

TEMPORARY RESOLUTION NO. 99-25

PERMANENT RESOLUTION NO. _____

A RESOLUTION TO AMEND "COMMUNITY REINVESTMENT AREA 3" (CRA-3) AS ENACTED PUSUANT TO PERMANENT RESOLUTION NO. 71-19, AND AS PREVIOUSLY AMENDED BY PERMANENT RESOLUTION 59-23 AND TO DECLARE AN EMERGENCY

WHEREAS, the General Assembly of the State of Ohio, by the enactment of Ohio Revised Code Sections 3735.65 et. Seq. (the "Community Reinvestment Area Program"), has heretofore authorized municipal corporations to designate Community Reinvestment Areas within the State in order to provide incentives for new residential, commercial, or industrial development and/or rehabilitation in such areas, by making available property tax exemption for such new development or rehabilitation; and

WHEREAS, pursuant to the Community Reinvestment Area Program, this Council on June 10, 2019, passed Permanent Resolution No. 71-19 (the "First CRA Resolution"), in which it approved the designation of the geographic area described in the First CRA Resolution and found that the construction of new structures in areas located within the City, as described and depicted in the First CRA Resolution and known as CRA #3 would serve to encourage economic stability, maintain real property values, and generate new employment opportunities within CRA #3 and the City as a whole; and

WHEREAS, this Council amended the Original CRA Resolution on June 12, 2023, by passing Permanent Resolution No. 59-23 (the "Second CRA Resolution" and together with the "First CRA Resolution, the "Existing CRA Legislation"), which Second CRA Resolution expanded the boundaries to include the entire geographic area of the City at the time of its passage and modified the terms and tax exemptions of CRA #3; and

WHEREAS, by that certain Amended Designation letter from the Ohio Department of Development (the "ODOD"), dated effective July 24, 2023, the ODOD recognized the amended boundaries of CRA #3 and assigned CRA #3 the Area No. 045-41720-03; and

WHEREAS, certain real property identified in Exhibit A attached hereto has been annexed by the City (the "Additional Property"), and the City now desires to amend CRA #3 to include the Additional Property and to condition tax abatements granted to the Additional Property pursuant to CRA #3 on the applicable owners(s) adding the property in question to the Lancaster New Community Authority (as defined below); and

WHEREAS, the Planning & Zoning Department has performed an updated housing study for the Community Reinvestment Area #3; now, therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF LANCASTER, STATE OF OHIO:

SECTION 1. For the purposes of fulfilling the requirements set forth under ORC Sections 3735.65 to 3735.70, this Council adopts the findings of the Housing Survey on file with the Clerk of Council and attached hereto as Exhibit B that Community Reinvestment Area #3 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. The findings of the Housing Survey are hereby incorporated into this ordinance.

SECTION 2. The boundaries of CRA #3 are hereby amended to expand the CRA #3 to include the Additional Property depicted in Exhibit A attached hereto. This Council hereby finds that the area included within CRA #3 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.

SECTION 3. That Section 4 of the First CRA Resolution, as previously amended by Section 3 of the Second CRA Resolution, shall hereby be amended to include the following paragraph (c) appearing immediately after paragraph (b):

“(c) Notwithstanding anything herein to the contrary, property owners shall not be eligible to claim an exemption for any structure pursuant to CRA #3 unless: (1) they have added their property to the Lancaster New Community Authority; (2) they have agreed to add their property to the Lancaster New Community Authority in a signed writing, which signed writing shall take a form prescribed by the Housing Officer; or (3) the Mayor has negotiated a separate agreement with the owner of the subject property in lieu of such property being added to the Lancaster New Community Authority, which separate agreement will be evidenced by a signed writing.”

SECTION 4. Except as amended hereby, the Existing CRA Legislation shall remain in full force and effect.

SECTION 5. That this Council further hereby authorizes and directs the Mayor, the Economic Development Director, the City Clerk, the Director of Law, the Auditor, the Housing Officer, or other appropriate officers of the City to prepare and sign all agreements and instruments, to publish or deliver all required notices, submit all required petitions, and take any other actions as may be appropriate to implement this Resolution. All previous actions taken by such officers are hereby ratified.

SECTION 6. This Council finds and determines that all formal actions of this Council and any of its committees concerning and relating to the passage of this resolution were taken in an open meeting of this Council or its committees, and that all deliberations of this Council and any of its committees that resulted in those formal actions were in meetings open to the public, all in compliance with the law including ORC Section 121.22.

SECTION 7. That this resolution is hereby declared to be an emergency measure necessary for the immediate preservation of the public peace, safety, and welfare of the City and for the further reason that this Resolution must be enacted for the benefit of economic development and to alleviate the severe housing shortage the City is currently experiencing; wherefore, this resolution shall take effect and be in force immediately upon its adoption and approval by the Mayor.

Passed: _____ after _____ reading(s). Vote: Yeas ___ Nays ___

Approved: _____

President of Council

Attest: _____

Mayor

The foregoing is a true and correct copy of Resolution _____ - _____ as adopted by the Council of the City of Lancaster, Ohio at its meeting on _____, 2025.

Offered by: _____

Second by: _____

Requested by Economic Development Committee

I, Anitra Scott, Clerk of Council, do hereby certify that on _____, 2025, and _____, 2025, in the Lancaster Eagle Gazette published the summary of this Resolution in accordance with Ohio Revised Code Section 731.24.

Clerk of Council

CERTIFICATION

I, Anitra Scott, Notary and Clerk of Council, hereby certify this to be a true and correct copy of the original legislation passed by Lancaster City Council at their meeting held on _____, 2025.

Clerk of Council

LANCASTER, OHIO

CRA #3 Amendment – Housing Survey

The City of Lancaster (“City”), county seat of Fairfield County, consists of 18.9 square miles and has a population of 40,552.¹ According to the U.S. Census Bureau’s 2017-2021 American Community Survey 5-Year Estimates, the City’s housing stock includes approximately 16,500 households with a median gross rent of \$887 and an owner-occupied median home value of \$141,300.²

The City has experienced a shortage of affordable housing options for several years now, so in 2019, a third Community Reinvestment Area (“CRA”) overlay for multi-family residential housing was added covering approximately 1,700 acres of land. The intent of the CRA #3 was to encourage new multi-family projects. While there are a number of parcels around the city that are zoned for multi-family and ready for development, there has been little to no such investment in the last several years.

In February 2023, the City of Lancaster Planning & Zoning Department conducted a housing survey and found that many of the sites currently available for larger scale multi-family projects are outside of the original CRA #3 area. Feedback from potential developers has consistently stated that multi-family development is very cost prohibitive without tax incentives due to inflated construction costs and high interest rates.

Much of Lancaster’s multi-family housing inventory was built over 20 years ago and recent estimates indicate occupancy rates of 96% or higher. The pictures included in the following pages provide examples of the current state of many multi-family housing developments within the city limits of Lancaster. (Exhibit B).

The proposed expansion of the CRA #3 would cover the entire 18.9 square miles of land within the City limits. (Exhibit A). The intent was to make the CRA #3 boundaries coterminous with the City limits. The purpose of the amendment to the CRA #3 is to further incentivize multi-family residential development in the form of duplexes, triplexes, and large-scale multi-family projects.

In 2024 and 2025, a developer purchased and annexed approximately 50 acres into the City with the intent to use the CRA #3 via an affordability component and build additional multi-family residential housing. Since that annexation changed the City’s corporate boundary, CRA #3 must now be amended to include the newly annexed territory.

¹ U.S. Census Bureau, 2020 Census of Population and Housing

² Source: U. S. Census Bureau, 2017-2021 ACS 5-year estimates

Exhibit B

LANCASTER, OHIO

The following are examples of typical housing stock of the City which are older and need renovation.



1539 Monmouth St., Lancaster, Ohio 43130 – Built 1979



1551 Monmouth St., Lancaster, Ohio 43130 – Built 1979



1901 Independence Blvd., Lancaster, Ohio 43130 – Built 1990



1400 Fuller Ct., Lancaster, Ohio 43130 – Built 2001



180 Sells Rd., Lancaster, Ohio 43130 – Built 1977