What is a Community Reinvestment Area (CRA)?

The Ohio Community Reinvestment Area (CRA) program is an economic development tool administered by municipal and county government that provides real property tax exemptions, commonly known as “tax abatements,” for property owners who renovate existing or construct new buildings. Community Reinvestment Areas are designated geographic areas, identified by the City and approved by the State, in which property owners can receive tax exemptions for investing in real property improvements. Learn more about CRA’s in Ohio on the Ohio Development Services Agency website.

What is the tax benefit of the CRA Program?

Eligibility for tax abatement through the CRA Program is based on the value of the improvement project. For eligible improvement projects, tax abatement applies only on the increase in the assessed property value (as determined by Cuyahoga County and used for purposes of calculating your real estate taxes) that results from construction of the improvement. Below are examples of how this works:

<table>
<thead>
<tr>
<th>Type</th>
<th>Investment</th>
<th>Length of Abatement</th>
<th>Percent of Value Abated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential Remodel—one and two-unit dwellings</td>
<td>Between $2,500 and $25,000</td>
<td>10 years</td>
<td>50%</td>
</tr>
<tr>
<td>Residential Remodel—not more than two-unit dwellings*</td>
<td>Greater than $25,000</td>
<td>15 years</td>
<td>100%</td>
</tr>
<tr>
<td>Residential New Construction—not more than twenty-five-unit dwellings*</td>
<td></td>
<td>15 years</td>
<td>100%</td>
</tr>
<tr>
<td>Commercial Remodel**</td>
<td>Greater than $5,000</td>
<td>Up to 15 years</td>
<td>Up to 100%</td>
</tr>
<tr>
<td>Commercial New Construction**</td>
<td>Up to 15 years</td>
<td></td>
<td>Up to 100%</td>
</tr>
</tbody>
</table>

*Structures used exclusively for residential purposes and composed of twenty-five (25) or fewer units are classified as residential structures.

**The length of the abatement and percent of value abated are negotiated for commercial projects, and only a maximum of fifty percent tax abatement on the
increase in assessed valuation can be provided without approval of the CH-UH School Board.

What type of projects qualify?

Any project that increases the assessed value of the home, as determined by Cuyahoga County, qualifies for the CRA program. Typical projects that can qualify include:

- Additions
- Accessory Buildings (Garages)
- Indoor Fireplaces
- In-ground pools
- Major Rehab Projects
- New Whole House Air Conditioning
- New Decks and Porches (Not Replacements)

**It is important to remember that not all projects raise the assessed value of a home and not all projects qualify for tax abatement.

How do I sign up to receive tax abatement?

Complete the CRA Application and file the application with the Building Department during or just after the qualifying project is complete. The CRA Application is available on the City’s website or at the Building Department.

Once the project is complete and the CRA Application is filed, the Building Department will conduct a final inspection and review the project permits and inspections for completeness.