



City of Columbus

Office of City Clerk
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Legislation Text

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In 2018, the City adopted a new residential Community Reinvestment Area policy based on the 2016 study from HR&A that evaluated the effectiveness of real property tax abatements. Chapter 4565 of the City Code was established by Ordinance 2184-2018 that outlines the requirements for eligibility to apply for residential tax abatements. Chapter 4565 of the City Code also requires the City to evaluate the policy and CRA categorization every 3 years. The Brookwood CRA needs to be updated to reflect the recent changes made to Chapter 4565 of the City's Code. This ordinance will modify the Brookwood Community Reinvestment Area by authorizing modifications that align with the updates to Chapter 4565 of the Columbus City Code.

To amend the Brookwood Community Reinvestment Area to make modifications to align with the updates located in Chapter 4565 of the Columbus City Code.

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 reinvestment from remodeling or new construction; and

WHEREAS, Resolution No. 1698-78, approved August 3, 1978, authorized the Department of Development to carry out 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, Ordinance 1506-2021 created the Brookwood Community Reinvestment Area and authorized real property tax exemptions within it, as provided per Ohio Revised Code; and

WHEREAS, the City of Columbus has established a goal of fostering private sector investment to build mixed income neighborhoods dispersed throughout the City; and

WHEREAS, in 2018 the City developed an incentive policy to encourage development of affordable housing through targeted economic development incentives, including real property tax abatements, throughout the City; and

WHEREAS, the Brookwood CRA, created in 2021, must be updated to reflect the 2022 changes made by Council to Chapter 4565 of the City's Code per Ordinance 1843-2022; and

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

Section 1. That this Council finds and determines that the area within the Brookwood CRA is one in which housing facilities or structures of historical significance are located and new housing construction and repair of existing facilities or structures are discouraged. Council also finds and determines that amending the Brookwood CRA is in the City's best interest and will incentivize the construction or remodeling of affordable housing within this area designation. Per Sections 2-4 below, the addition of new language to prior legislation is underlined, and deletions are marked as stricken.

Section 2. That Section 3 of Ordinance 1506-2021 is hereby amended with additional language underlined and deletions marked as stricken, which shall hereafter read as follows:

Section 3. 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, filed with the Housing Officer no later than two years after construction completion, and certification thereof by the designated Housing Officer for the following periods:

(a) For a development project that consists of remodeling structures that are part of a development project ~~containing not more than three (3) family units:~~ For remodeling of a dwelling (i) containing not more than two (2) family units, upon which the cost of remodeling is at least two thousand five hundred dollars (\$2500) or twenty percent (20%) of the assessed value of the structure, whichever is more; or (ii) containing three (3) family units, upon which the cost of remodeling is at least five thousand dollars (\$5000) or twenty percent (20%) of the assessed value of the structure, whichever is more:

- One hundred percent (100%) for fifteen (15) years if the area is designated Ready for Opportunity, Ready for Revitalization, or Market Ready for Affordable Housing Units (as defined in Section 4565.02) in areas designated Ready for Opportunity Ready for Revitalization Areas and Market Ready Areas subject to and contingent upon the owner of the dwelling and the City entering into a written agreement as described in Section 4565.06 prior to the commencement of construction and revocable upon transfer of title to the dwelling after initial occupancy.

- One hundred percent (100%) for fifteen (15) years in areas designated Ready for Opportunity.

(b) For construction of a new dwelling containing not more than three (3) family units:

- One hundred percent (100%) for fifteen years for Affordable Housing Units (as defined in Section 4565.02(A)) if the area is designated Ready for Opportunity ~~or Ready for Revitalization.~~

- If the area is designated Market Ready, one hundred percent (100%) for fifteen years only if all units within the development project are Affordable Housing Units (as the term Affordable Housing Unit is defined in Section 4565.02(A)), with the exemption revocable upon transfer of title to the structure or any of the units if not in conformity with deed restrictions for affordability. For development projects containing three (3) family units, one (1) Affordable Housing Unit must be affordable to occupants whose annual household income is up to eighty percent (80%) AMI, and two (2) Affordable Housing Units must be affordable to occupants whose annual household income is up to one hundred percent (100%) AMI. For development projects containing two (2) family units, one (1) Affordable Housing Unit must be affordable to occupants whose annual household income is up to eighty percent (80%) AMI, and one (1) Affordable Housing Unit must be affordable to occupants whose annual household income is up to one hundred percent (100%) AMI. For structures that constitute one affordable housing unit, the Affordable Housing Unit must be affordable to occupants whose annual household income is up to eighty percent (80%) AMI.

- One hundred percent (100%) for fifteen (15) years for Affordable Housing Units (as defined in

Section 4565.02) in areas designated Ready for Revitalization Area and Market Ready Area, subject to and contingent upon the owner of the dwelling and the City entering into a written agreement as described in Section 4565.06 prior to the commencement of construction and revocable upon transfer of title to the dwelling by the first owner following initial occupancy.

- (c) For remodeling of a dwelling or construction of a new dwelling containing four (4) or more family units:
- One hundred percent (100%) for fifteen (15) years if the area is designated Ready for Opportunity Areas.
 - One hundred percent (100%) for fifteen (15) years in areas designated Ready for Revitalization Area or Market Ready Area, subject to and contingent upon the owner of the ~~structure~~ dwelling and the City entering into a written agreement as described in Section 4565.07 or 4565.08, prior to the commencement of construction.

Designation of the Brookwood Community Reinvestment Area as a Ready for Opportunity Area, a Ready for Revitalization Area, or a Market Ready Area shall be made by the Development Director pursuant to Section 4565.03.

The tax exemptions provided for herein shall further be governed by the terms and conditions contained in Chapter 4565 of the Columbus City Codes, including any amendments thereto as well as the requirements contained in Sections 3735.65 to 3735.70 of the Ohio Revised Code, including the minimum investment requirements set forth therein. ~~For a remodeling development project, including one with multiple structures, the cost of remodeling of any structure containing not more than two (2) family units must be at least two thousand five hundred dollars (\$2500) or twenty percent (20%) of the assessed value of the structure, whichever is more. For a remodeling development project, including one with multiple structures, the cost of remodeling any structure containing more than two (2) family units must be at least five thousand dollars (\$5000) or twenty percent (20%) of the assessed value of the structure, whichever is more.~~

Section 4. Any owner of a property within the designated Community Reinvestment Area that entered

Section 3. That Section 4 of Ordinance 1506-2021 is repealed and replaced with the following language:

~~Any owner of a property within the designated Community Reinvestment Area that entered into an economic development agreement with the City of Columbus that was executed and approved by City Council on or before the effective date of Ordinance 2184-2018 may apply for and will be granted an exemption under this program pursuant to the terms and conditions specified in the applicable economic development agreement notwithstanding any conflicts between the terms and conditions of the economic development agreement and Section 3 herein or Chapter 4565 of the Columbus City Codes.~~

The Provisions of Section 3(A) of Ordinance 1506-2021 as it existed prior to the effective date of this Ordinance, shall apply to all projects that have an executed agreement or memorandum approved by City Council prior to the effective date of this ordinance, or that adhere to the following timeline:

- a. Obtains all necessary building permits on or before August 31, 2023; or has closed on all project construction financing and obtained at least 50% of the project's building permits by August 31, 2023;
and

Section 4. That Section 5 of Ordinance 1506-2021 is repealed and replaced with the following language:

~~That a pre-application may be required to ensure the compatibility with neighborhood plans and to insure the~~

~~maintenance of existing streetscape lines, style, scale setbacks and landscaping features compatible with neighborhood~~

To receive an abatement as provided herein, the applicant for the Development Project must provide documentation that it has received a Certificate of Appropriateness, or other similar approval from the City, ensuring the residential project meets the City subdivision standards for the type of residential project being constructed or remodeled.

Section 5. That all other provisions of Ordinance Number 1506-2021 regarding the Brookwood CRA remain effective as adopted prior to this ordinance.

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 an additional member who resides within the CRA. Terms of the members of the Council shall be for three years. An unexpired 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. Pursuant to R.C. 3735.66, Council designates the City's Development Director as the Housing Officer as defined in R.C. 3735.65(A).

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 R.C. Section 3735.66. This Council shall also hear appeals under R.C. 3735.70.

Section 7. That, upon passage, the Clerk of this Council is directed to forward a copy of this Ordinance to the Franklin County Auditor for information and reference. The Clerk of this Council is further directed to cause notice of the passage of this Ordinance 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, not later than sixty days after passage of this Ordinance, the Director shall petition the State Director of Development Services to confirm the findings described in this Ordinance. The petition shall include all documents and information required by R.C. 3735.66

Section 9. That the Council further authorizes and directs the Mayor, the Clerk of Council, the Director of Development and/or other appropriate officers of the City, to prepare and sign all agreements and documents and to take any other actions as may be appropriate or necessary to implement this Ordinance.

Section 10. That this Ordinance shall take effect and be in force from and after the earliest date allowed by law.