

## City of Columbus Reviewing the Community Reinvestment Area Developer Incentives

Community Reinvestment Areas are designated portions of municipalities where property owners can receive tax incentives for investing in real property improvements. The CRA program was created by the Ohio General Assembly as a direct incentive property tax exemption program. The CRA program permits municipalities to designate areas, where investment has been discouraged, as CRA to encourage revitalization of existing housing stock and the construction of new structures.

The City of Columbus has created 24 CRA and has three classifications of CRA type:

1. Market Ready
2. Ready for Revitalization
3. Ready for Opportunity

Each CRA category has unique requirements for developers to qualify for real property tax exemptions. Creation of affordable housing is part of the qualifying criteria.

The City of Columbus proposed changes. Some of the changes could limit future development of multi-family housing in some of the CRA.

CAA is working with the Building Industry Association, the Columbus realtors and a group of locally based developers to amend the proposed changes to all of additional multi-family development and meet the city policy goal of increasing affordable housing production.

Initially, the city wanted to amend the current CRA program by the end of 2021. After many meetings with the city the adoption date target is now February 2022. Additional community input will be collected through public hearings.

CAA is optimistic that final changes will meet the city goal of more affordable housing production and the developer's need for tax exemption to allow more multi-family development in high-cost areas.