed May 13, 1996 was the second amendment to the existing Airport Drive CRA, and amended it to include the area between Airport Drive and Alum Creek and I-670 and west of North Cassady Avenue and to authorize tax abatements within the area for 75% abatement not exceeding 10 years for new construction of every non-retail business or industrial structure but only in the amended area (parcel number 010-62837 and splits). For the purpose of determining the "first two amendments" referenced in division (B) of Section 3 of Amended Substitute S.B. 19 of the 120th General Assembly, Resolution No. 61X-96 does count toward the “first two amendments” as Resolution No. 61X-96 was passed after such senate bill went into effect on July 22, 1994 and meets the conditions under R.C. Section 3735.661(A).

This amending ordinance is the second of the “first two amendments” as referenced in division (B) of Section 3 of Amended Substitute S.B. 19 of the 120th General Assembly, and this ordinance will authorize the expansion of the Airport Drive CRA and will continue to provide the City the ability to offer real property tax abatements for parcels within the expansion area of the Airport CRA described in Exhibits A-1 and A-2.

FISCAL IMPACT:

No funding is required for this legislation. The City will be foregoing new property taxes during the abatement period for projects abated within the expanded area of Airport CRA.

To authorize the Director of the Department of Development to amend the existing Airport Drive Community Reinvestment Area as established by City Council pursuant to Ohio Revised Code by (1) renaming the Airport Drive CRA to the Airport CRA (the "Airport CRA"); (2) revising the improvements eligible for abatement within the Airport CRA; and (3) adding approximately 3,679.18 acres comprised of 1,095 individual parcels within the City of Columbus and contiguous with the current boundary of the existing Airport Drive CRA but not currently within the boundary of the existing Airport Drive CRA. (\$0.00)

WHEREAS, City Council desires to pursue all reasonable and legitimate incentive measures to assist in encouraging housing maintenance and economic and community development in areas that have not benefited from reinvestment through renovation or new construction; and

WHEREAS, Ordinance No. 1698-78, approved by City Council on August 3, 1978, authorized the Department of Development to implement a Community Reinvestment Program, pursuant to Sections 3735.65 to 3735.70 of the Ohio Revised Code, and approved certain administrative procedures for the program; and

WHEREAS, on March 21, 1994, City Council approved Resolution No. 42X-94 designating an area within the Port Columbus Executive Park between Airport Drive and Alum Creek as a Community Reinvestment Area as established by Sections 3735.65 to 3735.70 of the Ohio Revised Code (the "Airport Drive CRA"); and

WHEREAS, the Airport Drive CRA has been assigned the CRA number 049-18000-28 by the Ohio Department of Development and was certified by the State of Ohio on May 21, 1994; and

WHEREAS, the opportunity exists to modify the boundaries of the Airport Drive CRA to include parcels within the expansion area shown and described on Exhibits A-1 and A-2 (the "Airport CRA"); and

WHEREAS, the proposed Airport CRA and its immediate vicinity have been surveyed as shown and described on Exhibit B attached hereto and have been found to meet the criteria for designation as a community reinvestment area, which such designation includes an area in which housing facilities or structures of historical significance are located and new housing construction and repair of existing facilities or structures are discouraged; and

WHEREAS, in relation to the survey within the Airport CRA, City Council, by Ordinance No. 500-85 and Ordinance No. 2261-2015 respectively, had designated the Valley Dale Ballroom located at 1590-1600 Sunbury Road and the Old Port Columbus Air Terminal at 4920 E. Fifth Avenue each on the Columbus Register of Historic Properties; and

WHEREAS, Resolution No. 147X-94, passed by City Council on June 27, 1994, was the first amendment to the existing Airport Drive CRA, and amended it to include the area between Airport Drive and I-670 and west of North Cassady Avenue and to authorize tax abatements within the first expansion area for 100% abatement not exceeding 5 years for new construction of every non-retail business or industrial structure but only in the amended area; and

WHEREAS, for the purpose of determining the "first two amendments" referenced in division (B) of Section 3 of Amended Substitute S.B. 19 of the 120th General Assembly, Resolution No. 147X-94 does not count toward the "first two amendments" as Resolution No. 147X-94 was passed prior to such senate bill going into effect on July 22, 1994; and

WHEREAS, Resolution No. 61X-96 passed May 13, 1996 was the second amendment to the existing Airport Drive CRA, and amended it to include the area between Airport Drive and Alum Creek and I-670 and west of North Cassady Avenue and to authorize tax abatements within the area for 75% abatement not exceeding 10 years for new construction of every non-retail business or industrial structure but only in the amended area (parcel number 010-62837 and splits); and

WHEREAS, for the purpose of determining the "first two amendments" referenced in division (B) of Section 3 of

Amended Substitute S.B. 19 of the 120th General Assembly, Resolution No. 61X-96 does count toward the “first two amendments” as Resolution No. 61X-96 was passed after such senate bill went into effect on July 22, 1994, and meets the conditions under R.C. Section 3735.661(A); and

WHEREAS, this amending ordinance is the second of the "first two amendments" as referenced in Section 3 of Am. S.B. 19 of the 120th General Assembly; and

WHEREAS, it has become necessary in the usual daily operation of the Department of Development to authorize the expansion of the Airport Drive CRA to continue to provide the City with the ability to offer real property tax abatements for parcels within the Airport CRA described in Exhibits A-1 and A-2; **NOW, THEREFORE**,

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

SECTION 1. That City Council finds and determines that Sections 1 and 2 of Resolution No. 61X-96 and Section 3 of Resolution Nos. 42X-94, 147X-94, and 61X-96 (collectively, the “Airport Community Reinvestment Area”) are hereby amended to read as provided below, with new language underlined and deletions stricken:

Amended Sections of Res. No. 61X-96

Section 1. That the ~~Amended Airport Drive Community Reinvestment Area~~ Amended Airport Drive Community Reinvestment Area has successfully met the criteria for designation as a Community Reinvestment Area; ~~the Airport Drive Community Reinvestment Area~~ shall hereafter be known and referenced as the Airport Community Reinvestment Area.

Section 2. That the boundaries of the ~~Amended Airport Drive Community Reinvestment Area~~ are as described in "Exhibit A" Exhibits A-1 and A-2 and attached hereto and incorporated herein by reference.

Repealed Section of Res. No. 42X-94

Section 3. That within the ~~Airport Drive Community Reinvestment Area~~ tax exemptions for improvements to real property as described in Section 3735.65 of the Ohio Revised Code will be granted in the following manner and for the following periods:

- a. ~~100% abatement not exceeding 11 years for the construction of every non-retail business or industrial structure as described in Division C of Section 3735.67.~~
- b. ~~For purposes of clarification, tax abatement will only be granted for construction started during the first five (5) years of the abatement period. The actual opportunity for construction will expire year ending 1998. Furthermore, eleemosynary structures are not considered to be commercial or industrial.~~

Repealed Section of Res. 147X-94

Section 3. That within the ~~Amended Airport Drive Community Reinvestment Area~~ tax exemptions for improvements to real property as described in Section 3735.65 of the Ohio Revised Code will be granted in the following manner and for the following periods:

- a. ~~100% abatement not exceeding 5 years for new construction only in the amended area of every non-retail business or industrial structure as described in Division C of Section 3735.67.~~
- b. ~~For purposes of clarification, tax abatement will only be granted in the amended area for construction started during the first year of the abatement period. The actual opportunity~~

for construction will expire year ending 1996. Furthermore, eleemosynary structures are not considered to be commercial or industrial.

Repealed Section of Res. No. 61X-96

Section 3. That within the Amended Airport Drive Community Reinvestment Area tax exemptions for improvements to real property as described in Section 3735.65 of the Ohio Revised Code will be granted in the following manner and for the following periods:

- a. 75% abatement not exceeding 10 years for new construction only in the amended (parcel number 010-62837 and splits) area of every non-retail business or industrial structure as described in Division C or Section 3735.67.
- b. For purposes of clarification, the actual opportunity for completion of construction will expire year ending 1998 in this and the previously amended parcels under Resolution 147X-84 (010-233777, 233778, 233789). Furthermore, eleemosynary structures are not considered to be commercial or industrial.

New Section 3 of Airport Community Reinvestment Area

Section 3. That within the Airport Community Reinvestment Area tax abatements on the increase in the assessed valuation from improvements of or to real property as described in Section 3735.67 of the Ohio Revised Code will be granted upon (1) the completion of a pre-application, on a form to be provided by the City, by the property owner prior to the commencement of the improvements and (2) the filing of a proper application for the tax abatement, on a form to be provided by the City (the "Applications"), by the property owner following completion of the improvements but prior to certification thereof by the designated Housing Officer to the Franklin County Auditor. The Applications for tax abatements hereunder must be filed with the Housing Officer no later than twelve (12) months following completion of the improvements. The abatement will first apply in the year following the calendar year in which the certification is made to the County Auditor (R.C. 3735.67(D); Pre-S.B. 19). Tax abatements on improvements will be granted as per the following:

- (A) There shall be no exemptions granted for remodeling or renovating existing residential dwellings containing not more than two (2) housing units.
- (B) Twelve (12) years for the remodeling or renovation of existing structures for commercial or industrial use, upon which the cost of remodeling or renovation must be at least five thousand dollars (\$5,000), as described in Ohio Revised Code Section 3735.67(D)(2) effective on June 28, 1994. Remodeling or renovation for commercial retail business use is not an eligible improvement. There shall be no exemptions granted for remodeling or renovating existing residential dwellings containing more than two (2) housing units. All abatements granted pursuant to this Section shall be for one hundred percent (100%) of the improvement.
- (C) Fifteen (15) years for commercial or industrial new construction as described in Ohio Revised Code Section 3735.67(D)(3) effective on June 28, 1994. New construction for commercial retail business use is not an eligible improvement. There shall be no exemptions granted for construction of residential dwellings. All abatements granted pursuant to this Section shall be for one hundred percent (100%) of the improvement.

The community reinvestment area tax abatements provided hereunder are superior to any other community reinvestment area tax abatements pursuant to Sections 3735.65 to 3735.70 of the

Ohio Revised Code until such time that this City Council passes subsequent legislation overlaying another community reinvestment area over the Airport Community Reinvestment Area or parts thereof. Other than as specified in Section 3(A) through 3(C) hereof, no community reinvestment tax abatement shall be granted in the Airport Community Reinvestment Area."

SECTION 2. That in order to amend the expanded boundaries of the Airport Drive CRA set forth in the Exhibits A of the previous Resolution Nos. 42X-94, 147X-94, and 61X-96, those aforesaid Exhibits A are each hereby repealed and replaced with Exhibits A-1 and A-2 attached hereto.

SECTION 3. That all Sections of Ordinance Nos. 42X-94, 147X-94, and 61X-96, not amended herein, remain the same.

SECTION 4. That Sections 6 of Resolution Nos. 42X-94, 147X-94, and 61X-96, respectively, are hereby repealed from those resolutions as provided below:

~~**Section 6.** The City Council reserves the right to reevaluate the designation of the Airport Drive Area after December 31, 1998, 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.~~

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SECTION 5. That (1) a copy of this legislation shall be forwarded by the Housing Officer to the Franklin County Auditor for information and reference, (2) a copy of this legislation shall be published in a newspaper of general circulation in the City once a week for two consecutive weeks immediately following passage of the legislation, and (3) the Housing Officer is hereby authorized and directed, on behalf of the City, to submit to the Director of the Ohio Department of Development a copy of this legislation and a map of the Airport Community Reinvestment Area within fifteen (15) days of passage of the legislation.

SECTION 6. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.