

## Dayton Community Reinvestment Areas

Community Reinvest Areas (CRAs) are designated areas (Page 2) within Dayton that have been authorized by Dayton and the State of Ohio to offer tax incentives. The purpose of the program is to encourage investment within a targeted area that will improve real property.

The property tax that is assessed due to improvements made to real property is either eliminated or substantially reduced (exempted) for a predetermined period of time. Residential development projects that meet the requirements are eligible for tax exemptions. The terms and levels of exemption (Page3) may vary.

The tax paid by owners of real property is based on the current tax rate and the current appraised value as determined by the Montgomery County Auditor's Office (<http://www.mcrealestate.org/Main/Home.aspx>). Improvements to real property usually increase the property value and therefore increase your tax liability. If you own property located in a designated CRA and you make improvements that increase the value of your property, the tax may be calculated using the previous lower value of your home that existed prior to the improvements. Depending on the guidelines within the CRA district, your property tax liability resulting from the improvements may be either substantially reduced or eliminated for a specified time and amount.

The existing property tax and property tax value can fluctuate for reasons beyond the authority of a CRA district (i.e. rate increases, appreciation, levies, assessments for sidewalks, street lighting, etc.) The CRA program does not eliminate or reduce tax or tax values of land or existing structures.

Below are the six steps required for participation in the CRA program:

1. Contact the City of Dayton staff by email to [pete.thornburgh@daytonohio.gov](mailto:pete.thornburgh@daytonohio.gov) to determine if your property is located within a CRA, whether or not the improvements planned for the residential unit qualify for tax exemptions, and to request an application form. You may also contact staff by telephone at 937-333-3670.

- Some items may not qualify for tax exemptions because they are considered maintenance items and therefore will not add value to your property. In these instances tax exemptions will not affect your tax liability and application to the program will afford no benefit to the property owner.

- If extensive rehab is required, or if you believe the appraised value of your structure is overstated, contact the Montgomery County Auditor's Office to request a new assessment of the value of the property prior to beginning your project.

- Apply for all permits required by the City, State, and other agencies. Some properties are located in Historic District areas and require a Certificate of Appropriateness (COA); to determine if your property requires a COA contact Rachel Bankowitz by email at [Rachel.Bankowitz@daytonohio.gov](mailto:Rachel.Bankowitz@daytonohio.gov) or by telephone at 937-333-4271. If the proper permits are not obtained, you will not be eligible for CRA tax exemptions.

2. Within six (6) months of the completion of the improvements, submit the completed application with supporting documentation to the Department of Planning and Community. You must submit copies of the appropriate permits required by the city, state, and other agencies.

3. Staff will evaluate the application for completion and accuracy before being signed by the Housing Officer and forwarded to the Montgomery County Auditor's Office.

4. The Montgomery County Auditor's office will review the application and make notations to your property tax record to indicate the City has certified your property for residential tax exemptions at the rate and term authorized under the CRA designation.

5. Following the completion of the improvements, Montgomery County appraisers will determine the value of the improvements.

6. If the property has been granted the tax exemption certification, the property tax due for the following year will continue to be calculated using the prior year's appraised value as the basis. If the property has not been afforded tax exemptions under the designated CRA program, in the following year the property tax will be calculated using the new appraised value.

## 2014 Community Reinvestment Areas (CRAs)



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