Legislation Details (With Text)

File #:	1878-2022 **Version:** 1		
Type:	Ordinance	**Status:**	Passed
File created:	6/22/2022	**In control:**	Housing Committee
On agenda:	7/25/2022	**Final action:**	7/27/2022
Title:	To amend the Kenny and Henderson Community Reinvestment Area to make modifications to align with the updates located in Chapter 4565 of the Columbus City Code; and to set forth the circumstances under which a combined parcel resulting from the combination of a parcel within the original CRA boundaries and parcel(s) outside of the original CRA boundaries will be deemed to be within the CRA.		
Sponsors:			
Indexes:			
Code sections:			
Attachments:	1. Exhibit A Kenny and Henderson Blight Study, 2. Exhibit B Kenny and Henderson Map, 3. Exhibit C Kenny and Henderson Parcel List		

Date	Ver.	Action By	Action	Result
7/27/2022	1	CITY CLERK	Attest	
7/26/2022	1	ACTING MAYOR	Signed	
7/25/2022	1	COUNCIL PRESIDENT	Signed	
7/25/2022	1	Columbus City Council	Taken from the Table	Pass
7/25/2022	1	Columbus City Council	Approved	Pass
7/11/2022	1	Columbus City Council	Tabled Indefinitely	Pass
6/27/2022	1	Columbus City Council	Read for the First Time	

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 eligibility requirements for eligibility to apply for and receive a tax abatement on property used for residential purposes. Chapter 4565 of the City Code also requires the City to evaluate the policy and CRA categorization every 3 years. The Kenny and Henderson CRA needs to be updated to reflect the recent changes made to Chapter 4565 of the City's Code. This ordinance will modify the Kenny and Henderson Community Reinvestment Area by adjusting its boundaries; modifying the percentage and term of abatements to correspond with certain housing designations; include a provision to address lot combinations; and modifying the start date for certain area designations. These changes also align with the updates approved by Council to Chapter 4565 of the Columbus City Code.

To amend the Kenny and Henderson Community Reinvestment Area to make modifications to align with the updates located in Chapter 4565 of the Columbus City Code; and to set forth the circumstances under which a combined parcel resulting from the combination of a parcel within the original CRA boundaries and parcel(s) outside of the original CRA boundaries will be deemed to be within the CRA.

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 3469-2018 created the Kenny and Henderson 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 Kenny and Henderson CRA, created in 2018, must be updated to reflect the 2022 changes made by Council to Chapter 4565 of the City's Code per Ordinance 1843-2022;

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

Section 1. Council finds and determines that the area within the Kenny and Henderson 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 Kenny and Henderson CRA is in the City's best interest and will incentivize the construction or remodeling of affordable housing within this area designation. Hereafter, additions of new language to prior legislation are underlined, and deletions are marked as stricken.

Section 2. That Section 2 of Ordinance 3469-2018 is hereby amended with additional language underlined and deletions marked as stricken, which shall hereafter read as follows:

That pursuant to ORC Section 3735.66, the Kenny and Henderson Community Reinvestment Area boundary is hereby established in the following described area:

North Bounded by Weybridge Road from Winterset Drive to Kenny Road; following Kenny Road to Bethel Road and then Bethel Road to the CSX railroad tracks.

South Old Henderson Road from the CSX railroad tracks to Winterset Drive.

East The CSX railroad tracks from Bethel Road to Old Henderson Road.

West Bounded by Winterset Drive from Old Henderson Road to Weybridge 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. In the event that an owner of a parcel within the Community Reinvestment Area combines a parcel within the Community Reinvestment Area with an adjoining parcel(s) outside the Community Reinvestment Area, the resultant combined parcel shall be deemed to be within the Community Reinvestment Area only if: (1) the parcel that was within the Community Reinvestment Area prior to the parcel combination constitutes at least fifty percent of the total parcel area of the combined parcel; (2) the parcels were combined into the parcel number listed in Exhibit C to be included in the Community Reinvestment Area; and (3) the parcel(s) that were combined with the parcel inside of the Community Reinvestment Area are all contiguous

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with and adjacent to the parcel within the Community Reinvestment Area.

~~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~~. Only properties that are residentially zoned pursuant to Columbus City Codes, or are located on a parcel for which a variance permitting residential use has been granted, are 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 Section 3 of Ordinance 3469-2018 is hereby amended with additional language underlined and deletions marked as stricken, which shall hereafter read as follows:

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, 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 involving the remodeling of a ~~dwelling~~ structure 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 for Affordable Housing Units (as defined in Columbus City Code ("CCC") Section 4565.02) in areas designated ~~Ready for Opportunity Areas,~~ Ready for Revitalization Areas~~,~~ or Market Ready Areas, subject to and contingent upon the owner of the structure and the City entering into a written agreement as described in CCC Section 4565.07, or 4565.08, prior to the commencement of construction or within an extended time-frame thereafter subject to the approval of the Development Director. The abatement is revocable upon the first owner transferring title to the structure to a third party following the first owner's initial occupancy.
- One hundred percent (100%) for fifteen (15) years in areas designated Ready for Opportunity.

(b) For a Development Project involving the 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 Columbus City Code ("CCC") Section 4565.02~~(A)~~) in areas designated Ready for Revitalization Areas and Market Ready Areas, ~~revocable upon transfer of title to the dwelling by the owner~~ subject to and contingent upon the owner of the structure and the City entering into a written agreement as described in CCC Section 4565.07, or 4565.08, prior to the commencement of construction or within an extended time-frame thereafter subject to the approval of the Development Director. The abatement is revocable upon the first owner transferring title to the structure to a third party following the first owner's initial occupancy.

(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 Opportunity Areas, Ready for

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Revitalization Areas and Market Ready Areas, subject to and contingent upon the owner of the ~~dwelling~~ structure and the City entering into a written agreement as described in CCC Section 4565.07, or 4565.08, or 4565.09 prior to the commencement of construction or within an extended time-frame thereafter subject to the approval of the Development Director.

Designation of the Kenny and Henderson 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 CCC 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 herein.

~~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.~~

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.

The tax exemption provided hereunder is senior to any tax exemption provided pursuant to ORC Sections 5709.40 or 5709.41.

Section 4. That transition to the amendments in Section 3 above are effective when all necessary building permits have been issued on or prior to August 31, 2023, or when the Development Project has closed on all project construction financing and obtained at least 50% of the project's building permit by August 31, 2023.

Section 5. All other provisions of Ordinance Number 3469-2018 regarding the Kenny and Henderson CRA remain effective as adopted prior to this ordinance.

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

Section 8. 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 9. 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 10. This 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 11. That this Ordinance shall take effect and be in force from and after the earliest date allowed by law.

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