

May 2, 2024

ECONOMIC DEVELOPMENT COMMITTEE

May 6, 2024

Council Chambers

Following Service Committee

Committee and Council Meetings can be viewed by accessing YouTube

AGENDA

1. Consider **Resolution No. 24-50** A RESOLUTION REVISING AND DESCRIBING THE BOUNDARIES OF “THE FLATS COMMUNITY REINVESTMENT AREA NO. 6” IN NEWARK, OHIO.
2. Other items at the discretion of the chair.

RESOLUTION NO. 24-50

A RESOLUTION REVISING AND DESCRIBING THE BOUNDARIES OF “THE FLATS COMMUNITY REINVESTMENT AREA NO. 6” IN NEWARK, OHIO.

WHEREAS, on February 20, 2024, the Council for the City of Newark, Ohio passed Resolution No. 24-07-A to establish a The Flats Community Reinvestment Area No. 6 (“CRA No. 6”), within the jurisdiction of the City (as passed, the “Establishment Resolution”); and

WHEREAS, the provisions of the Establishment Resolution are incorporated herein by reference, except for those provisions and depictions establishing and outlining the boundaries of CRA No. 6. The Council desires to amend the boundaries of CRA No. 6 by passing this Resolution No. 24-50; and

WHEREAS, the new CRA No. 6 boundaries are depicted in Exhibit A; and

WHEREAS, the natural boundaries of the new CRA No. 6 boundaries are:

- To the South: Jackson Blvd. along with the southern boundaries of the parcels numbered: 054-286470-00.181, 054-286470-00.179, 054-286470-00.178, 054-286470-00.177, and 054-286470-00.176.
- To the East: N. 21st Street.
- To the North: Goosepond Road.
- To the West: The eastern and southern boundaries of the parcel 054-286698-00.000; the eastern and southern boundaries of parcel 054-286698-00.002; the eastern and northern boundaries of parcel 054-286698-00.004; the northern boundary of parcel number 054-286698-00.003; the western and southern boundaries of parcel number 054-286422-01.000; the western boundary of parcel number 054-286422-00.008; and the western boundary of parcel number 054-286422-00.007.

All land within such boundaries comprise CRA No. 6; and

WHEREAS, the boundaries as amended by this Resolution No. 24-50 do not affect CRA No. 6’s compliance with the requirements of Ohio law.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF NEWARK, COUNTY OF LICKING AND STATE OF OHIO, THAT:

Section 1. This Council hereby reaffirms the creation and implementation of CRA No. 6 pursuant to Ohio law, but with the new boundaries as described above and depicted in Exhibit A. For clarity, parcels numbered 054-286698-00.000, 054-286698-00.002, 054-286698-00.004, and 054-286698-00.003 shall not be included within the new boundaries of CRA No. 6.

Section 2. The boundaries of CRA No. 6 as set by the Establishment Resolution are hereby revoked and replaced with the boundaries as outlined and established by this Resolution No. 24-50.

Section 3. The Council hereby finds and determines that the most current version of the Housing Survey (as defined in the Establishment Resolution) on file with the City is approved and accepted.

Section 4. 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, 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 R.C. Section 121.22.

Section 5. This Resolution shall become effective at the earliest time permitted by Article 4.07 of the Charter of the City of Newark, Ohio.

Passed this _____ day of May, 2024.

PRESIDENT OF COUNCIL

ATTEST: _____
CLERK OF COUNCIL

DATE FILED WITH MAYOR: _____

DATE APPROVED BY MAYOR: _____

MAYOR

FORM APPROVED: _____
DIRECTOR OF LAW

EXHIBIT A
DEPICTION OF THE CRA



City of Newark, Ohio



REVISED City of Newark Community Reinvestment Area
Housing Survey

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Legal Counsel
October 2023, REVISED April 2024

I. PURPOSE AND SCOPE

This document aims to evaluate existing area conditions and recommend a Community Reinvestment Area (CRA) as described in Ohio Revised Code Sections 3735.65–70 within the city limits of Newark, Ohio (Appendix A). The circumstances in the defined area will show that “housing facilities or structures of historical significance are located [in the area], and new housing construction and repair of existing facilities or structures are discouraged.” O.R.C. § 3735.65(B). Unless otherwise noted, all statistical information contained here comes from the most recent U.S. Census or American Community Survey data.

II. CITY OF NEWARK AND LICKING COUNTY OVERVIEW

The City of Newark was founded in 1802 and, early on in its existence, enjoyed vibrant economic and population growth thanks to the construction of the Erie Canal and a strong agricultural community. It was home to important freight and passenger stops and produced crucial agricultural goods for the surrounding communities and the Midwest at large. But like many rural towns, growth stagnated in the mid-20th century with the exodus to urban and suburban areas. Despite modest population growth in the last 100 years helped along by the academic institutions present in the City, portions of Newark’s tax base have weakened and caused disinvestment and declining housing supply and quality.

Recently, Newark has experienced revitalization in some areas thanks to investment from local government, academic institutions, and private industry, as well as excitement surrounding impending projects in Licking County. But the housing stock in Newark has not fared so well. Residential properties suffer from disinvestment, dilapidation, tax delinquency, vacancy, and abandonment. These conditions have led to the disinvestment sought to be addressed in the proposed CRA.

Economic hardship and poor housing stock have affected the City more significantly than Licking County as a whole, as reflected by the City having a higher poverty rate, lower median income, lower owner-occupancy rates, and lower home value than the County averages and surrounding municipalities. This information is specifically referenced below and highlights the City’s deficiencies sought to be alleviated by the creation of the CRA.

General City and County Data

This data on the City and County is available from American Fact Finder on Census.gov (also see the census map in Appendix B showing population growth statistics) in the 2020 American Community Survey 5-Year Estimates:

- Population estimates:
 - City – 49,936
 - County – 180,401

- Median age:
 - City – 37.0
 - County – 39.7
- Median household income:
 - City – \$52,570
 - County – \$73,325
- Individuals below the poverty level:
 - City – 16.2%
 - County – 12.2%
- Median home value:
 - City – \$139,900
 - County – \$214,700
- Total housing units:
 - City – 19,800
 - County – 73,010
- Owner-occupied housing rate:
 - City – 55.3%
 - County – 76%

Other Cities within Licking County

In key metrics, other cities in Licking County have fared better than Newark:

- Median household income:
 - Granville – \$135,326
 - Pataskala – \$79,736
 - Johnstown – \$64,744
- Individuals below the poverty level:
 - Granville – 2.2%
 - Pataskala – 6.7%
 - Johnstown – 9.3%
- Median home value:
 - Granville – \$380,700
 - Pataskala – \$208,300
 - Johnstown – \$175,000

The City's negative income and housing statistics compared to the County at large show that the current City housing cannot support the same healthy development that is expected county-wide. In particular, portions of the CRA area contain vacant acreage for redevelopment, as few housing units have been constructed, and the housing that does exist is aging and in need of remediation.

The low owner-occupancy rate in the City coupled with the high poverty rate harm residents' ability to use disposable income to maintain, repair, and improve their property. The proposed CRA would help residents realize savings that can be used to reinvest into their property.

The City desires to facilitate more commercial and industrial development within its boundaries, focusing on those underdeveloped portions within the CRA. This commercial and industrial development will provide much-needed jobs for City and County residents and will lead to future residential development as the area's workforce increases in size.

Newark has underperformed its potential, in most areas, relative to neighboring municipalities. The proposed CRA will be beneficial in bringing the City up to par with the surrounding area and enable it to facilitate future growth consistent with county-wide expectations.

III. PROPOSED COMMUNITY REINVESTMENT AREA

To respond to these development needs, the City is proposing to create a CRA that consists of several parcels within the City which are either vacant or blighted and require tax relief to be redeveloped. The proposed CRA is depicted on the attached map in **Appendix A**.

The proposed CRA includes several parcels of developable and residential land, the natural boundaries of which are as follows:

- To the South: Jackson Blvd. along with the southern boundaries of the parcels numbered: 054-286470-00.181, 054-286470-00.179, 054-286470-00.178, 054-286470-00.177, and 054-286470-00.176.
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The proposed CRA is within the City limits and does not overlap with a preexisting CRA. It includes agricultural land, commercial land, and housing units. In addition, the region surrounding the proposed CRA boundaries comprises several amenities like a historic downtown area with restaurants and small businesses, The Works Museum, the Midland Theater, Dawes Arboretum, Nature Preserves, and even the World's Largest Basket. Despite the area's serene location in an east-Columbus suburb, the area immediately surrounding the proposed CRA suffers from limited housing stock, lower economic status, and is generally of lesser quality than surrounding City areas.

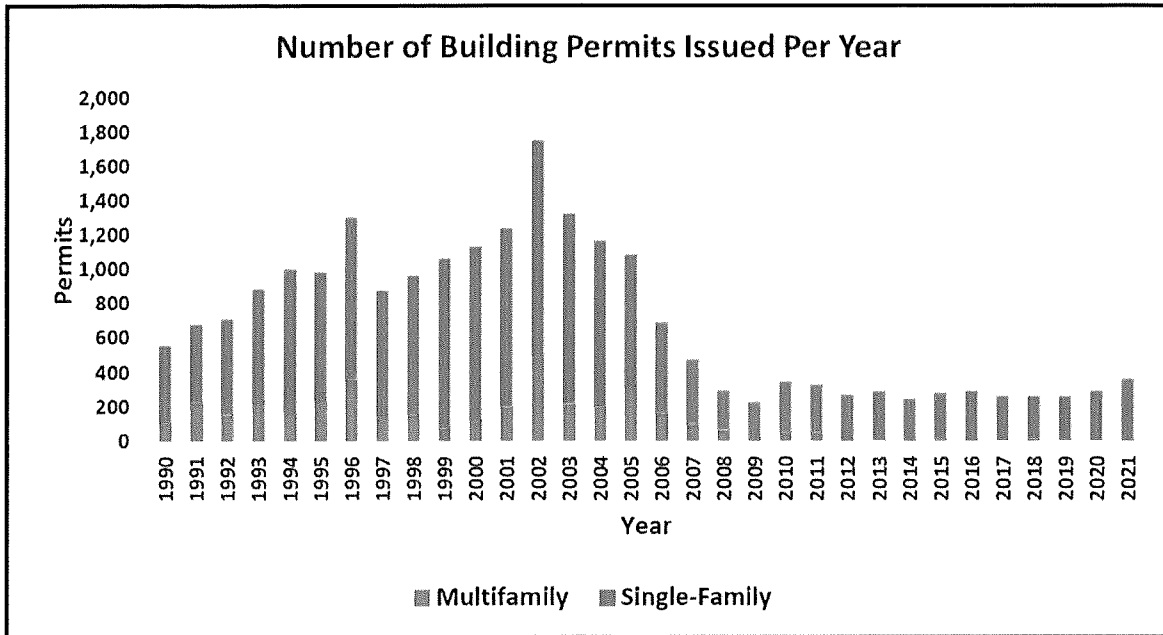
Lack of New Construction in the Area

Over the last three years for which there is data, Licking County has seen flat change in the housing stock. This stagnation is evidenced by the comparison of demolition permits to new build permits. The County netted between 251-361 new single-family homes permits per year between 2018 and 2021 (2018:251; 2019:257; 2020:289; 2021:361)¹. A rate far below the anticipated need of the area, which has directly and negatively affected Newark's ability to provide adequate housing options to its residents. On par with the County-wide trend, Newark's total housing supply has increased only 0.9% since 2010.²

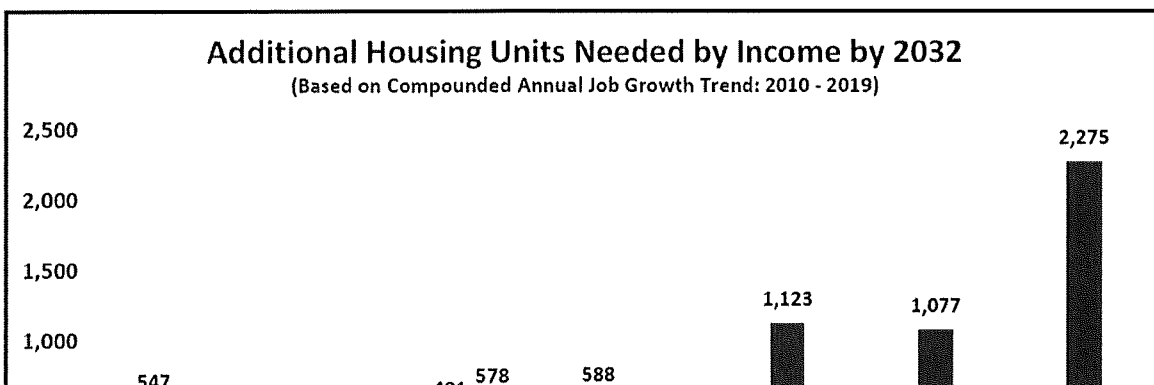
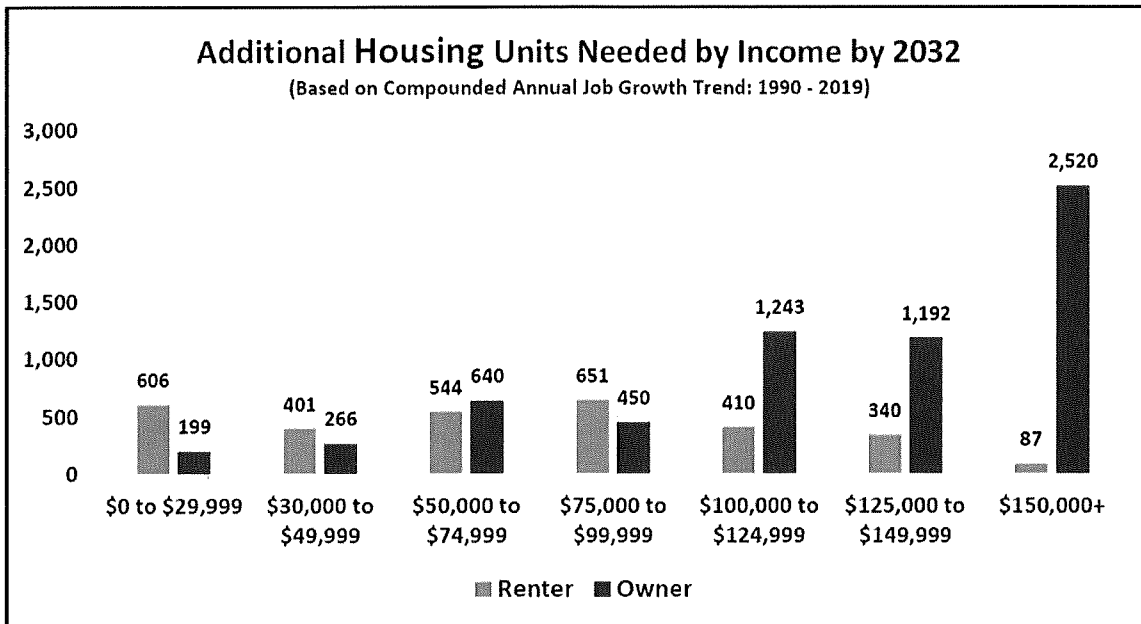
Please reference the charts below from the 2022 BIA of Central Ohio Housing Need Assessment:

¹ Information found on U.S. Department of Housing and Urban Development website State of the Cities Data Systems Index – <https://socds.huduser.gov/permits/index.html?>

² Information found on Town Charts website at <https://www.towncharts.com/Ohio/Housing/Newark-city-OH-Housing-data.html> (Figure 3).



Source: State of the Cities Data Systems (SOCDS)



IV. CONCLUSIONS

The evidence for disinvestment in the proposed area is summarized by the following:

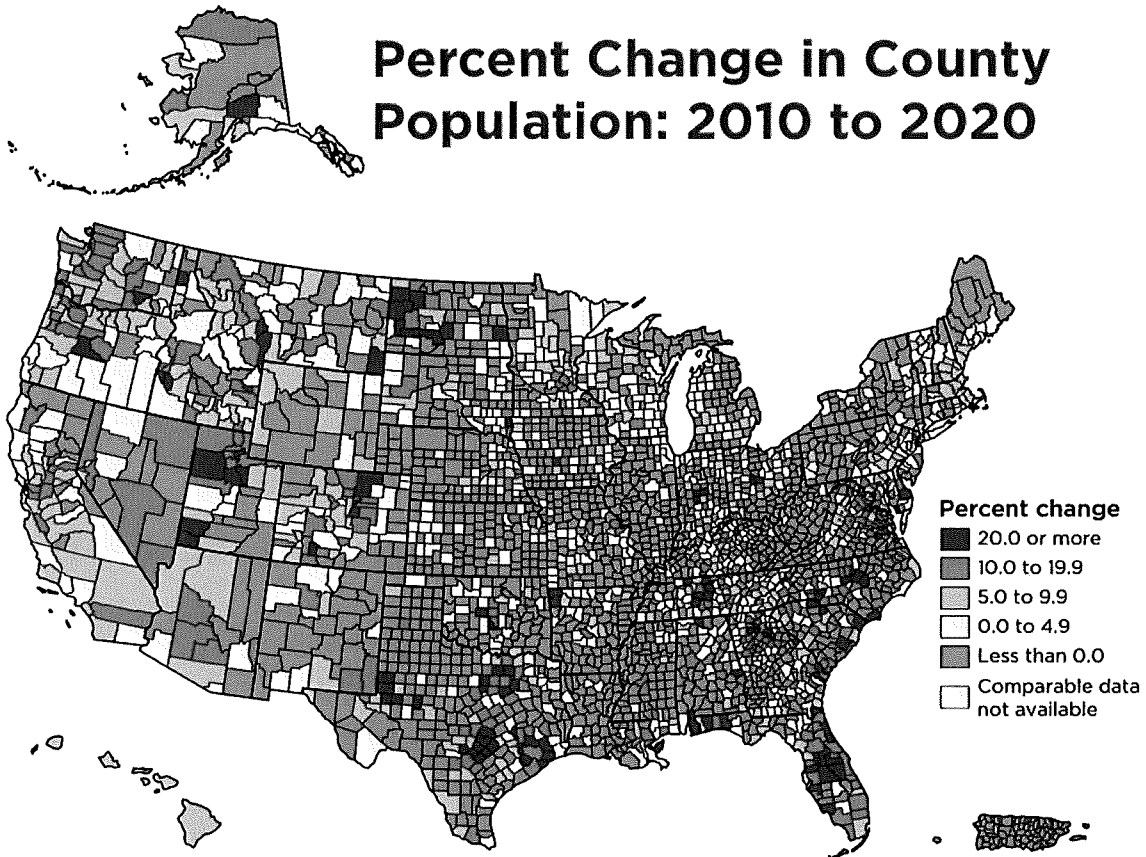
- more limited housing stock than surrounding areas in the City and County; and
- undeveloped, underutilized parcels.

The proposed CRA has suffered from disinvestment and meets the criteria under O.R.C. §§ 3735.65–70.

APPENDIX A – CRA Map



APPENDIX B – Population Growth Comparison Among Counties



Note: Bedford city, VA, was changed to town status and added to Bedford County, VA, effective July 1, 2013. For purposes of presenting data, Bedford County is treated as if Bedford city were included in it at the time of the 2010 census.

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Source: 2010 Census Redistricting Data (Public Law 94-171) Summary File; 2020 Census Redistricting Data (Public Law 94-171) Summary File