

CHAPTER 158: COMMUNITY REINVESTMENT AREA

(Ordinance 2025-23. Passed 12/3/2025)

Article 1: General Provisions

- 158.101 *Purpose*
- 158.102 *Establishment.*
- 158.103 *Housing Survey, Map, and Boundaries*
- 158.104 *Housing Officer.*
- 158.105 *Housing Council.*
- 158.106 *Negotiation Committee*
- 158.107 *Eligibility for Abatement*

Article 2: Residential Abatement

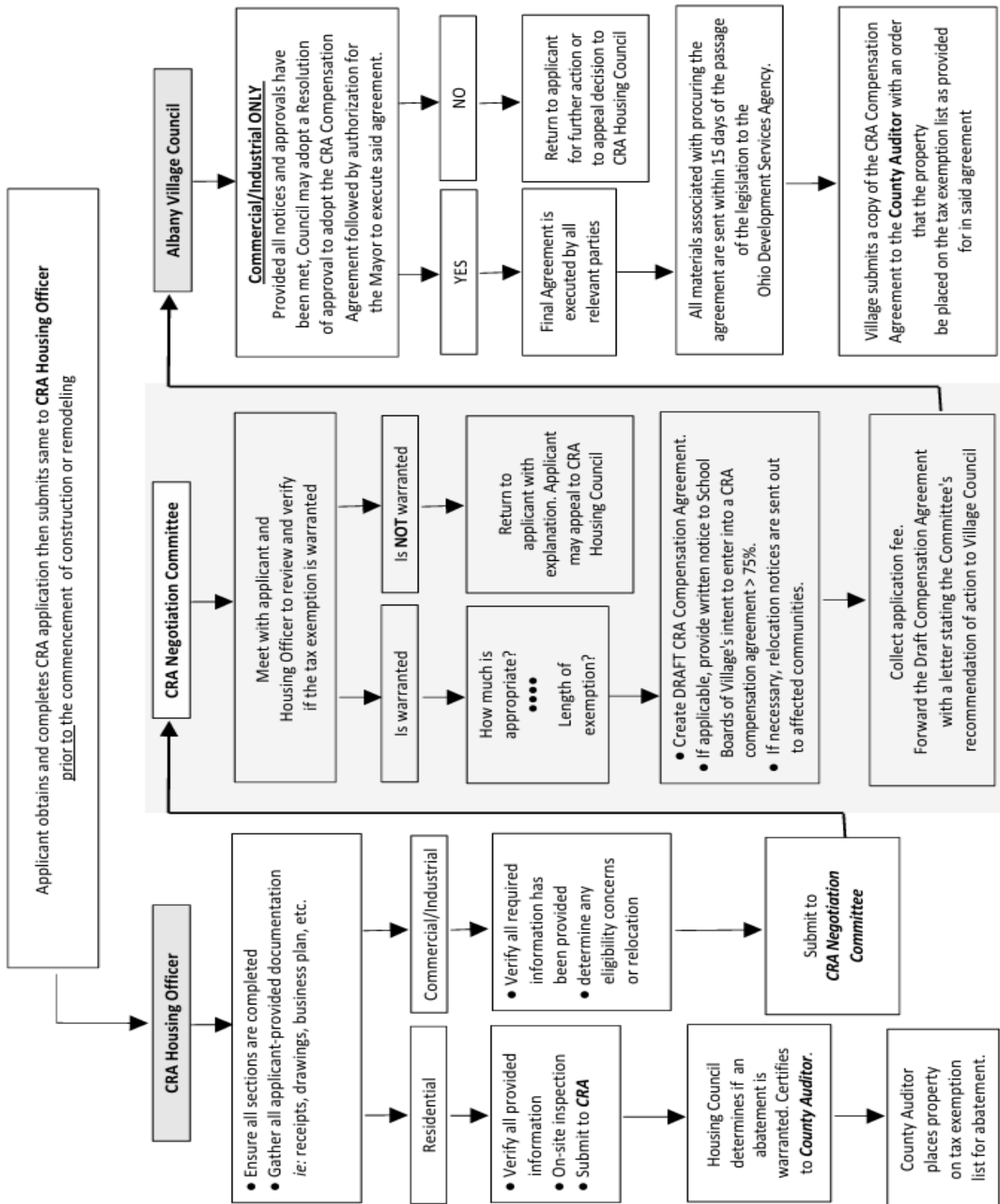
- 158.201 *General Provisions*
- 158.202 *Qualifications*
- 158.203 *General Conditions*
- 158.204 *Rates and Terms of Abatement*
- 158.205 *Application*
- 158.206 *Application Fee*
- 158.207 *Certification of Application*
- 158.208 *Notification of County Auditor*
- 158.209 *Abatement Commences*

Article 3: Commercial-Industrial Abatement

- 158.301 *General Provisions*
- 158.302 *Rates and Terms of Abatement*
- 158.303 *Application*
- 158.304 *School Board Notice*
- 158.305 *Application Fee*
- 158.306 *Negotiation Committee Action*
- 158.307 *Village Council Action*
- 158.308 *Compensation Agreement Execution*
- 158.309 *Appeal*
- 158.310 *Construction*
- 158.311 *Post Award*

CROSS REFERENCES;

Ohio Revised Code Sections 3735.65-70



ARTICLE 1: GENERAL PROVISIONS

§ 158.101 PURPOSE.

- (A) The Community Reinvestment Area (CRA) program, in which property owners may receive tax incentives ("abatements") for investing in real property improvements, is an economic development tool administered by the Village of Albany to encourage revitalization of the existing housing stock and the development of new structures, including commercial and industrial as follows;
- 1) The Residential CRA is designed to spur housing development and rejuvenate existing housing stock within the Village by supporting the development of new single-family homes, multi-family investor-owned properties, and the rehabilitation of existing single and multi-family housing.
 - 2) The Commercial-Industrial CRA is designed to induce economic activity and job growth through commercial and industrial development that aligns with the Village's Comprehensive Plan for projects that would not have otherwise occurred in the absence of the incentive.
- (B) The CRA program is delineated into two distinct categories; those created prior to July 1994 ("pre-1994") and those created after state law changes went into effect after July 1994.

§ 158.102 ESTABLISHMENT.

- (A) The Albany Community Reinvestment Area is established pursuant to Ohio R.C. 3735.65 to 3735.70 to assist and encourage development in areas within the Village in which the Council wishes to encourage new construction or rehabilitation.
- (B) In accordance with all policies and structures set forth in the Ohio Revised Code, the Village shall consider CRA tax incentives for new construction or rehabilitation of housing developments that provide low density housing to assist and encourage community development and, with terms to be negotiated on a case-by-case basis, CRA tax incentives for new construction or rehabilitation of commercial or industrial properties that lead directly to job creation and/or retention within a designated CRA area.
- (C) The Athens County Auditor shall determine whether an improvement will increase property tax value and shall determine the extent of such increase.

§ 158.103 HOUSING SURVEY, MAP AND BOUNDARIES.

- (A) Pursuant to Ohio R.C. 3735.66, a survey of housing shall be prepared for the area to be included in the Albany Community Reinvestment Area. *(Said survey shall be available in the office of the Mayor)*
- (B) A Community Reinvestment Area Map, *(attached to the authorizing ordinance as "Exhibit B" and available in the office of the Mayor)* together with all explanatory matter thereon, shall be adopted as part of this chapter, and shall be identified by the signature of the Mayor, attested by the Fiscal Officer, and bear the official seal of the Mayor.
- (C) The Albany Community Reinvestment Area boundary shall include all areas which are located within the Village of Albany Corporation Limits as depicted in the outlined area on the CRA Area map.
- (D) A copy of the housing survey and area map shall be on file in the office of the Mayor.

§ 158.104 HOUSING OFFICER.

- (A) Pursuant to Ohio R.C. 3735.66, there is hereby created a CRA Housing Officer (the "Housing Officer"). The Albany Village Administrator is designated as the CRA Housing Officer and shall administer and implement all provisions of this Chapter.
- (B) The Housing Officer shall verify all facts asserted in any application for tax abatement and shall also verify construction or remodeling for which abatement is sought and determine whether the construction or the cost of the remodeling meets the requirements for an abatement under this chapter and Ohio R.C. 3735.67.

§ 158.105 HOUSING COUNCIL.

- (A) Pursuant to Ohio R.C. 3735.69(A), a Community Reinvestment Area Housing Council (the "Housing Council") shall be created which shall consist of seven (7) members who shall receive no compensation and who shall be appointed as follows:
- (1) The Mayor shall appoint two (2) members;
 - (2) The Village Council shall appoint two (2) members;
 - (3) The Albany Planning Commission shall appoint one (1) member;
 - (4) The majority of the members appointed pursuant to subsections (B)(1-3) shall then appoint two (2) additional members.
- (B) Terms of the members of the Housing Council shall be for three (3) years. An unexpired term resulting from a vacancy in the Housing Council shall be filled in the same manner as the initial appointment was made.
- (C) The Housing Council shall:
- (1) Review each Residential CRA application and determine if an abatement is warranted.
 - (2) Conduct an annual inspection of all properties within the district for which an abatement has been granted under Ohio R.C. 3735.69(A)(3).
 - (3) submit to the director of development on or before the thirty-first (31st) day of March each year a status report summarizing the activities and projects for which an abatement has been granted in that CRA area pursuant to Ohio R.C. 3735.69(B)
 - (4) hear appeals under Ohio R.C. 3735.70.

§ 158.106 NEGOTIATION COMMITTEE.

- (A) There is hereby created a CRA Negotiation Committee (the "Negotiation Committee") which shall consist of five (5) members who shall receive no compensation and who shall be appointed as follows:
- The Mayor of Albany
 - A representative of the Albany Planning Commission
 - Two (2) Albany Village Council members
 - A representative of the County Auditor's office
- (B) The Negotiation Committee shall review each Commercial-Industrial CRA application when submitted and meet with representatives of the entity requesting the abatement for further action.

§ 158.107 ELIGIBILITY FOR ABATEMENT.

- (A) Residential, commercial and/or industrial properties consistent with applicable zoning regulations within the Village of Albany Community Reinvestment Area shall be eligible for abatement hereunder.
- (B) The Village may determine whether all or any combination of project types - residential, commercial and industrial as eligible. This provisions of this chapter constitute a public/private partnership intended to promote and expand conforming uses in the designated areas.
- (C) Within the Community Reinvestment Area, the construction of new structures and the remodeling of existing structures are hereby declared to be a public purpose for which abatement from real property taxation may be granted as provided and authorized in Ohio R.C. 3735.67.
- (D) Should remodeling qualify for an abatement, during the period of the abatement, the exempted percentage of the dollar amount of the increase in market value of the structure shall be exempt from real property taxation.

ARTICLE 2: RESIDENTIAL ABATEMENT

§ 158.201 GENERAL PROVISIONS.

- (A) As used in this section, Residential properties shall be defined as any structure or structures containing not more than three (3) housing units exclusively used for residential purposes.
- (B) Tax abatements are contingent upon investments in real property. Should a property owner not be making real property improvements, there will be no increased value to abate and therefore the project will not be eligible for this program.
- (C) Upon certification thereof by the Housing Council, a tax abatement may be granted for a specific amount and specific number of years on the increase in assessed valuation resulting from new home construction or significant renovations of an existing structure.
- (C) Nothing in this chapter shall exempt any individual from the obligation to notify the county auditor regarding construction of any building or improvement exceeding two thousand dollars in cost on any lot or land within the Village, whether such construction is completed or ongoing.
 - **Reference:** Duty to notify county auditor of improvement. ORC Section 5713.17

§ 158.202 QUALIFICATIONS.

- (A) To encourage permanent residency within the Village, the Residential CRA Program shall only be made available to housing that is owner-occupied or certified by the owner as a long-term (6+ month) rental.
- (B) Only single-family homes and multi-family structures with not more than three (3) housing units may qualify for a Residential CRA Abatement.
 - a. Larger, four (4) or more unit, multi-family structures and units built for the purpose of being a short-term rental, such as Airbnb, VRBO, etc. shall not be eligible for a Residential CRA Abatement. These projects shall be considered commercial and shall be directed to the Commercial-Industrial CRA Abatement program.
- (C) Additional Requirements;
 - The property must be located within the corporate limits of the Village.
 - The applicant must be the owner of the property for which they are applying for the exemption.
 - Property taxes and assessments must be current.
 - Properties must comply with all zoning and subdivision regulations and deed restrictions, if applicable.
 - Projects must obtain the appropriate permits, inspections and occupancy approvals.
 - Applicants must submit the application as provided for in Section 158.205 of this chapter.

§ 158.203 GENERAL CONDITIONS.

- (A) Abatement terms shall commence upon the first applicable assessment by the Athens County Auditor.
- (B) Any abatement shall apply only to the project as listed in the application; any additional improvements not specified shall be taxed without abatement during this period.
- (C) A parcel shall only have one active abatement at a time.
- (D) Should an abated property be sold during the abatement period, the new owner shall continue to benefit from the abatement provided all terms and conditions are maintained by the new owner.
- (E) Properties shall remain current on property taxes throughout the abatement period. Failure to do so shall result in immediate revocation of the abatement.
- (F) Annual reviews shall be made by the Village, including property inspections, to ensure compliance.

§ 158.204 RATES AND TERMS OF ABATEMENT.

(A) Upon application by the property owner and certification thereof by the Housing Council, any qualifying residential structure may be granted a tax exemption on the **first \$265,000** of the increase in assessed valuation resulting from improvements as provided in ORC Section 3765.67. Improvements valued over \$265,000 shall be fully taxed.

(B) The following abatement terms shall apply for a Residential abatement;

<u>Single Family Residential</u> (contains not more than one (1) housing unit)	Minimum cost of improvement	Length (years)	Abatement Level
Remodel (<i>primary structure</i>)	\$50,000	10 years	75%
New Construction (<i>primary structure</i>)	\$150,000	10 years	75%
Accessory structure (<i>located on same lot as primary structure</i>) remodel or new construction	\$25,000	5 years	50%

<u>Multi-Family Residential</u> (contains at least two (2) but not more than three (3) housing units)	Minimum cost of improvement	Length (years)	Abatement Level
Remodel - Significant renovations	\$50,000	8 years	50%
New Construction	\$200,000	10 years	75%

(C) If any part of the new structure or remodeled structure that would be exempted is of real property to be used for commercial or industrial purposes as provided in ORC Section 3735.67(A), the applicant shall be directed to the Commercial/Industrial CRA Program.

§ 158.205 APPLICATION.

(A) Prior to making application, owners or builders shall review eligibility, qualifications, and abatement terms to ensure compliance with the residential abatement program and their responsibilities.

(B) Application shall be made on a form provided by the Village.

- The Albany Residential CRA application may be downloaded online from the Albany Village website CRA page; <https://albanyoh.org/CRA>.

(C) Upon completion, the application shall be submitted to the CRA Housing Officer in person at the Albany Village Hall, 5153 Alton Street, Albany, Ohio 45710.

(D) Applications shall be submitted prior to the commencement of a residential construction project, but no later than six (6) months following its start. Retroactive exemptions shall not be granted for any period preceding certification of an application.

§ 158.206 APPLICATION FEE.

The Housing Officer shall not verify any application to the Housing Council until the application fee of two hundred fifty dollar (\$250) has been paid in full.

§ 158.207 CERTIFICATION OF APPLICATION

- (A) The CRA Housing Officer shall;
- a. Verify that the application is complete and that all required documentation is attached;
 - b. Conduct an on-site visit of the property;
 - c. Forward all documents to the Housing Council with a recommendation for further action.
- (B) The Housing Council shall;
- a. Determine if an abatement is warranted;
 - b. Notify the applicant of the status of the application as follows;
 - **Approval** shall mean, as described in the application, that the project will qualify for a residential abatement.
 - **Denial** shall mean, as described in the application, that the project will not qualify for a residential abatement. An application may be denied for multiple reasons, including:
 - The improvements specified in the application will not increase the real property value.
 - The improvements will not be permanent.
 - The applicant did not commit (certify) to the property being owner occupied or used as a long-term rental (6+ month lease).
 - c. Certify the application, if approved, therefore authorizing the abatement.

§ 158.208 NOTIFICATION OF COUNTY AUDITOR.

- (A) Upon certification of an application by the Housing Council the Village shall notify the County Auditor within ten (10) business days to ensure accurate tracking of new construction or exemptions on the tax roll.

§ 158.209 ABATEMENT COMMENCES.

- (A) An abatement shall only be applied once the residential project is complete.
- (B) Following completion of the new construction or significant renovations of a residential structure and reassessment by the County Auditor, the abatement terms shall commence.
- The property owner may see an increase in their property taxes reflecting the value of the under-construction structure.
- (C) Provided the property remains in compliance with the abatement terms, it shall continue to receive the abatement for the period specified, after which, the property shall be subject to its full, unabated property tax bill.
- (D) The Housing Council shall conduct an annual inspection of the property for which an exemption has been granted as provided in ORC Section 3735.68.
- (E) Should it be determined that the property has not been properly maintained or repaired due to the neglect of the owner, or if the property is found to be in violation of any provisions of the CRA agreement, the Housing Officer shall revoke the exemption at any time after the first year of exemption.

ARTICLE 3: COMMERCIAL-INDUSTRIAL ABATEMENT

§ 158.301 GENERAL PROVISIONS.

- (A) As used in this chapter, Commercial-Industrial properties shall be defined as;
- 1) any structure or structures used primarily for commercial or industrial purposes;
 - 2) any structure or structures composed of four (4) or more units and used for residential purposes;
 - 3) any mixed-use structure or structures to be used primarily for commercial or industrial purposes with a secondary residential use.
- (B) Within the Community Reinvestment Area, the percentage of the tax exemption on the increase in the assessed valuation resulting from improvements to commercial and industrial real property and the term of those exemptions shall be negotiated on a case-by-case basis in advance of construction or remodeling occurring as provided in ORC Section 3735.67.
- (C) The results of the negotiations will be set in writing in a Community Reinvestment Area Compensation Agreement pursuant to ORC Section 3735.671.
- 1) Projects that create and/or retain jobs, pay at-market or above-market wages, make substantial capital investments, have a demonstrated ability to undertake the project, include energy efficient design principals, and have a history of adherence to previous incentives shall have the strongest opportunity to receive an abatement.
 - 2) Not every applicant will receive a CRA tax exemption. Any abatement is contingent upon investments in real property. If a company fails to make real property improvements, there will be no increased real property value to abate and therefore the project will not be eligible for an abatement.

§ 158.302 RATES AND TERMS OF ABATEMENT.

- (A) Terms and exemption percentages for any commercial-industrial project shall not exceed the following;

Type of Development	Term	Abatement Level
Remodeling Industrial/Commercial	Up to 12 years	Up to 75%
New Construction of Industrial/Commercial	Up to 15 years	Up to 75%

REFERENCE: ORC Section 3735.67(D)(1)

§ 158.303 APPLICATION.

- (A) Application shall be made on a form provided by the Village.
- The Albany Commercial-Industrial CRA application may be downloaded online from the Albany Village website CRA page; <https://albanyoh.org/CRA>.
- (B) Submission. Upon completion of a CRA Commercial-Industrial application, the original copy of the application shall be submitted to the CRA Negotiation Committee, through the office of the CRA Housing Officer, at Albany Village Hall, 5153 Alton Street, Albany, Ohio 45710.
- (C) Required Documents. The completed application shall include all required documentation to assist the committee with their evaluation of the business's eligibility, identify potential project issues, and to ensure the applicant understands the program and process.
- To ensure compliance with Ohio's Public Records law, ORC Section 149.43, all application materials are public records unless otherwise exempt under Ohio law. Proprietary or trade secret information must be clearly marked and will be evaluated in accordance with applicable statutes.
- (D) Review. The Negotiation Committee shall review each application and meet with representatives of the company requesting the abatement within thirty (30) days of submission to determine further action. At any time during negotiations with a company, the committee may;

- (1) correspond directly with an applicant via email, phone, or in-person,
 - (2) call in others, such as the ACEDC Director, for assistance with determining any issues that may arise.
 - (3) Negotiate a Payment-in- Lieu-of-Taxes (PILOT) agreement for the impacted school districts.
- (E) Additional Provisions. The Negotiation Committee shall also determine if any of the following apply;
- (1) there are any relocation related issues. Relocation notices, if applicable, shall be served to the legislative authority of any subdivision from which the company intends to relocate from accompanied by a copy of the CRA Compensation Agreement and reason for the relocation pursuant to ORC Section 3735.673.
 - (2) there are any eligibility concerns.
 - (3) whether a tax exemption is appropriate for the proposed project based on the quantitative (amount of investment, total units, job creation, etc.) and qualitative (catalytic impact of project, industry, proximity to commercial districts, etc.) factors.

§ 158.304 SCHOOL BOARD NOTICES.

- (A) The Alexander Local School District and Tri-County Career Center Boards of Education shall be provided notice in accordance with ORC Section 3735.671(A)(1) (September 30, 2025 version) any time the Village intends to enter into a CRA Compensation Agreement.
- (B) For the purpose of obtaining school board approval, the legislative authority shall certify a copy of the agreement to the board of education not later than forty-five (45) business days prior to approval.
- (C) School Payment Agreement contracts, if required, shall be executed prior to the execution of a CRA Compensation Agreement between the Village and the applicant.

§ 158.305 APPLICATION FEE.

- (A) Provided the application is determined to be eligible for abatement, the property owner or developer shall be required to pay an application fee equivalent to one tenth of one percent of the total projected development cost to offset the cost incurred by the Village to administer the agreement.
- (B) Said fee shall be payable by cash or check to the Village of Albany, 5153 Alton Street, Albany, Ohio 45710.
- (C) The application shall not proceed to the Final Compensation Agreement stage until all fees are paid.

§ 158.306 NEGOTIATION COMMITTEE ACTION.

- (A) Following a thorough review of the application and completion of all provisions of Sections 158.303 and 158.304 and if the application is thereby determined to be appropriate and therefore eligible for abatement, a Draft CRA Compensation Agreement between the Village and the applicant shall be created by the Negotiation Committee
- (B) The Draft Compensation Agreement shall be created pursuant to ORC Section 3735.671(A) and shall set forth the Rates, Terms, and other special conditions, if any.
- (C) The committee shall submit the Draft Compensation Agreement to Albany Village Council and shall communicate by letter their recommendations to Council that an incentive is appropriate and therefore eligible, and if so, to what level, or that the incentive is not appropriate and therefore not eligible for abatement.

§ 158.307 VILLAGE COUNCIL ACTION.

Provided a recommendation is conveyed from the Negotiation Committee and, if applicable, both school boards notification requirements are satisfied, the Albany Village Council may adopt a resolution, by a majority of its members elected or appointed, entering into the CRA Compensation Agreement and tax exemption as presented, or with added conditions, if any, table the motion for further action, or deny the motion.

§ 158.308 COMPENSATION AGREEMENT EXECUTION.

The CRA Compensation Agreement shall be executed by the Village of Albany. The Agreement and all related materials shall be sent to the Ohio Department of Development and to the Athens County Auditor for final processing.

§ 158.309 APPEAL.

Any person aggrieved under sections 3735.65 to 3735.69 of the Revised Code may appeal to the community reinvestment area housing council, which shall have the authority to overrule any decision of a housing officer. Appeals may be taken from a decision of the council to the court of common pleas of the county where the area is located.

REFERENCE: ORC Section 3735.70

§ 158.310 CONSTRUCTION.

The applicant shall not begin construction prior to adoption, by Village Council, of the CRA Compensation Agreement. Any exemption for improvements made prior to adoption of the agreement shall be rendered void. Retroactive exemptions shall not be granted for any period preceding adoption unless otherwise provided for in the agreement.

§ 158.311 POST AWARD.

- (A) Abatement will commence upon initial assessment by the Athens County Auditor. If the property owner elects to sell or transfer the property during the term of the agreement, approval to retain the abatement must be granted in writing by the Albany Village Council and if approved, the new owner shall continue to receive the abatement under the same terms provided by the original CRA Compensation Agreement.
- (B) Properties abated under the provisions of this chapter must remain current on property taxes, project commitments, school payments (if required), and also shall comply with applicable regulations throughout the abatement period. Recipients will be required to submit annual performance reviews to the Tax Incentive Review Council (TIRC) and authorize property inspections to ensure compliance.