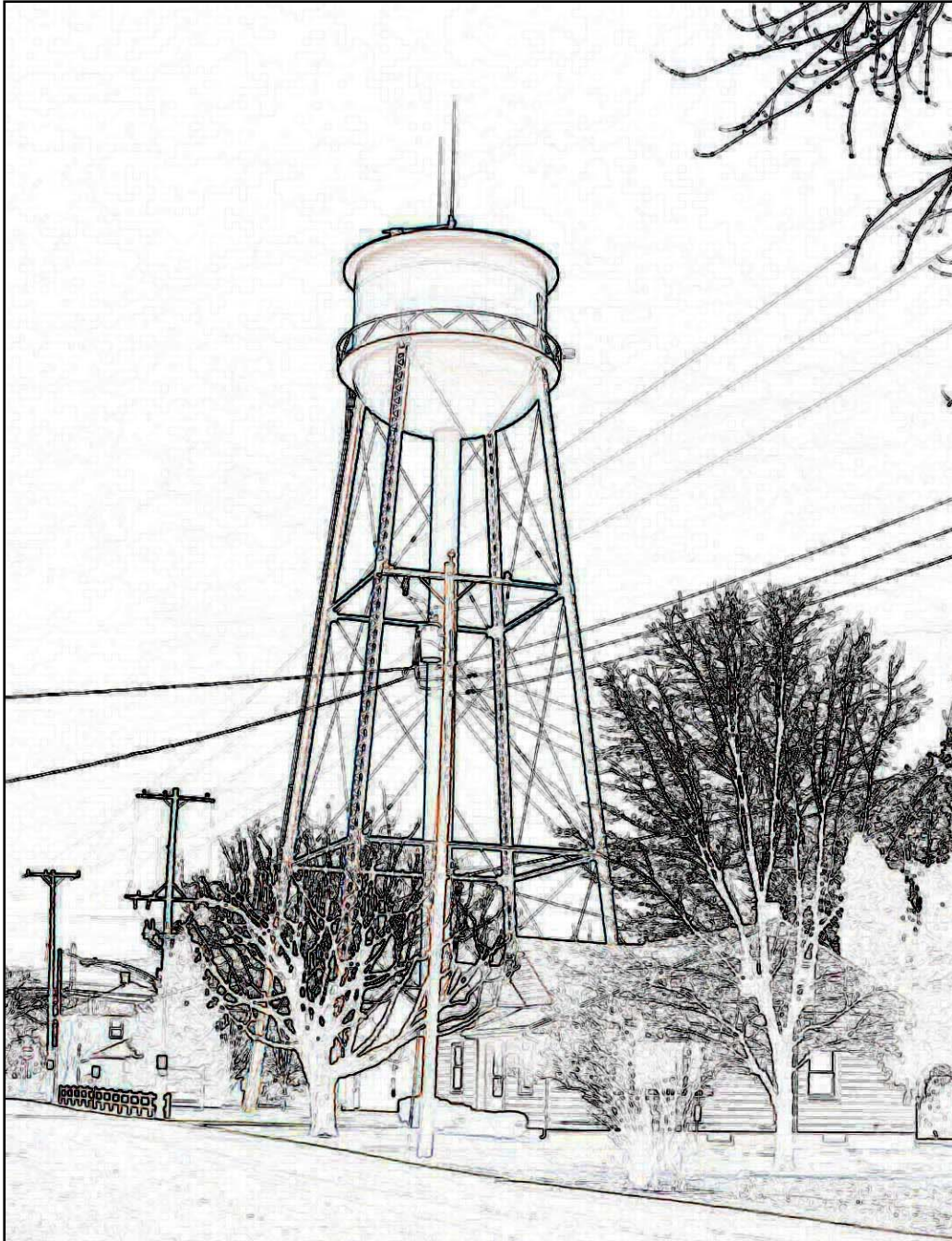


Village of New Madison, Ohio

Housing Survey Proposed Community Reinvestment Area 2007



*Prepared for the Village of New Madison
by the Center for Public Management and Regional Affairs at Miami University*

Village of New Madison, Ohio
Housing Survey of Proposed Community Reinvestment Area (CRA)

This housing survey supports the creation of a community reinvestment area (CRA) within the Village of New Madison by documenting that the area 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”. Infrastructure improvements and the construction of a new school have not spurred residential and commercial development to the extent that the Village had hoped they would. *By establishing a CRA program, the Village of New Madison would be better able to encourage such development and improve the community.*

Village of New Madison

The Village of New Madison is located in the southern portion of Darke County, Ohio. While the 2000 U.S. Census indicates some urban areas within Darke County, the Village of New Madison is primarily agricultural with areas of residential and limited commercial development. According to the most recent census, the Village had a population of 817 residents and total area of .37 square miles.

CRA Boundaries

The proposed New Madison CRA will encompass the entire Village as it existed on April 2, 2007. (See Appendix A.)

Housing Stock

Generally

The proposed CRA contains housing stock that is in need of considerable repair (see Appendix B for selected examples). In some cases, demolition and redevelopment may be most appropriate. Because of a limited number of developable properties, investment will have to focus on redevelopment.

According to the 2000 U.S. Census, there are 368 housing units within the CRA; this includes both housing in residential areas and mixed-use structures in the downtown area that contain housing units located above various businesses. The Ohio Department of Development Office of Strategic Research projects that the Village of New Madison will continue to lose housing units from its 2000 base level. Approximately 46% of the housing units within the area were built prior to 1940, which is almost 10% higher than Darke County’s comparable statistic (36.5% of homes in Darke County were built prior to 1940). Since 1990, only two new housing units have been built within the village. The median value of owner-occupied housing units is \$76,500; the median value of owner-occupied housing units in Darke County is substantially higher at \$91,100. *Thus, the Village of*

New Madison has a higher percentage of pre-1940 housing and a lower median housing unit value than the surrounding county.

Of these 368 housing units, 270 (73.4%) were owner-occupied and 74 (20%) were renter-occupied. Twenty-four (6.5%) of the units were vacant. Comparable statistics for Darke County indicate that 75.6% of the housing units were owner-occupied and the vacancy rate was only 5.4% within the county. *The area included in the Village of New Madison's proposed CRA has a lower rate of owner-occupancy and a higher vacancy rate than the surrounding county.*

Home Improvement and Health Issues

Given the age of many of the housing units within the Village of New Madison, home improvement/maintenance and health issues are relevant. As noted before, there is evidence of considerable housing disrepair throughout the Village. According to the Ohio Department of Development Office of Strategic Research, no building permits were issued for structures within the Village from 2000 – 2004. Darke County currently administers the Village's permitting process and has confirmed that no building permits have been issued within the past year. *This lack of evidence of substantial building projects which require a building permit, coupled with the photographs in Appendix B, support the claim that "repair of existing facilities or structures is discouraged".*

Due to the prevalence of older homes within the Village, there are home health issues that could be mitigated by encouraging home repair and redevelopment. For example, lead paint is a health hazard often found in older buildings, such as those found throughout the Village. According to the Darke County Community Housing Improvement Strategy, "the County has a significant lead-based paint problem". There is no indication in the report that the housing units in the Village of New Madison are exempt from the problem.

Sales

Just as residential new construction has been minimal over the past fifteen years, housing sales within the Village of New Madison have been limited. According to a Multiple Listing Service (MLS) search conducted on March 3, 2007, there were four homes and one lot for sale within New Madison. Several properties within New Madison are in foreclosure proceedings and presumably may be for sale within the near future. (One of these properties is noted in Appendix B.) The homes currently for sale ranged in asking price from \$24,000 to \$74,900 and are priced below the Village's median housing unit value.

Financial Issues

The most recent Darke County Community Housing Improvement Strategy (CHIS) indicates that the Village of New Madison meets the definition of an area of "LMI concentration" by virtue of at least 51% of its residents being classified as a low-to-moderate income population. With a median household income of

\$33,625 and 6.4% of families living in poverty status¹, new construction or repair of existing structures may not be financially possible. *The creation of a CRA and its resulting real property tax abatements would make qualified construction and improvement projects more accessible to the low-and-moderate income population.*

Commercial Opportunities

Despite New Madison's proximity to larger communities that have grown considerably in recent years, such as Eaton and Greenville, and New Madison's recent infrastructure improvements, the Village of New Madison has not experienced substantial development.

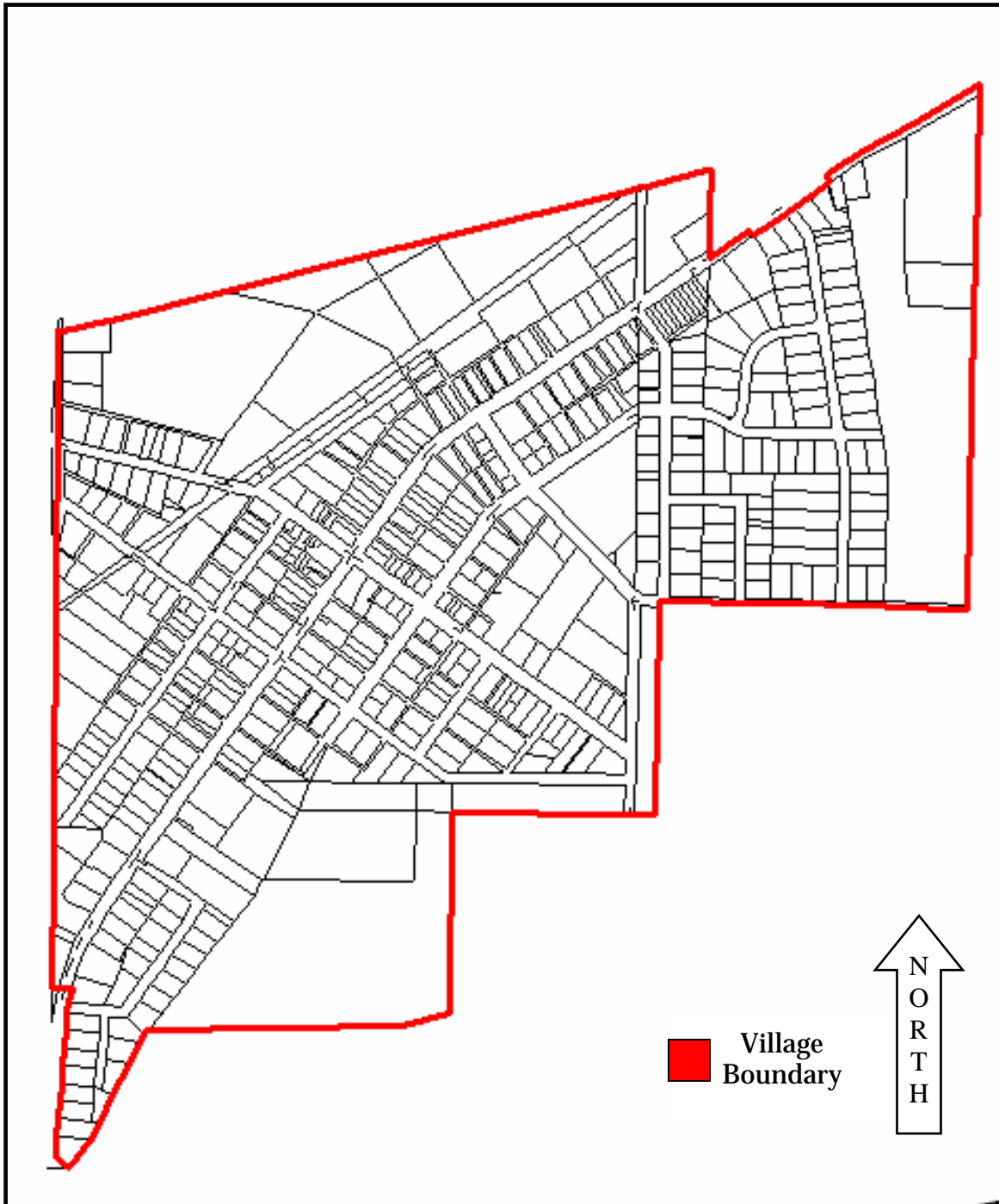
According to the 2004 Zip Code Business Pattern data from the U.S. Census Bureau, the Village had 48 commercial establishments. While there are two relatively large corporations located within the Village, Ludy's Greenhouse Manufacturing Corporation and Florida Production Engineering, almost twenty percent of the Village's establishments were construction businesses that employed less than five people. *Comparing the 2004 data to the 1998 data, New Madison experienced a net decrease of one business over those six years.*

Although the community reinvestment program is not a traditional economic development tool, the Village of New Madison believes that creating incentives for business development and expansion will facilitate growth and improve the marketability of the Village to enable it to compete for jobs with many of the smaller communities in the region.

¹ According to the 2000 U.S. Census, the Village of New Madison has a lower median household income than Darke County (\$39,307) and a higher percentage of families in poverty status than Darke County (6.0%).

Village of New Madison, Ohio
CRA Housing Survey – Appendix A

(Boundaries of the New Madison, Ohio Community Reinvestment Area – Village of New Madison's boundaries as of April 2, 2007.)



Village of New Madison, Ohio
CRA Housing Survey – Appendix B

(Documentation that the area 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”.)



*Substantial roof repair needed
(105-107 Jefferson Street)*



*Housing unit built around a mobile home
136 Harrison Street*

Village of New Madison, Ohio
Community Reinvestment Area Housing Survey – Appendix B



*Substantial disrepair of the gutters and roof,
particularly along the front porch
201 Main Street*



*Substantial roofing and siding repair needed (the
yellow sticker on the front door is a notice of
foreclosure sticker)
241 Jefferson Street*

Village of New Madison, Ohio
Community Reinvestment Area Housing Survey – Appendix B



*Rotting siding located along the bottom of the house
271 Main Street*



*Former business site with residential apartment above,
now vacant and in substantial disrepair
114 Main Street*

Village of New Madison, Ohio
Community Reinvestment Area Housing Survey – Appendix B



*Roof in need of repair, rotting fencing
142 Jefferson Street*



*Warped and missing siding, broken windows
115 Main Street*