

First Reading: April 11, 2006
Second Reading: dispensed
Third Reading: dispensed

RESOLUTION NO. 1 - 2006

A RESOLUTION IMPLEMENTING SECTIONS 3735.65 THROUGH 3735.70 OF THE OHIO REVISED CODE, ESTABLISHING AND DESCRIBING THE BOUNDARIES OF A COMMUNITY REINVESTMENT AREA IN THE VILLAGE OF NEWTOWN AND DESIGNATING A HOUSING OFFICER TO ADMINISTER THE PROGRAM AND CREATING A COMMUNITY REINVESTMENT AREA HOUSING COUNCIL AND A TAX INCENTIVE REVIEW COUNCIL

WHEREAS, the Council of the Village of Newtown (hereinafter, "Council") desires to pursue all reasonable and legitimate incentive measures to assist and encourage development in a specific area of the Village of Newtown that has not enjoyed reinvestment from remodeling or new construction; and

WHEREAS, a survey of housing (attached herein as "Exhibit A") as required by Section 3735.66 of the Ohio Revised Code (O.R.C.) has been prepared for the area to be included in the proposed Community Reinvestment Area; and

WHEREAS, the maintenance of existing and construction of new structures in such area would serve to encourage economic stability, maintain real property values, and generate new employment opportunities; and

WHEREAS, the remodeling of existing structures or the construction of new structures in this Community Reinvestment Area constitutes a public purpose for which real property exemptions may be granted.

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE VILLAGE OF NEWTOWN, STATE OF OHIO:

Section 1: The area designated as the Village of Newtown Community Reinvestment Area #2 constitutes an area in which housing facilities or structures of historical significance are located, and in which new construction or repair of existing facilities has been discouraged.

Section 2: Pursuant to O.R.C. Section 3735.66, the Village of Newtown Community Reinvestment Area #2 is hereby established in the following area:

The approximate area being considered for this CRA begins at the western border of the Village of Newtown on State Route 32, extending north to the CSX railroad tracks, with the CSX railroad tracks serving as the northern border of the CRA, and east to the eastern

edge of Church Street. From the western border of the Village of Newtown on State Route 32, the border of the CRA shall extend south to McCullough Run, with McCullough Run serving as the southern border of the CRA. South of State Route 32, the border of the CRA shall extend to the eastern edge of Church Street.

Only residential, commercial and industrial properties identified in Section 2 and Exhibit A as being within the Community Reinvestment Area and consistent with the applicable zoning regulations are eligible for incentives granted herein.

Section 3: All properties identified in Exhibit A as being within the designated Community Reinvestment Area are eligible for this incentive. This proposal is a public/private partnership intended to promote and expand conforming uses in the designated area. As part of the project, the Village of Newtown intends to undertake supporting public improvements in the designated area.

Section 4: Within the Village of Newtown Community Reinvestment Area #2, the percentage of tax exemptions on the increase in the assessed valuation resulting from improvements to commercial and industrial real property and the term of those exemptions shall be in the amount of fifty percent (50%) and the term shall be negotiated as follows:

- (a) The term, up to ten (10) years, for existing commercial and industrial facilities shall be negotiated on a case-by-case basis in advance of construction or remodeling and according to the rules outlined in O.R.C. Section 3735.67 through 3735.673, and upon which the cost of remodeling is at least five thousand dollars (\$5,000.00).
- (b) The term, up to ten (10) years, for new commercial or industrial facilities shall be negotiated on a case-by-case basis in advance of construction and according to the rules outlined in O.R.C. Section 3735.67 through 3735.673.

Commercial and industrial property includes, but is not limited to, residential property containing in excess of three (3) housing units, retail property, office property, distribution facilities, service facilities, research and development facilities, laboratories, and manufacturing.

The results of the negotiation as approved by the Council shall be set in writing in a Community Reinvestment Area Agreement as outlined by O.R.C. Section 3735.671.

For residential properties, tax exemptions on the increase in the assessed valuation resulting from improvements as described in O.R.C. Section 3735.67 shall be granted upon proper application by the property owner and certification thereof by the designated housing officer; the percentage and term of those exemptions shall be as follows:

- (a) Fifty percent (50%) exemption for a period of ten (10) years for the construction of new single-family residential properties.

- (b) Fifty percent (50%) exemption for a period of ten (10) years for the construction of new multi-family residential properties.
- (c) One hundred percent (100%) exemption for a period of ten (10) years for improvements to existing single-family residential properties, and upon which the cost of remodeling is at least two thousand five hundred dollars (\$2,500.00) but not more than one hundred thousand dollars (\$100,000.00).
- (d) One hundred percent (100%) exemption for a period of ten (10) years for improvements to existing multi-family residential properties, and upon which the cost of remodeling is at least five thousand dollars (\$5,000.00) but not more than one hundred thousand dollars (\$100,000.00).

Multi-family residential properties are limited to those properties that include from two (2) to three (3) housing units.

Residential applications must be filed with the housing officer no later than six (6) months after construction completion.

If remodeling qualifies for an exemption, during the period of the exemption, a portion of the dollar amount of the increase in market value of the structure shall be exempt from real property taxation. If new construction qualifies for an exemption, during the period of the exemption, the exempted percentage of the structure shall not be considered an improvement on the land on which it is located for the purpose of real property taxation.

Section 5. All commercial and industrial projects are required to comply with the state application fee requirements of O.R.C. Section 3735.672 (C), which call for a seven hundred fifty dollar (\$750.00) fee to be remitted to the Ohio Department of Development, and the local annual monitoring fee of one percent of the amount of taxes exempted under the agreement – a minimum of five hundred dollars (\$500.00) up to a maximum of two thousand five hundred dollars (\$2,500.00) annually to be remitted to the Village of Newtown..

Section 6. To administer and implement the provisions of this Resolution Michael Cornette, Building Commissioner of the Village of Newtown, is designated Housing Officer as described in O.R.C. Sections 3735.65 through 3735.70.

Section 7. A “Community Reinvestment Area Housing Council” shall be created, consisting of two (2) members appointed by the Mayor of the Village of Newtown, two members appointed by the Council of the Village of Newtown and one member appointed by the Planning Commission of the Village of Newtown. The majority of the members shall then appoint two additional members who shall be residents within the area. Terms of the representatives of the council shall be for three (3) years. An unexpired term resulting from a vacancy in the council shall be filled in the same manner as the initial appointment was made.

Section 8. The Community Reinvestment Area Council shall make an annual inspection of the residential properties within the district of which an exemption has been granted under O.R.C. Section 3735.67. The council shall also hear appeals under O.R.C. Section 3735.70.

Section 9. A Tax Incentive Review Council (TIRC) shall be established pursuant to O.R.C. Section 5709.85 and shall consist of three (3) representatives appointed by the Hamilton County Board of Commissioners; two (2) representatives of the Village of Newtown, appointed by the Mayor with Council concurrence; the County Auditor or his designee; and an individual appointed by the Board of Education of each city and vocational school district to which the Community Reinvestment Area applies. At least two (2) representatives of the Council shall be residents of the Village of Newtown. The TIRC shall review annually the compliance of all agreements involving the granting of exemptions for commercial or industrial real property improvements under O.R.C. Section 3735.671, and make written recommendations to the Council as to continuing, modifying or terminating said agreements based upon the performance of the agreement.

Section 10: The Council reserves the right to re-evaluate the designation of the Community Reinvestment Area after December 31, 2008, at which time the Council may direct the Housing Officer not to accept any new applications for exemptions as described in O.R.C. Section 3735.67.

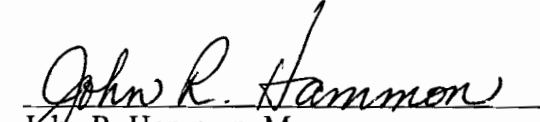
Section 11: The Council hereby finds and determines that all formal actions relative to the passage of this Resolution were taken in an open meeting of this Council, and that all deliberations of this Council and of its committees, if any, which resulted in formal action were taken in meetings open to the public, in full compliance with the applicable legal requirements, including O.R.C. Section 121.22.

Section 12: The Mayor of the Village of Newtown is hereby directed and authorized to petition to the Director of the Department of Development of the State of Ohio for confirmation of the findings described in this Resolution and certification of the proposed area as a Community Reinvestment Area. This Resolution shall take effect and be in force from and after the earliest period allowed by law and upon confirmation of the Director of the Department of Development.

VOTE RECORD:

Mr. Cosby <u>yes</u>	Mr. Evans <u>yes</u>	Ms. Hueber <u>abstain</u>
Mr. Kobasuk <u>yes</u>	Ms. McCarthy <u>yes</u>	Mr. Pulskamp <u>yes</u>

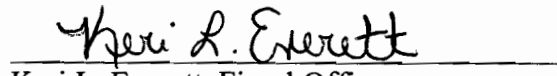
PASSED this 11th day of April, 2006.



John R. Hammon, Mayor
Village of Newtown, Ohio

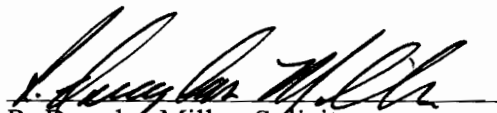
AUTHENTICATION

This is to certify that this resolution was duly passed and filed with the Village of Newtown Fiscal Officer, this 11th day of April, 2006.



Keri L. Everett, Fiscal Officer
Village of Newtown, Ohio

APPROVED AS TO FORM:



R. Douglas Miller, Solicitor
Village of Newtown, Ohio

EXHIBIT A
HOUSING & LAND USE SURVEY
VILLAGE OF NEWTOWN COMMUNITY REINVESTMENT AREA (CRA #2)

Pursuant to Sections 3735.65 through 3735.70 of the Ohio Revised Code, the staff of the Hamilton County Development Co., Inc. has determined that the Village of Newtown is eligible for the status of Community Reinvestment Area (CRA). In this area, rehabilitation of existing structures and construction of new facilities have been discouraged. A CRA is being proposed in order to help promote new development and to encourage the rehabilitation of existing structures.

The following report details the condition and status of residential and commercial properties that were surveyed in the proposed CRA. The survey consisted of data gathering from County property records, as well as a visual survey that was conducted in the area.

Samplings of residential and commercial properties that will be included in the CRA were surveyed, and have been included as part of this report. It is our opinion that this report is representative of the condition of the housing and the commercial properties in this area based on visual surveys and discussions with the local community.

EXISTING CONDITIONS

The recommended area includes residential and commercial type properties.

State Route 32 is a busy vehicular thoroughfare that bisects Newtown. It is a popular route for travelers between downtown Cincinnati and the eastern suburbs. The traffic brings congestion, noise and safety hazards to the residents of Newtown, which causes disinvestment in the community. The structures along State Route 32 form the image that drivers have of Newtown, so community leaders desire to improve the condition of the buildings to improve the overall image of the community.

Much of Newtown lies within or near the flood plain of the Little Miami River. Flood concerns cause a large percentage of the land area of the Village to be undevelopable. In order to stabilize the tax base, the developable areas need to attract a high quality use. Village leaders hope the CRA will encourage reinvestment in older structures and high-density uses for new construction.

The 2000 U.S. Census found 977 total housing units in Newtown. Of these, 649 were owner occupied (66.4%), 275 were rental units (28.1%), and 53 were vacant (8.1%). 795 housing units (81.4%) were single-family homes, while 184 units (18.6%) were in multi-unit structures. The median housing structure value in Newtown is \$107,400, which falls below the median Hamilton County value of \$111,400.

62.7% of the housing structures in Newtown were built before 1969. Within the last 15 years, Newtown has seen an increase in the construction of new high-priced homes in the hillside areas of the southeastern corner of the Village. However, this new construction has not led to reinvestment in the older areas of town. Much of the housing stock in these older areas is in poor to fair condition.

Table 1 provides the conditions of a sampling of residential and commercial properties in the area. Pictures of some of these properties are also attached.

*CDU – stands for Condition, Desirability, and Usefulness. This rating system is used to give the physical state of the structure as well as its estimated marketability. Condition refers to the overall condition of the property – has the structure been maintained, painted when needed, roof repaired, etc. – compared to other structures in the area, and year group. Desirability determines if the facility is in demand – are there conditions surrounding the property that make it undesirable such as a junkyard, dump, sewage plant, etc. Usefulness estimates the utility of a structure – does it have a good floor plan and traffic pattern, high ceilings, hard to heat, over built, etc. The different ratings for CDU are as follows: E = excellent; G= good; A = average; F = fair; and P=Poor.

Table 1
Commercial / Residential Conditions – CRA

Parcel	Address	Use	Roof	Exterior	Interior	Stairs	Doors	Windows	Paint	Exterior	Exposure	Landscaping	Yard	CDU	Notes
Residential (Single-Family):															
501-0006-0143-00	6712	Crull	F	P	P	P	F	P	P	F	F	F	F	PPP	
501-0006-0059-00	6742	Main	F	P	G	P	P	F	G	NA	P	P	P	PPP	
501-0006-0149-00	6700	Crull	G	F	G	F	P	G	G	F	F	F	F	FPP	
501-0006-0082-00	6717	Main	F	G	F	F	G	NA	NA	G	P	F	F	PPP	
501-0006-0082-00	3533	Church	G	G	G	F	A	G	G	G	A	A	A	FGG	
501-0006-0151-00	6622	Crull	G	G	F	P	P	F	NA	F	P	P	P	PPP	
501-0006-0083-00	3529	Church	P	P	F	P	F	F	G	G	F	F	F	FPP	
501-0001-0151-00	6612	Crull	G	F	G	F	A	NA	G	G	F	G	G	GPP	
501-0006-0011-00	3523	Leonard	F	F	F	P	F	P	F	F	F	F	F	FPF	
501-0006-0085-00	3525	Church	G	G	NA	F	G	G	NA	NA	F	G	G	GFF	
501-0006-0016-00	3520	Leonard	G	G	G	F	G	G	G	G	F	G	G	GFF	
501-0006-0116-00	3524	Crawford	F	P	P	F	G	G	G	G	F	P	P	FFF	
501-0006-0004-00	6830	Center	G	F	F	F	F	F	P	G	P	P	P	PPF	
501-0006-0006-00	6826	Center	P	P	P	F	F	P	NA	NA	P	P	P	PPP	
501-0006-0096-00	6858	Main	P	F	P	P	P	NA	NA	G	P	F	F	PPP	
Commercial:															
501-0006-0068-00	6774	Main	F	F	F	G	G	NA	F	G	NA	F	F	FFF	
501-0006-0100-00	6840	Main	G	F	G	P	G	F	NA	G	P	F	F	FPF	
501-0006-0063-00	6760	Main	G	NA	G	G	F	NA	NA	G	F	F	F	FPP	
501-0006-0162-00	6806	Main	G	F	G	F	P	NA	NA	G	P	P	P	PPP	
501-0006-0089-00	3501	Church	F	F	NA	F	F	NA	NA	G	P	P	F	FPP	
501-0006-0055-00	6726	Main	F	F	F	P	P	P	F	G	F	F	F	FFF	
501-0006-0087-00	3501	Church	F	F	G	F	F	NA	NA	NA	NA	F	F	FPP	
501-0006-0001-00	3610	Debolt	F	P	F	P	P	NA	F	F	P	P	P	PPP	
501-0006-0091-00	6876	Main	G	F	G	F	F	NA	G	NA	NA	F	F	FFF	

CONCLUSION

The Ratings on detailed property conditions did not vary much throughout the area. The overall commercial and residential stock would probably be considered fair. In some instances, a poor rating was given to some characteristics of the structures. The condition of the homes varies slightly with many of them in poor condition. The commercial structures overall tend to be in poor condition as well. The ability to offer incentives could help develop the vacant parcels and encourage homeowners and business owners to make improvement to their properties and promote more development.

The approximate area being considered for this CRA begins at the western border of the Village of Newtown on State Route 32, extending north to the CSX railroad tracks, with the CSX railroad tracks serving as the northern border of the CRA, and east to the eastern edge of Church Street. From the western border of the Village of Newtown on State Route 32, the border of the CRA shall extend south to McCullough Run, with McCullough Run serving as the southern border of the CRA. South of State Route 32, the border of the CRA shall extend to the eastern edge of Church Street.

Parcel Identification from Village of Newtown Community Reinvestment Area

050100050160	050100060022	050100060083
050100050002	050100060021	050100060080
050100050003	050100060134	050100060081
050100050001	050100060020	050100060082
050100060155	050100060019	050100060125
050100060130	050100060016	050100060124
050100060048	050100060128	050100060072
050100060136	050100060114	050100050110
050100060141	050100060121	050100050106
050100060143	050100050053	050100060075
050100060150	050100050050	050100050174
050100060157	050100050049	050100050198
050100060002	050100050048	050100050108
050100060149	050100050047	050100060091
050100060151	050100050044	050100050188
050100060152	050100050043	050100060090
050100060127	050100050042	050100060088
050100060148	050100050041	050100060131
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050100060047	050100060017	050100060086
050100060142	050100060110	050100050136
050100060099	050100050082	050100050187
050100060100	050100060113	050100050183
050100060101	050100060122	050100050130
050100060102	050100060132	050100050182
050100060103	050100050083	050100050169
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050100060105	050100050084	050100050131
050100060106	050100060018	050100050128
050100050004	050100060112	050100050132
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050100050006	050100050085	050100050196
050100050007	050100060037	050100050116
050100050008	050100060036	050100050181
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050100050032	050100060039	050100060165
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050100050030	050100060041	050100060096
050100050029	050100060042	050100060070
050100050028	050100060043	050100060073
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050100050023	050100060046	050100060160
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050100050021	050100050172	050100060051
050100050020	050100050091	050100060156
050100050019	050100050088	050100060146
050100060013	050100060055	050100060058
050100060108	050100050101	050100060059
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050100060119	050100050192	050100060061
050100060145	050100050099	050100060062
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050100050081	050100050176	050100060066
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050100060025	050100060085	050100050052
050100060024	050100060071	050100050045
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050100050056	050100050076	050100050102
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050100050175	050100050074	050100060011
050100050135	050100050073	050100060076
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050100050115	050100050105	050100060052
050100050111	050100050104	050100060049
050100050080	050100050163	050100060139
050100050079	050100050090	



OHIO DEPARTMENT OF DEVELOPMENT

Bob Taft
Governor

Bruce Johnson
Director

May 16, 2006

The Honorable John Hammon
Mayor, Village of Newtown
3536 Church Street
Newtown, Ohio 45244

Dear Mayor Hammon:

Please find enclosed two (2) confirmations for Ohio's Community Reinvestment Area (CRA) Program, pursuant to Ohio Revised Code 3735.66.

The confirmations pertain to the Village of Newtown Community Reinvestment Area #1 and #2 as designated by the Newtown Village Council on April 11, 2006. The confirmations were effective May 16, 2006.

Please contact me at (614) 728-6778 if you have any questions.

Sincerely,

Bill Slocum, Tax Incentive Specialist
Office of Tax Incentives

Enclosure

C: Dusty Rhodes, Hamilton County Auditor
Michael Cornette, Building Commissioner and CRA Housing Officer, Village of Newtown
John Patzwald, Superintendent, Forest Hills School District
Dr. Robin White, Superintendent, Great Oaks Institute of Tech. and Career Development
Thomas Brinkman, State Representative
Robert Schuler State Senator
Catherine Fitzgerald, Hamilton County Development Company



OHIO DEPARTMENT OF DEVELOPMENT

Bob Taft
Governor

Bruce Johnson
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OHIO'S COMMUNITY REINVESTMENT AREA PROGRAM

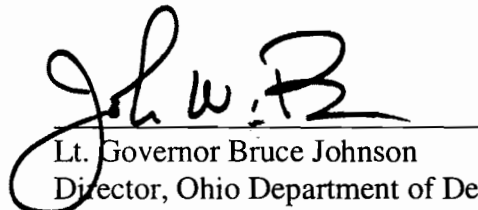
VILLAGE OF NEWTOWN COMMUNITY REINVESTMENT AREA #1

CONFIRMATION – Area No. 061-55678-01

Upon examination of (a) the "Petition for Area Confirmation" of the Village of Newtown Community Reinvestment Area #1 authorized by the Mayor of Newtown on May 8, 2006; (b) a certified copy of Community Reinvestment Area Ordinance 02-2006 adopted by the Newtown Village Council on April 11, 2006; (c) a survey of the housing conditions existing in the proposed area; (d) the written description of the Village of Newtown CRA #1; (e) a map of the proposed area; (f) the zoning standards currently in place within the proposed area; and (g) a review of the findings of the staff of this Department, I have determined that the area so designated meets the requirements of Ohio Revised Code Section 3735.66.

Accordingly, pursuant to Ohio Revised Code Section 3735.66, I hereby confirm the findings of the Village of Newtown to be valid and consistent with applicable legislative requirements. The area designated as Community Reinvestment Area #1 by the Village of Newtown within the aforementioned "Petition for Area Confirmation" is determined to be a Community Reinvestment Area.

Executed at Columbus, Ohio, this 15TH day of May 2006.



Lt. Governor Bruce Johnson
Director, Ohio Department of Development



OHIO DEPARTMENT OF DEVELOPMENT

Bob Taft
Governor

Bruce Johnson
Director

OHIO'S COMMUNITY REINVESTMENT AREA PROGRAM

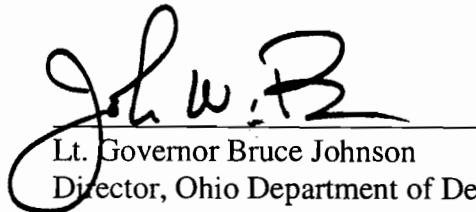
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Executed at Columbus, Ohio, this 15TH day of May 2006.



Lt. Governor Bruce Johnson
Director, Ohio Department of Development