

1 **BILL NO. G-**_____

2 **General Ordinance No. G-**_____

3
4 **AN ORDINANCE AMENDING CHAPTER 153 OF THE CITY OF**
5 **FORT WAYNE, INDIANA CODE OF ORDINANCES: "PLANNING AND**
6 **DEVELOPMENT" BY ADDING § 153.19(D)**

7 **WHEREAS**, the City of Fort Wayne is experiencing a lack of affordable housing with families
8 reporting spending over thirty percent of their monthly income on housing which is a leading cause
9 for housing instability; and

10 **WHEREAS**, Low Income Housing Tax Credits are available from, and managed by, the
11 Federal Government via the Tax Reform Act of 1986 and used to subsidize the creation of
12 affordable housing by offering a ten year tax credit to a project and in return, the project is required
13 to rent to tenants earning on average less than the median area income for a fifteen year period of
14 affordability; and

15 **WHEREAS**, Low Income Housing Tax Credits are made available to individual states based
16 on population and for the State of Indiana, the Indiana Housing and Community Development
17 Authority administers the awarding of Low Income Housing Tax Credits via an annual competitive
18 application process for which there are regularly more applicants than available Low Income
19 Housing Tax Credits; and

20 **WHEREAS**, the City of Fort Wayne seeks to support applications for Low Income Housing Tax
21 Credit Projects within the City of Fort Wayne by establishing a Multifamily Affordable Housing Tax
22 Phase-In/Abatement for projects meeting the criteria for submitting applications to the Indiana
23 Housing and Community Development Authority for Low Income Housing Tax Credits; and

24 **WHEREAS**, pursuant to the authority of Indiana Code § 6-1.1-12.1 et al., the City of Fort
25 Wayne has implemented real and personal property tax deductions (tax phase-ins/abatements) as
26 a means to attract new investment and development to the Fort Wayne area; and

27 **WHEREAS**, pursuant to IC 6-1.1-12.1-3(e)(11) deductions related to redevelopment or
28 rehabilitation of real property in a county containing a consolidated city, a deduction for the
29 redevelopment or rehabilitation of real property may not be approved for residential facilities unless
30 (A) the facility is a multifamily facility that contains at least twenty percent (20%) of the units
available for use by those of low and moderate income individuals; (B) the facility is located in an
economic development target area established under IC 61-.1-12.1-7 or (C) the area is designated
as a residentially distressed area; and

1 **WHEREAS**, in recent history affordable housing projects in the City of Fort Wayne have had to
2 be located within the designated Economic Development Target Area (EDTA) to be eligible for a
3 ten year schedule of phase-in/abatement to maximize tax savings/affordability of the project and
4 scoring for local match on the Low Income Housing Tax Credit application; and

5 **WHEREAS**, affordable housing projects not located in the Economic Development Target
6 Area (EDTA) but meeting the minimum 20% of units available for use by those of low and
7 moderate income are subject to the current review system and score lower due to the low number
8 of jobs and annual payroll created and/or retained by a multifamily housing development and thus
9 receive a shorter schedule of tax phase-in/abatement; and

10 **WHEREAS**, the Community Development Division of the City of Fort Wayne in collaboration
11 with Fort Wayne Common Council seek to create a Multifamily Affordable Housing Tax Phase-
12 In/Abatement to support affordable housing project applications for Low Income Housing Tax
13 Credits and increase the number of affordable housing units available in the City of Fort Wayne.

14 **NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF FORT
15 WAYNE, INDIANA:**

16 **SECTION 1.** That Chapter 153 of the Fort Wayne Code of Ordinances: PLANNING AND
17 DEVELOPMENT" is amended to add a sub-section D in Section 153.19 as follows:

18 (D) Affordable housing projects applying to and meeting the criteria for the Indiana Housing
19 Finance Authority for Low Income Housing Tax Credits are eligible for ten-year phased deduction
20 (abatement) without adhering to the City's Review System. That ten-year phased deduction
21 (abatement) will be as follows:

Year of Deduction	Percentage
1	100%
2	100%
3	100%
4	100%
5	100%
6	50%
7	40%
8	30%
9	20%
10	10%
11	0%

22 **SECTION 2.** That the City is directed to take all action necessary and proper for the
23 implementation of this Ordinance.
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SECTION 3. That this Ordinance shall be in full force and effect from and after its passage and any and all necessary approval by the Mayor.

Michelle Chambers, Council Member

APPROVED AS TO FORM AND LEGALITY

Joseph G. Bonahoom, City Council Attorney