



## **CITY OF COLUMBUS ABATEMENT ASSISTANCE FOR LOCAL DEVELOPMENT PROJECTS**

### **What is Abatement?**

Abatement allows municipalities to rebate City property taxes after the property taxes are paid for economic development purposes.

### **What types of development are eligible for Abatement assistance?**

Abatement assistance can be used for a broad range of projects and purposes as long as the City can find that the costs of the Abatement assistance don't exceed the public benefit provided by the Abatement.

Abatement assistance must meet a public purpose, which may include an increase in tax base, creation of jobs, or provision of public infrastructure.

### **How is Abatement assistance provided to the Developer?**

If Abatement assistance is approved for a particular development project, the City would reimburse the Developer for development costs in the form of a pay-as-you-go note. The principal and interest on a pay-as-you-go note is paid semi-annually from abatements collected from the development property during the term of the Abatement. Abatement payments will generally be based on the increase in market value created by the development. The term of the Abatement can be up to 15 to 20 years.

Unlike costs eligible for reimbursement with tax increment assistance, the type of costs eligible for reimbursement with Abatement are not restricted.

### **What is the process for obtaining Abatement assistance?**

Obtaining Abatement assistance takes approximately 45 to 60 days, and requires the following:

- Contract for Private Development is negotiated between City and Developer
- City Council must hold public hearing and approve the Abatement and the Contract for Private Development

### **How can I apply for Abatement Financing?**

Developers can apply for Abatement Assistance by completing the City's Application for Assistance and submitting the application to the City Administrator.