



Legislation Details (With Text)

File #: 1532-2019 **Version:** 1

Type: Ordinance **Status:** Passed

File created: 5/31/2019 **In control:** Housing Committee

On agenda: 6/24/2019 **Final action:** 6/27/2019

Title: To create the Far East Community Reinvestment Area and to authorize real property tax exemptions as established in Sections 3735.65 to 3735.70 of the Ohio Revised Code.

Sponsors:

Indexes:

Code sections:

Attachments: 1. ORD1532-2019 Far East Blight Study Exhibit A, 2. ORD1532-2019 Far East CRA Map Exhibit B, 3. ORD1532-2019 Far_East_CRA_Parcel Exhibit C

Date	Ver.	Action By	Action	Result
6/27/2019	1	CITY CLERK	Attest	
6/26/2019	1	ACTING MAYOR	Signed	
6/24/2019	1	COUNCIL PRESIDENT	Signed	
6/24/2019	1	Columbus City Council	Approved	Pass
6/10/2019	1	Columbus City Council	Read for the First Time	

Background:

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

This Ordinance will create the Far East 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.

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

To create the Far East Community Reinvestment Area and to authorize real property tax exemptions as established in Sections 3735.65 to 3735.70 of the Ohio Revised 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 benefit of reinvestment from remodeling or new construction; 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;

WHEREAS, the council of the City of Columbus adopted the revised changes to the Residential Tax Incentive Policy in July 2018; and

WHEREAS, Specific rates, terms, and requirements for the CRA will adhere to Chapter 4565 in the Columbus City Code; and

WHEREAS, The Director of Development shall designate the CRA as Market Ready, Ready for Revitalization, or Ready for Opportunity; 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; NOW, THEREFORE,

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

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

Section 2. Pursuant to ORC Section 3735.66, The Far East Community Reinvestment Area boundary is hereby established in the following described area:

North

Beginning at the intersection of Refugee Road, Noe Bixby Road and Big Walnut Creek, north of Laraine Court then easterly on Refugee Road to the City of Columbus/Village of Brice boundary.

South

Beginning at the intersection of Refugee Road and Big Walnut Creek at the south side of Nafzger Park, easterly along Refugee Road to Noe Bixby Road. Then north on Noe Bixby Road to the boundary of the City of Columbus and Truro Township. Then following east along the City of Columbus/Truro Township boundary to a point where this boundary extends south. Then south along the City of Columbus and Truro Township boundary until Chatterton Road. Then east on Chatterton Road to Retriever Road. Then south following along Retriever Road and Beagle Boulevard to Deforest Drive. Then west on Deforest Drive until the City of Columbus and Madison Township boundary. Then south along the Columbus and Madison Township boundary until the intersection of Blacklick Creek. Then following Blacklick Creek east from this point to Brice Road.

East

Beginning at intersection of Brice Road and Blacklick Creek then north on Brice Road past Chatterton Road, then northwest following the City of Columbus /Village of Brice boundary to Refugee Road.

West

Beginning at the intersection of Refugee Road, Noe Bixby Road and Big Walnut Creek, north of Laraine Court, then south on Refugee Road to Refugee/Chatterton Road.

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. 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 remodeling of a dwelling 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;
 - One hundred percent (100%) for fifteen (15) years in areas designated Ready for Opportunity Areas, Ready for Revitalization Areas, and Market Ready Areas.
- (b) For construction of a new dwelling containing not more than three (3) family units:
 - One hundred percent (100%) for fifteen (15) years in areas designated Ready for Opportunity Areas and Ready for Revitalization Areas.
 - One hundred percent (100%) for fifteen years for Affordable Housing Units (as defined in Section 4565.02(A) of the City Code) in areas designated Market Ready Areas, revocable upon transfer of title to the dwelling by the owner.
- (c) For remodeling of a dwelling or construction of a new dwelling containing four (4) or more family units 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 in areas designated Ready for Opportunity Areas.
 - One hundred percent (100%) for fifteen (15) years in areas designated 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 City Code Sections 4565.07 or 4565.08, prior to the commencement of construction.

Designation of the Far East 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 City Code 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.

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 ORC Sections 5709.40 or 5709.41.

Section 4. For purposes of this Ordinance and ORC Sections 3735.65 through 3735.70, inclusive, a multiple unit structure or remodeling is hereby deemed to be a “residential” structure or remodeling. The term “multiple unit” shall mean a structure or remodeling incorporating both residential and commercial uses. 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. Abatements may be claimed for, and will only apply to Portions of a structure meeting the required criteria.

Section 5. That City Council reserves the right to re-evaluate the designation of the Far East Community Reinvestment Area after December 31, 2028, at which time Council may direct the Housing Officer not to accept any applications for exemptions as directed in ORC Section 3735.67.

Section 6. 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 Development 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 7. 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 ORC Section 3735.66. The council shall also hear appeals under ORC Section 3735.70.

Section 8. 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 ORC Section 3735.66.

Section 9. 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 10. 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 ORC Sections 3735.65 through 3735.70.

Section 11. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.