Economic Development Committee Minutes

Honorable Council City of Newark, Ohio March 5, 2019

The Economic Development Committee met in Council Chambers on Monday March 4, 2019 following the Street Committee with these members in attendance:

Mark Fraizer, Chair Doug Marmie for Jeff Rath Bill Cost Sean Fennell for Dee Hall Jonathan Lang

We wish to report :

1. Discussion regarding CRA #1 and amendments to Resolution No. 19-07 a resolution amending Resolution No. 81-9 and expanding the boundaries of community reinvestment area #1.

Mr. Fraizer- in front of you guys you will see a packet that includes an amendment that I wrote in order to encompass the requests that have come forward from different members of Council as well as myself. Barring me going through the entire amendment I have included some maps at the end. We can start on reinvestment area #1 map that is existing. Included is also the new map with the expanded boundaries in red of CRA #1. One of the requests that came forward was from the Economic Development Director and Councilman Blake to encompass the southern portion of the city. That is from essentially 2nd Street to the river and on west. That has been incorporated in this amendment. The other request has come from Councilman Labutis to make sure that we include the 11th Street that has not changed. When it comes to the southern portion in red that you see that has not changed, when it comes to the westerly border that is now at 30th Street and Buckeye Avenue, It doesn't go all the way down West Main Street. It also encompasses going down Buckeye Ave which is similar to what you see in the current CRA #1 that follows Buckeye Ave all the way up and it goes to 21st Street and then up to North Williams Street along West Main Street then it ultimately North Williams to West Church Street and then following the existing border that was proposed by the administration. I wanted to make sure that we had this discussion and put everything on the table in this committee to make sure that if there are any other amendments they are appropriately discussed and we do the due-diligence that is required of this body.

Mr. **Blake**- I'm not on the committee but thank you Mr. Chairman, does the language reflect what the maps?

Mr. Fraizer- there's not an updated map yet because I am not that savvy with map

technology. We are going to hand this over to the Department of Development and they will create a new map based on these boundaries and hand the language over to the Law Director to make sure that it captures what we wanted it to capture and then we will review this in the next committee. Ultimately we are removing a little bit out in the west and encompassing some additional part on North Williams Street and encompassing the south end of Newark as well.

Mr. Lang- thank you for all the time that you have put into this and Director Mauter as well, just to understand because I think that the first question that I am going to get is we are stopping West Main Street and we are stopping at 30th I am trying to understand how we arrived at the borders because somebody is going to be able to look across the street and see that somebody is eligible for a tax break and they're not. We don't have to have that conversation today when came have it when we discuss the amendment but I think that it is important to understand the delineation and why we made those choices.

Mr. **Fraizer**- from perspective economically distressed areas, areas of commercial development and industrial development. We tried to make sure that we encompassed the railroad tracks on either side to make sure that those industrial and commercial properties are given tax incentives to encourage redevelopment in that area. As well as economically distressed areas on Williams Street on east to make sure those areas that were initially cut off by the highways are given some encouragement for economic redevelopment. As well as the areas essentially from 79 on west that has historically been low income and economically distressed. That has been the main focus is to provide tax incentives for those neighborhoods and also to make sure that we try to get as close as we can to not have one economically distressed area on the line and the other one being encompassed, to make it as fair as possible.

Mr. **Blake**- Director Mauter and I have been working with the Newark Vision 2028 Neighborhood Revitalization Committee and the focus of their work has been the south end of Newark so we were already focusing efforts there so we wanted to add this as a tool.

Mr. Lang- this might be a question for the Law Director, at some point is the new CRA development area too big? Looking at the map I have in front of me I already see that it is significantly larger than our other CRA zones. I haven't been through the regulations in depth.

Law Director- I don't think size of the areas is an issue.

Mr. Lang- hypothetically what if we said the whole city was in a CRA? **Law Director**- I think that you have to have certain criteria for the neighborhood to qualify for CRA. You can't just draw the whole city unless of course the whole city meets the qualifications for CRA which it does not. You are restricted to those definitions of what is a distressed area. The particular type of area that is distressed is subject to these abatements assuming that property fits the definition it's actual geographical size is theoretically unlimited.

Mr. Fraizer- we are not going to call for any action we are going to call another Economic Development committee for two weeks where we will look at the maps and look at the amendment take an action on that and put it back to Council. **Director Mauter**- I just wanted to let the committee know there is still some discussion as to whether we want to continue west of 30th Street especially along the railroad tracks down to the armory. Should that not be government facility at some point that is a fair amount of land that is on a very prime site for development along the railroad track which we are sorely lacking in the City of Newark. We would really like to keep that on as a potential site. There still needs to be discussions with the Mayor, Dave Rhodes, Brian Morehead and myself but I don't know that is totally out of the mix just yet. We feel that is a parcel that we don't want to lose sight of.

Mr. Lang- the geographic area if it is cut off by another CRA we can't jump right? Mr. Fraizer- right, if you look at the green area which I believe is CRA #4 there is a little outlet around there so I had to write the legislation around there along the railroad tracks in order to not go directly to 5th Street to cut it out partially. We wrote the legislation to go around that in cut and all the way down to 2nd Street. When it comes to those conversations I would love to be a part of them as well. Ultimately the question is with the State owned facility from the National Guard what is the risk of them leaving and where do we want to draw the boundary in order to meet the criteria of the CRA?

Mark Fraizer, Chair