

COMMUNITY REINVESTMENT AREAS (CRAs)

A CRA is an area within a municipality "in which real property tax abatement can be granted for any increased property valuation that would result from improvements to the property in the form of new construction or remodeling of existing structures by the property owner." If you own real property in an CRA, you can remodel structures on that property or build new structures. For existing one- and two-family dwellings, the minimum remodeling is \$2500. These improvements are exempt from property taxes for ten years. For existing dwellings of more than two units and existing commercial and industrial structures, the minimum remodeling is \$5000. These improvements are exempt for twelve years. New construction is exempt for fifteen years.

CRA PROGRAM OVERVIEW:	<u>PRE - July 1, 1994 CRAs</u>	<u>POST - July 1, 1994 CRAs</u>
<u>Exemption provided on Real Property investments @ following levels:</u>	typically 100%	up to 100%
<u>Eligible Exemption ACTIVITIES & LENGTH of approved exemptions:</u>		
Residential Remodeling: 2 units or less; min. \$2,500	typically 10 Years	up to 10 Years
Residential (> 2 units); Commercial & Industrial (min. \$5,000)	typically 12 Years	up to 12 Years
New Construction: Residential, Commercial, & Industrial	typically 15 years	up to 15 Years

Over the years, the City of Newark has created 5 CRA zones as shown below:

AREA	Municipal Action	Date	Resolution #	% / Term	Pre/Post-94?
1	established	02/19/81	81-09	100%	PRE - 1994
	expanded boundaries	09/08/95	95-75	up to 15 years	
2	established	12/06/85	86-106	<i>expired</i>	-
	expired	09/01/96	95-77		
3	established	12/05/86	86-106	100% up to 15 years	PRE - 1994
	expanded boundaries	12/19/86	86-115		
	expanded boundaries	09/07/91	91-67		
	expanded boundaries	02/19/93	93-04		
	expanded boundaries	09/09/95	95-76		
4	established	05/19/88	88-29	100% up to 15 years	PRE - 1994
	expanded boundaries	01/20/94	93-118		
	expanded boundaries (O-C)	08/02/01	01-45		
5	established	12/18/92	92-109	(formally 100%) 50% up to 15 years	PRE - 1994
	expanded boundaries	07/07/95	95-46		
	expanded boundaries & dropped %	07/06/01	01-11A		