

# MARYSVILLE INNOVATION DISTRICT COMMUNITY REINVESTMENT AREA PROGRAM



## **Purpose**

In 2019, Marysville City Council approved the creation of the Marysville Innovation District Community Reinvestment Area (CRA) in the southeast portion of the City. The purpose of the program is to encourage development, redevelopment, and revitalization to improve economic stability, maintain real property values, and create new employment opportunities. Please refer to the back page of this document for a map of the CRA boundary.

The CRA program's main mechanism is the use of tax incentives granted to property owners for real property improvements to their buildings which meet the goals, objectives and requirements listed in this document. The abatement reduces the increase of property taxes that occur as a result of the completion of renovations or new construction. It does not reduce existing property taxes. Real property improvements include new construction, and structural modifications such as a new addition or major structural repairs. The Union County Auditor's Office is responsible for assessing how improvements impact the valuation of a property.

## **Eligibility**

Residential (no more than two units in building), commercial, and/or industrial property owners in the CRA designated zone who plan to construct new buildings or make structural improvements to existing structures may qualify for exemption.

## **Benefits & Requirements**

Qualifying residential properties may receive a 75%, seven (7) year real property tax abatement for new improvements for which the cost of remodeling is at least \$7,500. Likewise, new-build residential properties may also receive a 75%, seven (7) year real property tax abatement. All residential projects shall not have more than two residential units and shall be owner occupied.

Qualifying commercial and industrial properties may receive up to a 100%, twelve (12) year real property tax abatement for new improvements for which the cost of the remodeling is at least \$700,000. Approval is on a case-by-case basis and is determined by the amount of investment and number of jobs created or retained.

Qualifying commercial and industrial properties may receive up to a 100%, fifteen (15) year tax abatement for new building construction for which the cost of the new construction is at least \$700,000. Approval is on a case-by-case basis and is determined by the amount of investment and number of jobs created or retained.

## **Criteria for Approval**

The City shall consider the following when reviewing each application:

- A residential structure is less than two units and is owner occupied;
- The use of building shall meet zoning and building regulations;
- The project shall encourage private investment that will construct, repair, or improve a building;
- Commercial and industrial projects that create new employment, restore historical significance, or promote revitalization of the area are preferred. Non-residential projects should comply with the Union County Economic Development Incentive Policy, a copy of which can be obtained by contacting the Economic Development Office.

## Compliance

Every project that receives a tax abatement is reviewed annually by the City of Marysville Housing Council. The Housing Council is comprised of business owners, citizens, and City officials.

If a property owner does not comply with the terms and conditions of the approved CRA Application, the tax abatement may be removed by action of the Housing Council. Therefore, it is important that the property owner is realistic and plans to satisfy the pledged construction values, jobs created, and the project's impact when he/she completes the CRA Application.

## Process

- Property owner contacts the Economic Development Office at 937.642.6279 to discuss the program.
- Once eligibility is determined, the property owner submits a CRA Application for review.
- The City reviews the application and determines whether the project meets program guidelines; the application is approved and a formal agreement is drafted.
- The property owner submits and receives zoning approval. Design Review Board approval may also be required. Please contact the City Zoning Administrator at 937.645.7361.
- Prior to construction, property owner submits and receives an approved Building Permit. Please contact the Union County Building Department by calling 937.645.7359.
- After construction is complete, the Union County Auditor determines the value of improvement and formally institutes the abatement.

## Marysville Innovation District CRA Boundary

