



**MINUTES  
COMMITTEE MEETING  
LEGISLATION AND CODES  
2/16/2021**

**Roll Call:**

Members present: Daniels (chair), Schaber, Thomas

Meeting called to order at 6:49 PM with a quorum present.

**Minutes:**

Thomas made a motion to approve minutes of 02/01/2021; Schaber 2<sup>nd</sup>. Roll Call: Ayes – Daniels, Schaber, Thomas: Nays -- none

**Minutes approved (3-0)**

**Old Business: None**

**New Business**

**Item 1. Discussion Only (no legislation) -- Housing (Mr. Daniels)**

Mr. Daniels asked Regional Planning for some statistics regarding what the housing market is like, particularly affordable housing. There has not been much new building inside the city limits in quite some time.

Mrs. Warr-Cummins (Regional Planning) cited the Ohio Housing Finance website as a resource (interactive map) to identify the number of affordable to very low-income housing needed for people. Going census tract by census tract, the city was short over 1,000 units (overall) to meet the demand for affordable and available rentals for someone with very low income. It was higher than she expected. The city has a need for housing units of all types and for all different incomes, including market price housing. We have seen a lot of demolitions, but we are not replacing them as they come down. Most of the units that are new are related to renovations downtown in the upper stories. Because we have a shortage, it creates demand and increases price. We need to consider the entire spectrum of housing, but in particular affordable housing for low and very-low income. Some tools to consider would include incentivizing, zoning changes, extending CRA tax abatement period, etc. We need to consider how to do some reinvesting in the housing stock.

Mr. Daniels said that this is only a discussion and he asked for people to openly discuss the housing issue. This might also be a time to discuss things about vacant homes that is being worked on by some. This is the chance to throw that in.

He has identified five categories. There are things about the housing market that we can control include: expand CRA in most distressed areas, revise some of the regulatory hurdles that the city has when it comes to building (some may be redundant), speed up appeals through CPC/BZA (we have made strides and the combination will help quorum being met regularly), material cost, and manual labor.

Very few people entering the building trades anymore. There are three times more doctors in this town than there are licensed plumbers that meet the requirement to legally change a hot water tank. That is a regulatory barrier. That requirement is controlled by the Marion Public Health District. He believes that there are some redundancies there that could help them and the residents. If you can't find a plumber, you can't move forward, it drives construction prices up, and it makes investors less likely to do further development.

Mr. Schneider explained that they have employees at Marion City Schools who can not find housing and end up living in other communities. There are a lot of professionals who work here, but do not live here. Low income people are struggling with finding housing that they can afford that is not sub-standard.

Mrs. Warr-Cummings said that they will probably be discussing housing as a recruitment issue for CANDO. Businesses are growing so much in central Ohio that they anticipate an increase in 1,000,000 jobs. We need to be concerned about having appropriate housing.

Mr. Schaber stated that the city has an issue with small lot sizes. Many of these lots cannot be built on without a variance. Where is there land to build a subdivision?

Mr. Daniels said that when a developer goes through the federal government and gets a tax credit for 15 years, they fall out of the requirement to rent to low-and-moderate income units at the end of that 15 years. So, they are not picking distressed areas to put in new units. They are going into the best areas so that their investment is worth even more than the tax credits. These units end up in Marion Township and/or along 23, like Avalon Lakes and Fox Chase. We will always be competing with Marion Township, Delaware, etc.

Mr. Daniels disclosed that he has built houses and is a builder, however he has not built a house in three years. He cannot justify the expense. He does love housing and he thinks everyone who is working towards a house should get one.

Mr. Thomas asked about some older information that he had that he thought came from Regional Planning. Mrs. Warr-Cummings speculated that what he had was from the Housing Coalition (hosted by the Marion Public Health Department and United Way). Those community conversations are part of it. The three areas they identified were: inside the house, the neighborhood, and new construction or renovation. Could even go on to be multi-unit housing or developments. Mrs. Warr-Cummings explained that the group had not been meeting due to COVID. Mr. Thomas asked questions about what would happen next. They have not met in over a year. Mrs. Warr-Cummings would need to talk to OSU extension (Whitney Gorchman), who was also a partner.

Mr. Thomas said he also had a document titled "Property Management Code" that he believes is from Columbus. He agreed to give Mr. Daniels a copy. It might be something we might want to try to take through our committee and discuss a little bit well.

Mr. Daniels continued that it is easy to point the finger at the property owner. It is unfortunate that four or five landlords produce 90% of the complaints. People do not hesitate to share these complaints on social media, but you rarely see a mention of the good landlords. There are several of them out there who do provide good housing and they should not be lumped in with the bad one who tear up every project they touch.

Daniels said that we need to weigh the unintended consequences of any actions that we take. If we make providing housing too restrictive, that may make it worse and we may have no new housing based on the market.

We will have to create trade-offs amongst people that might be interested in building housing inside the city limits, so we receive the benefit of it. He never wants to see his hometown get in the position that some communities are. In some cases, it has become easier to buy an entire street and demolish the houses because it is cheaper than a new sewer system. He asked for more input from the other council members and interested parties on the call.

Mrs. Fosnaugh said that it seems that we are going in two different directions and trying to lump too many things into one group. We need more housing, that is a given. Then there are blighted homes or the homes that people are living in that are not up to code. If we already have people living in homes that are not meeting code, is that because restrictions are not being followed?

Mr. Daniels said that there are landlords that provide housing to people that is substandard and unacceptable. We realize that. There are also tenants that cannot seem to be able to rent a place without tearing it to pieces when they leave. From a landlord's perspective, he is not saying this is all cases, but it is dramatic when it happens. That is what small scale landlords remember. After they have fixed it up several times, many of them either get out of the business or the quality suffers because they know that they will have to fix it up again. It is hard not to have a

bias against renters. Currently, when people maliciously tear up a rental, it is not prosecuted as a criminal act. It is deemed a civil matter. He is not sure if this is how the law is written or how we interpret it.

Daniels continued. Landlord should be held to some minimum responsibility that provides for the safety of the residents. He thinks tenants should be responsible for what they tear up purposefully and maliciously. There should laws written and we should prosecute them. When a resident is evicted, that creates a record in the court system and that stays on their record for a lifetime. There are many reasons that a tenant might get into that situation. If they are willing to make good on their rent, he is in favor of allowing them a break. Housing is a big issue and it is multifaceted.

Mrs. Fosnaugh asked what the goal is. Are we looking at rezoning to add more land into the city so you can build more housing? Are we looking to spot build? We really need to get rid of a lot of these vacant homes in order to provide more area for that.

Mr. Daniels said that this was about having a discussion so that some of these goals might become clear.

Mr. Daniels continued. In 2005, the federal government gave municipalities the ability to pass the CRA or Community Reinvestment Act. Columbus is currently involved in it, along with Cincinnati and Cleveland. But virtually every city that meets the income guidelines, maybe with the exception of Delaware city (whose income guidelines are a little higher), have gone to a 15-year tax abatement.

Mr. Daniels said that some people believe that building a new house under a CRA means that you do not have any taxes. That is not true. For every improvement that is made on the lot, the county auditor is increasing the taxable value of the property. Those projects are in areas that would have never been developed. He has built under this program. He has probably built 150-160 units in the town in the last 20 years. Those units currently now pay in excess of \$70,000 a year in property tax. He thinks that he may pay more property tax than some of our largest employers. That is revenue the city schools (which also have to agree with any expansion of CRA) would have never received, nor MRDD, nor the ADAMH board. No one would have, because those lots would have just set there. The program works, but it is up to council whether we want to expand that or not. There are a few regulatory hurdles that the city places in front of people that want to build, but that is a discussion they can take on at a later date.

Mr. Schaber requested a a current map from Regional Planning of what it covers. Mr. Daniels confirmed that it is currently 10 years. Mrs. Warr-Cummings said that they should try to look at zoning and which districts permit multi-family or a variety of types of zoning, i.e. same family, multi-family duplexes, etc. Then we can take a look at where they are and are those areas that

actually could be developed. We need to know if those areas are totally developed and maybe we need to consider rezoning some vacant land, i.e. approaching it differently if we want housing there.

Mr. Daniels closed with anecdotal stories of the appreciation he sees from neighbors when a vacant/blighted house is taken down. He clarified that he does that type of work, but not for the city. It is not good for a neighborhood when people have to live by an abandoned property, and it is not good for development. Nothing ruins a deal like having a vacant piece of ground and show up with a banker. Instead of looking at the project you are trying to sell him on, he is looking at the blighted property next door.

### **Items not on the Agenda**

### **Adjourn**

There being no further business to come before this committee, the chair adjourned the meeting at 7:22 PM.

---

Josh Daniels, Chair

---

Tarina R. Rose, Council Clerk