



TAX ABATEMENT PROGRAM OVERVIEW

Please refer to the CRA map at ci.lancaster.oh.us/623/Tax-Abatement-Program to determine whether the subject property is located within one of the CRA overlay districts.

RESIDENTIAL RENOVATIONS (CRA-1 & CRA-2)

- Applies to dwellings that contain no more than two units
- 10-year exemption and maximum 100% abatement for renovation of an existing dwelling where the cost of renovation is at least 50% of the current value of the structure (excluding the land)
- New residential construction is not eligible

MULTI-FAMILY RESIDENTIAL (CRA-3)

- Applies to dwellings that contain three or more units
- A maximum 15-year exemption and a maximum of 100% abatement for new multi-family construction that contains three or more dwelling units with an element of affordability

COMMERCIAL (CRA-1 & CRA-2)

- 12-year exemption and 100% abatement for renovation of a commercial building where the cost of renovation is at least 50% of the current value of the structure (excluding the land)
- 12-year exemption and 100% abatement for a new commercial structure where the cost of the structure (excluding the land) is at least \$250,000

INDUSTRIAL (CRA-1 & CRA-2)

- 15-year exemption and 100% abatement for renovation of an industrial structure where the cost of renovation is at least 10% of the current value of the structure (excluding the land)
- 15-year exemption and 100% abatement for a new industrial structure where the cost of the structure (excluding the land) is at least \$250,000

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TAX ABATEMENT PROCESS



STEP 1 | PRE-APPLICATION

- Schedule pre-application meeting with City staff
 - Describe proposed work & determine if project meets eligibility requirements
- Develop site plan (needed for zoning review, building permit, and tax abatement)
- Additional fees
 - Work with City staff to determine additional fees that may apply to project including but not limited to:
 - Sewer capacity & inspection fee
 - Water capacity fee
 - Tap installation fees
 - Fire impact fees
 - Public sites & Open Spaces (Residential developments)

STEP 2 | APPLICATION

- Apply for tax abatement pre-approval
 - Attach the following items to tax abatement application form:
 - Site plan drawn to scale
 - Elevation drawings with color detail
 - Cost estimates for all proposed work
 - Approved Certificate of Appropriateness if project is located within the Historic District
 - Mayor review & pre-approval (only for new multi-family residential projects)
- Apply for zoning clearance
- Apply for building permit

STEP 3 | CONSTRUCTION

- Proceed with construction once all permits and approvals have been obtained
 - Track expenses (used to calculate total amount eligible for abatement)
 - Keep receipts
 - List any work that is done & who was paid for it

STEP 4 | CERTIFICATION

- Provide proof of costs & copy of final certificate of occupancy. Complete the certification portion of the tax abatement form
 - Housing Officer will verify for accuracy & send to Fairfield County Auditor
- Keep property in good standing
 - Inspections are conducted annually by the Housing Officer
 - Failure to maintain may result in defaulting on the abatement

Certification should be completed ASAP following project completion to maximize potential tax exemptions. Late applications will result in decreased benefit as abatements do not relate back to prior tax years.

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