



## Legislation Text

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**File #:** 2029-2017, **Version:** 1

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### **Background:**

The goal of a Community Reinvestment Area is neighborhood revitalization and stabilization.

This Ordinance will create the Milo-Grogan Community Reinvestment Area and provide for real property tax exemptions for residentially zoned and used parcels within the area.

The Ordinance will provide for exemption from an increase in real property tax for construction of new housing; on the increase in valuation of building conversions from commercial use to residential use; and on the increase in property taxes due to the renovation of existing single and multi-family housing units, within the established boundaries.

The ordinance is an emergency ordinance to allow for planned projects in the CRA to be assured access and benefit from the CRA so that they can proceed.

**Fiscal Impact:** No fiscal impact. No funding is required for this legislation.

To create the Milo-Grogan Community Reinvestment Area and to authorize real property tax exemptions as established in Sections 3735.65 to 3735.70 of the Ohio Revised Code; and to declare an emergency.

**WHEREAS**, The council of the City of Columbus (hereinafter “Council”) desires to pursue reasonable and legitimate incentive measures to assist and encourage development in specific areas of the City of Columbus that have not enjoyed benefit of reinvestment from remodeling or new construction; and

**WHEREAS**, a survey of housing (see Exhibit A) and a list of parcels (see Exhibit C) as required by Ohio Revised Code (ORC) Section 3735.66 has been prepared for this proposed Community Reinvestment Area; and

**WHEREAS**, the continued remodeling of existing buildings for residential use and construction of new residential and commercial structures in this Community Reinvestment Area would serve to encourage economic stability and maintain real property values, and generate new employment opportunities; and

**WHEREAS**, the remodeling of existing buildings for residential use and the construction of new residential in this Community Reinvestment Area constitutes a public purpose for which real property exemptions may be granted; and

**WHEREAS**, the proposal is a public/private partnership intended to promote and expand conforming uses in the designated area, and

**WHEREAS**, Ordinance No. 1698-78, approved by City Council on August 3, 1978, authorized the Columbus 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**, an emergency exists in the usual daily operations of the Development Department in that it is immediately necessary create the Milo Grogan Community Reinvestment Area to continue to authorize real property tax exemptions as established in Sections 3735.65 to 3735.70 of the Ohio Revised Code, thereby preserving the public health, property, peace, safety, and welfare; NOW, THEREFORE,

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

**Section 1.** That the area depicted in Exhibit B constitutes an area in which housing facilities or structures of historical significance are located.

**Section 2.** That pursuant to ORC Section 3735.66, The Milo-Grogan Community Reinvestment Area boundary is hereby established in the following described area:

North: Bounded by the property lines on the south side of Fifth Avenue from the western tracks of the Conrail Railroad to the eastern boundary of the Conrail Railroad.

West: Beginning at the intersection of the western tracks of the Conrail Railroad to the east of Route 23 and the rear property lines on the south side of Fifth Avenue and following the tracks south to the intersection with Interstate 670 East.

South: Beginning at the intersection of Interstate 670 East and the western tracks of the Conrail Railroad to the east of Route 23 moving east along Interstate 670 East to the intersection of Interstate 670 East and Leonard Avenue, moving east on Leonard Avenue to Saint Clair Avenue, moving north on Saint Clair Avenue to the eastern tracks of the Conrail Railroad.

East: Beginning at the intersection of Saint Clair Avenue to the eastern tracks of the Conrail Railroad, and moving north along the eastern tracks of the Conrail Railroad to the intersection with the rear property lines of Fifth Avenue.

The Community Reinvestment Area is approximately depicted as the area on the map marked Exhibit B, attached to this Ordinance; on the list of parcel numbers marked Exhibit C, and by this reference incorporated herein.

Only properties consistent with the applicable zoning regulations and variances thereto within the designated Community Reinvestment Area will be eligible for exemptions under this program. For purposes of ORC Sections 3735.65 to 3735.70, rental housing, including without limitation rental housing located in a structure containing multiple residential housing units, is classified as residential.

**Section 3.** That a tax exemption on the increase in the assessed valuation, resulting from improvements as described herein, shall be granted upon proper application by the property owner and approval by the designated Housing Officer.

Abatement terms and percentages are as follows:

(a) One hundred percent (100%) for up to fifteen (15) years for the remodeling of:

- owner-occupied dwellings containing not more than two housing units and upon which the remodeling cost is at least twenty percent (20%) of the current assessed value of the existing structure (excluding land) as determined by the County Auditor for the tax year prior to the improvement and upon which the cost of remodeling is at least \$2500.00, as described in ORC Section 3735.67;
- existing rental housing, containing not more than two housing units, upon which the remodeling cost is at least fifty percent (50%) of the current assessed value of the existing structure (excluding land) as determined by the County Auditor for the tax year prior to the improvement and upon which the cost of remodeling is at least \$2500.00, as described in ORC Section 3735.67;
- conversion of rental housing to owner-occupied housing, containing not more than two units, upon which

the remodeling cost is at least fifty percent (50%) of the current assessed value of the existing structure (excluding land) as determined by the County Auditor for the tax year prior to the improvement and upon which the cost of remodeling is at least \$2500.00, as described in ORC Section 3735.67;

- conversion of existing nonresidential property to residential housing both owner-occupied and rental, containing not more than two units, upon which the remodeling cost is at least fifty percent (50%) of the current assessed value of the existing structure (excluding land) as determined by the County Auditor for the tax year prior to the improvement and upon which the cost of remodeling is at least \$2500.00 as described in ORC Section 3735.67.

b) One hundred percent (100%) for up to fifteen (15) years for the remodeling of:

- owner-occupied dwellings containing more than two housing units and upon which the remodeling cost is at least twenty percent (20%) of the current assessed value of the existing structure (excluding land) as determined by the County Auditor for the tax year prior to the improvement and upon which the cost of remodeling is at least \$5000.00 as described in ORC Section 3735.67;
- existing rental housing, containing more than two housing units, upon which the remodeling cost is at least fifty percent (50%) of the current assessed value of the existing structure (excluding land) as determined by the County Auditor for the tax year prior to the improvement and upon which the cost of remodeling is at least \$5000.00 as described in ORC Section 3735.67;
- conversion of rental housing to owner-occupied housing, containing more than two units, upon which the remodeling cost is at least fifty percent (50%) of the current assessed value of the existing structure (excluding land) as determined by the County Auditor for the tax year prior to the improvement and upon which the cost of remodeling is at least \$5000.00 as described in ORC Section 3735.67;
- conversion of existing nonresidential property to residential housing both owner-occupied and rental containing more than two units, upon which the remodeling cost is at least fifty percent (50%) of the current assessed value of the existing structure (excluding land) as determined by the County Auditor for the tax year prior to the improvement and upon which the cost of remodeling is at least \$5000.00 as described in ORC Section 3735.67.

(c) One hundred percent (100%) for fifteen (15) years for:

- construction of new owner-occupied dwellings.
- construction of new rental housing.

The foregoing dwellings, housing and structures may be included in part of a larger structure containing other uses. Abatements may be claimed for, and will apply to, any portion of a structure meeting the required criteria; the entire structure does not need to be abated or qualify for abatement in order for the abatement to apply to the qualifying portions of the structure.

A pre-application may be required to insure the compatibility with neighborhood plans and to insure the maintenance of existing streetscape lines, style, scale setbacks and landscaping features compatible with neighborhood.

The tax exemption provided hereunder is senior to any tax exemption provided pursuant to Ohio Revised Code Sections 5709.40 or 5709.41.

**Section 4.** That City Council reserves the right to re-evaluate the designation of the Milo-Grogan Community

Reinvestment Area after December 31, 2025, at which time Council may direct the Housing Officer not to accept any applications for exemptions as directed in Section 3735.67 of the Ohio Revised Code.

**Section 5.** That a Community Reinvestment Area Housing Council shall be created, consisting of two members appointed by the Mayor of the City of Columbus, two members appointed by the Council of the City of Columbus and one member appointed by the Planning Commission of Columbus. The majority of those members shall then appoint two additional members who shall be residents within the area. Terms of the members of the Council shall be for three years. An un-expired term resulting from a vacancy in the Council shall be filled in the same manner as the initial appointment was made for the remainder of the term of the vacated seat.

**Section 6.** That the Community Reinvestment Area Housing Council shall make an annual inspection of the properties within the district for which an exemption has been granted under Section 3735.66 of the ORC. The council shall also hear appeals under 3735.70, of the ORC.

**Section 7.** That the Clerk of this Council 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 8.** That this Council further hereby authorizes and directs the Mayor, the Clerk of Council, the Director of Development, or other appropriate officers of the City to prepare and sign all agreements and instruments and to take any other actions as may be appropriate to implement this Ordinance.

**Section 9.** That to administer and implement the provisions of this Ordinance, the Administrator of the Department of Development's Housing Division is designated as the Housing Officer as described in Sections 3735.65 through 3735.70 of the Ohio Revised Code.

**Section 10.** 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.