

ATTACHMENT B

*2019-2020 City of Wooster Housing Study
CRA 169-86548-01*



Image: Wooster's CRA is responsible for 162 residential units and 247 jobs in the City of Wooster

City of Wooster Community Reinvestment Area Amendment Report

Housing Survey

Prepared by: City of Wooster / Development
October 14, 2020
Community Reinvestment Area

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Purpose And Scope

The 2020 City of Wooster CRA Housing Study was performed to evaluate the municipality’s need for public incentives to **encourage real estate reinvestment and job creation**. Ohio’s Community Reinvestment Area (CRA) program enables local communities to extend real estate tax exemptions on future real estate value to incentivize home repair, new housing construction, and the repair or building of new structures to support job retention or creation.

Program Specifics

State law allows municipalities to designate certain areas for CRA tax incentives based on the existence of historic structures and evidence that repair of housing and new housing construction is discouraged. This is to encourage real estate reinvestment within developed areas and also job creation anywhere as this increases economic opportunities for residents living in the CRA.

In a CRA, cities, with school district permission, may extend up to a 100% real estate tax exemption for up to 15 years on the increased value resulting from real estate improvements resulting from a construction project. The tax exemption lowers the cost of property ownership, allowing homeowners and businesses to finance larger projects. Effectively, future real estate taxes are traded to pay back a portion of construction costs as an incentive to spur rehabilitation.

How CRA is applied varies from community to community. Some cities permit CRA treatment only to commercial and industrial projects that result in new employment, while others are more focused on residential development. Uniquely, CRA may support retail-oriented projects with tax abatement, whereas nationwide retailers are generally not eligible for tax incentives.

Amendments To CRA #1 Summary

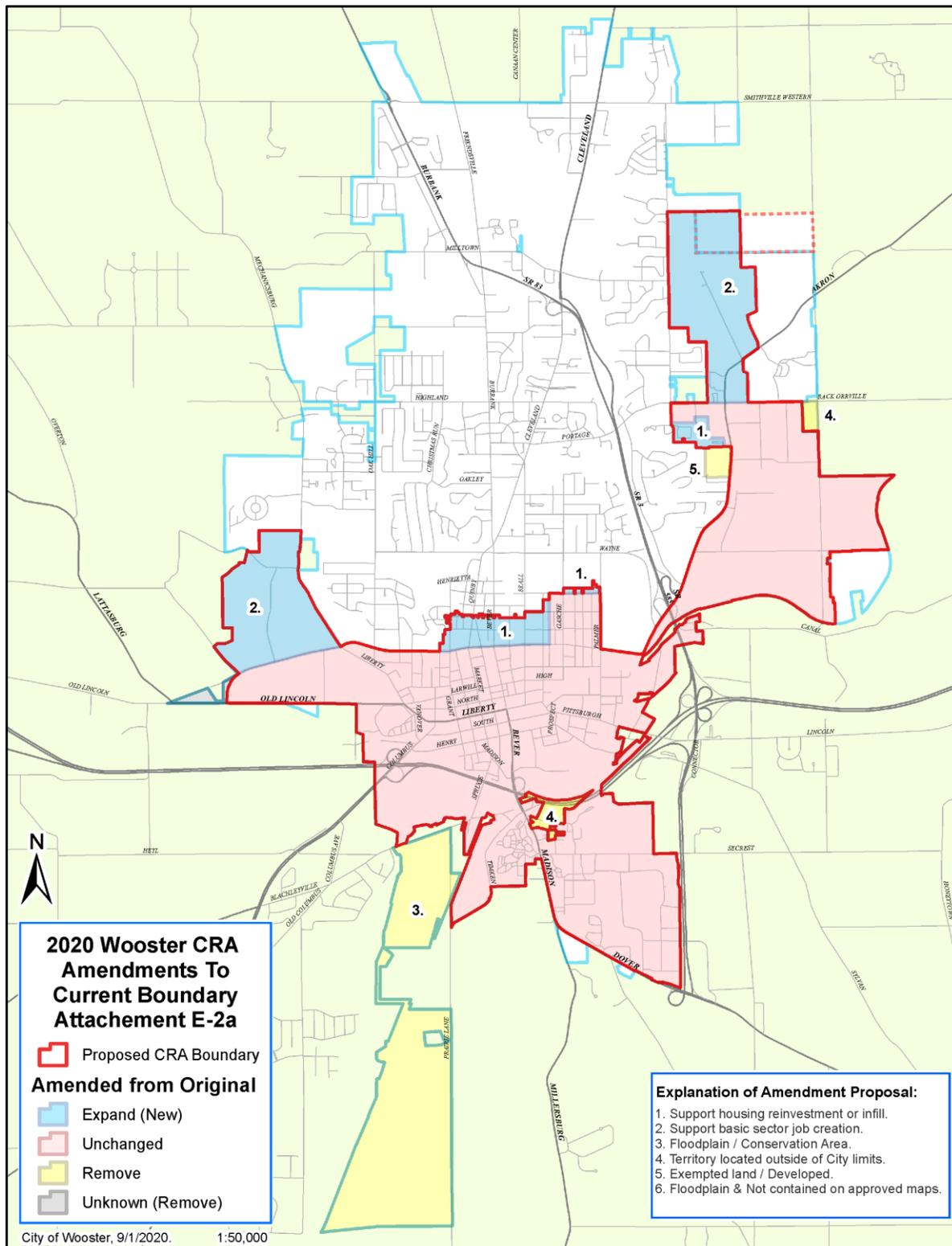
Wooster’s CRA #1 boundary presently covers all areas of the City south of Akron Road/Bowman Street/Old Mansfield Road, and also “President Streets” and the C-2 District along Portage Road. The Wooster City School District (Wooster Growth member) and Triway Local School District are partnering governments in the City’s CRA program (see **MAP 2**).

The **Wooster Growth Corporation** has reviewed citywide data on housing, evaluated the impacts of real estate incentives for residential projects, historic rehabilitation and reinvestment in older buildings, and projects involving job creation. In doing so, the Wooster Growth Corporation has provided the following recommendations (see **MAP 1**):

1. Extend CRA #1 to the Cornerstone neighborhood (vicinity of Pearl St.) and to the vicinity of Williams Way, to support housing reinvestment and infill.
2. Extend CRA #1 to all industrial zones in the Wooster City School District to aid job creation.
3. Remove CRA #1 from Wooster’s water well-field south of Columbus Rd.
4. Remove unincorporated areas from existing boundary.

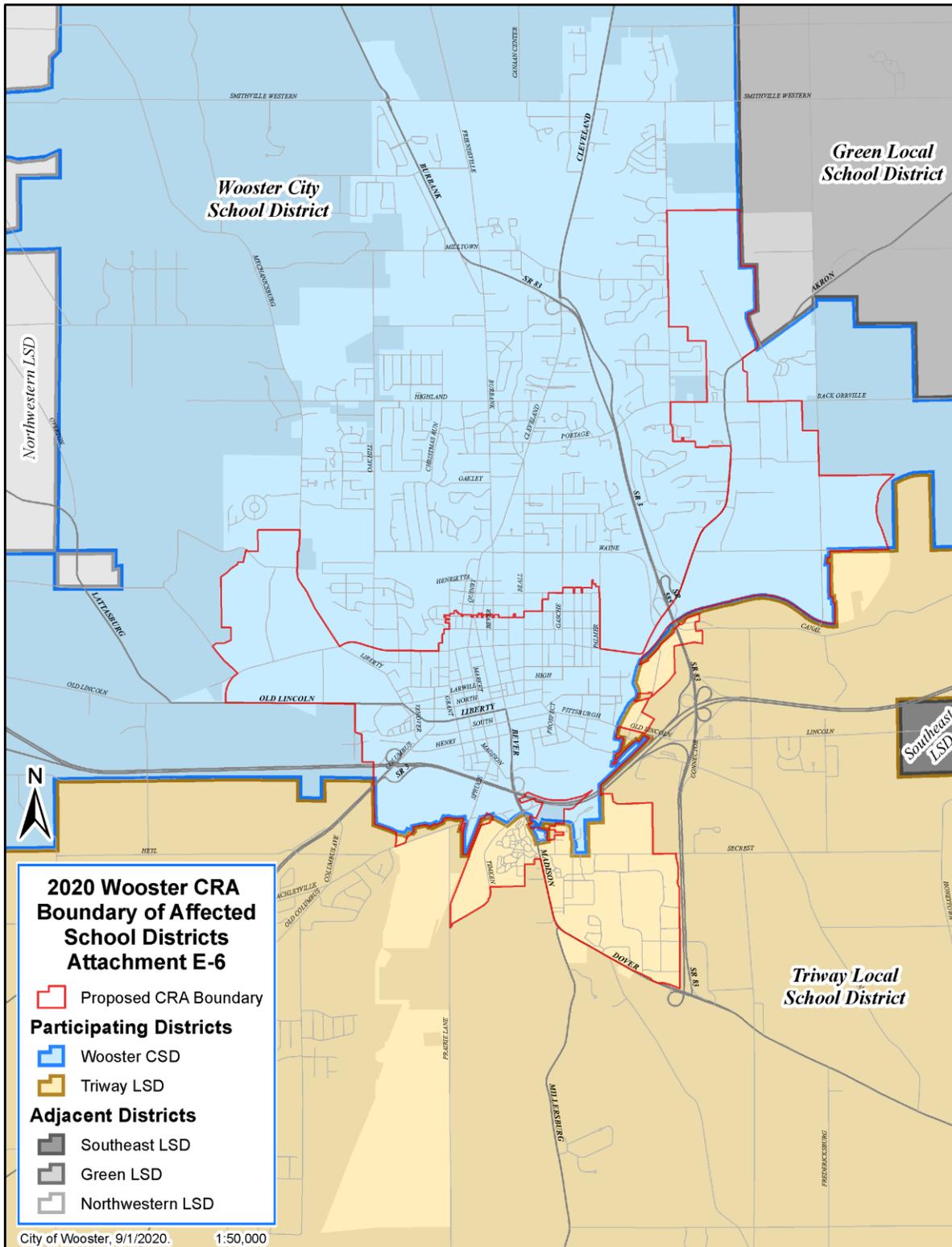


MAP 1: Proposed CRA Boundary Amendments



Excerpt from 2020 CRA Amendment State of Ohio Submission Attachment E.

MAP 2: CRA #1 Participating School Districts



Excerpt from 2020 CRA Amendment State of Ohio Submission Attachment E.

History

The City of Wooster first established its CRA in 2004. Until that time, tax abatement had only been available to industrial structures through Wayne County's Rural Enterprise Zone. The boundary has expanded over time, as detailed in **MAP 3** (next page)

Enacted in 2004: Wooster's CRA was established with Ordinance 2004-33, unanimously passed on December 20, 2004. The original CRA area encompassed the City's downtown and southern neighbors located between U.S. Route 30 and Old Mansfield Road / Bowman Street (to its southernmost point). The legislation extended:

- a) 100% abatement for (10) years, (term the same for all) for the remodeling of dwellings containing not more than two housing units, and upon which the cost of remodeling is at least \$2,500, as described in ORC Section 3735.67.
- b) Abatement can be up to 100% for up to (12) years (negotiated - up to 12 years) for existing commercial and industrial facilities and shall be negotiated on a case-by-case basis in advance of construction or remodeling occurring. Apartment complexes of three (3) or more units will be considered commercial structures for the CRA program. The cost of remodeling must be at least \$5,000, as described in ORC Section 3735.67.
- c) Abatement can be up to 100% for up to (15) years (negotiated - up to 15 years) for new commercial or industrial facilities and shall be negotiated on a case-by-case basis in advance of construction occurring.

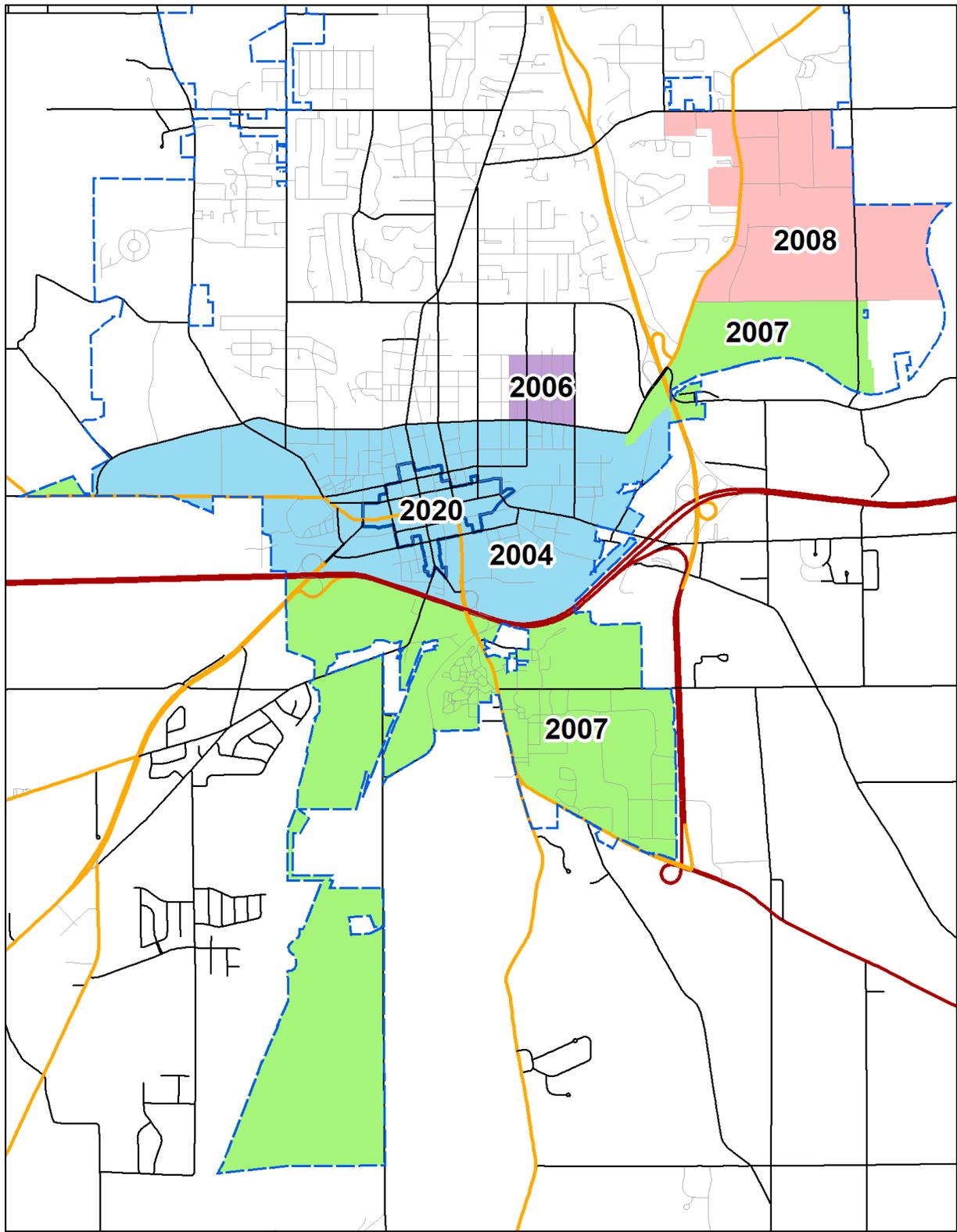
The area has been critical in the redevelopment of downtown Wooster. Notable projects included the rehabilitation of 25 downtown buildings representing \$20,700,703 in new investment and estimated 247 jobs at the beginning of 2020.

- The rehabilitation of 212 E. Liberty Street that kept the region's local newspaper headquartered in Downtown
- The creation of a highly-rated downtown boutique hotel (St. Paul Hotel)
- The Merchants Block mixed use residential (12 units) and retail project.
- The Ekho Kole mixed-use condominium (seven units) and office project.
- The recreation of 116 S. Market Street in Downtown's Public Square
- The redevelopment of a gas station into a modern office complex at 544 E. Liberty Street
- The historic preservation of the once demolition-bound 148 W. Liberty Street.

Expanded in 2006: Ordinance 2004-33 was amended on March 20, 2006 to include a post-war residential neighborhood between Bowman Street and the College of Wooster campus east of Spink Street. The expansion supported several residential projects, including home reconstruction. Additional neighborhood investments were made by the College of Wooster.

Expanded in 2007: On October 15, 2017, Ordinance No. 2007-58 expanded the CRA boundaries south from US Route 30 and also eastward. The purpose was to accommodate 1147

MAP 3: CRA Boundary History To Date



Prepared by City of Wooster

Akron Road, the City's largest industrial facility with 1,109,608 square feet (then with its future uncertain under the ownership of Newell Rubbermaid which had begun moving its headquarters from Wooster to Georgia). The expansion also accommodated the newly-annexed Ohio State Wooster Campus (then known as the Ohio Agricultural Research and Development Center and the Agricultural Technical Institute). Additionally included was a low-to-moderate income residential neighborhood that hosted several apartment communities, which resulted in residential reinvestment.

Amended in 2008: A few months later, Ord No. 2008-02 passed on February 19, 2008, extended the boundaries further to include industrial and commercial areas along the Akron Road corridor between Long Road and Back-Orrville Road. The area included Class C retail buildings (substantial repairs needed), including the then-abandoned former Hawkins Market strip-mall which 40 years prior had single-handedly boasted the highest sales tax receipts for the County. The area also included substantial industrial and commercial vacant land, where CRA treatment could encourage job creation. As a matter of policy, abatements were limited to 50% for 10 years for rehabilitation and 50% for 12 years for new construction. The expansion arrived ahead of the 2008 global financial crises, which initially stymied future development. As the economy improved, the expanded CRA supported new industrial projects. Some notable CRA projects included:

- The rehabilitation of the Hawkins Market with a fitness center and new retailers.
- An abandoned restaurant converted into a local tech firm's headquarters.
- A new facility for a small entrepreneurial manufacturing business (too small to qualify for the similar Enterprise Zone) that today serves a global marketplace.
- A 54-unit private affordable housing project that recaptured federal dollars for the community and contributes to the tax base (whereas public housing is exempt).

The same amendment incorporated new requirements for commercial CRA projects:

- Requirement that CRA projects commit to two years of substantial positive impact from a project for each year of abatement granted.
- Establishment of criteria in which the Wooster City Council commits to waiving the three reading rule to expedite CRA requests, which include the following:
 - Abatement request of 75% or less, a positive recommendation from the Wooster Growth Corporation, at least 10 full-time persons employed with substantial wages, and project does not compete with existing Wooster businesses.

Amended in 2020: To accommodate a new public-private partnership project to establish ten new single-family condominium townhomes in downtown, Ordinance No. 2020-16 clarified that new housing construction was eligible for CRA incentives, as specified:

- a) Abatement can be up to 100% abatement for twelve (12) years, dependent upon the request of the applicant, for the new construction of residential single-family dwellings

that are individually-platted when located in the C-4 zoning district, and upon which the cost of new construction is at least \$2,500, as described in ORC Section 3735.67

Unlike all past projects, the particular proposed townhomes were not replacing an existing home site, nor could they be tied to job-creation.

Proposed for 11/2020: Proposed Ordinance No. 2020-X modifies the boundary of the CRA to include all industrial areas within the City of Wooster School District and vacant infill residential lots. The ordinance also extends 100%, 12-year CRA treatments to new construction homes when south of 40°48'50"N, and 50% for rehabilitation and new construction projects points north (with new construction limited to R-2 districts with an additional 2 years permissible for LEED-certified projects.)

Housing Reinvestment

CRA to Encourage Reinvestment in Housing:

In order to change existing CRA boundaries or enact a new CRA, a housing study must be compiled to demonstrate a finding that the area included in the description is, “*one in which housing facilities or structures of historical significance are located and new housing construction and repair of existing facilities or structures are discouraged*” (ORC 3735.65(B)).

In practice, this relates to areas in need of urban redevelopment or infill where, without community support, real estate would continue to decline in its quality, safety, wealth, and fiscal contributions. Properties that fall into disrepair may negatively impact the financial and sometimes physical health of their occupants. Small roof leaks ignored for periods of time may lead to mold growth and structural weakening elsewhere in the home which may exponentially the work and cost necessary to remedy the issue. Lack of electrical upgrades leave homes unnecessarily vulnerable to fire risks. Disregard of exterior or interior paints and finishes in older homes create opportunities for lead poisoning for children residing in the structure. All of these issues also devalue the property, and therefore the owner’s wealth. At the same time, apparent disinvestment impacts neighboring properties, lowering desirability and therefore valuations of nearby properties.

CRA incentives exist to provide homeowners an opportunity to reinvest in their properties without encountering tax increases in the short term. As properties are updated, they maintain or enhance their marketability. As in the case of decline, appreciating property also increases desirability for the neighborhood in which the home is situated, which supports appreciation of real estate adjacent homes. Long-term, repairs will enhance safety, energy efficiency, and structural reliability, all of which serve to benefit the property owner financially.

TABLE 1 below identifies the individual property tax rates within the amended CRA, right rates being higher for commercial properties. (Effectively, 2.32% of a homes valuation annually, versus 2.8% for a commercial structure.) A 100%, 10-year CRA in Wooster effectively returns 23.2% of the construction costs of a rehabilitation project to a homeowner in the form of a real estate tax reduction over a ten year period. This incentive may also be used by landlords to make rental units more attractive while enhancing long-term cash flow, or by investors seeking to rehabilitate or “flip” real estate and sell an improved home immediately (in which case, the incentive is recaptured in an artificially higher sale price, enabled by the CRA lowering taxes to maintain a certain PITI [Principal, interest, taxes, and insurance] payment.).

TABLE 1: 2021 Real Estate Tax Rates

<i>City of Wooster Tax Rates on Real Estate Value (Projected 2021)</i>	RESIDENTIAL/AGR.		COMM./IND.	
	Millage (Mills)	Percent	Millage (Mills)	Percent
Wooster City School District + 1.5% City income tax	66.39562	2.32%	81.543634	2.85%
Triway Local School District + 2.5% City/School income tax	42.37468	1.48%	50.287222	1.76%

Source: Wayne County Auditor’s Data

The High Cost of Underutilized Real Estate:

Reinvestment, or the lack thereof, impacts the financial wellbeing of all other taxpayers in the community. For instance, the public's cost of maintaining infrastructure at a vacant residential lot is nearly 400% greater than a lot with a productive average home. Vacant lots do not possess disrepair and therefore do not qualify as evidence of disinvestment for purposes of establishing a CRA, however, their long-term existence in the presence of previously-constructed public infrastructure is a strong indicator that investment has been discouraged. Areas identified in this study included vacant lots throughout the historic neighborhoods surrounding downtown, and also Williams Way, a newer but unfinished subdivision with public streets. The lack of productive use of vacant lots places a strain on the public cost of maintaining the infrastructure originally constructed for the site. With nearly a hundred vacant lots with public infrastructure, the burden to leaving such lots empty presents a substantial burden to taxpayers.

FIGURE 1: Vacant Lot 1991 Williams Way, Wooster, Ohio 44691 (PPN: 67-01602.055)



Investment Discouraged: Over two decades since the Williams Way Neighborhood was established, Parcel 67-01602.055 remains one of 17 lots sitting vacant and unfinished. Over the last five years, the neighborhood's sale prices have averaged \$146,696. This is below the \$150,000 starting cost of construction for a three-bedroom new home (not including lot). In total, the 17 lots represent an **annual revenue loss** of **\$7,023**, costs that are absorbed by other Wooster property owners, workers, and system users. In contrast, 17 fully developed lots with \$150,000 homes would net **\$1,502** in annual taxes after expenses, a difference representing a net taxpayer gain of **\$8,527** annually.

Each property commands a certain amount of funding to maintain the roads, utilities, and services that support its existence, ongoing investment in the property itself is essential to maintain its value to generate the tax revenue to cover public infrastructure costs. When properties are neglected and then depreciate, the expenses required for public infrastructure maintenance must be made up from other property owners.

- The maintenance required to maintain and replace roadway, water, sewer, and storm sewer infrastructure in Wooster averaged an estimated \$8.87 per linear foot of frontage along a paved lane in 2020, or \$443.37 for a typical 50-foot wide residential lot¹.
 - 71% of this cost is covered through user fees when the property is occupied.
 - Costs for vacant lots must be borne by other users.
- The average CRA-area vacant 0.15-acre residential lot (assessed at \$16,496) commands \$347 in taxes annually, generating \$24.26 in taxes for the City of Wooster, versus \$107.26 for a built lot².
- Maintaining public infrastructure at a 50-ft built lot was \$128.29 in 2019 (excludes assessments³).
- The cost to maintain public infrastructure of a vacant lot was \$443.37 (excludes assessments).
 - Water, sewer, and storm costs are absorbed by other WCS account holders. About 20% of roadway reconstruction costs will typically be assessed to the property owner.
- A new home assessed at **\$99,850 is cost-neutral** (meaning, its tax bill will cover the cost of the public infrastructure needed to support it). Any valuation in excess generates revenues for the community, having the effect of **lowering** cost burdens on all users.
 - A valuation of \$124,000 is required to reach cost-neutrality for a 70-ft lot.

¹ \$3.5MM roadway expenses required for repaving, retrofitting, and reconstruction of the City's existing 1,584,000 lane feet, with roadway reconstruction assumed between 50 and 80 years. Water service at \$5.3MM and Sewer at \$6MM require \$2.27 and \$2.60 per linear foot annually respectively, with storm requiring an additional \$1.43.

² City of Wooster millage rate of 4.2 is 6.9% of the total 60.06 mills assessed to residential properties. Revenues assume millage rate with rollback and owner-occupied credits applied. Millage is applied as: 35% of assessed value multiplied against the rate.

³ Assessments are fees added to a property owner's tax bill. In cases of major road reconstruction projects, a portion of the cost, typically 5% to 20% of the actual amount, is sometimes billed to the property owners being benefitted by the project. This offsets a small amount of the cost to other taxpayers who do not benefit. Not all major projects result in assessments. Unpaid bills are placed on the individual property owner's tax bills to finance the payment over a period of years.

Job Creation

CRA to Encourage Job Creation:

“It is noteworthy that the purpose of the CRA Program is to provide real property tax incentives in order to induce economic activity and job growth that would not have otherwise occurred in the absence of the incentive.” (Ohio Development Services Agency 2013 procedures guidance).

State law requires that at least two on-site jobs be retained or created by a business in order to qualify for commercial CRA tax exemptions. As noted in the City of Wooster’s ordinance, abatements should only be extended to the minimum level necessary. Consistent with ORC 3735.65(B), in addition to housing, designated CRA areas are established to encourage *“construction and repair of existing facilities or structures [that] are discouraged.”* This advises that the following real estate projects can be supported:

- Projects creating or retaining employment for **any** business at an **existing structure or location** immediately within an area suffering from **disinvestment**.
- Projects creating or retaining employment for **Basic (traded) Industries** which provide goods and services for outside markets (bringing in new dollars), as opposed to **Non-basic (local) Industries** which provide goods and services to the local market (circulating existing dollars).

The reason basic industrial and basic commercial development is usually *discouraged* in the region (and therefore eligible for CRA incentives) is that Ohio has significantly higher tax structures than many other states, in addition to complications involving infrastructure and **proximity** to major markets. Because of this, many communities, such as New Albany which ranks among the wealthiest in the nation, have been compelled to extend CRA into greenfield areas only when the incentive is limited to primary-sector businesses that create jobs. Many CRAs, including some in New Albany, prohibit incentives to market-rate housing altogether, as housing is a consumer-based part of the economy and is not always discouraged within all CRAs, though the existence of housing and historic structures is a prerequisite.

Basic industry, such as manufacturing and corporate headquarters, “exports” its end products outside the community, obtaining its revenues from outside of the community. **Nonbasic industry**, such as restaurants, retail and other point-of-sales venues, are local population-driven and exist to serve the local community. Companies usually fall into one category, but a few (i.e. warehousing) exist in both realms.

In areas struggling with disinvestment pressures (ie blight, obsolete infrastructure, development constraints, and other development challenges), nonbasic industry may also be discouraged. Wooster’s Downtown, as with many Ohio downtown areas, are emblematic of areas where nonbasic enterprises face significant challenges to development. From lack of space to accommodate modern retail and restaurant design to lack of parking to older infrastructure and existing building shells that require substantial funding to safely repurpose, downtown environments present major financial hurdles for businesses seeking to establish and expand. At the same time, Wooster’s Downtown enjoys the highest level of tax revenue generation per acre of almost any locale within Wayne County, and reinvestment is essential to increasing economic productivity, as well as supporting an enhanced quality of life and local culture that creates a thriving market base for existing and future business.

City of Wooster Characteristics

With 26,394 residents and approximately 22,835 jobs, the City of Wooster is the center of a mid-Ohio micropolitan county with a strong manufacturing base. Founded in 1808, Wooster has several unique historic properties, most of which are centered in its Downtown and within the College of Wooster Campus. Some notable data points include:

- Wooster supports 12,016 housing units, with 43% of households renting. Among the earliest established areas, the community’s housing stock is on average 28 years older than the Wayne County average. Despite a very tight housing market, vacancies are elevated at 8.7%.
- City of Wooster accounted for 51.7% of violent crimes reported in 2017 in Wayne County, with 24.9% of the county’s population⁴. With a violent crime to population ratio of 1:266, Wooster’s crime rates are approximately 24% higher than the state average.
- The Wooster City School District has an average C rating from the Ohio Department of Education. Triway Local School District, serving a portion of Madison Hill, has a B rating. Both Districts have an A rating for graduation and a B rating for progress⁵.
- Wooster is responsible for 47% of all Wayne County jobs.

Evaluation: In evaluating the CRA and its implications for the City of Wooster, an analysis of demographic and socio-economic characteristics serves to identify past conditions and trends in the community. The figures presented are based on US Census statistics. Data is provided at the block group level, the smallest geographic area for which data is made publically available. Several block-groups, and correspondingly census tracts, straddle the City’s corporation limits, and contain information for sections to neighboring townships mixed with data from inside the City.

Population

The City of Wooster’s population continues to **increase**, albeit slightly, as Northeastern Ohio’s overall population is estimated to be contracting. Population growth in the region can be characterized as **declining** overall, with some outward migration from urban counties into rural counties. As a more rural county, Wayne County has benefitted slightly. While the City of Wooster appears to be avoiding decline, its growth in the past decade has been relatively flat:

- Citywide population increased by 275 residents to 26,394 from 26,119 between 2010 and 2019, a 0.8% increase.
 - Compared with 1.0% County average over the same period
 - Compared with 1.3% state average over the same period
 - Compared with -1.7% TeamNeo 18-County Region⁶

TABLE 2: Wooster Population

2019	26,394
2018	26,778
2017	26,723
2016	26,773
2015	26,551
2014	26,353
2013	26,260
2012	26,203
2011	26,132
2010	26,119
2000	24,811
1990	22,191
1980	19,273
1970	18,703
1960	17,046
1950	14,005

US Census

⁴ 2017 County Data from the Office of Criminal Justice Services.

⁵ Ohio Department of Education: 2018 Ohio School Report Cards. <https://reportcard.education.ohio.gov/>

- While growing at a faster rate than the surrounding area, the change pales in comparison to the 5.3% growth rate between 2000 and 2010, and the 11.8% growth rate from 1990 to 2000.
- Seven Census tracts comprise the City of Wooster and make up portions of its neighboring townships. The largest increases were observed in Census Tract 3 (outside of the existing CRA) and Census Tract 5 (partly within the CRA) at 16% and 12% respectively. The largest loss, 4%, was observed in Census Tract 6, which makes up a portion of the western half of the CRA.

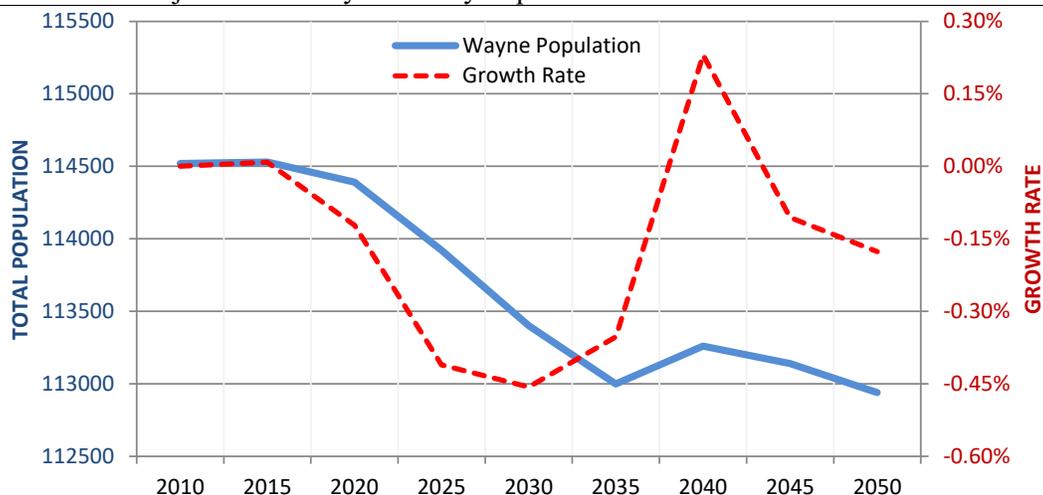
TABLE 3: City of Wooster Population

Census Tract Description	2018 Population	2010 Population	Change
Census Tract 2, Wayne County, Ohio	3,218	3,254	-1%
Census Tract 3, Wayne County, Ohio	2,712	2,343	16%
Census Tract 5, Wayne County, Ohio	4,022	3,582	12%
Census Tract 6, Wayne County, Ohio	5,231	5,679	-8%
Census Tract 7, Wayne County, Ohio	6,990	6,738	4%
Census Tract 8, Wayne County, Ohio	7,024	7,170	-2%
Census Tract 9800, Wayne County, Ohio*	1,079	1,397	-23%

Note: Tract 9800 is the College of Wooster with primarily group-quarters populations. Source: US Census, American Community Survey, 5-Year Estimates Data Profiles, Table DP05 for years 2010-2018.

Household sizes have declined over the same period as families “age in place”, such as empty-nester couples retiring in the three and four-bedroom homes where they raised their children, further limiting the supply of housing. The trend in slowing growth rates, however, is predicted to continue, with the County and region set to experience a population decline in the decades ahead, largely attributed to declining birth rates and out-migration. If the projections hold true, population loss could exacerbate vacancies, impact property appreciation, and increase workforce constraints for area employers. Strengthening reinvestment to preserve safety and encourage appreciation while encouraging primary sector job growth will be critical to countering such negative side effects.

Figure 2: ODSA’s Projection for Wayne County Population Growth



Prepared 2020 by City of Wooster with data from the Ohio Development Services Agency, Office of Research.

⁶ The TeamNEO region consists of Ashland, Ashtabula, Columbiana, Cuyahoga, Erie, Geauga, Huron, Lake, Lorain, Mahoning, Medina, Portage, Richland, Stark, Summit County, Trumbull, Tuscarawas, and Wayne. This region had a total population of 4,335,925 in 2010, compared with a 2019 US Census Annual Community Survey of 4,263,182, a decline of 1.68%.

Low and Moderate Income (LMI) Families

The most recent median household income in Wayne County was \$70,300, about 5% lower than the State of Ohio average. (Based on HUD Published Income Limits for 2020 on 1/4/2020). For 2019, the Bureau of Labor Statistic’s average annual wage/salary was **\$47,287**. Historically, HUD has defined family income values (low, very low, and extremely low) annually for each county based on the specific area’s mean family income. The income levels are used as criteria for granting public housing assistance to families and communities, including tenant rental assistance (i.e. Section 8) as well as community development block grant funding to local governments. **TABLE 3** below defines the concentration of LMI families for each block group. For Wayne County families with four persons, these values are:

- Extremely Low Income (30% Mean Family Income [MFI]): \$26,200 (i.e. one job at \$12.59/hr)
- Very Low Income (50% MFI): \$35,150 (Equivalent to one full-time job at \$16.90/hr)
- Low Income (80% MFI): \$56,250 (Equivalent to one full-time job at \$27.05/hr)

TABLE 4: City of Wooster LMI Population by Tract & Block Group

Census Tract Description	Total Population	LMI Population	LMI %	Block Group	Total Population	LMI Population	LMI %
Census Tract 1 Wayne County, Ohio	3,400	2,710	58.53	BG 1	835	450	50.30%
				BG 2	655	780	64.74%
				BG 3	1,000	910	55.00%
				BG 4	785	695	65.61%
Census Tract 2 Wayne County, Ohio	3,400	2,710	58.53%	BG 1	1,355	445	13.65%
				BG 2	640	240	24.22%
				BG 3	970	495	27.32%
Census Tract 3 Wayne County, Ohio	2,410	1,620	50.62%	BG 1	805	605	53.42%
				BG 2	1,605	1,015	49.22%
Census Tract 5 Wayne County, Ohio	3,290	2,530	57.45%	BG 1	615	620	92.74%
				BG 2	460	410	25.00%
				BG 3*	1,160	765	20.09%
				BG 4*	1,050	740	51.43%
Census Tract 6 Wayne County, Ohio	5,265	3,625	51.28%	BG 1	830	790	70.48%
				BG 2	705	685	89.36%
				BG 3	170	150	55.88%
				BG 4	675	630	73.33%
Census Tract 7 Wayne County, Ohio	6,985	3,530	26.70%	BG 1	870	425	12.30%
				BG 2	1,350	960	24.07%
				BG 3	2,110	1,235	35.07%
				BG 4*	2,655	910	20.72%
Census Tract 8 Wayne County, Ohio	6,710	3,955	40.09%	BG 1*	2,115	1,225	34.99%
				BG 2	1,230	900	57.32%
				BG 3*	1,785	680	21.85%
				BG 4	1,580	1,150	54.11%
Census Tract 9800 Wayne County, Ohio	130	85	42.31%	BG 1	130	85	42.31%

Note: Tract 9800 is the College of Wooster with primarily group-quarters populations. Source: US Census, ACS, 5-Year Estimates Data Profiles, Table DP05 for years 2010-2018. Block groups and census tracts with no residential population in city limits are not included

* Denotes that a significant portion, up to 50%, of the population included in the estimate resides outside of City limits.

<https://odsa.maps.arcgis.com/apps/webappviewer/index.html?id=02292072fa0042f39f75f9098bfc28ae>

Median annual incomes in Wayne County oscillated as much as 5% from year to year over the last decade, but overall on average represent a 1.68% increase annually since 2010, versus a 1.90% increase Statewide.

In addition to managing the CRA program at the State level, the Ohio Development Services Agency, which partners with local governments in its mission “to help create jobs and build stronger communities in Ohio”, makes Community Development Block Grant Infrastructure available for projects benefiting neighborhoods where 51.0% or greater of the households are defined as LMI. The agency additionally funds projects resulting in job creation and/or expansion of services to primarily LMI individuals. The City of Wooster as a whole is nearing LMI status (See **TABLE 4, right**) with a total of 45.3% of its households earning less than 80% of Wayne County’s median income. The agency utilizes the published HUD data to qualify specific census tracts (See **MAP 4**) and census block groups (See **MAP 5**) for the purposes of project funding.

TABLE 5: ODSA Wooster LMI Data

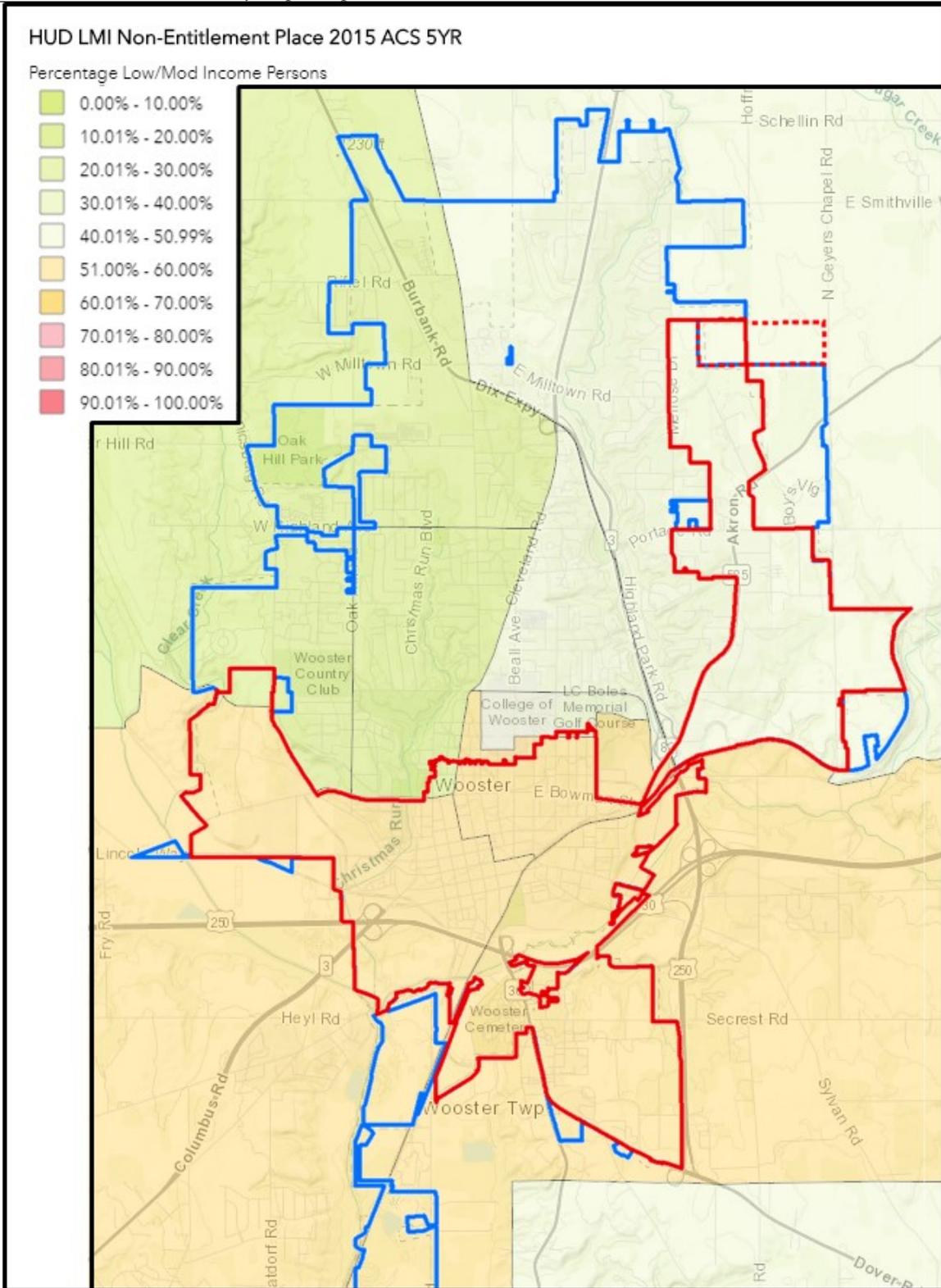
Wooster City, Ohio	
Number of Low Income Persons	6,800
Number of Low/Moderate Income Persons	10,690
Number of Low/Moderate/Medium Income Persons	15,685
Persons for Whom Income is Determined	23,600
Percentage of Low/Moderate Income Persons	45.30
Margin of Error (+/-) Percentage of Low/Moderate Income Persons	3.60

Source: Ohio Development Services Agency presentation of American Community Survey 2011-2015 Census Place data applicable for CDBG programming years 2019 and after. <https://development.force.com/OCDTA/s/article/ACS-2011-2015-Low-and-Moderate-Income-Summary-Data> (1/10/2020).

At the Census Tract level, LMI concentrations are highest within the historic center of the City. Wayne County, Ohio Tracts 1, 5, and 6 exceed the 51% LMI concentration threshold. The initial CRA boundary followed the Census tracts lines, which trace the centerline of Bowman Street and what was once the southern boundary of the since-expanded College of Wooster campus. Examining concentrations at the block group level, the most detailed data that the Census makes publically available, adds additional context, with lessening levels of severity observed north of Downtown as well as Schellin Park, and increasing severity west of Cleveland Road. With smaller sample sizes, however, the margin of error in calculations is wider with block groups, particularly in the Schellin Park neighborhood where sample sizes are very low. For areas not qualified as distressed, ODSA permits cities to conduct door-to-door income surveys to determine if a particular proposed project would primarily support a low-to-moderate income project.

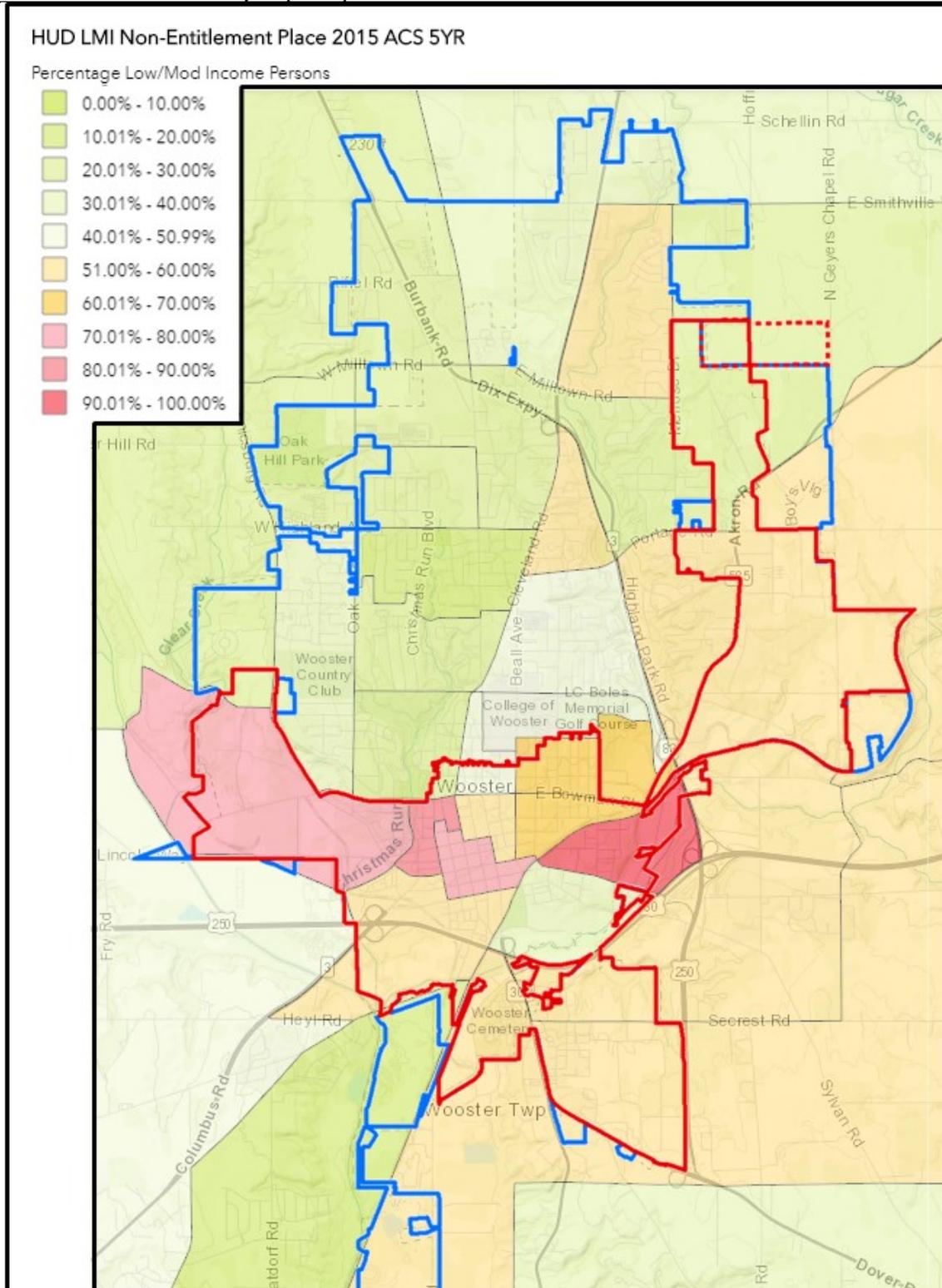
Census Median Family Income: More recent income data is available at the block group level from the 2018 American Community Survey (ACS). **MAP 6** highlights the 2018 median family income for each block group (income includes social security and public assistance). The median income for a Wooster family was \$46,384 in 2018 (same calculated for 2019). Corresponding to new investment, incomes were relatively high in the downtown core, while immediately surrounding neighborhoods possessed the lowest of all incomes. The strongest incomes were observed in the City’s newest neighborhoods and its wealthier central neighborhoods. (Note: For this section an all proceeding Census Block group maps, several block groups extend beyond the City of Wooster’s borders into Wooster Township and Wayne Township neighborhoods, whose conditions significantly influence the figures presented.)

**MAP 4: Ohio Development Services Agency Low and Moderate Income Census Tracts
With Amended CRA Boundary Superimposed**



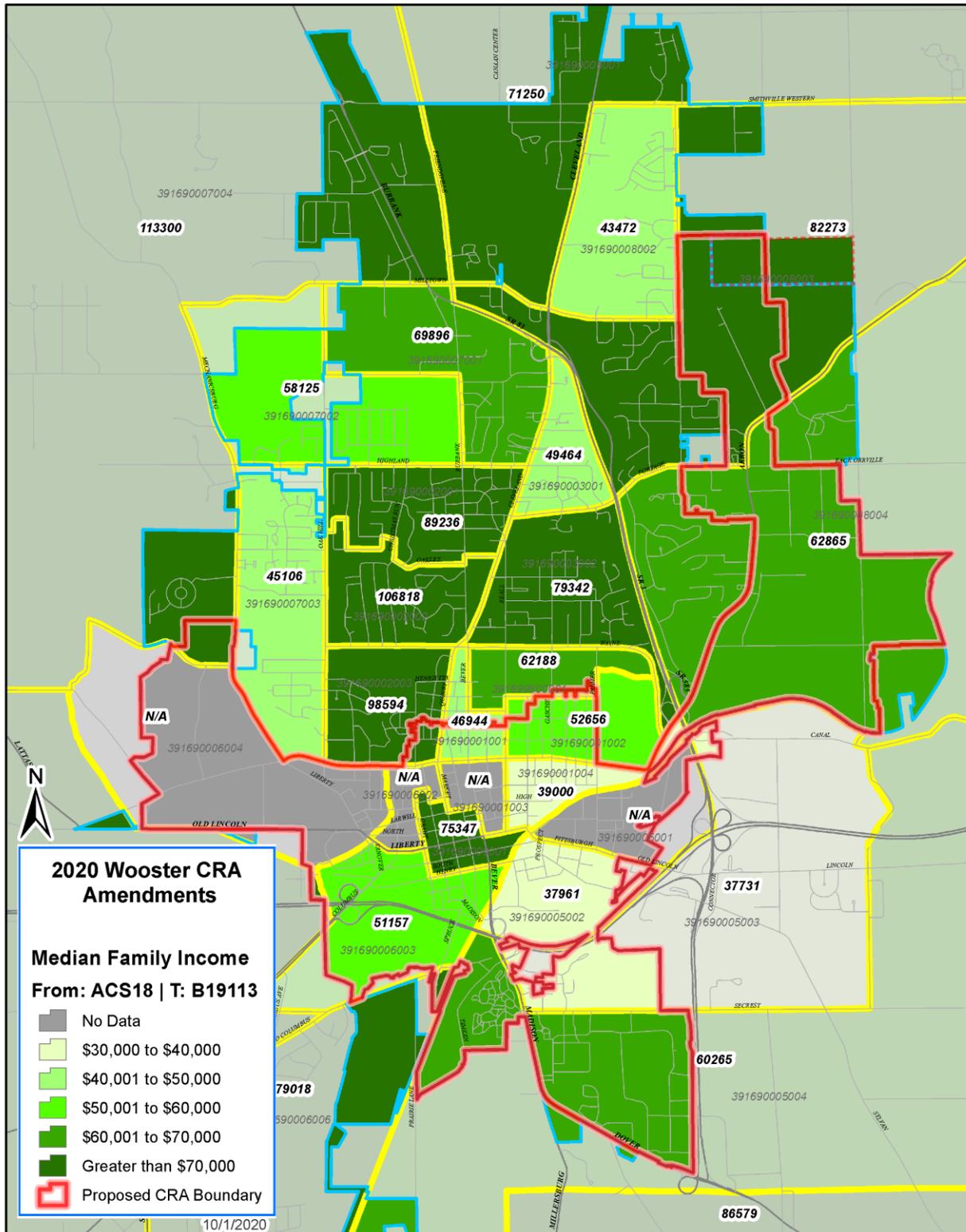
Source: Ohio Development Services Agency presentation of American Community Survey 2011-2015 Census Tract and Block Group Data applicable for CDBG programming years 2019 and after. <https://development.force.com/OCDTA/s/article/ACS-2011-2015-Low-and-Moderate-Income-Summary-Data> (1/10/2020).

**MAP 5: Ohio Development Services Agency Low and Moderate Income Block Groups
With Amended CRA Boundary Superimposed**



Source: Ohio Development Services Agency presentation of American Community Survey 2011-2015 Census Tract and Block Group Data applicable for CDBG programming years 2019 and after. <https://development.force.com/OCDTA/s/article/ACS-2011-2015-Low-and-Moderate-Income-Summary-Data> (1/10/2020).

MAP 6: Median Family Income Estimates by Block Group



Prepared by City of Wooster utilizing US Census 2018 American Community Survey data from Table B19113.

Census Household Size: An understanding of household size adds context to the median family income data, as larger families require additional financial resources. The highest household averages were observed in Census Tract 8 and also in neighborhoods around the Downtown core. The lowest levels, also occurring in the Downtown area, were most prevalent near the center of the City, where professionally managed apartment communities and senior housing developments are most common. This distribution is shown in **MAP 7**.

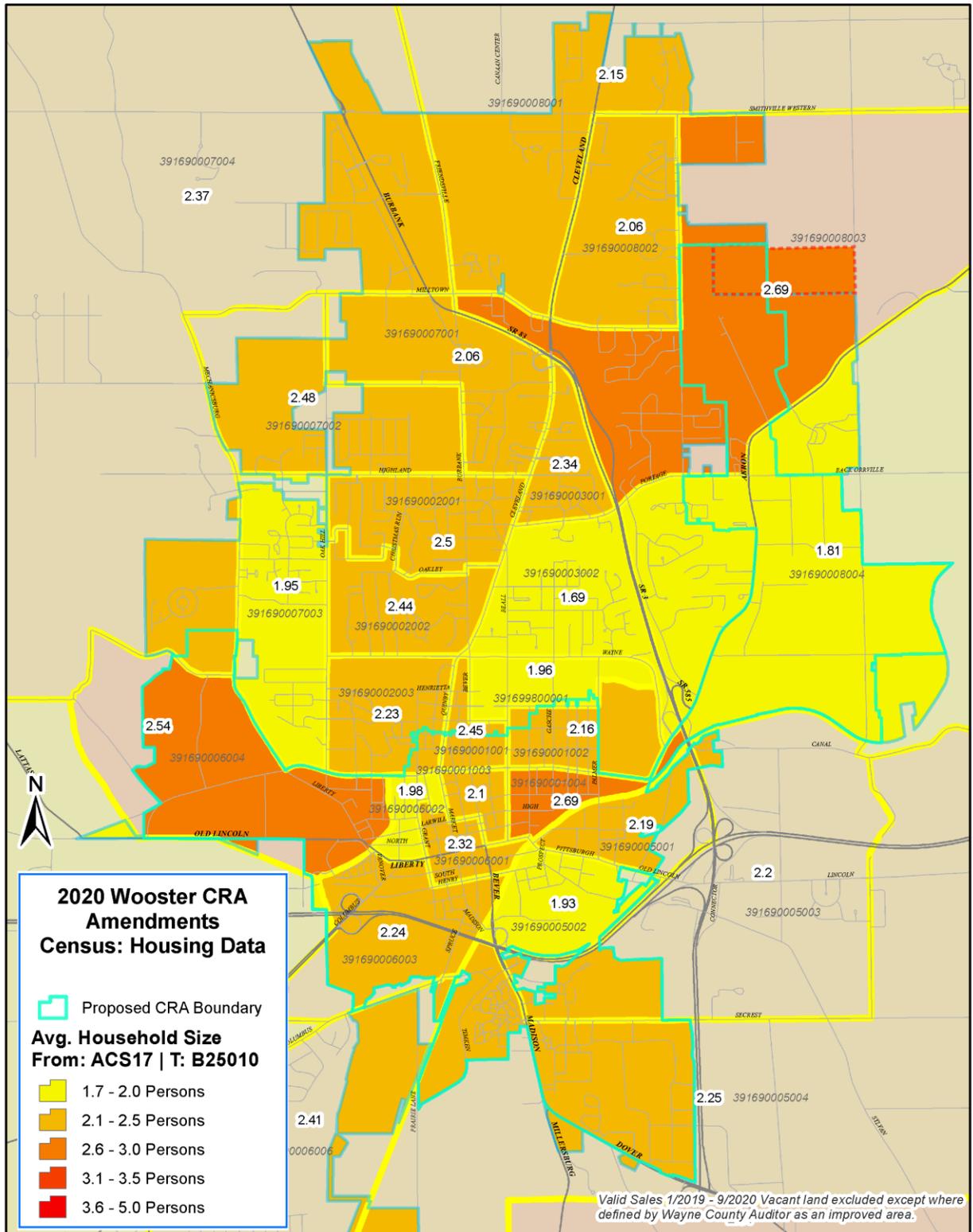
Census Per Capita Income: By comparison to median family incomes, Wooster's 2018 per capita income (income per individual resident) was \$26,864 for the same period. The disparity between Downtown and the amended CRA becomes more evident with incomes as low as \$13,607, as opposed to \$48,343 in the City's wealthiest block, as shown in **MAP 8**.

Census Families in Poverty: The highest concentrations of poverty defined by the 2018 ACS were observed in the southern neighborhoods surrounding Downtown. (Note, while usually indicative of very low occurrences, a value of 0.00% is almost always the result of too small of a sample size to return a reliable value, rather than an exact finding that poverty is nonexistent.) **MAP 9** demonstrates that the most challenged residential neighborhoods surround the downtown area. Corresponding to the HUD LMI data, poverty becomes elevated in areas west of Cleveland Road in the City's north. Additionally, the Mindy Lane neighborhood, which has a high volume of rental units, also experiences an elevated rate.

Census Families Utilizing Public Assistance In Last 12 Months: As another measure of examining distress, the 2018 ACS evaluates each block group for the rate at which its population utilizes public assistance. As becomes apparent in viewing **MAP 10**, data limitations and very wide margins of errors advise that the data is indicative, rather than a reliably exact measure, of public assistance use. Interestingly, areas of high poverty within the CRA provide no data on public assistance usage, while one downtown block group with "0.00%" poverty reported 20.3% of its residents on public assistance.

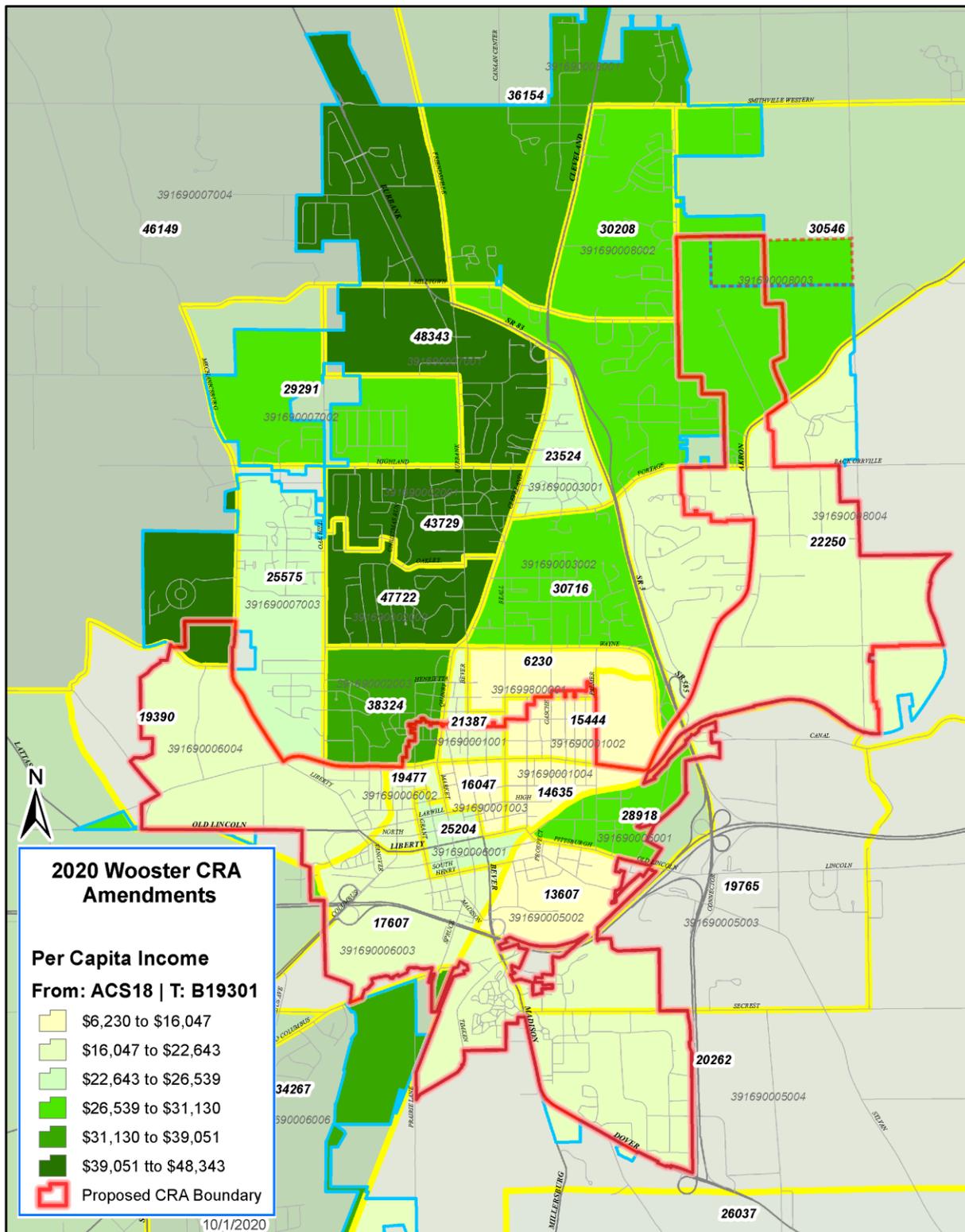
These data, *together*, advise that residents within the proposed amended CRA struggle with the highest levels of economic strain. Property owners in this location are most at risk of being able to afford the maintenance and upgrades necessary to retain the value and desirability of the housing stock, either because homeowner families are more likely to lack sufficient incomes or because property investors are less likely to attain necessary rent amounts (though this issue is somewhat ameliorated during periods when the overall housing markets is very strong). By amending the CRA boundary to more comprehensively include the City's most challenged neighborhoods, the City of Wooster is able to make home rehabilitations more affordable. By including in the amendment the City's industrial and underutilized commercial areas, the City is able to encourage, on a discretionary case-by-case basis, basic sector job creation to support economic opportunities for the benefit of the residents living within the CRA as well as residents within the community as a whole.

MAP 7: Average Household Size by Block Group



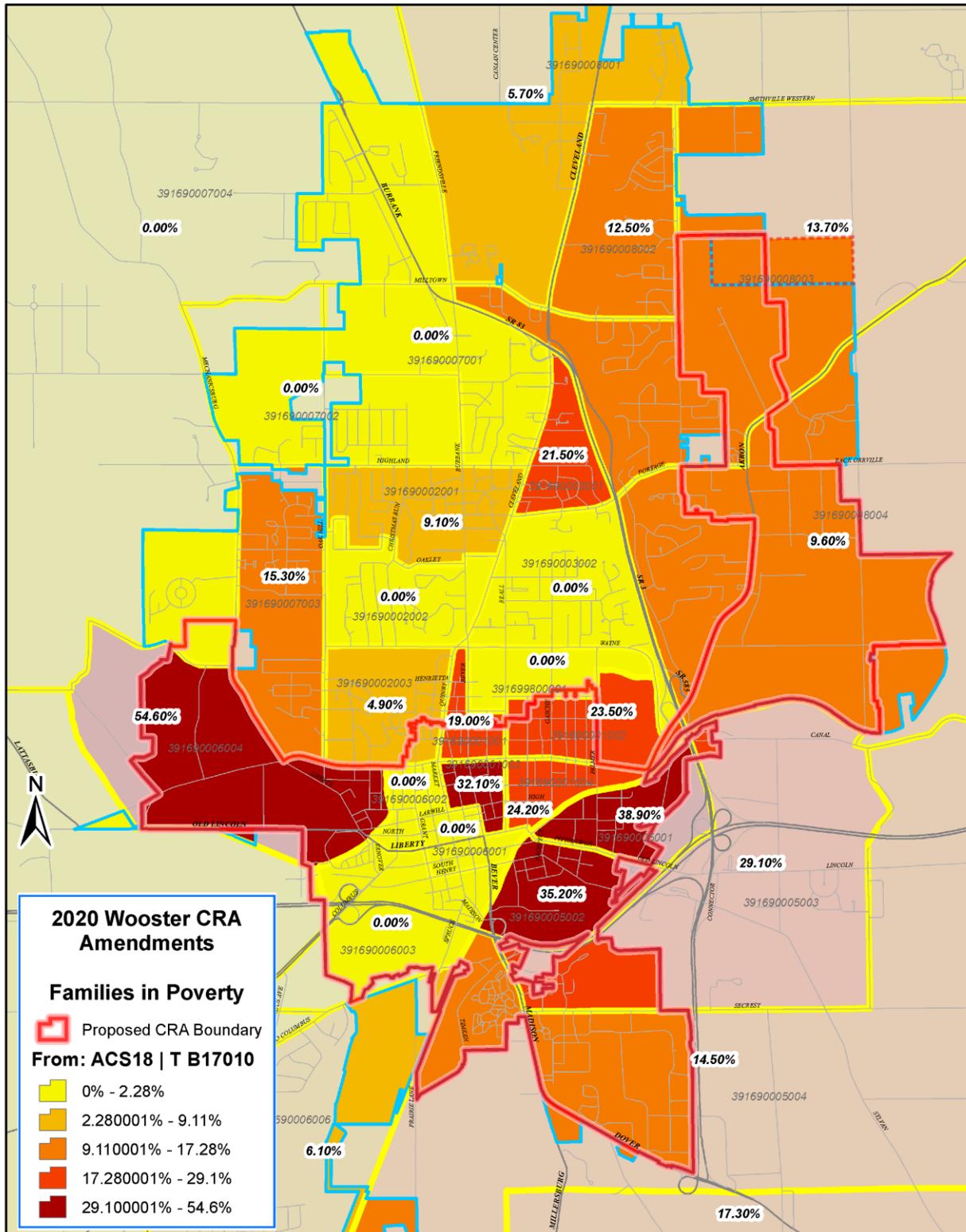
Prepared by City of Wooster utilizing US Census 2017 American Community Survey data from Table B25010.

MAP 85: Per Capita Income Estimates by Block Group



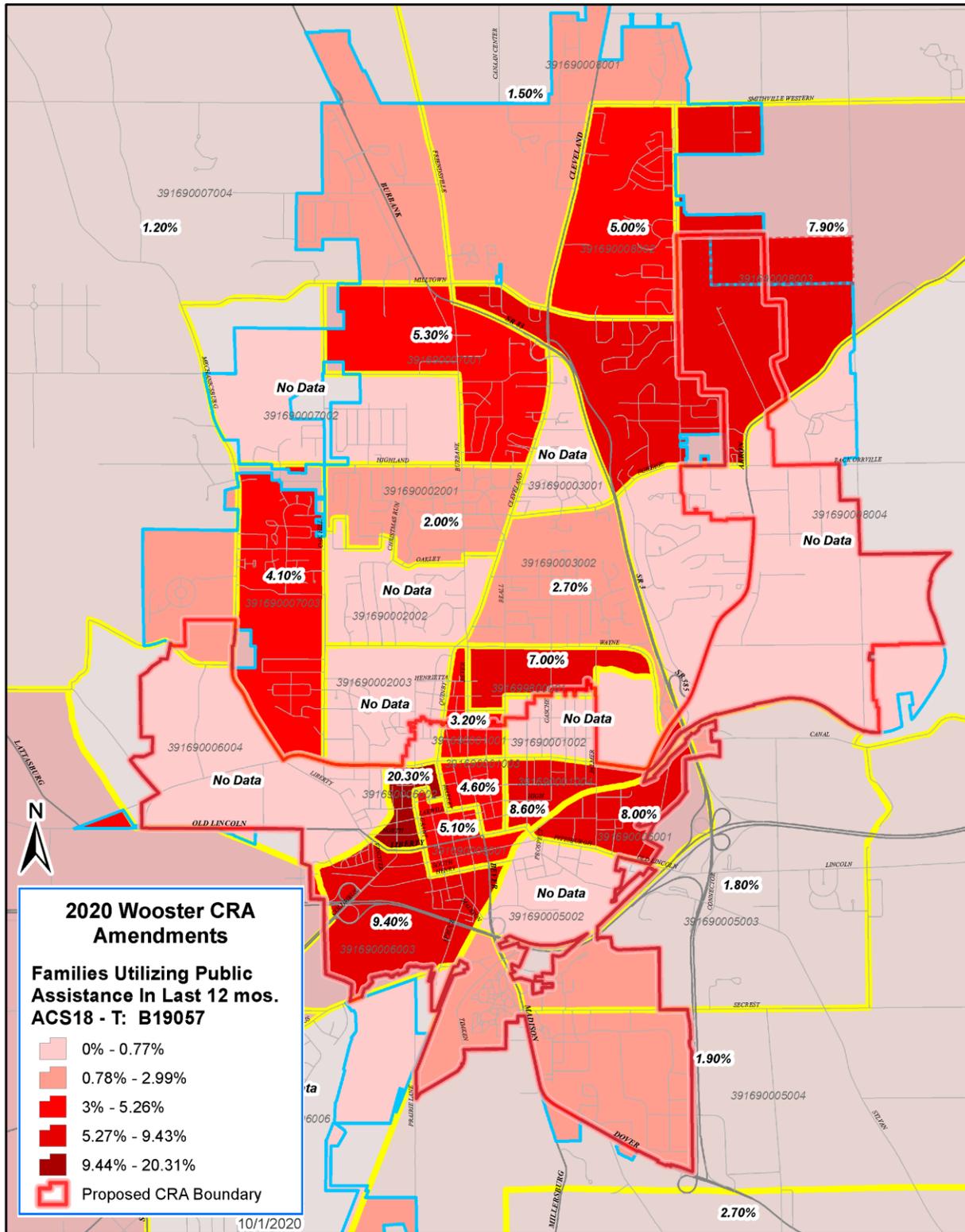
Prepared by City of Wooster utilizing US Census 2018 American Community Survey data from Table B19301

MAP 9: Families in Poverty



Prepared by City of Wooster utilizing US Census 2018 American Community Survey data from Table B17010.

MAP 10: Families Utilizing Public Assistance in Last 12 Months



Prepared by City of Wooster utilizing US Census 2018 American Community Survey data from Table B19057.

General Housing Characteristics

The US Census estimated 12,181 residential units within the City of Wooster for 2018, a 0.64% increase since 2010 overall for the City. Census Tract 1, comprising the center of Downtown Wooster and its northeastern historic neighborhood, was the only tract to experience a loss of housing. Generally, vacancy in the City dropped as the housing market tightened, though overall vacancy rates remained elevated over Wayne County's average. **TABLE 4** shares the most recently available Census data for each tract comprising the City of Wooster. This data is compared with the same dataset from 2010 in **TABLE 5** to highlight and compare trends. Overall, Wooster's experience was not dissimilar from the State of Ohio except that its growth in housing units was much lighter. The data show a trend away from homeownership with a growth in rental-occupied units, in part a result from the fallout of the Great Recession and its foreclosure crises. While the figures for Wooster are more elevated, this is owed in part to the City's more urbanized makeup, whereas rural areas which are more representative in the county and state figures are less likely to support apartments and high-density rental developments due to the lack of utilities.

TABLE 6: 2018 Census Housing Characteristics

SELECTED HOUSING CHARACTERISTICS <i>ACS DP04 2018 5-YR</i>	Housing Units and Vacancy					Owner-Occupied			Renter-Occupied		
	Total Housing Units	Occupied Housing	Percent Occupied	Vacant Housing Units	Percent Vacant	Owner-Occupied	Owner Occupied %	Owner Vacancy Rate	Renter-Occupied	Rental-Occupied %	Rental Vacancy Rate
Ohio	5,188,270	4,654,075	89.7%	534,195	10.3%	3,071,227	66.0%	1.6%	1,582,848	34.0%	5.6%
Wayne County, Ohio	46,500	43,385	93.3%	3,115	6.7%	31,704	73.1%	1.2%	11,681	26.9%	4.6%
Wooster City, Ohio	12,181	11,065	90.8%	1,116	9.2%	6,305	57.0%	1.5%	4,760	43.0%	6.7%
Census Tract 1	1,634	1,479	90.5%	155	9.5%	495	33.5%	4.6%	984	66.5%	2.5%
Census Tract 2	1,499	1,355	90.4%	144	9.6%	1,107	81.7%	1.1%	248	18.3%	4.8%
Census Tract 3	1,341	1,186	88.4%	155	11.6%	546	46.0%	0.0%	640	54.0%	9.3%
Census Tract 5	1,651	1,443	87.4%	208	12.6%	775	53.7%	0.0%	668	46.3%	5.7%
Census Tract 6	2,558	2,421	94.6%	137	5.4%	1,445	59.7%	0.0%	976	40.3%	0.0%
Census Tract 7	3,461	3,209	92.7%	252	7.3%	2,314	72.1%	2.4%	895	27.9%	15.1%
Census Tract 8	3,453	3,126	90.5%	327	9.5%	2,126	68.0%	2.0%	1,000	32.0%	8.7%

Census Table Reference (DP04 0001E 0002E 0002PE 0003E 0003PE 0046E 0046PE 0004E 0047E 0047PE 0005E)

US Census 2018 ACS Table DP04

TABLE 7: Change in Housing Units by Census Tract

CHANGE IN HOUSING CHARACTERISTICS <i>Calculated from ACS DP04 2010/2018 5-YR</i>	▲ 2018 from 2010					▲ Homeowner		▲ Rental	
	Total Housing Units	Occupied Housing	Percent Occupied	Vacant Housing Units	Percent Vacant	Owner Occupied %	Percent Occupied	Units Renter Occupied	Renter Vacancy Rate
Ohio	1.59%	2.2%	0.6%	-3.7%	-0.60%	-3.2%	-1.0%	3.2%	-3.9%
Wayne County, Ohio	1.76%	2.3%	0.5%	-5.6%	-0.50%	-2.6%	-0.3%	2.6%	-3.1%
Wooster City, Ohio	0.64%	3.1%	2.1%	-18.4%	-2.10%	-6.1%	-2.4%	6.1%	-3.9%
Census Tract 1	-6.79%	-0.2%	6.0%	-42.8%	-6.00%	-19.3%	0.6%	19.3%	-12.6%
Census Tract 2	1.56%	-3.8%	-5.1%	114.9%	5.10%	0.6%	-4.4%	-0.6%	4.8%
Census Tract 3	0.98%	-1.4%	-2.2%	24.0%	2.20%	-9.4%	0.0%	9.4%	-9.6%
Census Tract 5	0.55%	4.4%	3.2%	-20.0%	-3.20%	3.3%	-2.8%	-3.3%	-3.3%
Census Tract 6	0.63%	7.7%	6.2%	-53.6%	-6.20%	-8.9%	-2.5%	8.9%	-5.0%
Census Tract 7	10.93%	8.3%	-2.3%	60.5%	2.30%	0.0%	-0.1%	0.0%	6.8%
Census Tract 8	4.54%	5.6%	0.9%	-4.9%	-0.90%	-8.4%	-0.7%	8.4%	-4.5%

Prepared by City of Wooster utilizing US Census 2010 and 2018 ACS Table DP04

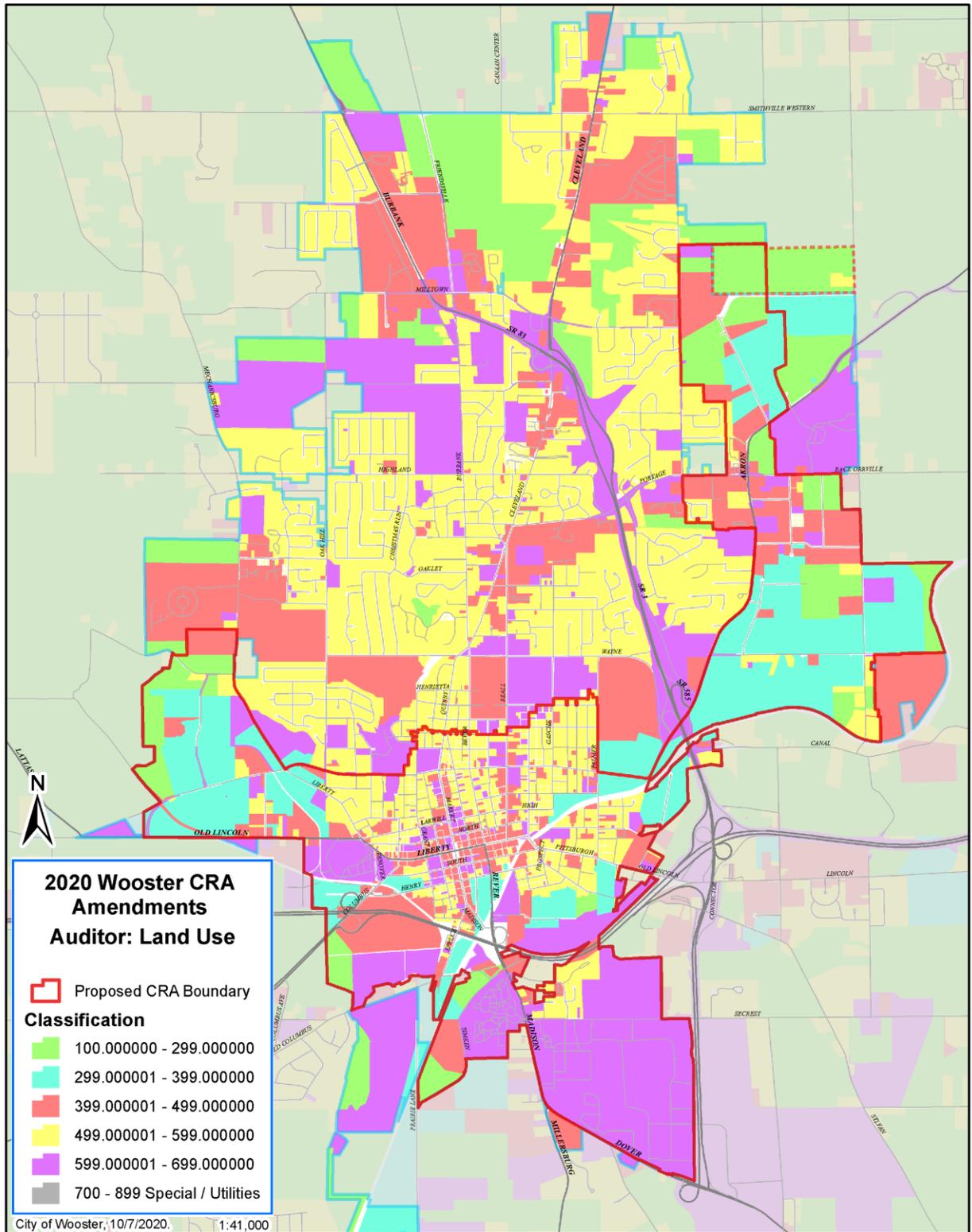
Land Use: Wooster’s residential areas surround the Downtown and spread northward, flanked by industrial and commercial uses on the east and west. **MAP 11** highlights the designated land use of each real estate parcel within the City of Wooster based on the Wayne County Auditor's land use classification data (which also defines the rate at which real estate is taxed, with Commercial and industrial properties taxed at an effective rate of 2%). The amended CRA comprises the most diverse and intense distribution of land uses within the community. Residential uses are commonly pressed up against intense commercial or industrial uses, which sometimes results in land use conflicts that diminish investment.

Homeownership and Rental Properties: Nearly 43% of the Wooster’s population rents, compared with 34% of residents statewide. The availability of robust public utilities and infrastructure enables the creation of high-density apartment communities and complexes, whereas rural areas elsewhere in Northeast Ohio are only able to support as little as a single home on three acres. Neighborhoods with a high degree of rental units are *sometimes* at risk of disinvestment due to deferred maintenance by investors. Landlords, of course, operate housing units as a business asset and generally will limit investment in property to the minimum amount necessary to command a certain level of rent. In cases of neighborhood decline, landlords face an economic disincentive to upgrading real estate. Wooster has many responsible landlords who work diligently to ensure the upkeep of their properties. However, the community has also experienced a significant number of events where investors defer maintenance on real estate to the point of the structure failing critical safety codes, necessitating demolition, typically at the expense of city taxpayers.

MAP 12 displays the US Census estimates for the distribution of renter-occupied housing throughout the City, with the greatest concentrations occurring in and around the downtown core and its historic neighborhoods. Areas near the Hospital District, Mindy Lane, and the Akron Road priority area also show a relatively high volume of renter-occupied housing, owing in part to multiple popular apartment communities in the area. Owner-occupied housing becomes more prevalent to the north and west of the city, which were established as single-family neighborhoods.

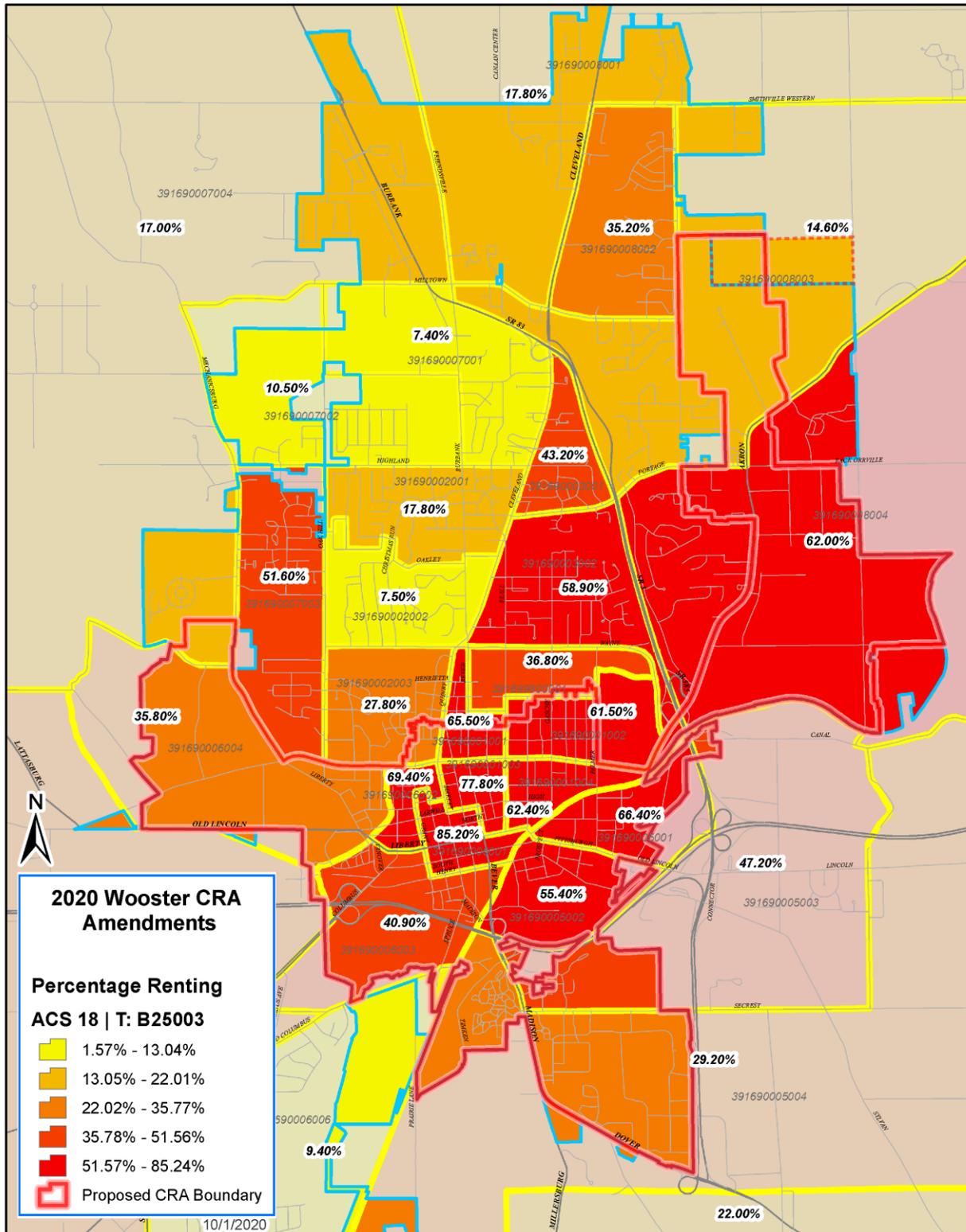
Data from the Wayne County Auditor’s office offers further clarity, as shown in **MAP 13** with an *estimated* distribution of rental properties throughout the City. Unit density was defined by land use codes, and with single-family homes noted as “Renter-Occupied Likely” when tax mailing addresses differed from the property address. The most densely-populated rental properties are generally professionally-managed communities located throughout the City, while single-family, duplex, and triplex rentals were mostly concentrated within the Downtown. It was observed through the years that larger professionally-managed communities tend to have the financial resources to make the necessary upgrades to keep properties marketable, though this has not always been the case. The propensity to keep rental units maintained and updated becomes more mixed when managed by smaller enterprises, which occurs most frequently within the amended CRA.

MAP 11: City of Wooster Land Use



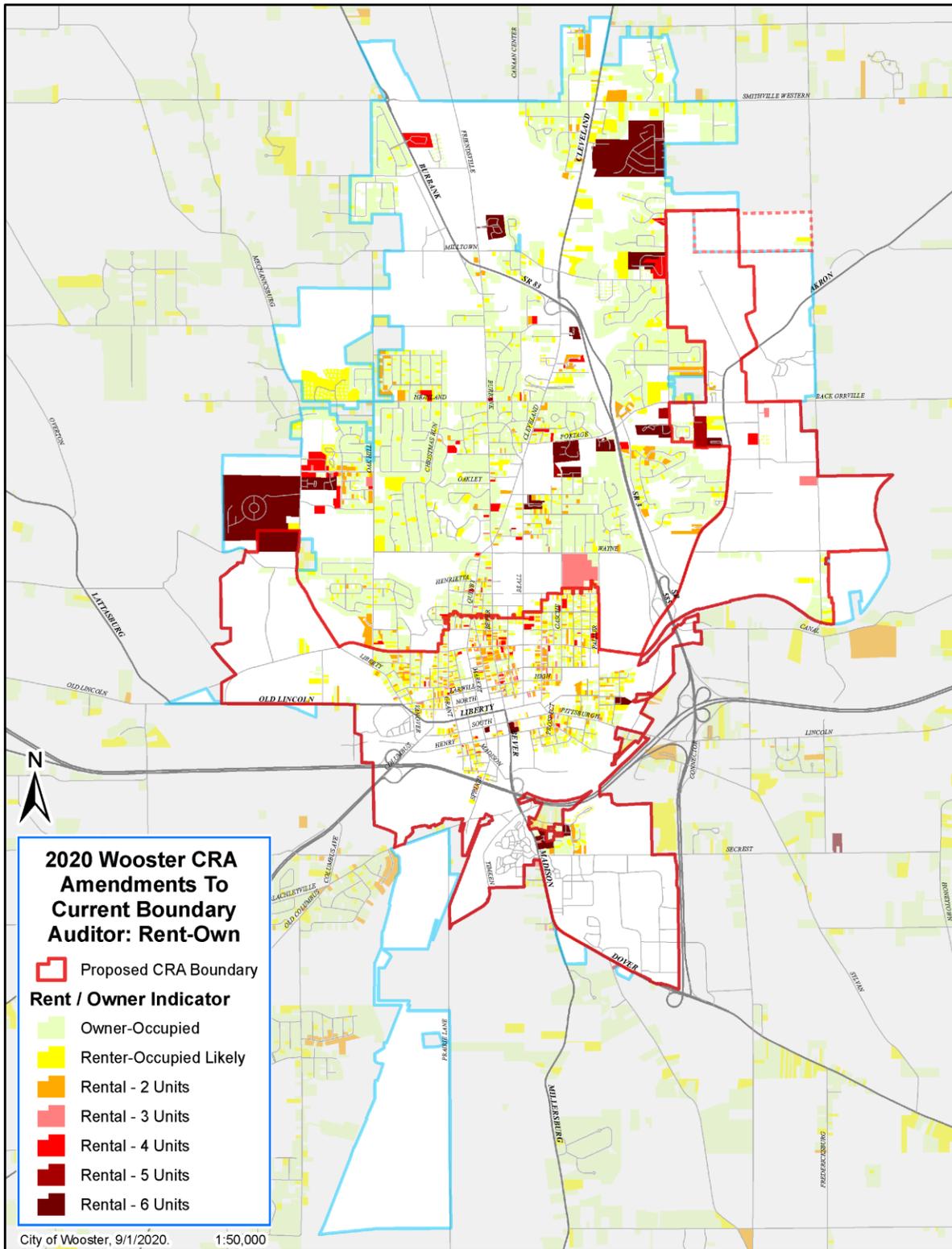
Prepared by City of Wooster utilizing Wayne County Auditor's parcel database (10/2020) "mclassification" land use codes.

MAP 12: City of Wooster Rental Distribution by Block Group



Prepared by City of Wooster utilizing US Census 2018 ACS data, Table B25003, percentage of families renting.

MAP 13: Rent Indicator Utilizing Wayne County Auditor's Data



Prepared by City of Wooster utilizing Wayne County Auditor's address and classification data..

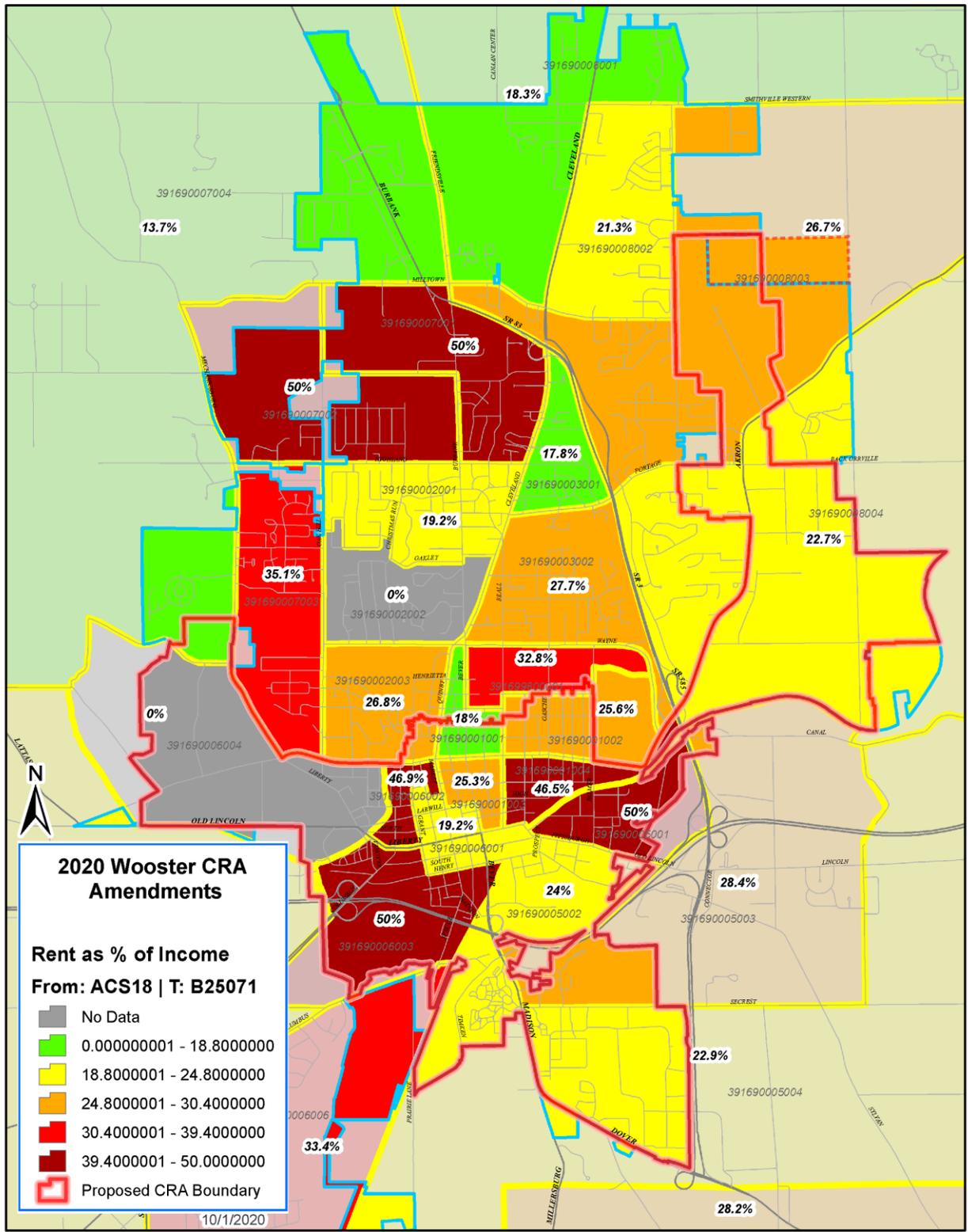
Affordability: Housing cost is another important consideration in examining the likelihood of reinvestment within a specific area. To qualify as affordable, housing costs on a particular unit may not exceed 30% on the household's income according to HUD. When costs exceed this amount, families are considered "housing cost-burdened" and are deemed at greater risk of not having sufficient financial resources for non-housing expenses (transportation, medical care, food, etc).

Map 14 illustrates how the cost of rent within each Block Group compares with Wayne County's average rental cost of \$728 per unit (per US Census). The downtown core, with its older housing units, offers the lowest rents in the City, while the most extensive housing was observed in the northeast of the city, where professionally managed and larger communities have been able to attract higher rents, in some cases with newer facilities. Moderately high rents were also observed along Mindy Lane, which has a mix of newer and older units, as well as north along Friendsville Road.

Though rents were most affordable in the Downtown area, **Map 15** highlights the cost renting families incur in order to rent a home within individual block groups as a percentage of annual income. The greatest concentration of cost burden households exists around the downtown core. Very high levels are also observed in the city's northwest neighborhoods, which may be influenced by a higher degree of senior housing. Poor structural conditions, discussed further ahead, exacerbate issues further as the lack of insulation and equipment updates demand additional energy, often paid by the renter.

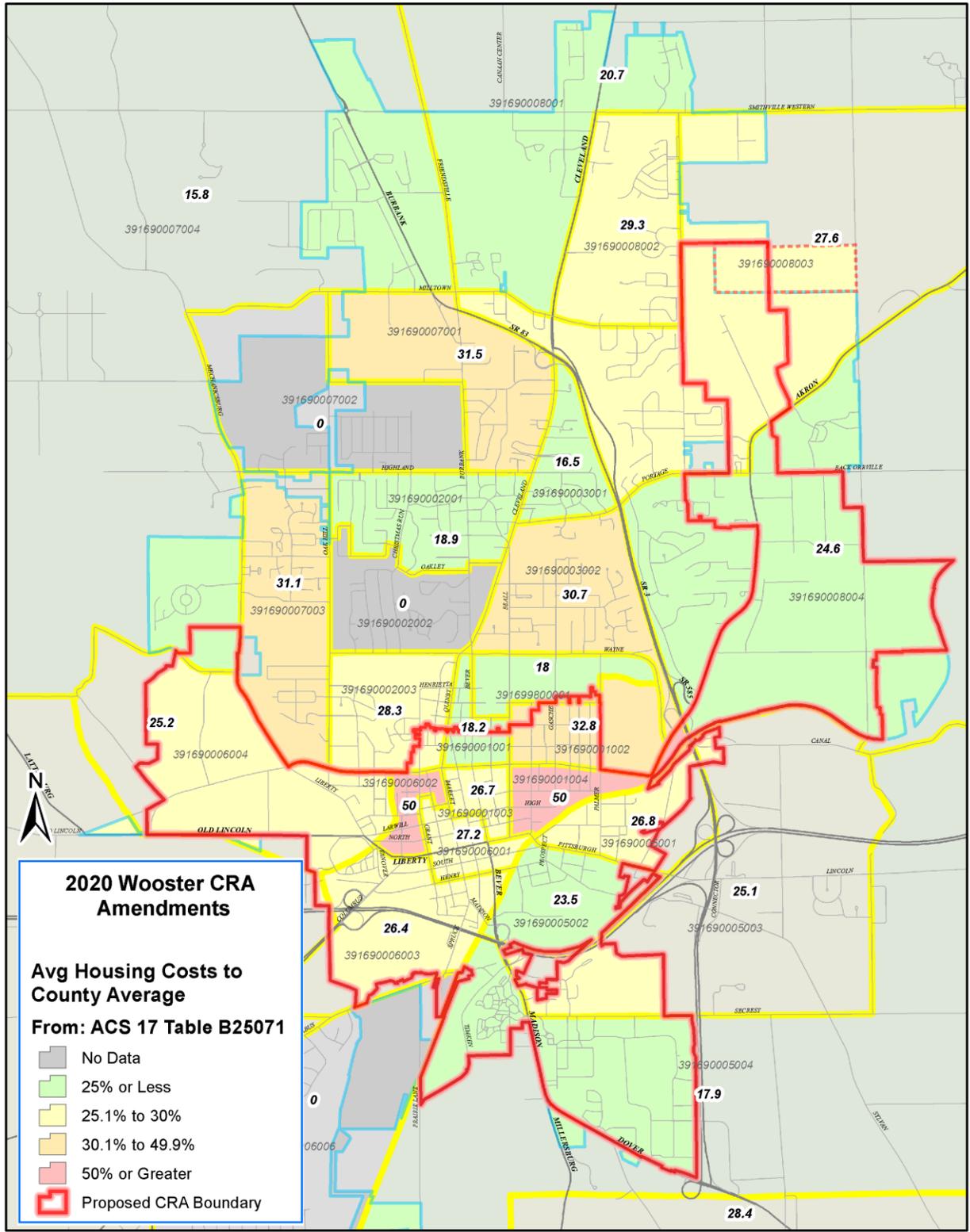
In exploring the cost of owner-occupied housing (**MAP 16**), the most severe concentration of cost-burdened homeowners were observed in Downtown's historic neighborhoods. Areas surrounding Mindy Lane and also the Hospital District also had concentrations of moderately high cost-burdened households. These properties, due to age, were also more likely to require costly maintenance and updates. The combination of these two factors is a contributing factor to the frequency of property maintenance complaints and overall lack of housing investment observed in the amended CRA (See section Value Of, And Investment In, Housing Stock).

MAP 15: Rent Cost Burdens
Rental costs as a percentage of household income.



Prepared by City of Wooster utilizing Wayne County Auditor's address and classification data..

MAP 16: Owner-Occupied Housing Cost-Burdens
Ownership costs as a percentage of household income.



Prepared by City of Wooster utilizing US Census ACS 17 Table B25071 data.

Additional Wooster Housing Tools & Resources

Addressing the need for reinvestment and job creation is a significantly complex campaign requiring a comprehensive suite of local and state as well as private and governmental resources. In addition to the Community Reinvestment Area (CRA) program to incentivize reinvestment, the City of Wooster has the following resources to support housing and job growth:

Property Maintenance Program: Mentioned earlier, the City of Wooster’s Building Department manages a property maintenance program that provides residents, homeowners and tenants alike, with inspections upon request to assess violations of the international building code and also the local zoning code. When a complaint is made concerning either the condition of the property or zoning, the property maintenance inspector will perform an onsite inspection as soon as possible, sometimes even the same day the complaint has been received. Proactive inspections are scheduled for the City’s historic R-T (Residential Traditional) zones.

Community Housing Impact and Preservation (CHIP) Program: Since 1994, the City of Wooster has participated in the State of Ohio’s competitive CHIP Program to support the repair of existing housing for low-income families. Through the program, the City is able to utilize a portion of the State of Ohio’s CDBG (Community Development Block Grant) to make grants available to low-to-moderate income homeowners or landlords serving low-to-moderate income renters to make safety and code repairs to older structures. Most recently, the City of Wooster has taken the responsibility of applying and financing projects on behalf of its Wayne County and City of Orrville partners, and directly receives a biannual allocation of \$350,000 for projects within city limits. Applicants are able to select from one of four grants,

- 1.) Emergency Home Repair grant of up to \$10,000 to address one or two specific issues (i.e. failing roof or broken waterline);
- 2.) Private Owner Rehabilitation Partially-Forgivable Loan, which provides without fees an 85% to 95% forgivable mortgage to homeowners performing major home rehabilitation projects of up to \$45,000 (siding replacement, kitchen replacement, lead abatement, etc.)
- 3.) Homeownership Partially Forgivable Loan, which offers a partially forgivable mortgage of up to 85% to 95% 95% to first time homebuyers (not owning a home in the last three years) to cover down-payment costs on a loan and to make any necessary safety upgrades to a home. The lack of a down-payment is typically the biggest problem aspiring homeowners face in securing housing at affordable rates, which this program remedies.
- 4.) Private Rental Rehabilitation 100% forgivable mortgage, offered to landlords making repairs to older apartment units in return for limited rent control. The program operates as a 300% matching grant (with landlords contributing 25% to a project and CHIP funding the remaining 75%). Mortgages are fully forgiven after a period of time (5 to 15 years) that the apartment is made available to low-to-moderate income tenants.

In the case of forgivable mortgages, the remainder is only due once the owner sells or would otherwise no longer use the home as their primary residence. The funding returned to the program is used to support other low-to-moderate income families, and is frequently used to supplement financing for other projects that would not otherwise be possible.

At the time of publication, over 640 homes countywide have been saved from damage that if left untreated would have led to significant deterioration with a strong likelihood of necessitating home demolition. The City most recently applied for a new round of funding to conduct additional projects in 2019 through 2021.

Wayne County Land Bank: Newly established in late 2020, the Wayne County Land Bank provides a new community resource to move underutilized and damaged properties back to productive use. Land Banks are independent entities in Ohio that are able to hold property, in addition to buy, sell, borrow, and lend funds. Most importantly, Ohio law permits Land Banks to clear titles of tax delinquent properties that would otherwise remain underwater financially. Land Banks provide an option for property owners to unload problem properties after the normal foreclosure process would fail.

Tax Incremental Financing (TIF): Similar to a tax abatement in its effect, TIF allows governments to pledge future tax revenues from certain projects to cover the cost of public infrastructure. TIF is a popular tool for downtown redevelopment projects as well as large-scale commercial developments that require a substantial investment in public infrastructure. Usually a developer's expense, TIF allows governments to fund infrastructure costs directly with minimal impact to current budgets. Rather, the government and/or developer secures funding in the form of a bond or loan, secured by the future real estate tax revenues derived from the proposed project. Ohio is among just a few states in the Union to allow TIF to be utilized for exclusively residential projects. The most common applications are in industrial, commercial, or mixed-use developments.

New Community Authority (NCA) / Community Development Authority: This Ohio framework allows communities to fund large-scale public infrastructure projects for newly-planned neighborhoods through future real estate and also sales tax revenues. Governed under Ohio Revised Code 349, each NCA is governed by a body of commissioners who may levy "community development charges" and issue bonds. The minimum acreage for an NCA not wholly contained within a municipality is 1,000 acres, or 1.56 square miles, though there is no minimum when fully contained within a city.

Wayne County Housing Coalition: Local governments, state government liaisons, and nonprofits collaborate regularly through the Wayne County Housing Coalition with a focus on coordinating the housing needs of the greater community. The organization assists with the county's summer and winter Point-In-Time Homeless Counts and also comprises the Housing Advisory Committee (HAC) which works to advise the community on its CHIP program.

Emergency Shelter Resources: The Salvation Army of Wooster operates an emergency shelter with accommodations for families, men, and women, expanding its services in 2021 to include a daytime shelter. One-Eighty provides emergency housing and operates a domestic violence shelter welcoming women and children. Both agencies serve as a clearinghouse for emergency housing resources and referrals with other Wooster area agencies.

Wayne Metropolitan Housing Authority (WMHA): This agency has served the Wayne County community since 1969 with federally-funded public housing programs, including Section-8. At the time

of publication, the political subdivision was reporting 916 families under its Housing Choice Voucher Program, which pays directly to a participating private landlord the difference between the market rate rent and what a particular low-income family is able to afford. A total of 639 families remained on the program's waiting list, with another (sometimes the same) 456 families on a waiting list for one of the agency's public housing units.

Field Conditions Survey

Consideration of CRA Boundaries: The State of Ohio's criteria of an area's eligibility for inclusion in a CRA is on in which "housing facilities or structures of historical significance are located and new housing construction and repair of existing facilities or structures are discouraged."

In addition to on-site analyses, several factors serve to advise whether or not investment may be discouraged in a particular area. Local records from the City's Building Standards Division highlight construction activity and levels of investment taking place in the residential and commercial spheres, while pin-pointing conditions of neglect and disinvestment through its property maintenance logs. The Wayne County Auditor's parcel database provides details on each structure's valuation, sales history, square footage, condition, and age. The Wayne County Historical Landmark Program provides an inventory of the community's historic structures. More broadly, the US Census maintains data for individual neighborhoods on vacancy rates and housing starts.

Together, this data helps to advise which areas of the City are at most risk for decline and may benefit most from CRA incentives, and which areas are performing well and where automatic residential CRA incentives may be injurious for the tax-payer supported community's fiscal health.

Excepting conditions of blight, economic decline, or environmental concerns, the legality of extending CRA incentives to residential development in greenfield sites is ambiguous unless it can be demonstrated that such housing or structures are genuinely discouraged. An example of this would be affordable housing, which is generally housing dedicated to income-qualified households and cannot be supported by the market without governmental aid (renters or homeowners must meet federal limits for Wayne County, Ohio to lease or purchase the unit).

This extends to commercial developments as well, with basic-sector projects inherently discouraged from development in any particular Ohio community, and non-basic sector projects qualified when the project results in job creation that would not occur otherwise in the community, or results in the rehabilitation of a previously developed site suffering from disinvestment.

These criteria advise that great care should be taken in defining the boundaries of CRAs to direct public resources toward projects that would not otherwise be possible without such community involvement. While many communities opt to establish multiple CRAs to offer differing levels of pre-determined incentives to specific projects, the Wooster CRA is small enough and established with zoning to accommodate the varying levels of incentives recommended herein.

Age of Housing Stock

In analyzing the City’s housing makeup, an understanding of structural age is imperative to understanding what areas may host historical significant buildings as well as may be at risk for disinvestment. This study consulted data from the US Census Bureau and Wayne County Auditor’s records to evaluate housing age, which is summarized in **TABLE 8** below.

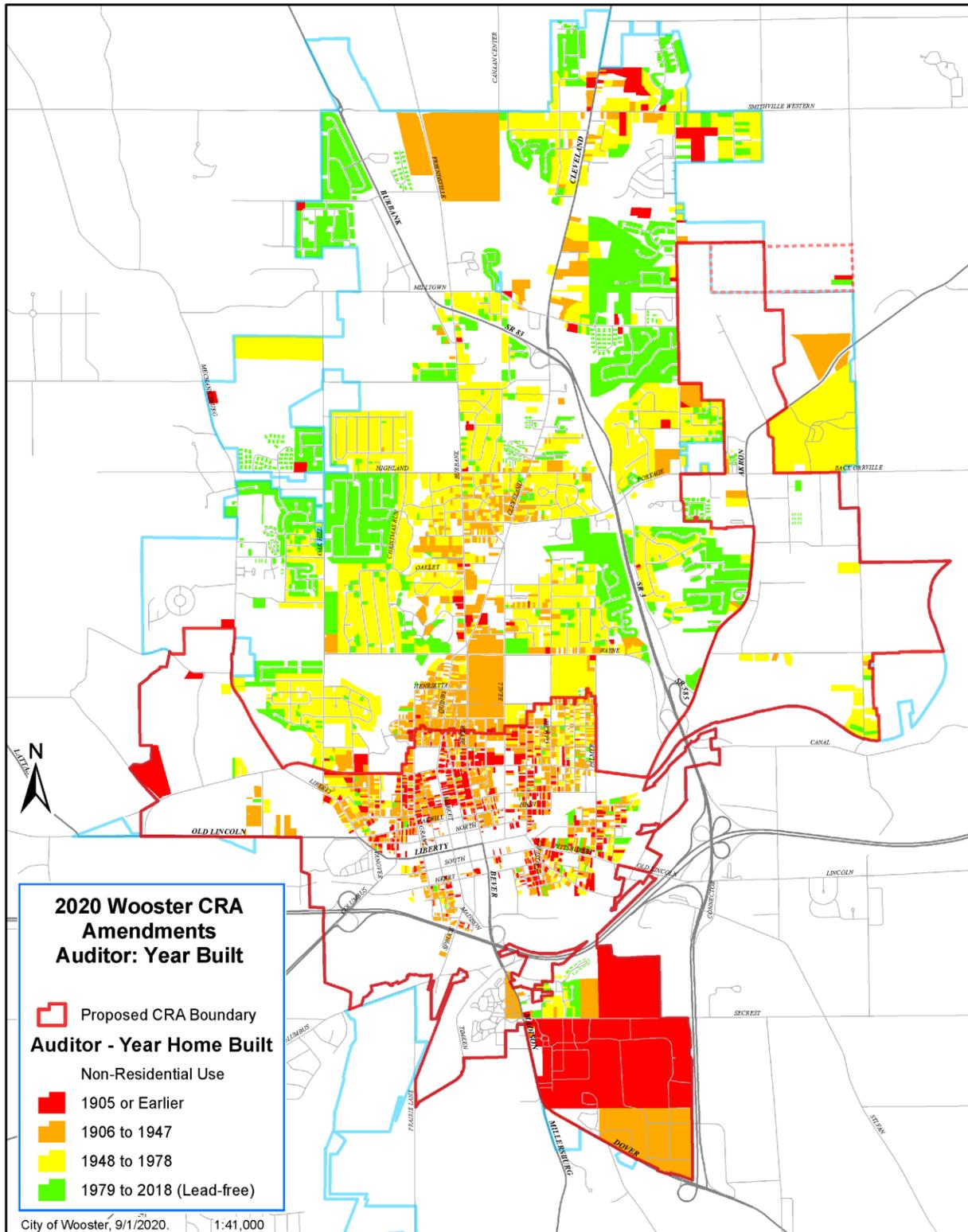
TABLE 8: Calculated Wooster Housing Age

Average Age Revised CRA ¹	Remainder	Average Age Wooster City ²	Average Age Wayne County ²	Average Age Ohio ²
1933 (Auditor)	1974 (Auditor)	1962 (Auditor) 1971 (Census)	1962 (Auditor) 1973 (Census)	1967 (Census)

Sources: 1. Wayne County Auditor data file tabulated average for all structures. 2. US Census Table B25035, 2017 Median Year Structure Built - Housing Units, ACS 5-year estimates

Auditor’s Year of Home Construction: The average Wooster home is 59 years old at the time of publication, compared with an average of 87 within the amended CRA boundaries. The average age is approximately ten years older than more generalized Census data suggests. Age is a critical risk factor as older homes are challenged with obsolete designs, inefficient systems, and general deterioration. These issues make the cost of maintaining an older home, let alone updating one, significantly greater than a newer home. Though not always the case, as many larger older historic homes in Wooster have proven strong appreciation with upkeep and reinvestment, many older structures depreciate as a result of their costs and deferred maintenance. As a result, Wooster’s most affordable homes, priced under \$100,000, are generally between 90 and 120 years old, often attracting either buyers seeking affordability who are unable to afford improving the structures, or investors with strong financial incentive to defer certain maintenance further. In extreme cases, “equity-bleeding” occurs when investors systematically allow a home to depreciate to a point of failure where the structure becomes unfit for human habitation. **MAP 17** highlights the year of construction for homes throughout Wooster, which also illustrates how the City has grown over the past century. Red (1905 or earlier) are in excess of 115 years old, which are relatively rare and primarily within the downtown core area, while homes built from 1906 through 1947 (orange) contain their own style of construction. Modern structures built post World War II through 1978 (yellow) employ many conventional construction techniques are now reaching a point where significant repairs are more common (remodeling, replacement of exterior membranes, major utility and system replacements). These homes are also challenged with typically high volumes of asbestos and also lead in paint and finishes. Homes constructed post-1978 (green) are generally free of lead, require minimal repair, and are equipped with more energy-efficient features to minimize the cost of operations and maintenance. The proposed CRA boundary includes among the City’s oldest concentration of homes, with exceptions being the Post World War II Presidents Streets north of Bowman Street, and the 1990’s Williams Way Subdivision Project where 17 vacant infill lots remain (in this newer section, a *reduced* CRA incentive of 50% is recommended).

MAP 17: Average Rent Within Block Group As a Factor of Wayne County Average



Prepared by City of Wooster utilizing Wayne County Auditor's address and classification data..

Condition of Housing Units

TABLE 9 below summarizes the general conditions of single-family housing within CRA 1 utilizing the Wayne County Auditor’s database. Comparatively, homes in this area are 28 years older and in poorer condition (-9%) with cheaper quality than the average City home. Home sizes in the amended CRA are also smaller (-13%) than the typical Wooster home and have fewer bathroom facilities (-22%), all factors that add to a home’s desirability and marketability.

TABLE 9: Comparative Housing Conditions

	CRA 1 Amended	Wooster City	Wayne County
Auditor Condition	3.9	4.3	4.3
Auditor Size	1,408	1,617	1,655
Auditor Year Built	1933	1961	1962
Average Bedrooms	2.98	3.01	3.05
Average Bathrooms	1.52	1.95	1.97

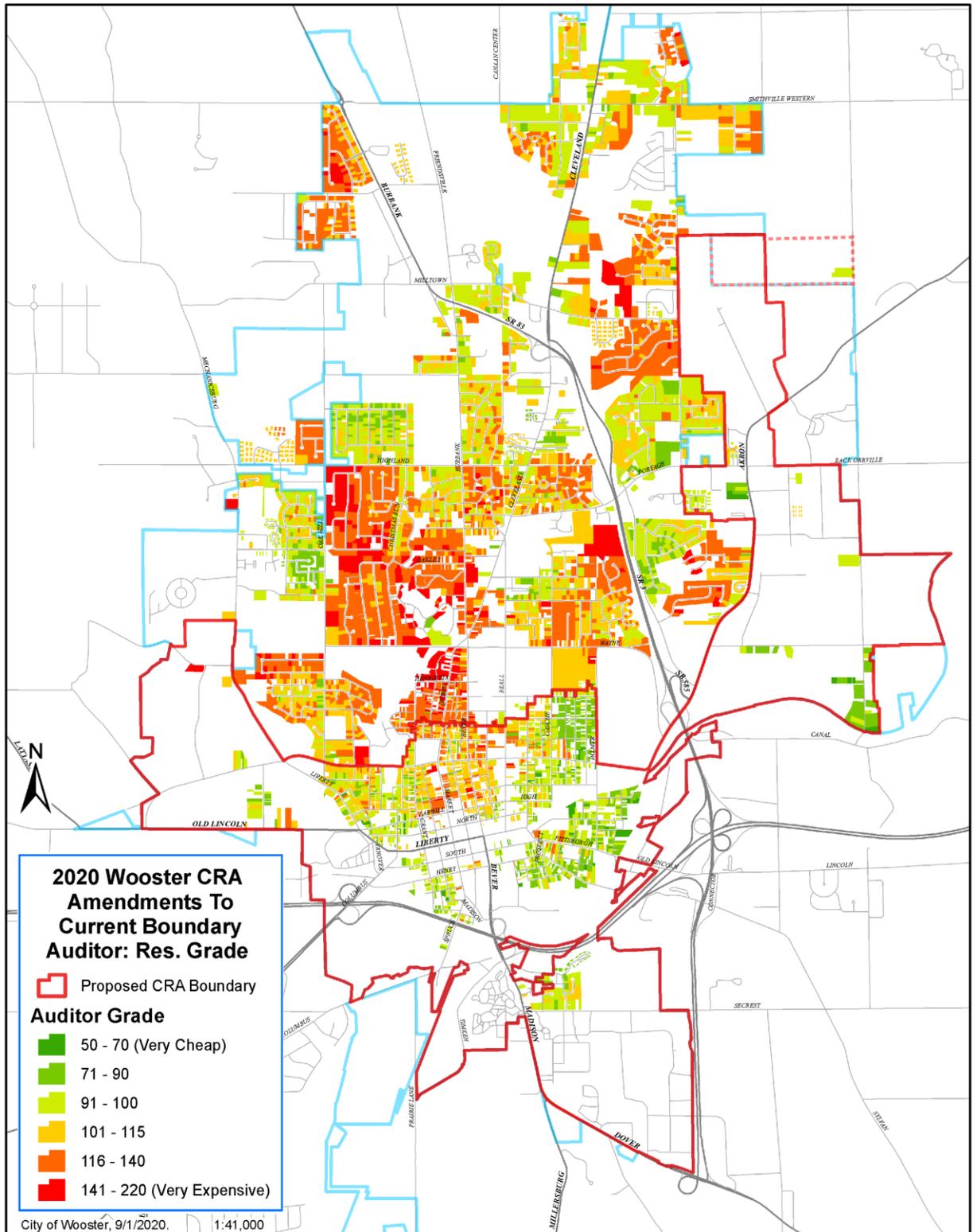
Calculated by City of Wooster from Wayne County Auditor’s property database.

Auditor’s Grade of Structure: Grade structure is assigned to each residential building as an indicator of quality. The grade is a value designed to illustrate the general condition, or desirability, of property and land. Factors impacting grade include the availability of utilities and the condition of public infrastructure, as well as the visible quality of the structure itself and its time of assessment. However, grade does not necessarily correspond with value or marketability, though a higher grade suggests a higher proclivity towards higher tax valuation. There are six grades defined by OAC 5703-25-12: Very Cheap, Cheap, Ordinary or Average, Good, Extra Good or Expensive, and Very Expensive. Grades indicate generally lower quality structures within Wooster’s historic neighborhoods, but they are not exact as several outliers exist. Correspondingly, many of the less expensive areas also host homes of smaller size, which were built for affordability. Lacking higher quality materials, these homes are more at risk of functional obsolescence. Between Walnut Street and College Avenue, conditions tend to improve, with several of the properties assisted by the CRA program in the past. Marked improvement occurs north of Pearl Avenue and at the border of the College of Wooster Campus. **MAP 18 Auditor: Grade** illustrates grades for housing on a scale of 50 to 220, shown in six classes (Jenks Natural Breaks Optimization). Non-residential properties are excluded.

Auditor’s Total Living Area: Living area is sometimes, but not always, correlated with total value and marketability. The average Wooster Home measures 1,617 square feet, just under Wayne County’s average of 1,655 square feet. Over time, the average home size has increased. Generally, larger homes are more desirable than smaller structures, although large footprints may also pose a more expensive operating and maintenance liability for very old homes. Most new construction homes, including condominiums, have in excess of 1,200 square feet. Floorplans in excess of 2,000 square feet are more common, with many new construction projects in the greater region (Wayne and neighboring counties)

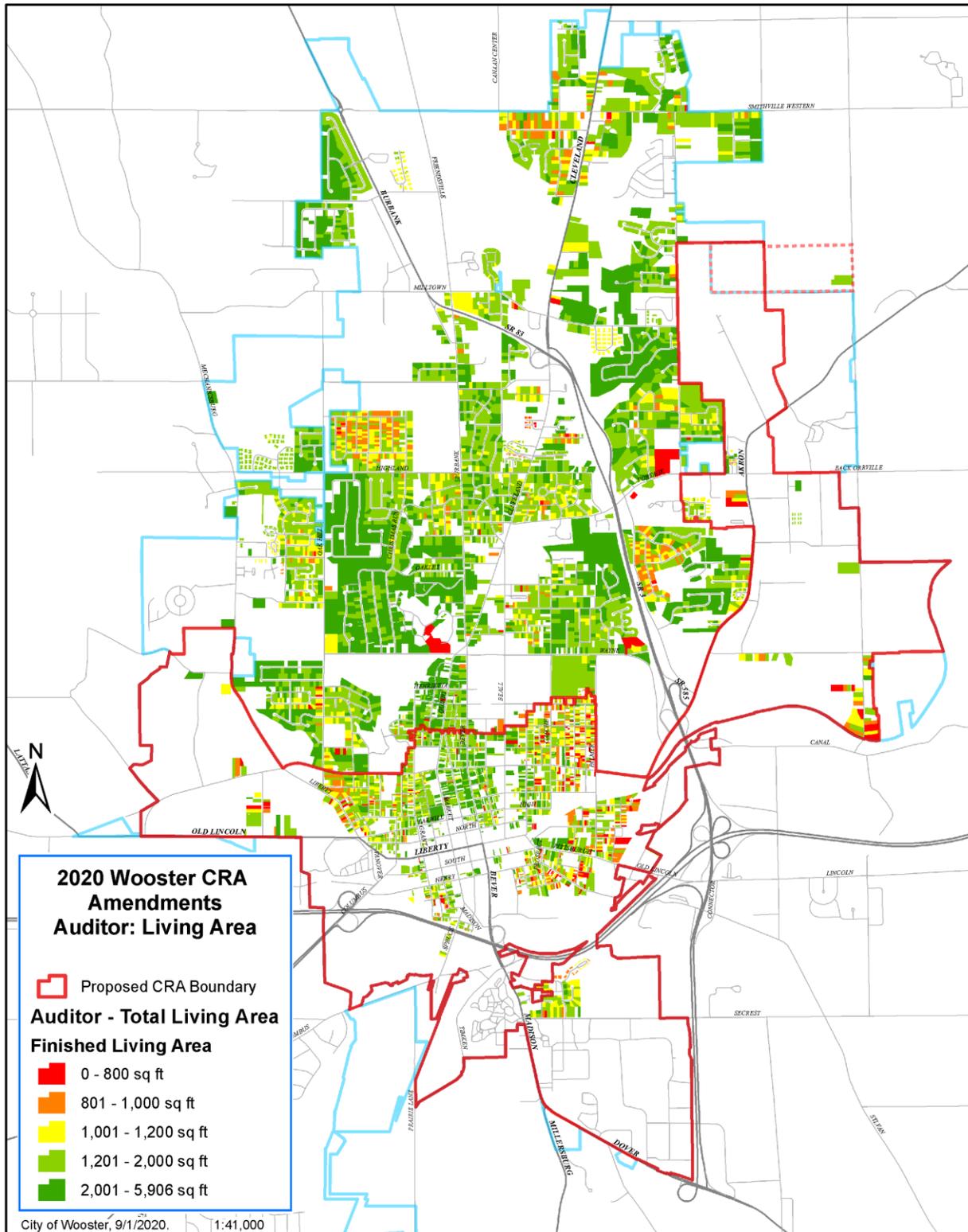
boasting 3,000 square feet or more. In contrast, properties under 1,000 square feet can be characterized as a “tiny” home. Though the new construction market for such homes is growing as the national median age increases and household size decreases, such homes remain difficult to sell in the general marketplace as they cater to buyers with unique and out of the ordinary circumstances, and this can pose a challenge for the valuation and marketability of a smaller home, particularly one of significant age. Properties between 1,000 and 1,200 feet, while still a less common size in new construction, are more prevalent and desirable in the market place. The size was particularly popular post World War II through the 1960’s and have experienced noticeable appreciation over the years. **MAP 19** shows the distribution of home sizes throughout the proposed CRA and the City. Within the amended CRA boundary, the average home size is 1,408 square feet, about 250 square feet less than the community’s average. A few pockets of smaller homes, under 1,200 square feet, were identified between Bowman Street and Pearl Street, as well as on the north side of University Street. Newer homes within the Williams Way subdivision also featured smaller than average homes.

MAP 18: Auditor's Grade of Structure (Residential Only)



Prepared by City of Wooster utilizing US Census ACS 2018 Table B5002 Vacancy data.

MAP 19: Auditor's Living Area of Structure (Residential Only)



Prepared by City of Wooster utilizing US Census ACS 2018 Table B5002 Vacancy data.

Vacancy Rates

Most recent Census figures (2018) show Wooster with an average vacancy rate of 8.7% (Down from 9.3% the year prior). This is lower than the State of Ohio average but higher than the Wayne County Average of 6.0%. The area encompassed by the amended CRA itself, accounting for approximately 33% of the City’s housing units, was responsible for a slightly disproportionate 40% of all vacancies in the City. About 44% of the vacancies were related to unit turnover, with units and homes being marketed for occupancy. Another 35% of the vacancy is unexplained, and for the purposes of calculations, is apportioned to homeowner and renter vacancy by each block group’s homeownership/rental rates. Though it does not explain the disparity on vacancy rates to the rest of the City, the figures *partly* result from the fact that CRA 1 residents are primarily renters. Apartments experience substantially higher rates of turnover and periods of marketing as tenants move frequently, as opposed to homeowners who tend to be more financially established and for whom moving is a much costlier endeavor. This makes it necessary to compare the vacancy rates of rental properties separately from homeowner vacancy.

Even when altogether excluding the Census’s unexplained vacancies, the vacancy rates for apartments and owner-occupied housing in CRA 1 are substantially higher than the surrounding community, as shown in **TABLE 10** below. This is concerning given the tightening housing market and evidences a lack of property underutilization in the CRA. This advises a disinterest or inability of property owners to more effectively upgrade properties to attract new occupants and buyers. With higher margins of error in the sampling data (as the CRA is compared at the block group level), a limited portion of the disparity may result from reporting errors. **MAP 20** on the following page illustrates the US Census’ calculated vacancy rates for each block group within the City.

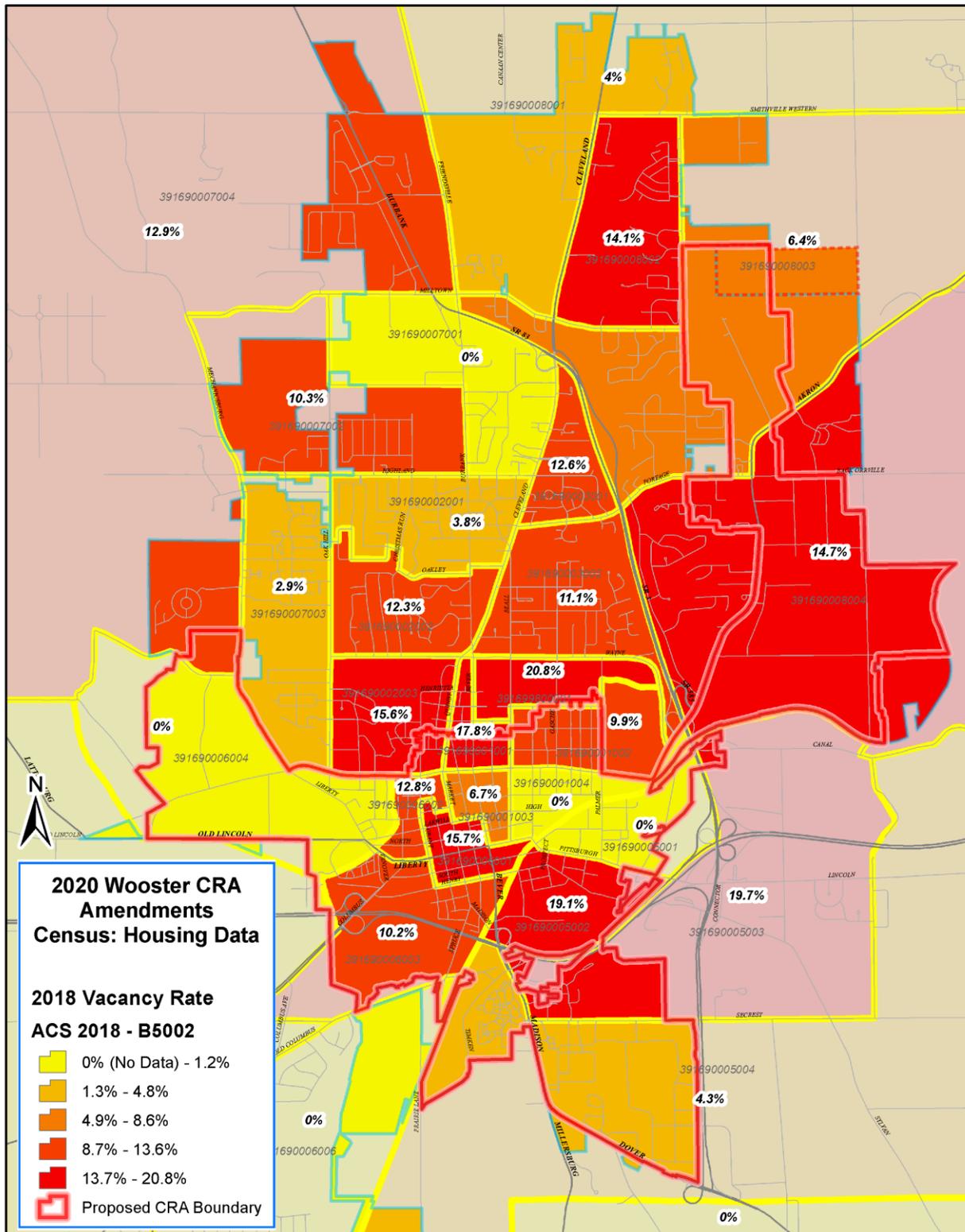
TABLE 10: 2018 Vacancy Rates by Census Block Group

Wooster Vacancy (2018) <i>Calculated from Census B25004</i>	CRA 1 Amended	Average Wooster City	Avg. Wayne County	Average Ohio
Housing Units	4,003	12,016	46,732	5,217,617
Vacancy Rate	10.3%	8.7%	6.0%	10.2%
Homeowner Vacancy*	8.6%	1.4%	0.4%	1.4%
Rental Vacancy*	11.6%	5.3%	4.6%	5.6%

TableID: B25004, 2018 American Community Survey 1-Year Estimates Comparison Profiles. Values for block groups split by CRA boundaries are apportioned by area, excluding altogether block groups without residential structures located in the CRA.

**Applies units classified as “Vacant Other” proportionally to renter and homeowner categories.*

MAP 20: 2018 Vacancy Rates by Census Block Group



Prepared by City of Wooster utilizing US Census ACS 2018 Table B5002 Vacancy data.

Value of and Investment in Housing Stock

The amended CRA boundary captures the lowest areas of housing value and housing reinvestment. General home value characteristics summarized from the Wayne County Auditor’s parcel database highlight the general disparity in home values between residences within the amended CRA boundary and the City average. Home sale values average 46.4% less in the amended CRA compared to the City average, corresponding to a 45.5% difference in assessed valuation. Comparing price per square foot costs, homes in the Amended CRA are priced 33% less than the average.

TABLE 11: Home Value Characteristics

	Amended CRA	Wooster City
4-Year Average Home Sale Value	\$82,403.0	\$153,993.9
Average Price Square Foot	\$61.1	\$97.1
Average Assessed Market Value	\$68,831.1	\$126,470.6
Average Price Square Foot	\$52.06	\$78.21

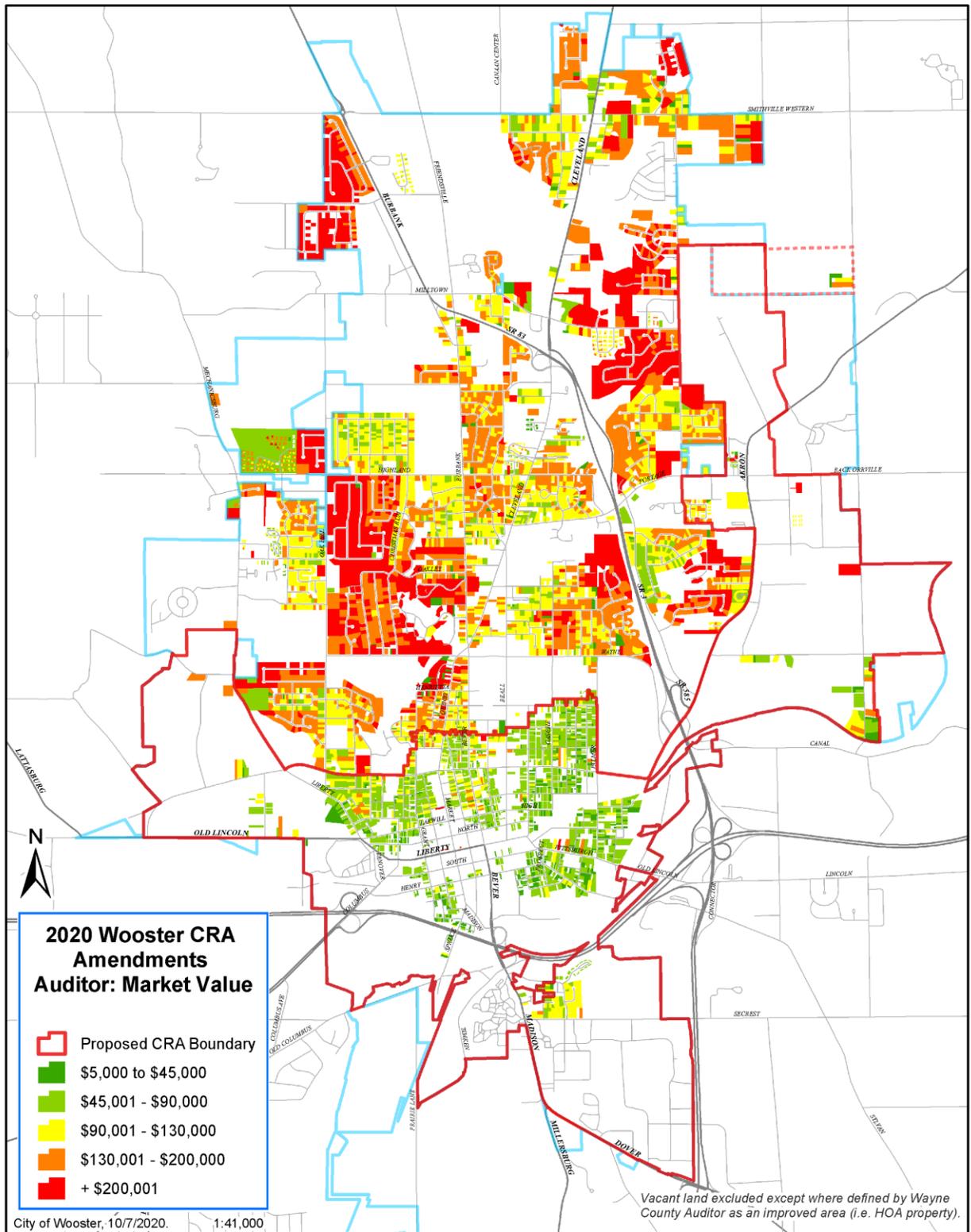
Calculated by the City of Wooster utilizing Wayne County Auditor’s 2019 parcel database.

Auditor Total Market Value: Total market value is the price at which the Auditor’s Office expects a property to sell at on the open market, and is a good indicator to evaluate strong and weak neighborhoods. This value is evaluated for each property on a three-year schedule, and also when major construction work is undertaken or when a property is sold. A value is defined separately for land (which factors in the availability of public infrastructure) and the improvements upon the land. The total amount, against any credits such as residential rollback credits and homestead deductions, is the value assessed for tax. Generally, below the amended CRA boundary, property values are under \$100,000 for a typical residential property, as illustrated in **MAP 21**. These price points are most likely to attract households with limited ability to reinvest in structures and also rental investors. An amendment is advised in part due to lower market values assessed in the vicinity of Pearl Street and, to a lesser degree, Williams Way.

Auditor’s Recent Sales: Valid sales (deemed by the Auditor to be fair-market sales from one unaffiliated buyer to another) that took place between January 2019 and mid-October 2020 are shown in **MAP 22** Auditor: Recent Sales. This data illustrates the financial strength and desirability of neighborhoods. Homes valued under \$80,000 were most prevalent, though not necessarily limited to, the Downtown area encompassed by the amended CRA. As described earlier with general market values, lower-priced homes are most attractive to first-time homeowner households needing affordability (and not always having the funds to comfortably maintain an older, lower-priced home), as well as investors seeking to rent properties. Price-points above \$180,000 are generally not affordable for first-time buyer households even under perfect financial conditions (credit scores and savings). Price-points north of \$180,000 indicate strong real estate appreciation, and are generally attainable by high-income households or existing moderate-income homeowners with extensive equity reserves.

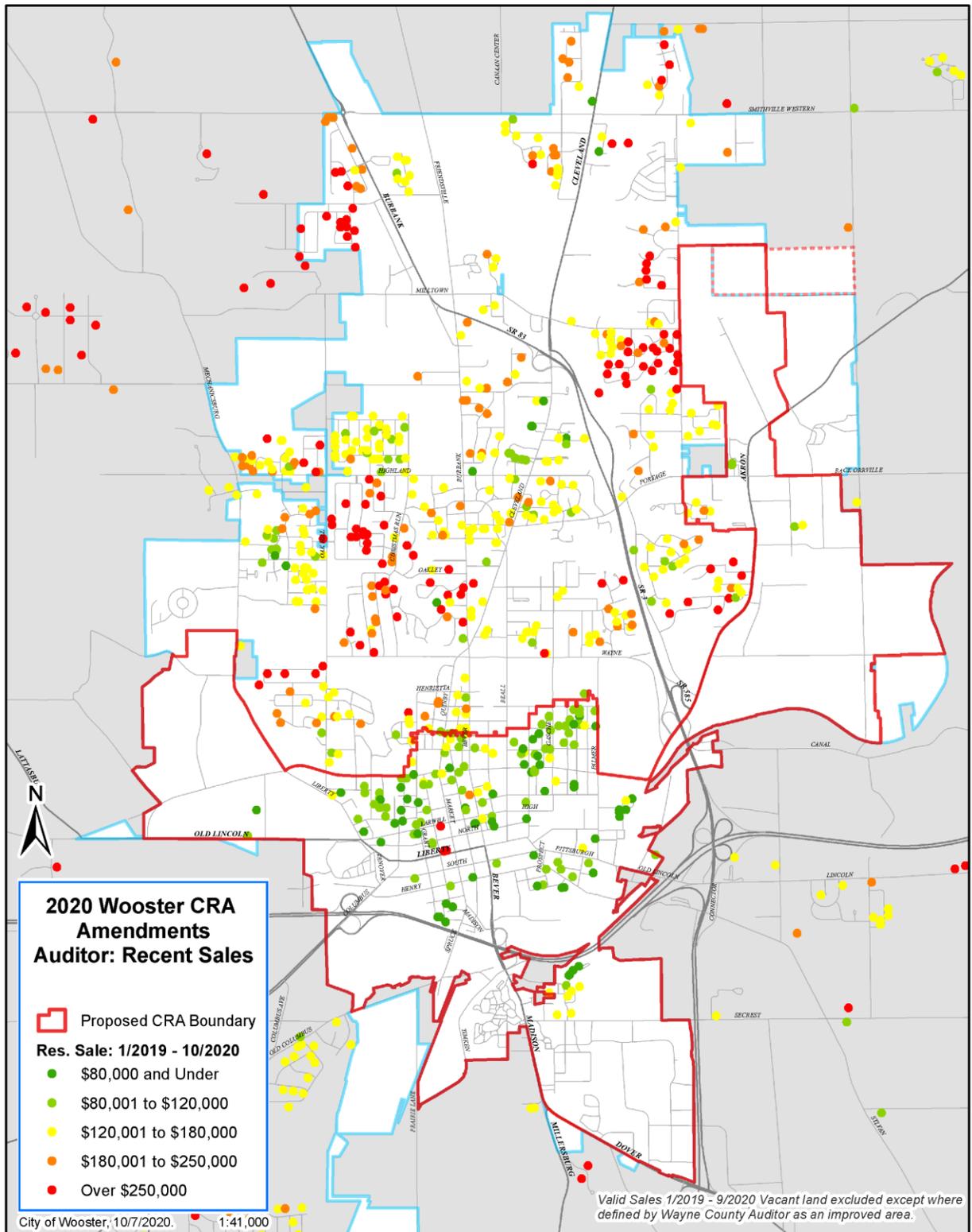
Census Recent Investment: **MAP 23** illustrates the US Census’ calculation of new housing investment within the City over the last twenty years. Matching local records, the bulk of investment took place along the northern extents of the City’s limits, however, there was also substantial investment observed in the downtown where the CRA has enabled major building rehabilitations where vacant space was converted into apartments and condominiums. Additional investments were made in the surrounding neighborhoods

Map 21: Auditor Market Value



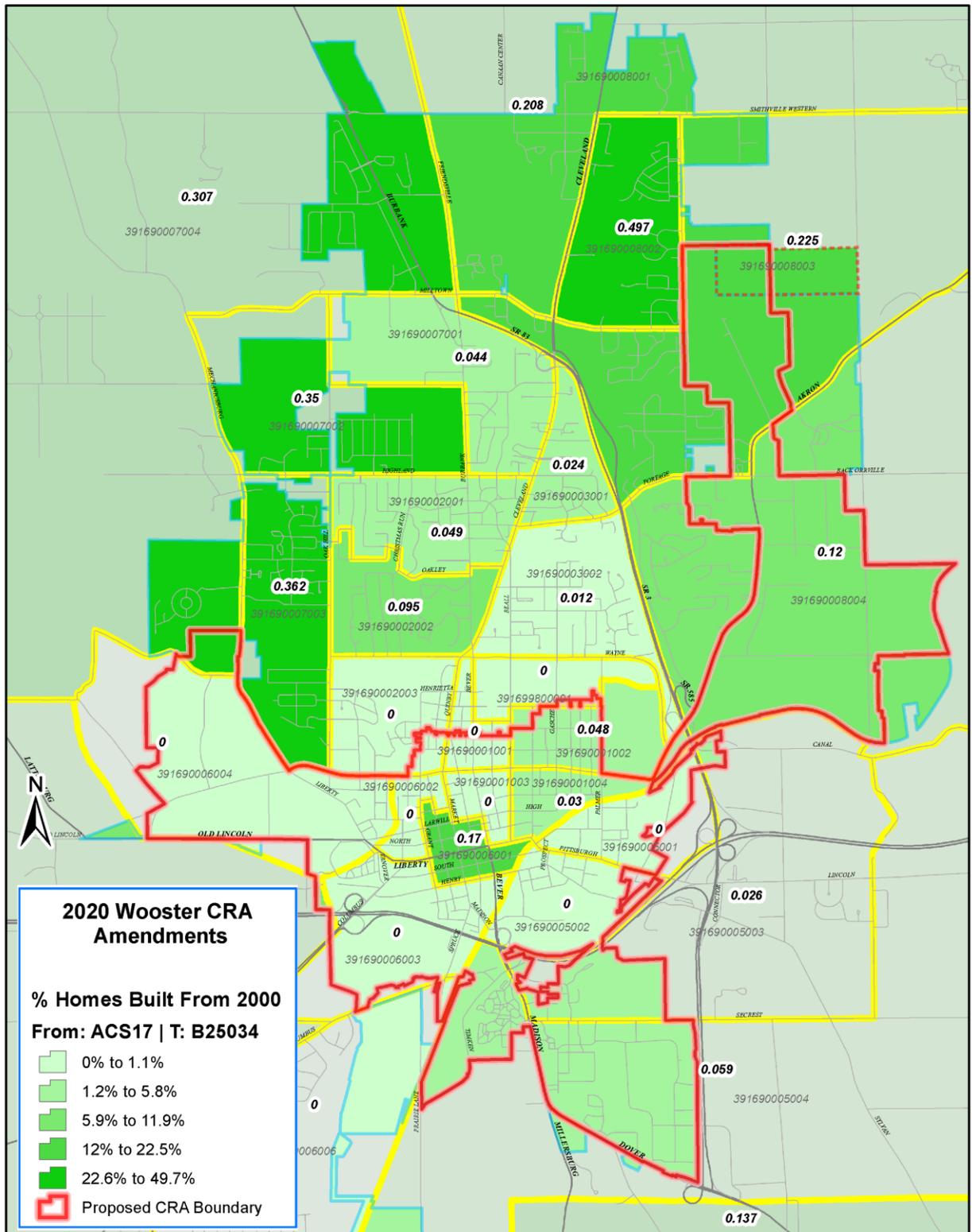
Source: Wayne County, Ohio Auditor's Data 2020

Map 22: Auditor Recent Sales



Source: Wayne County, Ohio Auditor's Data 2020

Map 23: Auditor Market Value



Source: Wayne County, Ohio Auditor's Data 2020

by individual homeowners utilizing the CRA’s residential incentives and/or the community’s CHIP Program, as well as by Habitat for Humanity and the College of Wooster. The neighborhoods immediately surrounding the core experienced the lowest level of new housing starts.

Property Maintenance Division Building Permit Data: Building records are an important data point for evaluating the level of investment in individual neighborhoods. In the last 30 months, the City of Wooster Building Standards Division issued 95 building permits for commercial and industrial projects valued at \$100,000 or more, totaling \$115.7 MM in new investment. During the same period, 516 permits were issued for residential projects valued at \$5,000 or more, with total of \$19.3 MM in investment.

Table 12: City of Wooster Property Maintenance Complaints

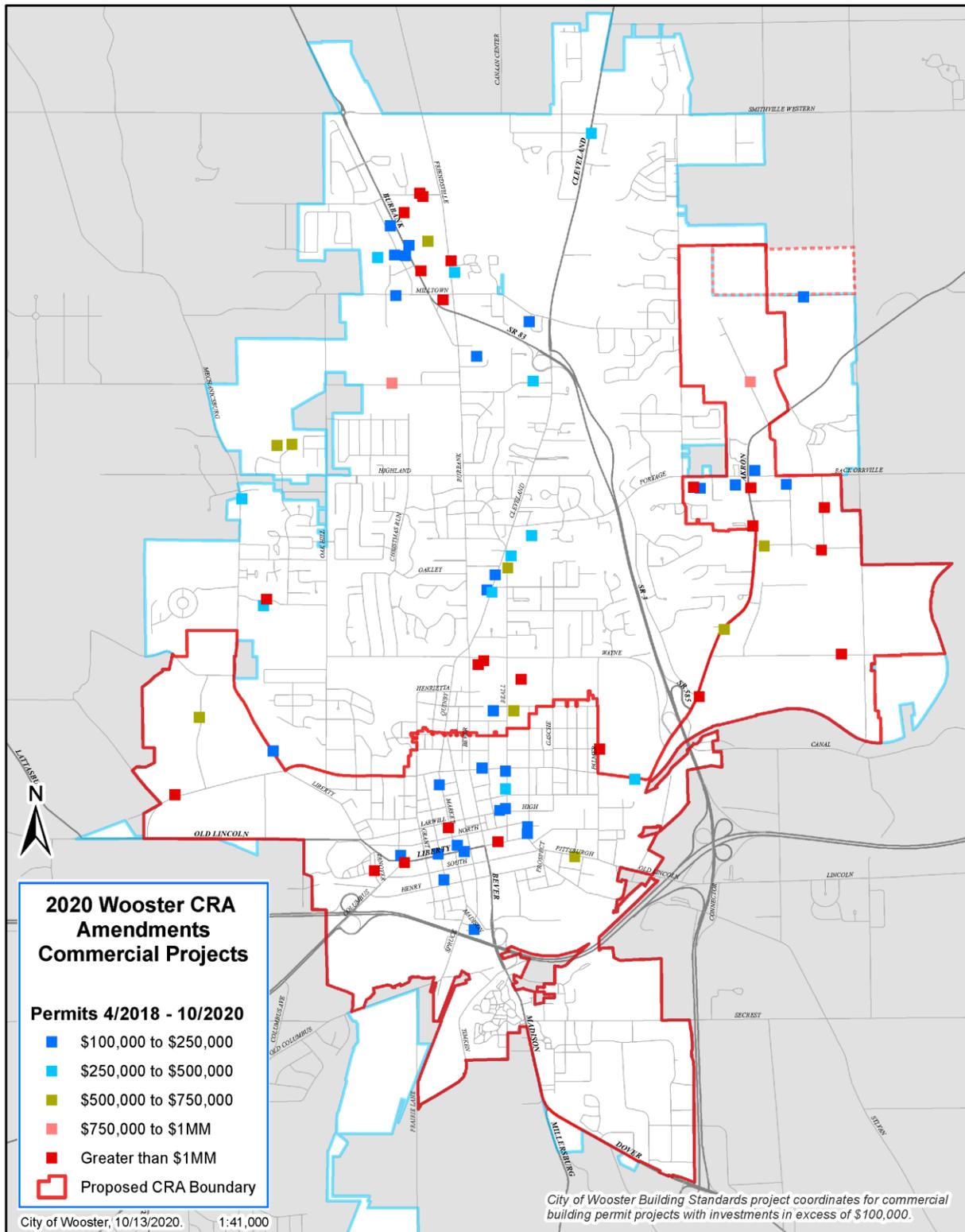
<i>City of Wooster Major Construction Projects Last 30 Months</i>	Total		Combined	
	Projects	Percent	Value	Percent
Commercial Building Permits over \$100K:	95	100%	\$115,745,641	100%
Within Amended CRA Boundary:	45	47%	\$60,085,012	52%
	Total		Combined	
	Projects	Percent	Value	Percent
Residential Building Permits over \$5K:	516	100%	\$19,377,976	100%
Within Amended CRA Boundary:	110	21%	\$2,990,491	15%

City of Wooster, ViewPoint Report: 10/10/2020

A little over half of the commercial projects were contained within the amended CRA boundaries. This is to be expected, with the CRA protecting Wooster's industrial districts, downtown, and evolving Akron Road/Portage retail area. These investments are illustrated in **Map 24**. The vast majority of projects did not necessitate an abatement, such as the repurposing of the former K-Mart facility into a Marcs grocery store or the creation of an event center at the Wayne County Fair Grounds, but the CRA was instrumental for securing the \$7MM Wooster Lofts apartment complex project on Akron Road, which will furnish 54 affordable (per HUD) apartments to area workers starting in 2021, and Rea & Associates new Wooster headquarters, which reinvests in building on the former Horn Nursing Home site. Both projects addressed critical community needs that could not otherwise have been met in the marketplace but for 50% CRA abatements for the first 12 years of each facility's existence. The level of activity in commercial permitting advises that the CRA is viable for reinvestment in existing structures and growth of basic-sector job creation.

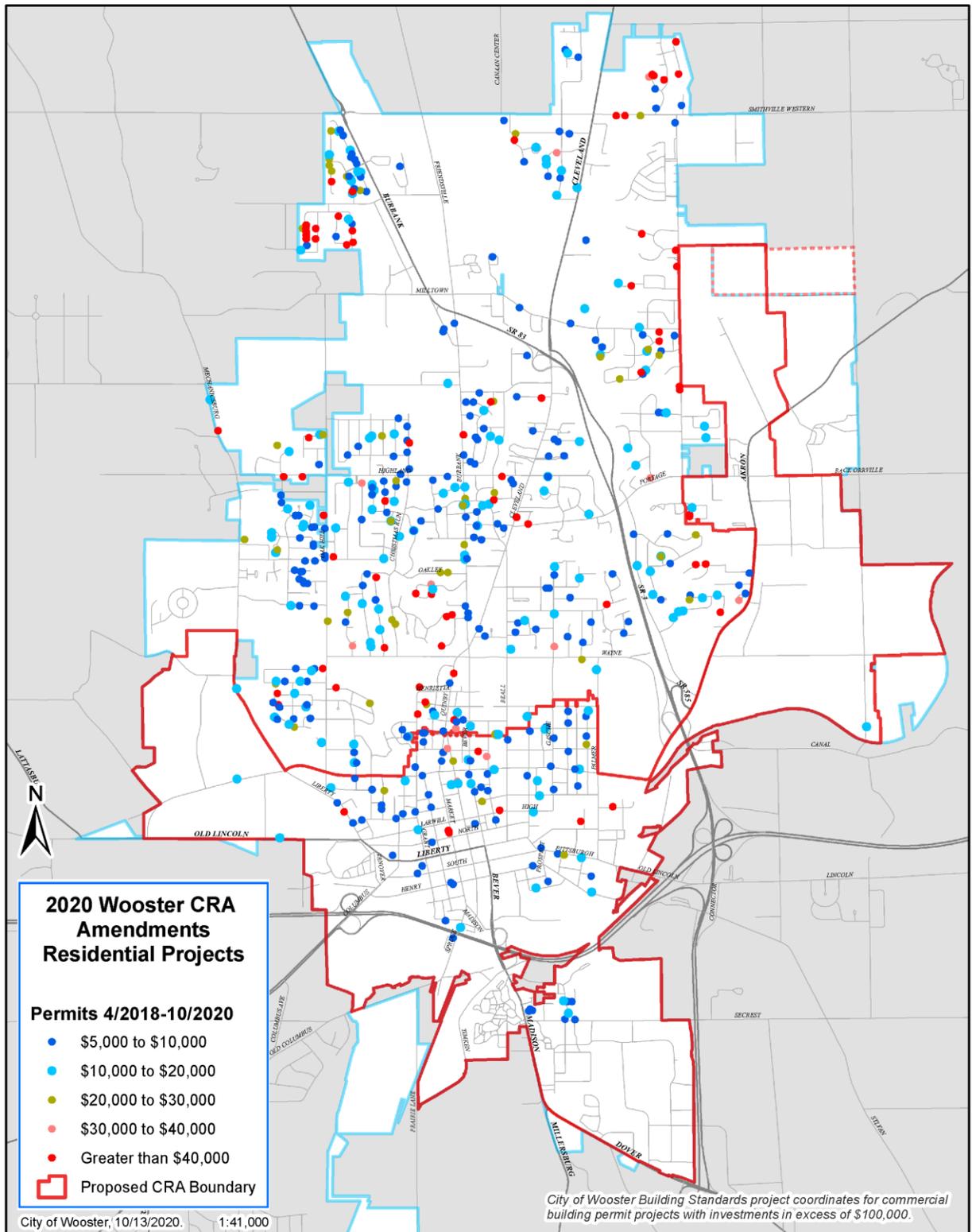
Although approximately 33.11% of Wooster's housing units are contained in the amended CRA, the area accounted for just 20% of all residential permits issued for projects in excess of \$5K in construction value, and accounted for just 15% of the monetary value of construction value for those permits (See **TABLE 12**). As shown in **MAP 25**, relative to housing density, the dispersion of building permits in downtown residential neighborhoods is anemic, particularly south of North Street. Coupled with the age of the homes, frequency of property maintenance violations and repair orders, and occurrence of tax delinquencies, this lack of investment demonstrates a general disregard for housing reinvestment within the amended CRA.

MAP 12: City of Wooster 30-Month Building Permit History for Commercial Projects Over \$100,000



Prepared by City of Wooster utilizing Building Standards Division data.

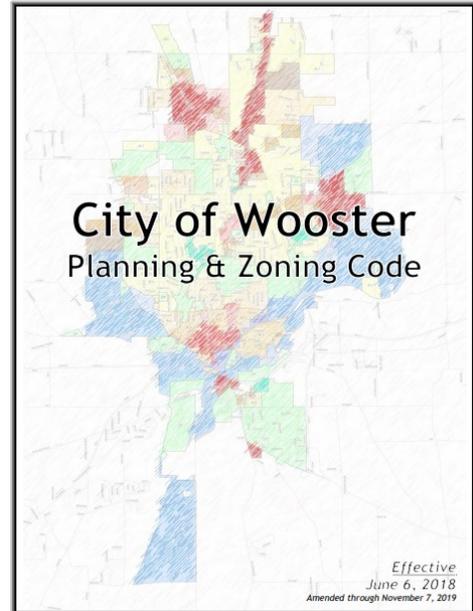
MAP 25: City of Wooster 30-Month Building Permit History for Residential Projects Over \$5,000



Prepared by City of Wooster utilizing Building Standards Division data.

Zoning Districts

The City of Wooster has enacted a comprehensive planning and zoning code to guide orderly growth and beneficial development within the City. Updated as of June 6, 2018 and most recently amended November 7, 2019, the code defines five districts (one discontinued) for residential zoning, four for commercial uses, and three industrial districts. In addition, three special districts are defined to accommodate agriculture, community facilities, and specialized developments that do not fit neatly into traditional zones. Each district has a defined level of density and activity intensity assigned (See **TABLE 13** below).



The City of Wooster’s Planning Commission reviews development proposals and also changes to the Zoning Code. Exceptions to the code in a given district, such as a reduction in setback footage as may be requested by a resident establishing a garage or reduction in parking spaces as a developer may request for a retail store, are handled separately by a Board of Zoning Appeals. Separately, when a project is undertaken within the City’s Historic districts, review and approval by the community’s Design and Review Board is necessary. All three boards are comprised of resident volunteers.

Amendment Impacts: The City of Wooster’s CRA amended boundary would cover all industrial zones within City limits and the Wooster City School District (It excises a portion of community-owned industrial land within Triway Local School District which is located within the floodplain and comprises a portion of the City’s wellfield). The amendments would also end residential incentives for C-4 District single-family and two-family homes, which are generally newer structures in areas of limited distress, while extending limited residential incentives to R-2 zoned areas north of Bowman Street and as well as within the Williams Way subdivision. At the same time, the amendments extend commercially-available incentives to C-4 and R-4 zoned areas along the Akron Road corridor.

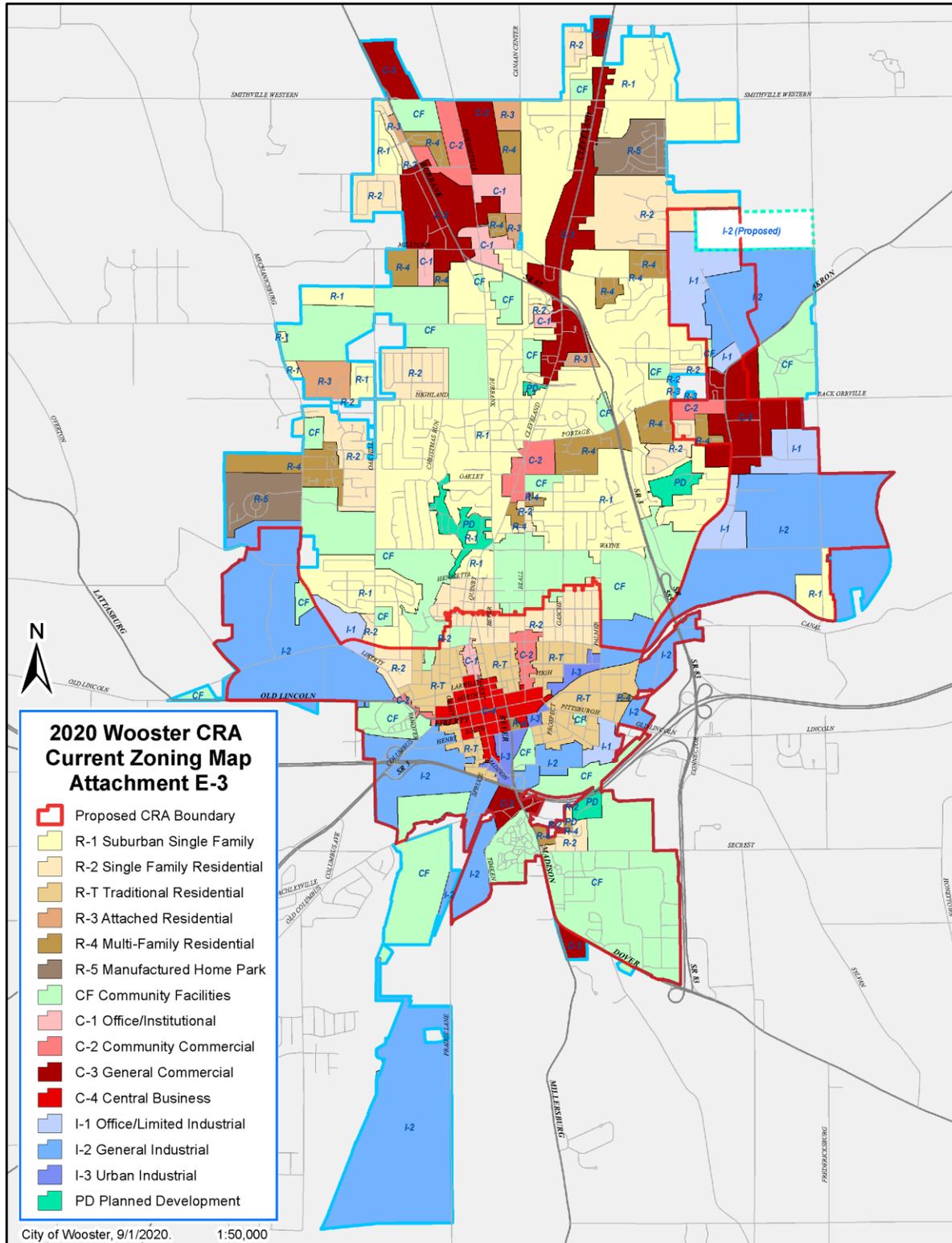
Table 13: Wooster Zoning Code Excerpt - Districts

TABLE 1107-1: ZONING DISTRICTS	
Abbreviation	District Name
Residential Zoning Districts	
R-1	Suburban Single-Family Residential District
R-2	Single-Family Residential District
R-T	Traditional Residential District
R-3	Attached Residential District
R-4	Multi-Family Residential District
R-5	Manufactured Home Park District
Nonresidential Zoning Districts	
C-1	Office/Institutional District
C-2	Community Commercial District
C-3	General Commercial District
C-4	Central Business District
I-1	Office/Limited Industrial District
I-2	General Industrial District
I-3	Urban Industrial District
Special Zoning Districts	
AG	Agricultural District
CF	Community Facilities District
PD	Planned Development District

Source: City of Wooster July 6, 2018 Zoning Code

MAP 26 on the following page outlines the City’s zoning districts at the time of publication.

MAP 26: Current Zoning Map
Excerpt from Attachment E



Prepared by City of Wooster, Attachment E. Excerpt

Historic Districts and National Register

The CRA encapsulates three of Wooster's four historic districts, which include:

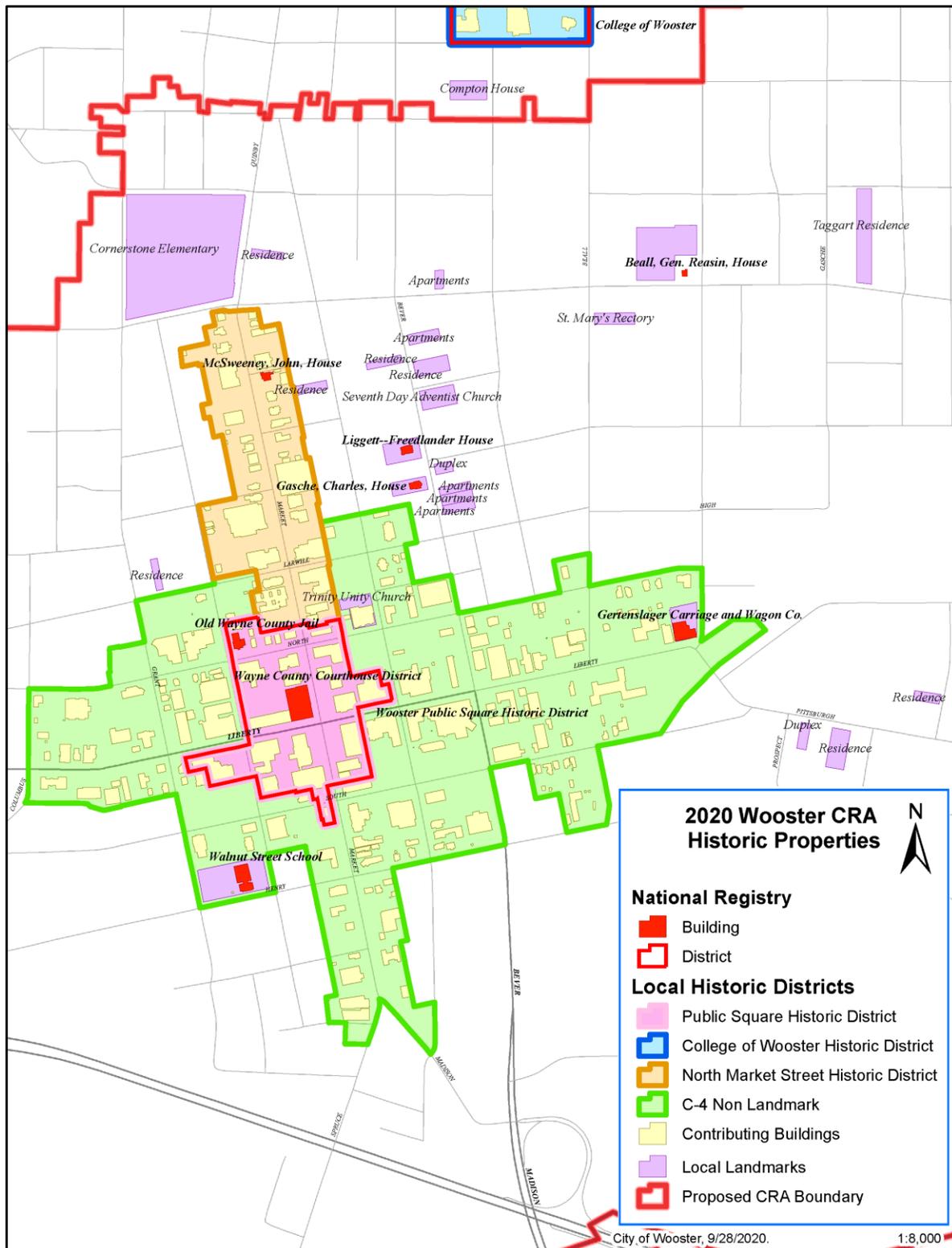
- The **Public Square Historic District**, which is also listed on the National Register with 35 contributing buildings and seven non-contributing buildings (and an additional five non-contributing structures). This District contains Downtown Wooster's oldest buildings and also hosts the Wayne County Courthouse. (The Courthouse campus is also designated as its own Historic District under the National Register). Several of these structures have been rehabilitated and repurposed through the CRA program. The Lee Building at 131 N. Market Street, the Clark Building at 123 E. Liberty (both rehabilitated through the CRA program), along with the Moore-Brewster Building at 202 N. Market Street and the Downing Block Building at 131 N. Market Street are also listed by the Wayne County Historical Landmark Program
- The North Market Street Historic District is an area comprising properties fronting North, mainly office use with some residential and retail. Several older residences in this district have been converted to commercial use over the years. Market Street generally between North Street and Bowman Street. The row contains several historic homes, including the McSweeny House listed on the National Register. It contains a Historic Marker for the Harvey Howard House (5-85). Additionally, the district is home to the Sloane House at 439 N. Market Street, the Annat House at 558 N. Market Street, and the First Baptist Church at 246 N. Market, all of which are recognized under the Wayne County Historical Landmark Program.
- The C-4 Zoning District Non-Landmark comprises the 2014 C-4 District Boundary. While many of the structures in this area are newer and not necessarily contributing, Gertenslager Carriage (today One-Eighty) and Wagon Co. and Walnut Street School (today Wayne Center for the Arts) are two major structures listed on the National Register.

Northeast of Downtown within the CRA are 20 additional properties recognized as landmarks under the Wayne County Historical Landmark Program, three of which are also on the National Register. The CRA has been utilized in the past to rehabilitate several homes within this area. At the same time, a high incidence of property maintenance complaints remain, with several other properties at risk for disinvestment.

The fourth district is the College of Wooster Historic District which is located just beyond the limits of the CRA. This district, with 14 contributing buildings and one non-contributing structure, is also the second of two districts on the National Register. The campus remains under the care of the College of Wooster, which is an exempt institution and continues to make sizeable investments in maintenance and facility upgrades.

Please see **MAP 27**.

MAP 27: Wooster Historic Areas



Prepared by City of Wooster. Employment figures are estimated.

Major Industries

The City of Wooster hosted an *estimated* 22,835 jobs in 2019, 47% of all jobs in Wayne County⁷. The number of jobs in Wayne County peaked in 2007 and started to decline just ahead of the 2008 Great Recession. In evaluating local tax records in comparison with Bureau of Labor Statistics data, a significant portion of job growth since that time was made up within the City of Wooster as well as the City of Orrville.

The community's advancement in economic development has garnered several recognitions, most recently by Policom Corp which ranked Wooster among the top micropolitans nationwide for economic strength (#7 in 2019, #5 in 2018, #5 and in 2017). The community has also been recognized as being among the top Micropolitans by Site Selection Magazine (#31 in 2019, #2 in 2018, #3 and in 2017).

The attached **MAP 28** shows the existing major industries (employing at least 50 people) located in Wooster and its vicinity. All but one of Wooster's basic-sector top employers is contained within the amended CRA boundary. In addition to the 18 major employers already located within the existing boundary, the proposed amendment extends CRA opportunities to nine major companies: (Seaman Corporation, MetroMedia, Bheulers, Akron Brass, RBB Systems along Venture Boulevard, and Schaeffler, United Titanium, UPS, and Santmyer Oil off Old Airport Road). **TABLE 14** outlines highlights Wooster's Top Employers from the City's most recent Annual Comprehensive Financial Report. There are five major employment centers in the City, three of which are fully accommodated within the amended CRA:

Downtown: Though most firms are smaller, the greatest density of employers are found in Downtown, with its combination of restaurants, retail, professional office, and industrial. The Wooster Brush Company, producing paint application devices throughout the nation, is the largest major employer in this region. Local governments, also around the Downtown, together employ in excess of 350 people. Many professional services and social services are also located here.

Akron Road Priority Area: The community's largest agglomeration of industrial production facilities hosts several of its top employers, including the Artiflex Campus, the GOJO Wooster Campus, Daisy Brand, United Titanium, FEW, International Paper, Tekfor, Compak, Goodwill Industries, Buckeye Container, the Ohio Department of Transportation, the Village Network, United Parcel Service, and Santmyer Oil. Schaeffler Group, with nearly 2,000 employees, is the City's largest employer, and at the County level, is second only to Orrville-based international manufacturer The J.M. Smucker Company. The CRA has been instrumental in helping small manufacturers grow in this area and to revitalizing once abandoned buildings, including the conversion of a dilapidated restaurant into a an information technology center (NetOps Consulting) and the redevelopment of a strip mall (Planet Fitness).

Western Industrial District: With close access to State Route 30, the Western Industrial District has been an attractive location for manufacturing and logistics. Notable employers include Akron Brass, Frito-Lay, Metro Media, Seaman Corporation, Compak, RBB Systems, Buehler's Fresh

⁷ (Figure based on BLS total wages for Wayne County in 2019 adjusted down 5% to discount non-reportable income (401K contributions, meal and training allowances, and non-filers) against the Wooster Income Tax Department's observed total payroll of \$1,025,809,355.

Foods, Speed North America, and D&S Distribution. This area is zoned for industrial activity and, within the amended boundary, includes shovel-ready sites that could readily accommodate new mid-sized operations.

Additional employment centers include **The Hospital District**, where Wooster Community Hospital employs over 800 and supports many more independent contractors and private practitioners. (See “Other Considerations”), and the **North End** retail area, which is the largest contributor to State and local sales taxes in Wayne County with over 108 retail and restaurant establishments employing well over 2,000 jobs. Ongoing growth and primarily non-basic sector industry advises that CRA incentives are not necessary in these areas at the current time. Basic sector industry expansions in either location could be accommodated by the City’s Enterprise Zone.

TABLE 14: Wooster Top Ten Employers (2018 CAFR Schedule 4.2)

Employer	Nature of Activity	Number of Full-time Equivalent Employees					
		2019			2010		
		Employees	Rank	% of Total Employment	Employees	Rank	% of Total Employment
Luk, Inc	Auto Parts Fabricator	1,914	1	14.2%	775	3	5.8%
The City of Wooster	Government/Hospital	1,071	2	8.0%	900	1	6.7%
College of Wooster	Education	830	3	6.2%	575	5	4.3%
County of Wayne	Government	738	4	5.5%	775	2	5.8%
Walmart	Retail	656	5	4.9%	0		0.0%
Wooster Brush Company	Manuf. Paint Applicators	630	6	4.7%	475	6	3.5%
Artiflex Mfg (Gerstenslagers)	Auto Parts Fabricator	515	7	3.8%	0		0.0%
STYX Acquisitions (Buehlers)	Retail - Grocery Store	446	8	3.3%	0		0.0%
Wooster City Schools	Education	440	9	3.3%	600	4	4.5%
The Ohio State University	Education	438	10	3.3%	0		0.0%
Fritolay	Food processing	0	N/A	0.0%	350	8	2.6%
Worthington Industries	Auto Parts Fabricator	0	N/A	0.0%	450	7	3.3%
TGS, Inc. A CACI Company	Geospatial Services	0	N/A	0.0%	300	10	2.2%
Cleveland Clinic Foundation	Medical Care	0	N/A	0.0%	350	9	2.6%
Totals		7,678		57.1%	5,550		41.3%

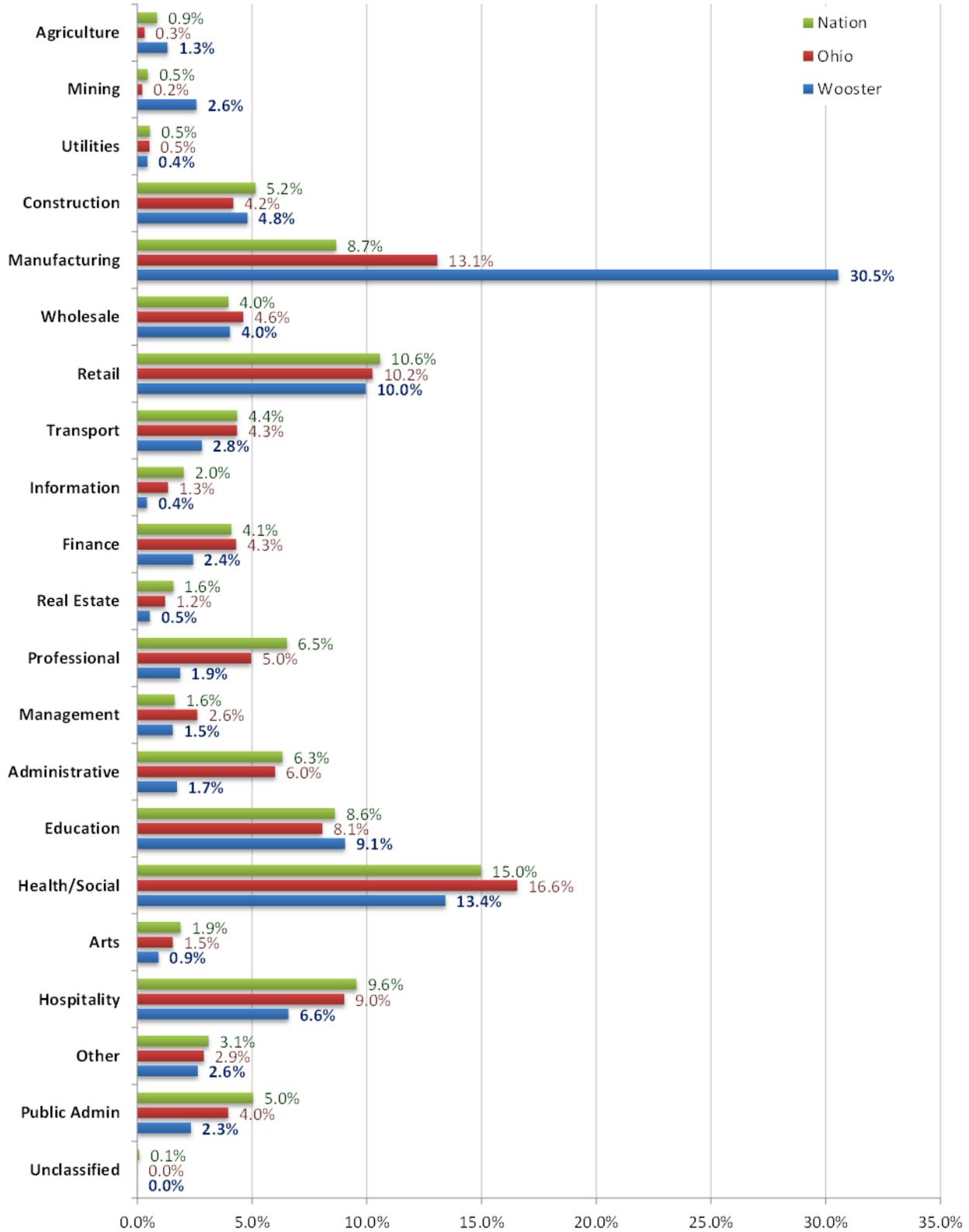
1. Comprehensive Annual Financial Report, Fiscal year ended December 31, 2019

FIGURE 3 outlines the economy of the Wooster Micropolitan Area. Manufacturing constituted nearly a third of the community’s economy, multiple times the national average. Almost always basic-sector, manufacturing is the engine of Wooster’s thriving economy. The sector features a large automotive cluster and a smaller food processing cluster. Wooster manufacturers also specialize in health care products, electronics, media, and fabrication. Though much smaller segments of the economy, mining and agriculture sectors are several times the state average, as would be expected in a region with a high degree of agricultural land use.

The Health and Social along with Retail sectors comprised the second and third largest portions of the economy, but these generally non-basic activities were still proportionally lower than the state and national average.

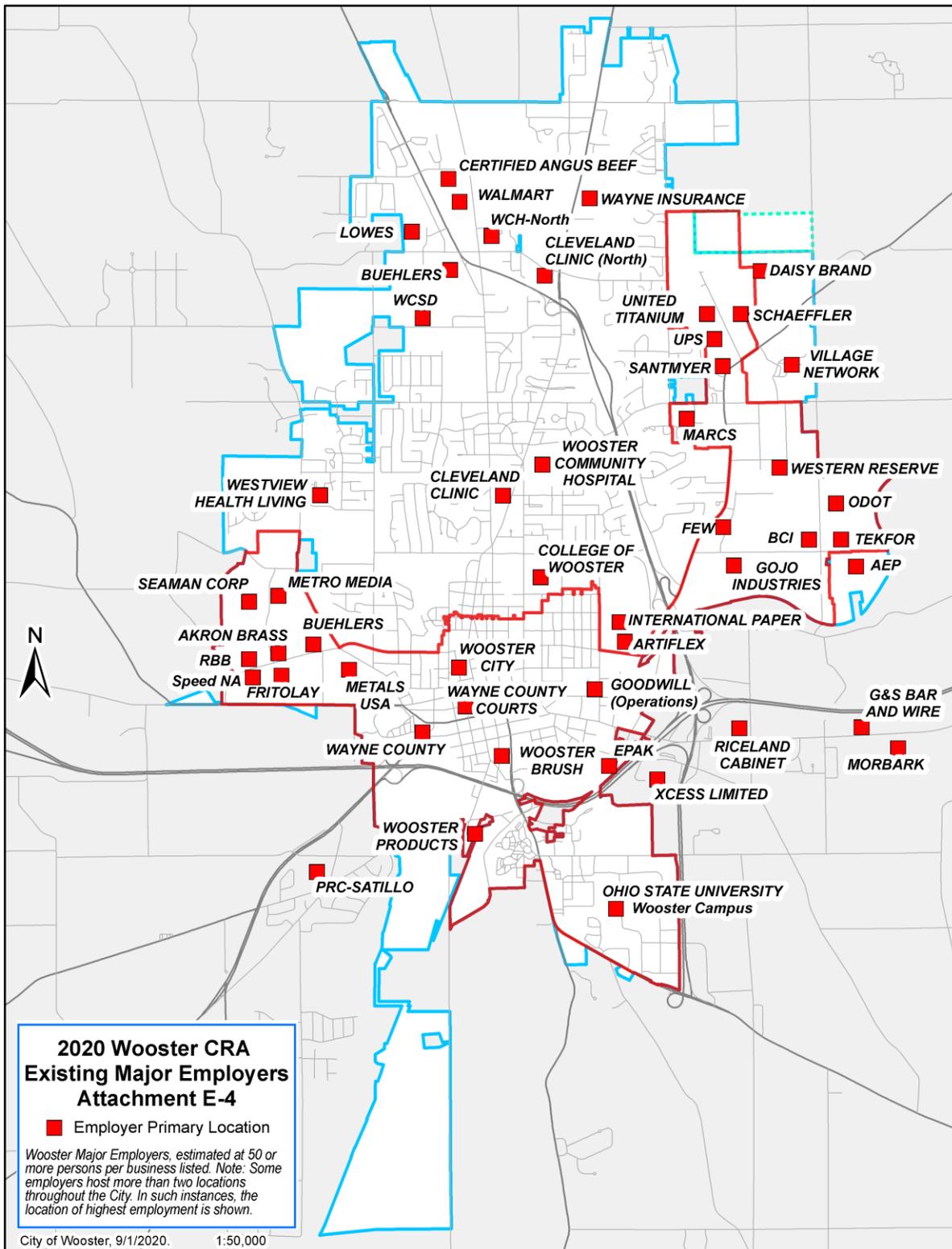
Professional services, which are necessary to support the expansion of basic-sector industries, are extremely low, which highlights a major risk to the community's ability to innovate and accommodate changes during economic downturns. Finance and Transport are also critical sectors that support the sustainability of basic-sector operations, which are underrepresented in Wooster's economy.

FIGURE 3: Wooster’s Economy Compared (Location Quotient)
Percentage of Total 2019 Workforce Per NAIC Sector Compared with State and National Totals



City of Wooster calculations using Bureau of Labor Statistics Quarterly Census of Employment and Wages, 2019 annual averages for all private and governmental employment (local, state, and federal aggregated).

MAP 28: Area Employers with +50 Full-Time Employees



Prepared by City of Wooster. Employment figures are estimated.

CRA As a Tool for Job Creation and Tax Payer Return on Investment: With 32 projects filed with the State of Ohio (plus an additional effort in 2020), the CRA program has been critical to Wooster’s downtown reinvestment and basic sector job creation for small businesses.

In 2018, with 29 actively abated projects, the CRA program was responsible for 366 jobs (created or retained) and generated \$209,498 in city income taxes. Additionally, while \$306,423 in real estate taxes were forgiven, another \$262,206 in taxes were created or preserved. Even with many other commercial projects covered through the City’s Enterprise Zone program, Wooster’s CRA ranks 3rd in the State of Ohio for the number of commercial agreements in place (See **TABLE 15** below).

TABLE 15: Top CRA Communities and Population Metrics
As of 2019

Rank	Community	CRA Agreements ¹	Population ²	5 Year Change ³	Labor Force Participation ⁴	Unemployment Rate ⁴
	State of Ohio	1,197	11,609,756	0.7%	63.20%	4.10%
1	Cincinnati	232	298,957	0.6%	65.70%	10.40%
2	New Albany	44	10,253	28.2%	72.70%	4.10%
3	Wooster	32	26,723	2.0%	59.20%	4.90%
4	Cuyahoga Falls	32	49,329	-0.4%	67.70%	4.40%
5	Delaware	25	38,193	9.1%	68.30%	2.70%
6	Perrysburg	24	21,327	2.8%	71.50%	4.40%
7	Fairfield	21	42,589	-0.1%	70.50%	5.00%
8	Hilliard	20	34,386	18.7%	74.40%	3.60%
9	Lima	17	37,592	-2.7%	61.70%	12.40%
10	Bellevue	17	8,004	-2.5%	67.40%	4.60%

1. Ohio Development Services Agency, Office of Strategic Business Investments. “Community Reinvestment Area Agreement Information.” Existing Community Reinvestment Area or Agreement, Ohio Development Services Agency, 16 July 2019, development.ohio.gov/oteisearch/CRA/.

2. Figures summarized from US Census Table B01003, Population: 2013-2017 ACS 5-Year Estimates.

3. Summarized from US Census Table B01003, Population: 2008-2012 ACS 5-Year Estimates.

4. Summarized from US Census Table DP03, Selected Economic Characteristics: 2013-2017 ACS

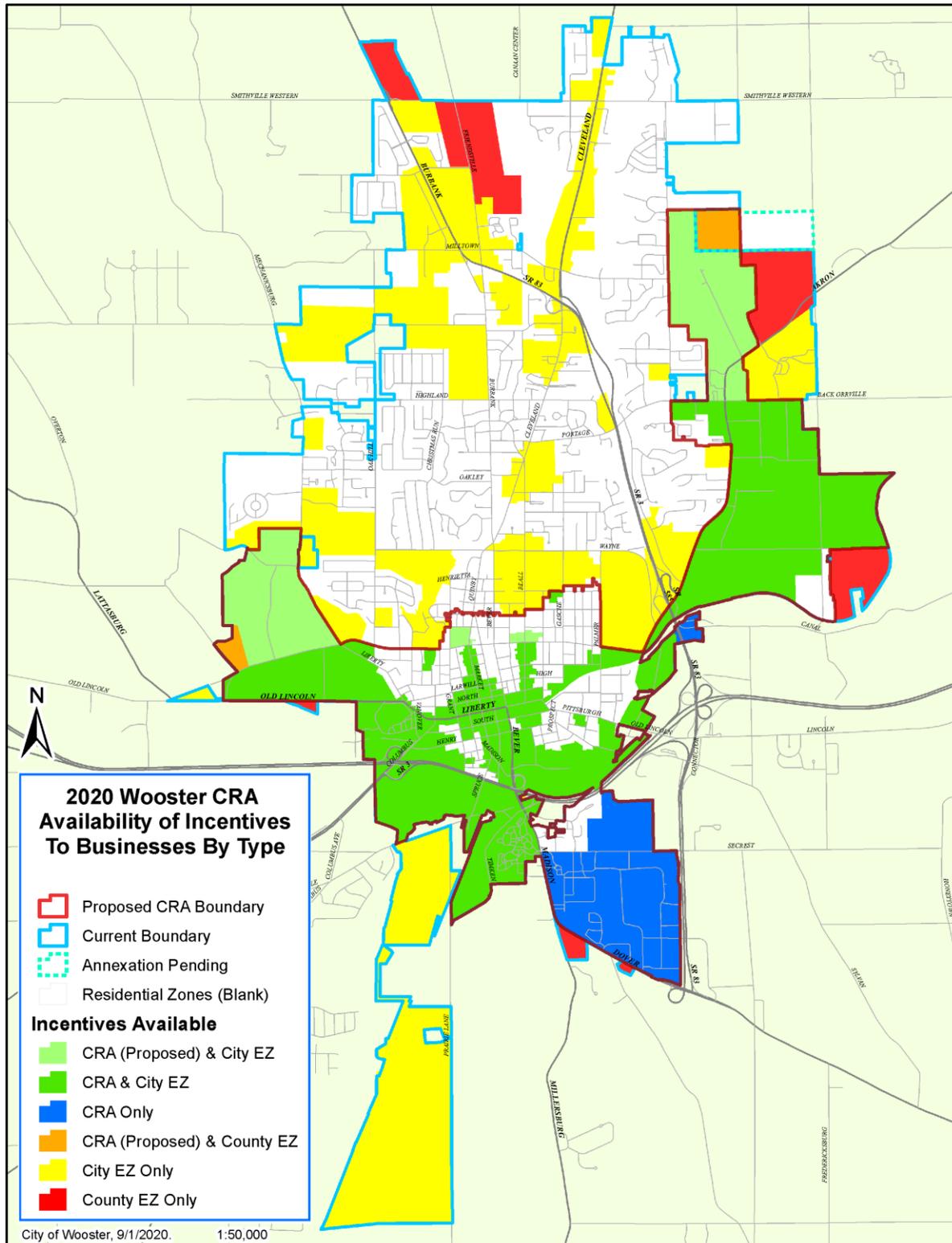
Enterprise Zone: Without the legal ability for Ohio cities to establish new Enterprise Zones or amend the boundaries of existing zones, many rely on the CRA program to accomplish the same goals of economic development. With 11 active projects, a total of 2,468 jobs were created or preserved and generated \$2,556,159 in city income taxes. \$455,155 in real estate taxes were forgiven in the last reporting year, while another \$1,054,615 was generated (inclusive of EZ-assisted properties that are no longer abated).

- Similarities to CRAs
 - Requires approval from local legislative authority
 - Enables communities to grant up to 100% abatements for 15 year
 - Overseen by Tax Incentive Review Councils
- Differences to CRAs
 - EZ abatements require a single job, instead of two with a CRA
 - School approvals required above 75% for EZ abatements compared to 50% for CRA.
 - EZ abatements cannot support residential projects, and only retail projects with an affirmative vote from local school districts at any abatement level.

The coverage of the City of Wooster's Enterprise Zone is limited to the City's 2004 city limits. Locally, the Enterprise Zone requires the creation or retention of at least 10 jobs. With 11 active projects, a total of 2,468 jobs were created or preserved and generated \$2,556,159 in city income taxes. \$455,155 in real estate taxes were forgiven in the last reporting year, while another \$1,054,615 was generated (inclusive of EZ-assisted properties that are no longer abated).

As the City of Wooster expands its boundaries to accommodate future growth, expansion of the CRA is necessary if the City of Wooster is to retain autonomy in supporting basic sector projects or other discouraged structures with real estate tax abatement. **MAP 29** illustrates the availability of real estate tax incentives to businesses in Wooster *with* the amended CRA boundary. Within each of Wooster's two largest industrial areas, developable land lacks City-directed incentives, excluding TIF.

MAP 29: Real Estate Tax Incentives Available to Business



Prepared by City of Wooster.

Vacant Land

A total of 1,723.9 acres of vacant parceled land exists within the proposed boundaries of the amended CRA, 45%, is located in the floodplain and unbuildable without major investment and federal approvals.

Wayne County Auditor’s Data indicate 547 vacant residential lots totaling 93.5 acres rest within the proposed amended CRA boundaries. A significant number of these lots are capable of supporting new single-family homes, with many being vacant as a result of a previous demolition. *(Note, Not all lots are buildable, with vacant lots in several cases serving as an extended yard for a residence. In other cases, two or more than adjoining vacant lots comprise a single 50-ft wide building site. In other cases, a single parcel is capable of being divided into two or more building sites. The average lot size of a vacant residential lot is 0.17 acres, or a 50-ft by 148-ft lot, typical of Wooster’s historic neighborhood lots.)* A significant number of these properties are capable of supporting new construction housing opportunities throughout Downtown.

Map 30 highlights the concentration of vacant properties throughout the City of Wooster, organized by areas defined and taxed as vacant, in addition to parcels farmed and other vacant areas otherwise reserved. Areas farmed and reserved have the potential for commercial development and subsequently, basic-sector job creation. (In certain circumstances, these areas may also support new construction housing.

In addition to floodplain concerns, vacant parcels face additional development constraints, including terrain (slope) and proximity to certain utilities.

Of the vacant parcels outside of the floodplain, totaling 945 acres or 1.48 square miles, 82% is either classified as vacant industrial or farmland. Approximately 60% of this space is located off the Akron Road Corridor north of the Norfolk-Southern rail line. This area is comprised of sites along Old Airport Road and Daisy Way which have industrial-grade infrastructure to support basic-sector job growth in the future. Absent of the proposed CRA amendment, the City of Wooster lacks the authority to autonomously grant real estate tax incentives for 53 acres of land within this area.

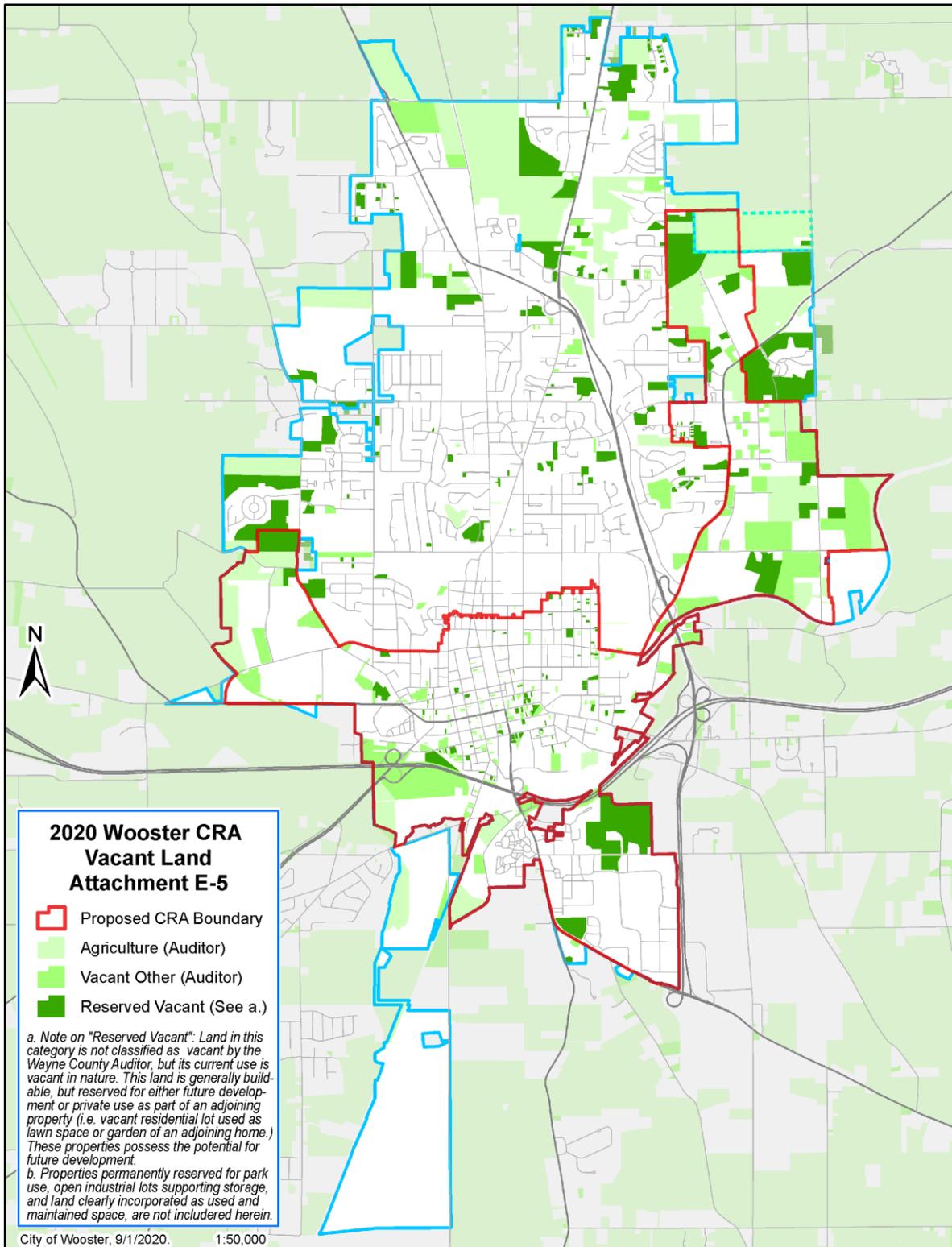
Commercial vacant lots comprise nearly 77 acres in the proposed CRA, including sites along the Akron Road corridor. The same area, comprised largely of C-3 General Commercial Zoning, may also support high-density commercial apartment complexes when on-site jobs (i.e. maintenance and management) are established onsite. (CRA incentives for single-family and duplex residential properties are no longer advised for C-3 zoning districts except in cases of high-density commercial apartment developments supporting at least two on-site jobs.)

TABLE 16: Vacant Land In Amended CRA #1

<i>Proposed CRA 1</i> <i>Vacant Lands</i>	TOTAL			Non-FloodPlain	
	<i>Acres</i>	<i>Sq. Mi.</i>	<i>Flood</i>	<i>Acres</i>	<i>Sq. Mi.</i>
# Vacant Residential Acres:	93.5	0.15	5%	89.1	0.14
# Vacant Commercial Acres:	192.3	0.30	60%	77.6	0.12
# Vacant Industrial Acres:	273.3	0.43	20%	218.8	0.34
Other Vacant Lands:	1,164.9	1.82	52%	559.1	0.87
Total Unreserved Vacant Land:	1,723.9	2.69	45%	944.6	1.48
		CRA Total Area:		5,217.6	8.15

Prepared by City of Wooster utilizing Wayne County Auditor’s parcel database.

MAP 30: Vacant Lands Within Wooster & Vicinity



Prepared by City of Wooster utilizing Wayne County Auditor's address and classification data..

Property Maintenance

The frequency of property maintenance complaints within an area is an indicator of pressure toward disinvestment. The City’s Building Standards Division manages a comprehensive Property Maintenance Program and investigates all reported complaints, in addition to undertaking proactive investigations in the City’s historic R-T zoned neighborhoods (all located within the existing CRA). The program ensures homes and commercial buildings meet the safety criteria of the International Building Code. Complaints frequently include excessive growth of weeds, garbage accumulation, and observable disrepair including broken windows, holes in rooftops, and exposed and rotting siding. In general, these issues result from neglect and often financial disinvestment. Inspections are also performed on new construction to ensure compliance with codes, with orders sometimes issued for unauthorized construction or land uses.

Unkempt properties present safety hazards in addition to appearing unsightly and can steal value away from neighboring properties and neighborhoods as a whole. Homes left to deteriorate have created sanitation problems for neighbors. The Property Maintenance Program enables the City to respond to complaints from neighbors and tenants and to also identify safety issues at early stages when repairs may be most economical. Property owners with observed violations are issued orders for repair. City staff also provides referrals to local resources, including social services for financially-constrained homeowners. The program was enhanced in 2019 to more quickly prosecute negligent property owners when orders are ignored. In cases of non-compliance, the City also hires services for certain maintenance, such as clearing debris or mowing tall weeds, the cost of which is billed to the owner and assessable to real estate taxes. Demolition has been necessary in a small number of cases involving extreme neglect.

Proactive Inspections: The City’s R-T (Residential-Traditional) zoned neighborhoods have experienced the most significant number of complaints in past years, owing in part to age, general lack of investment, and obsolescence. Negatively impacting the level of investment within this area is the generally lower household income base of the neighborhoods and observed real estate management practices by non-resident property owners. In particular, a significant proportion of the homes owned in these areas, 60% to 70% within certain blocks, are rental properties with a history of landlords deferring necessary maintenance to boost short-term cash flows. The same neighborhoods also host the community’s most historically significant structures, with several located on the National Register. Through the proactive inspection process, all homes receive an exterior inspection once every three years on a rolling cycle. Each inspected structure is ranked as:

- Green: Homeowner receives a thank you letter
- Yellow: Homeowner receives a warning that a deteriorating condition could lead to a future violation.
- Red: A Repair Order is issued which provides a certain number of days to correct the issue.

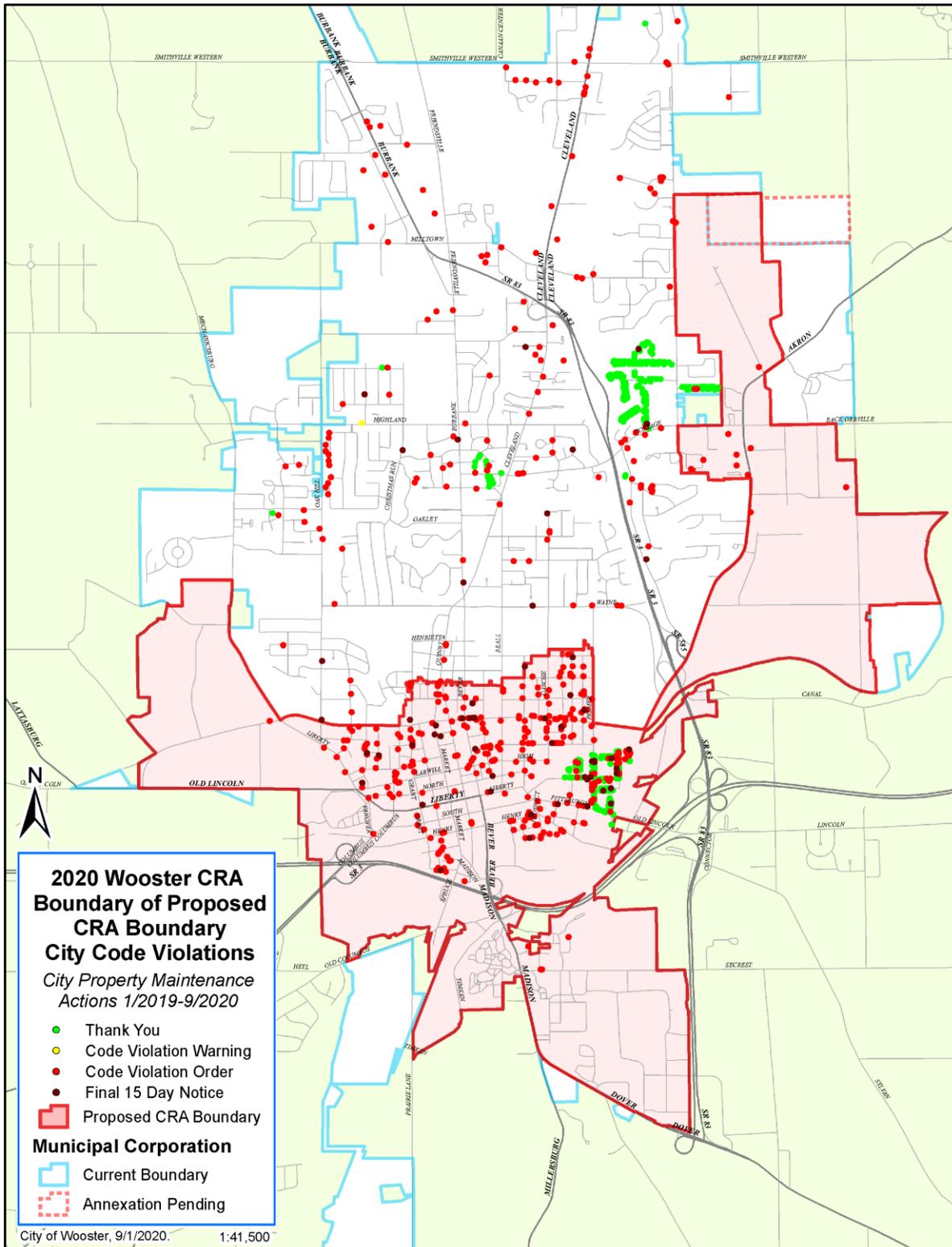
Property Maintenance within Proposed CRA: 1,017 property maintenance actions/inspections were conducted by the City of Wooster’s Building Standards and Planning and Zoning divisions between January 1, 2019 and 30 September, 2020, approximately 12 inspections per week. Of these, 62.4%, or 635, were undertaken in the proposed CRA boundaries. The area within the proposed CRA was responsible for 69% of all code violation orders, and 77% of the cases that progressed to a Final 15 Day Notice. As shown in **Map 31**, Orders were frequently issued throughout the existing and proposed expanded CRA residential areas.

Table 18: City of Wooster Property Maintenance Complaints

Property Maintenance Actions <i>From: 1/2019 - 9/2020</i>	Citywide	Proposed CRA	
	<i>Number</i>	<i>Number</i>	<i>% of Total</i>
No Violations - Thank You	281	123	44%
General Information Letter	6	4	67%
Code Violation Warning	5	3	60%
Code Violation Order	669	462	69%
Final 15 Day Notice	56	43	77%
Total	1017	635	62%

City of Wooster, ViewPoint Report: 10/1/2020

MAP 31: City of Wooster Building Standards Property Maintenance Violations



Prepared by City of Wooster, Building Standards Division

Auditor’s Delinquent Taxes

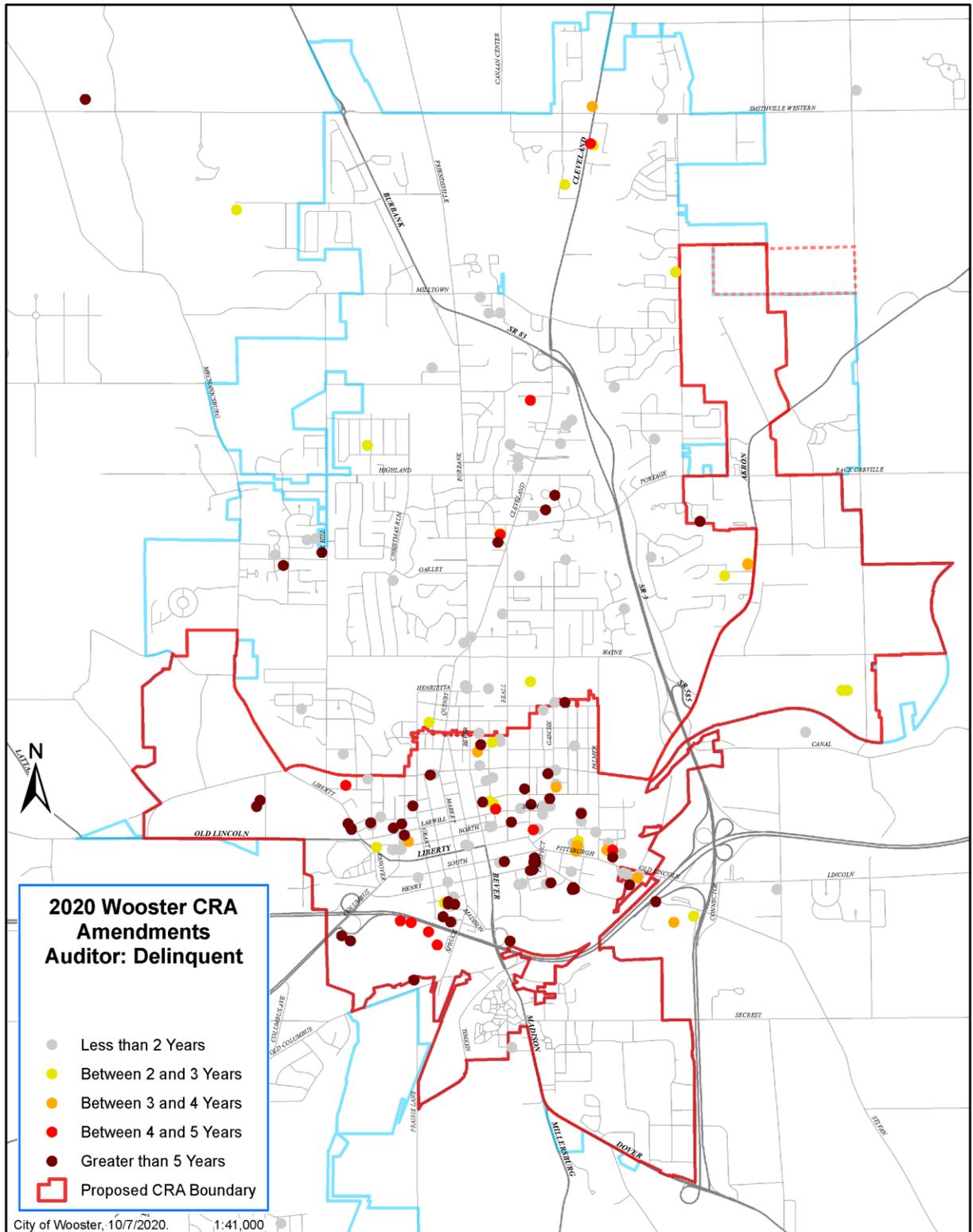
Long-term delinquency is a strong indicator of economic stress, as property owners have either chosen against paying taxes or lost the ability to do so, in both instances at the risk of civil forfeiture. While on the surface, Wooster’s rate of delinquency is not dissimilar from that of Wayne County as a whole, it has a disproportionate number of severe cases, with outliers pushing the average years of delinquency up to nine years versus five. This is due in part to cases of owners abandoning property that has failed to garner a new owner after going through the foreclosure process. **MAP 32 Auditor: Delinquent** notes all tax-delinquent parcels at the time of publication in year’s equivalent of tax owed (which does not include certified amounts from the first half of 2020). The calculation for this is $[\text{Amount Delinquent}] \div [\text{Annual Tax}] = [\text{Years Delinquent}]$. The vast majority of Wooster’s long-term (owing at least five years’ worth of taxes or greater) delinquent properties are located within the amended CRA boundary. Many of the properties are vacant lots where neglected homes were previously demolished, and owe far more in real estate taxes than what the property is worth on the market. Without a willing buyer or the ability of local government to accept these sites, they remain unproductive with ever-growing tax bills. The recently established Wayne County Land Bank will be able to assist the owners of some of these properties to bring them back to active use, with the CRA providing a critical tool for helping to encourage rehabilitation or (proposed) new construction.

Table 19: City of Wooster Property Maintenance Complaints

	Wayne County		Wooster Alone	
Total Parcels Delinquent:	756		164	
Average Years Delinquent:	5.1		9.0	
Median Years Delinquent:	1.8		2.1	
Average Owed:	\$5,156		\$10,852	
Median Owed:	\$1,662		\$2,491	
	Properties	SumOwed	Properties	SumOwed
Less than 1 Year Delinquent	213	\$557,974	32	\$361,905
Between 1 & 2 Years	192	\$1,162,105	49	\$766,741
Between 2 & 3 Years	101	\$608,242	17	\$181,895
Between 3 & 4 Years	54	\$250,956	10	\$29,680
Between 4 & 5 Years	34	\$172,597	11	\$33,363
Greater than 5 Years	162	\$1,145,764	45	\$406,182
Total Delinquent	756	\$3,897,639	164	\$1,779,766
<i>Total Over 2 Years</i>	<i>351</i>		<i>83</i>	

City of Wooster, ViewPoint Report: 10/1/2020

MAP 32: Wayne County Auditor's Delinquent Taxes



Prepared by City of Wooster utilizing Wayne County Auditor's parcel database.

Disinvestment Conditions

As part of the housing survey, the Ohio Development Services Agency requires specific evidence of disinvestment in housing structures located within a designated CRA, characterized as “poor roofing, siding falling off, and porches coming off of the houses.” A minimum of one example of housing disinvestment or a structure of historical significance is required by the State of Ohio to establish a CRA.

A data and site review of neighborhoods within the previously-approved existing CRA boundary demonstrate sustained issues with property disinvestment. Several examples of disinvestment were recorded to illustrate the need for CRA treatment within additional territory to be included in the CRA. These are presented ahead and summarized in **MAP 33**.

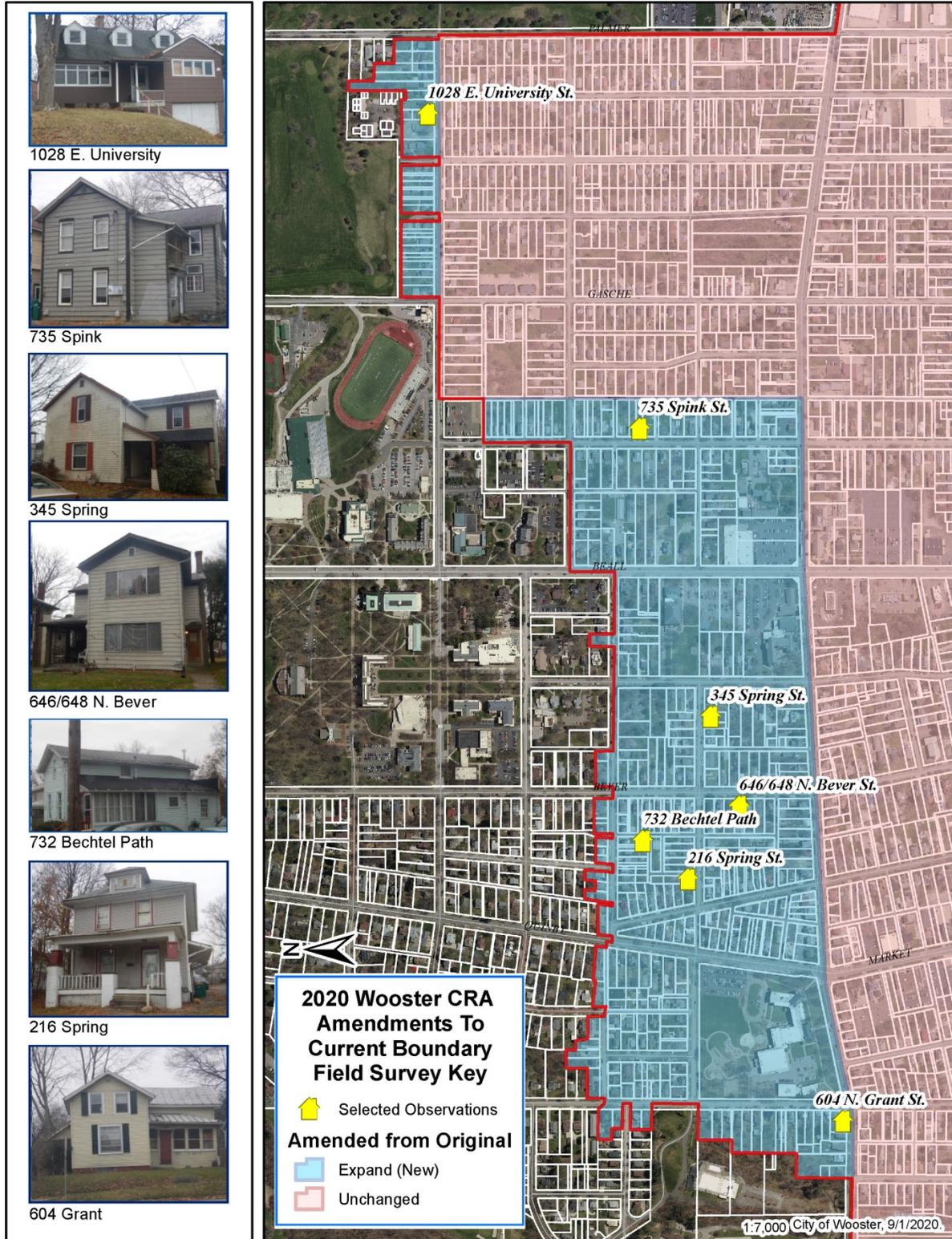
Disinvestment Samples:

#1 - Address: 604 N. Grant Street, Wooster, Ohio 44691 (PPN: 68-02002.000)



Disrepair: Structure has sat empty for past few years. Visible subsidence of foundation, dilapidated roof, and rear porch uneven with leaning supports.

MAP 33: Field Conditions Site Survey



1028 E. University



735 Spink



345 Spring



646/648 N. Bever



732 Bechtel Path



216 Spring



604 Grant

Prepared by City of Wooster utilizing Wayne County Auditor's address and classification data..

#2 - Address: 732 Bechtel Path, Wooster, Ohio 44691 (PPN: 64-01213.000)



Disrepair: Bowing roofline, significantly exposed wood on exterior siding, rotting eaves.

#3 - Address: 345 Spring Street, Wooster, Ohio 44691 (PPN: 64-00288.000)



Disrepair: Porch floor caving in, rusting along metal roof. General disinvestment.

#4 - Address: 646/648 N. Bever Street, Wooster, Ohio 44691 (PPN: 64-00086.000)



Disrepair: Two-family structure with raw wood exposure along eaves and along siding, insufficient windows, blocked downspouts, minor roof deterioration.

#5 -Address: 735 Spink Street, Wooster, Ohio 44691 (PPN: 65-00747.000)



Disrepair: Two-family home with paint beginning to fall from wood siding in several areas, railing along second-story porch above south entrance not to code.

#6 - Address: 1028 E. University Street, Wooster, Ohio 44691 (PPN: 65-00475.000)



Disrepair: Improper railing, decaying porch roof with evidence of rot, deteriorating paint on siding neglected driveway and garage boarded up.

#7 - Address: 216 Spring Street, Wooster, Ohio 44691 (PPN: 64-00572.000)



Disrepair: Wood rot along porch with areas of exposed wood, damage to gutter and roofline.

Concluding Community Reinvestment Area Updates

Based on the data and field analyses conducted, the following amendments to the City of Wooster's CRA#1 are recommended:

Areas for CRA Inclusion:

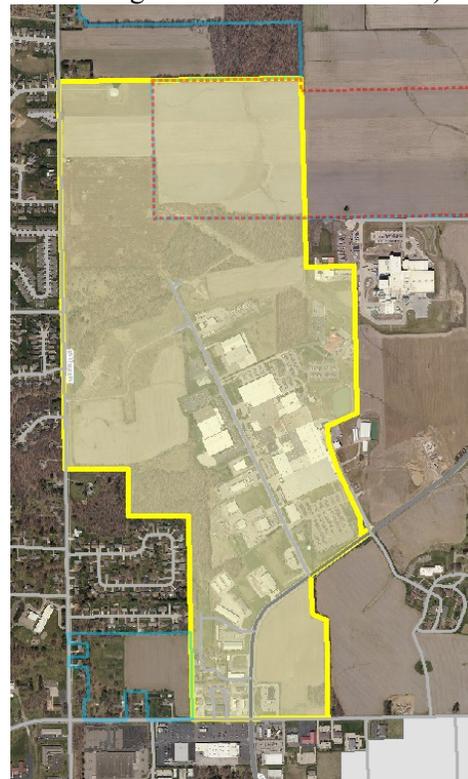
Wooster Ohio Innovation Park & Environs:

Description: This region comprises the City's largest employment center, with over 200 acres of industrial land being marketed nationally with support from state-level economic development entities. Approximately half of the land is located outside of the City limits and, upon annexation, would not be eligible for inclusion in the City's Enterprise Zone. Local real estate tax exemptions are considered essential prerequisites for making land marketable to out-of-state companies. In practice, many firms and sometimes state agencies will not consider sites without incentives for siting new industrial facilities.)

This area also includes approximately 103 households, most constructed between 1960 and 1980. The area includes nine undeveloped residential lots at Joshua Court established approximately 20 years ago zoned C-3.

Need: With approximately 110 acres of developable industrial land at the Wooster Ohio Innovation Site, including the Bogner Business Park Site being marketed in coordination with state-level economic development agencies, maximum CRA terms should be permitted to encourage primary-industry job-creating business expansions, with existing Enterprise Zone requirements. Establishing a CRA in this area would simplify the process of including additional industrial land to the north in the event of a future annexation. Given the lack of housing (and residential zoning), and higher levels of investments observed in this area, CRA incentives would be inappropriate for housing.

Wooster Growth Recommendation: Include as eligible for business incentives.



Williams Way Addition:

Description: This area includes a partially-completed 56-lot single-family residential subdivision, with 37 lots developed in the late 1990's and early 2000, with the remaining 19 lots eventually sold off to adjacent homeowners. The area also includes an 82-unit apartment community constructed in 1977 with approximately 4.3 acres of developable land, and a 98-unit apartment community constructed in 1990 fronting Akron Road.

Need: Older private infrastructure, ease of access, and potentially surrounding visible aesthetics are contributing factors limiting the desirability for further single-family and apartment construction investment in this area. Maximum incentives are not necessary given the lack of blight and newer public utilities and infrastructure, but lack of development suggests that some moderate CRA treatment may be helpful in encouraging new housing, which would allow for better utilization of existing infrastructure while enhancing area aesthetics to improve the overall grade and quality of the area.



Wooster Growth Recommendation: Include with 50% /10-year residential incentives, or 12 years in the case of LEED-certified structures, for projects exceeding \$50,000 in value.

Venture Boulevard Industrial Area:

Description: Comprising Wooster’s second-largest industrial area, this location is home to Frito-Lay, Akron Brass, Seaman Corporation, Wooster Brush, Bhueler’s Corporate Headquarters, RBB Systems, Metals USA, and the Wooster Industrial Center (WIC). Several smaller firms operate in this location, with several vacant lots with utilities ready to welcome new business expansion.

Need: Though most acreage is covered under the City’s Enterprise Zone program, newly annexed territory is not, and therefore the City cannot autonomously grant incentives there. (Specifically, the Graham Farm off McAfee Road has 16 acres of developable land.) Furthermore, the Enterprise Zone does not extend to small basic-sector businesses with fewer than 10 employees. In the past, the City of Wooster successfully utilized its CRA to secure the expansion of basic sector jobs by supporting small business firms such as Gomoplast Machinery Inc. (Condor Pacific Properties) in constructing a new facility, leading to long-term basic-sector job growth. Extending the existing CRA boundary from Old Mansfield Road north to the limits of the I-2 Industrial Zone extends these incentives to the entire industrial area, where smaller vacant lots may support smaller start-up type operations.



Wooster Growth Recommendation: Include as eligible for business incentives.

Cornerstone / College of Wooster Neighborhoods:

Description: As demonstrated in the Field Conditions Survey section, the city blocks immediately north of the Bowman Street centerline, as well as the homes immediately north of University Street, possess many of the same challenges and constraints as homes within the previously-established boundaries of Wooster’s CRA. Incidents of property maintenance violations and property tax delinquency also evidence disinvestment pressures.



Need: In evaluating age, space, and market sales history, the properties in this area are strained by the same challenges encountered in the remainder of Downtown’s historic neighborhoods. Maximum CRA incentives for residential units are advisable for this region.

Wooster Growth Recommendation: Include with full residential incentives.

Areas for CRA Limitations:

Unincorporated Areas:

Description: Two areas outside of City limits are depicted as being within the original and amended CRA on the official boundary map. These areas include:

1. A 35-acre area of several residential properties with 33 households along Perkins Avenue, Madison Road, and Robinson Road, in addition to a portion of the State Route 30 right of way, located in Wooster Township.
2. A 13-acre site at the corner of Back-Orville and Geyers Chapel Road consisting of an electric substation and three residences, located in Wayne Township.

Need: Unincorporated areas are not eligible for City of Wooster CRA incentives. To avoid confusion, it is recommended that unincorporated areas be excised from the official boundary map.

Water Well-Field Area:

Description: The existing CRA includes 729 acres running south of Old Columbus Road that comprise the City’s aquifer for its municipal drinking water supply. Present land use consists of forest, gravel mines, and farmland. Most of the property is located within the 100-year floodplain, with substantial portions in the undevelopable FEMA-designated floodway. The site was included in the original CRA by default as the boundary description referenced the City’s southern limits.

Need: CRA incentives are not advised for this location. Development in this area should be discouraged given its connection to the City’s water supply and considering floodplain conditions. Farming and mining activities are appropriate for the area and are readily encouraged with the existing geography, making the need tax exemption incentives unwarranted. The City has also never received a request for CRA treatment for this area since the program’s inception.

Wooster Growth Recommendation: Exclude Incentives. (The Wooster Growth Corporation owns land within the area recommended for exclusion.)



Akron Road Priority Area Housing (Existing CRA north of Long Road):

Description: North of Long Road, where the CRA was expanded in 2008 to support job creation. Much of the area consists of previously undeveloped vacant properties, shovel-ready for new building projects. This area, particularly inside the C-4 zoning district west of Akron Road, has also supported several new housing developments, including multi-family apartment communities and individually-owned condominiums. As individually platted structures, residential condominiums in this area have been eligible for CRA tax exemption, even though the area does not exhibit residential disrepair and homes generally have very high valuations. The reinvestment challenges for housing that exist within Downtown, including age, constrained lot sizes, and property maintenance issues, do not exist in this general area to the same degree, yet possess the same level of incentive for investment.



Need: The area remains challenged by area aesthetics, underutilized lots, and lack of amenities. However, CRA incentives should be lessened in this area to reflect the substantially lower level of challenges

compared with Downtown and Wooster’s historic neighborhoods. CRA has been an effective tool at helping to encourage job creation and affordable housing opportunities to the Akron Road Priority Area.

Wooster Growth Recommendation: Reduce residential incentives to 50% /10-year residential incentives, or 12 years in the case of LEED-certified structures, for projects exceeding \$50,000 in value. Exclude developed exempted property west of the Akron Road centerline and south of the Winchester Woods private drive. *Staff Recommendation:* Further analyses show residential zones north of Portage Road and nonresidential zones north of Long Road do not meet the State of Ohio’s disrepair criteria.

Policy Updates:

Clawback Post-Abatement Term: Wooster’s 2018 CRA ordinance established a performance period for tax abatement recipients:

“Failure to fulfill the requirements of substantial positive impact during the abatement period and for one additional year for each year of abatement may cause all tax abatements received by the organization to be owed and payable to the City of Wooster upon demand. Upon receipt of these penalty payments the City shall cause distribution of said moneys to the other affected taxing districts in their prorated share.”

The provision necessarily protects the City’s interest when abatements are granted for the purposes of job creation. Absent of a post-abatement performance period, companies would be permitted to relocate from the City with no consequence at the conclusion of a tax incentive, and several examples exist throughout the economic development sphere. However, this provision is not part of the State’s standard language, and such a requirement is not always practical for certain building rehabilitation projects involving retail tenants. The provision, which has not been enforced until recently, may be detrimental to attracting small redevelopment projects by smaller developers, particularly within the downtown where building owners undertaking projects have little involvement in direct job creation.

Wooster Growth Recommendation: An addition to the provision enabling Council to grant an exemption to the elongated performance period when CRA treatment is granted for the purpose of substantially rehabilitating an existing building.

Clarity on New Construction: The City of Wooster Residential CRA program has supported projects where homes were demolished and completely rebuilt. While CRA treatment has not been extended to projects where a residential dwelling did not previously exist, several vacant sites, particularly in the Downtown, have potential for supporting new housing.

Staff Recommendation: The State of Ohio differentiates between rehabilitation and new construction. Projects involving substantial reconstruction of homes should be classified as new construction. Additionally, the CRA should be amended to permit CRA treatment for newly constructed homes in residentially-zoned limits.

Minimum Requirements for Enterprises North of Long Road: In extending CRA incentives northward and in considering the lesser amount of distress in areas north of Long Road along the Akron Road corridor, a concern exists that firms seeking CRA treatment should generally be required to support a larger investment with a stronger job commitment than in the downtown. With negative pressures still existing in the area, particularly for retail at the Portage Road / Akron Road intersection, complete removal of retail from CRA incentives may complicate the ability of the City to support a creative mixed-use or other worthy non-basic sector project in the vicinity.

Wooster Growth Recommendation: Retail firms seeking abatement in this region should have a minimum level of 10 full-time jobs and \$1,000,000 in investment committed. As a policy, terms for all projects should not exceed the 75%, 10 year Enterprise Zone terms previously granted to firms in this area.

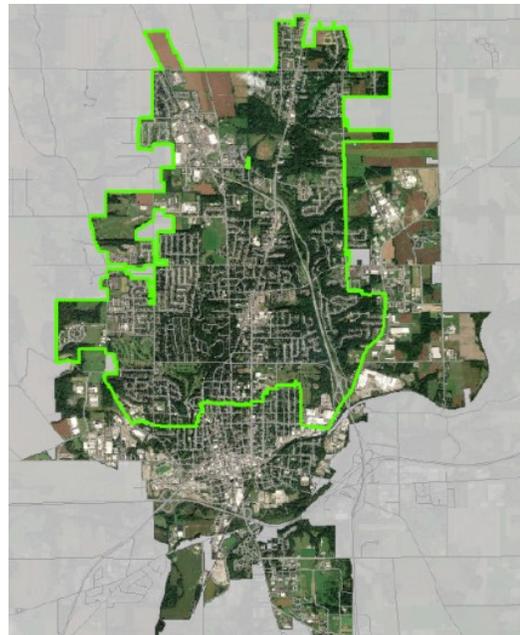
Other Considerations Evaluated:

As part of the Housing Survey, other areas of the City were evaluated for changes to CRA treatment. These areas, and the rationale for not changing existing CRA prescriptions, include the following:

City-wide Housing CRA:

Description: A city-wide CRA would extend a certain level of CRA treatment to all residential properties not contained within CRA #1. As a means to address the City's lack of housing starts, a city-wide CRA would provide an incentive to developers and individual owners of vacant lots to establish new housing. The level and term of abatement in this area would generally be less than the CRA #1 given a lower level of economic distress, generally 50% versus 100%.

Need: Housing starts have been extremely limited in the City, arguably barely keeping up the rate of housing losses at a time that the job base in Wooster has grown. This has led to a demand from several area employers for more affordable housing opportunities for out-of-town hires, particularly early-career workers. As labor conditions tightened and Wooster employers expanded their talent search radius, several firms found difficulty retaining workers long-term as they would eventually take other jobs closer to their residence. While a city-wide CRA would establish an incentive for new home construction, this would not meet most employer's needs for affordable housing. Complications of a city-wide CRA included the legality of extending residential incentives into areas without documented distress, the efficacy of the CRA resulting in more affordable housing (as CRA is programmed to increase new home price points), the public cost of incentivizing market-driven non-basic sector activities in non-distressed areas, and diminishment of existing incentives in at-risk areas. More viable solutions for affordable housing in non-distressed areas include utilization of HUD programming for new construction, TIF, site marketing, and potentially commercial CRA to support affordable apartment construction.



Melrose Greenfield Subdivision CRA:

Description: Residential CRA treatment was evaluated for a 22-acre greenfield site along Melrose Drive to support the creation of a single-family residential subdivision with 63 to 72 new homes. The \$14.4MM project proposed market-rate price points between \$180,000 to \$230,000 and sought a 10-year, 50% CRA abatement for each home, for a total estimated incentive value of \$1,169,041.

Need: By temporarily lowering annual taxes costs, the properties could be sold at higher price points, allowing the project to recover most of the infrastructure costs. Favorable funding metrics, the definition of which varies from company to company, were necessary to attract investment for the project. As a farm field at the edge of the City in a nondistressed area, CRA would not meaningfully address disinvestment or advance affordable housing, would incentivize a nonbasic economic activity, and would have the effect of making the proposed homes less affordable compared with other options such as TIF. Without public incentives recommended, the proposal did not move forward. The same site continues to attract interest from new developers.

Hospital District:

Description: In 1950, Wooster Community Hospital (WCH) opened the doors of its new facility on the then-northern limits of the City. The area quickly developed with retail, office buildings, and apartment communities through the early 1970s. While WCH continues to make major investments as Wayne County's largest medical facility, surrounding buildings have aged significantly, many with minimal reinvestment. Owner-occupied housing in this area, constructed from the 1940s, is also challenged in this area with small footprints and tempered market values. Surrounding office, medical, and retail facilities show evidence of decline with underutilized space, weathered exteriors, and limited on-site infrastructure investment. A review of housing data advises that a CRA could be established in this area based on current conditions should it be necessary to spur reinvestment.



Need: Reinvestment continues to occur in this area without CRA treatment, driven in part by the district's growing medical industry. Older commercial structures have been successfully repurposed to support new offices and retail, while housing improvements continue to be made. Single-family homes are generally owner-occupied while rental properties tend to be corporately-owned and professionally managed. Lot sizes are larger in this area, particularly for commercial plots, which offer greater flexibility and opportunities for repurposing sites. The District has also garnered interest from retail site selectors, evidencing the location's strong consumer metrics. While all these factors together advise that CRA is not necessary at the time of publication, it could be an appropriate tool to revisit should conditions change or a unique and substantial development proposal arise.

OSU Wooster Campus and Points South:

Description: The Ohio State University Wooster Campus was added into CRA #1 when the campus was annexed into the City of Wooster in 2006. In addition to its Agricultural Technical Institute (ATI) which supports approximately 750 students, the campus is a major research and development center for the organization's College of Food, Agriculture, and Environmental Sciences. The low-to-moderate income neighborhood immediately north, which straddles the boundary of the Wooster City School District and Triway Local School District, as well as the City of Wooster corporation line, has a mix of mid-sized and smaller homes along with apartment buildings, condominiums, and multi-family homes. Commercial development has taken place immediately south of the campus and outside of the CRA boundary (which follows the centerline of Dover Road), including office buildings and hotels.

Need: This area, which has undergone substantial changes in the last ten years, was evaluated for its continued need for CRA. The Residential CRA has benefitted homes in this area in the past. The OSU Wooster Campus, being governed under state laws unique to state-owned land, is exempt from real estate taxation. However, with the potential for a future public-private development project at the site (which includes the former BioHio Business Park), there could be a future need for community support through a CRA. Beyond the limits of the CRA boundary, where hotels and offices have been constructed, development has been incentivized in part with proximity to the campus. These factors advised that a change in the CRA boundary was not necessary in this location, except that certifying the boundaries to the current city limits will officially qualify a few recently annexed residential parcels in the vicinity of Robinson Road for CRA incentives.



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End Document