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THE ENQUIRER

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The untold story

The government wanted their homes and businesses for offices and shops. Six owners said no. And the dissention began.

BY STEVE KEMME AND GREGORY KORTE | ENQUIRER STAFF WRITER

NORWOOD - Sandra Dittoe took the money from the sale of two houses, quit her job and bought a bar, a boat, a new car and a condo with a river view in Kentucky.

Ralston and Anita Jones built a new, four-bedroom country home in Brown County, close to their daughter, son-in-law and 8-year-old grandson.

Jeanne Dawson, legally blind and hard of hearing, moved into a Hartwell retirement community where she finally feels safe walking with her guide dog.

A year after they sold their properties in Norwood, the people who once owned homes and commercial buildings on 11 acres marked for the Rookwood Exchange office-retail-and-condo complex are settling into new lives.

Gone are their solid brick and wood-frame houses, sidewalks, tree-lined streets and back yards big enough for swing sets, barbecue grills and gardens. They've been bulldozed over, leaving only three houses standing in a barren landscape of muddy ground surrounded by a chain-link fence and "No Trespassing" signs.

As soon as this week, the Ohio Supreme Court could decide whether Norwood had the right to take the property of anyone who refused to sell so a deteriorating neighborhood could be used for an ultra-modern - and tax-producing - development project. It's one of the most far-reaching and heavily publicized eminent domain cases in local history.

As justices weigh the case, an Enquirer analysis of real-estate sales records provides the fullest picture yet of how properties were acquired and how former owners fared.

The analysis shows that most of the 73 property owners were handsomely compensated. On average, they were paid twice the fair market value estimated by the Hamilton County Auditor in 2002, the latest year for which comparisons are available.

Also, all but six property owners sold voluntarily. The six who refused to sell were named in eminent domain lawsuits and ultimately were awarded, on average, three times their property's value. The Supreme Court is considering the appeals of three of those owners.

The holdouts aside, interviews with former owners show that many used profits from their sales to buy bigger, nicer houses and to upgrade their lifestyles.

For them, the case was acrimonious not because the city of Norwood would have forced them to sell anyway, but because unwilling neighbors caused lucrative sales to stall.

"The Rookwood development was the best thing that has ever happened to me," Sandra Dittoe wrote the Enquirer in response to a survey sent to all former owners. "It is very sad that a few people were unable to see

a good thing and almost ruined it for the majority who did see it."

For decades, the little middle-class neighborhood enticed families to move there and take root.

But in the early 1960s, construction of Interstate 71 cut the neighborhood off from the rest of Norwood.

Development of nearby Rookwood Pavilion shopping strip in the late 1980s, and upscale Rookwood Commons in 1997, brought increasing traffic, noise and nighttime lights.

By the time Jeffrey R. Anderson Real Estate and the Miller-Valentine Group targeted the site for Rookwood Exchange in 2002, it had become a neighborhood in transition - neither a slum nor bucolic residential oasis.

Many owners were ready to get out when they began receiving letters and phone calls in early 2002 from developers wanting to buy their homes.

Norwood officials, who projected Rookwood Exchange could bring in \$1.7 million a year in tax revenue, encouraged the developers to negotiate with individual owners. Some negotiations were brief. Others dragged on for months.

"We all knew for about five years that it was probably going to happen to us," says Michelle Vogelsong, who grew up in the neighborhood and raised her own family in a house one block from her parents. "We just didn't know when."

Vogelsong and her then-husband, Rob, were among the first to negotiate the sale of their house and her father's. Her dad, James Senters, had suffered several strokes and was too ill to make deals.

"They started out negotiations with a low offer, real low," recalls Vogelsong, who works in Norwood's tax department and still lives in the city.

But she was delighted with the outcome. Her father received \$235,000 for his two-story cottage, more than double the auditor's appraised value of \$92,300. The Vogelsongs received \$245,000 for their two-bedroom home with the red-tile roof, valued by the auditor at \$138,800.

Developers offered Steve Inglis, who lived in the neighborhood for eight years, \$210,000 for his two-story Tudor rental house, far more than its appraised value of \$79,600.

"I signed right away," Inglis, 48, says. "It was decaying. You could not rent these things."

Traffic had gotten to be horrendous, he says: "My house sat across from the ramp off of I-71. A car went through my backyard, straight across to my neighbor's yard."

DEVELOPERS' STRATEGY

The trick for developers was assembling sales agreements from all the property owners. Developers couldn't afford to close on any contracts or pay anybody until they had all the property sales lined up.

As property negotiations progressed, the developers raised sale prices for some owners who settled early and were dismayed to see later settlers getting more money.

"Developers approached the negotiations with a clear view of trying to be fair with all the property owners," says Richard Tranter, lawyer for Jeffrey R. Anderson Real Estate.

When developers had contracts for all but six properties, the Norwood City Council laid the groundwork for possible eminent-domain action against the holdouts. In August 2003, the city declared the neighborhood "blighted" and eligible for seizure and demolition.

Dissension grew among neighbors as owners who didn't want to sell stood firm, delaying the sales for others.

Tensions escalated when the Institute for Justice, a Washington, D.C., civil liberties law firm, offered to represent the holdouts free.

Sensing the Norwood issue could become a landmark eminent-domain case, the institute filed a lawsuit challenging the city's right to take private property and turn it over to developers for a commercial project. Owners who didn't want to sell and property-rights advocates viewed the institute as a savior.

The holdouts - Joy and Carl Gamble Jr.; Joe Horney and Carol Gooch; Sanae Ichikawa-Burton and Matthew Burton; Dr. David Dahlman; Nick Motz and Mary Beth Wilker; and Tireless Limited Partnership - dug in for a fight. Dueling signs appeared in front yards: "Held Hostage by the Institute for Justice" and "Eminent Domain" inside a circle with a line through it.

The legal battle created financial and emotional hardships for many property owners and caused neighborhood conditions to decline noticeably. With demolition imminent, people stopped maintaining their homes. Some moved and rented their houses or left them empty.

In late 2004 and early 2005, several months after a Hamilton County Common Pleas judge supported Norwood's right to take the property, titles to the holdouts' properties were transferred to Norwood and then to the developers. By that time, Anderson Real Estate and Miller-Valentine Group had formed a partnership named Rookwood Partners Ltd. to develop the site.

Sales were finalized quickly after that. Three-fourths of all sales closed in a two-week period beginning Feb. 17, 2005.

The six holdouts dwindled to three. Today, only buildings that used to belong to the Gambles, the Burtons and Horney and Gooch remain on the site, while the Ohio Supreme Court considers their appeal.

"When I heard we were going to close," Inglis says, "it was just like a 100-pound weight off my chest."

NOW BETTER OFF

The Enquirer recently surveyed former property owners to find out how the upheaval affected their lives.

Of the 26 former owners who responded to the mail survey, 16 said they are "much happier" than before they moved. Nineteen said they received a "very fair" price. One called the price unfair.

Sandra Dittoe sold the house she lived in and another property for \$500,000, more than \$300,000 above the appraised value. Now, she watches the sun set every night from the balcony of her condo in Ludlow, Ky.

Ralston and Anita Jones were paid \$249,800 for their house, \$70,000 over the auditor's value. They had lived in the Norwood neighborhood for 39 years.

"I was dying to get out of there," says Anita Ralston, 75. She loves living near her daughter's family in rural Brown County. "It's not crowded here like the place where we were living," she says.

During her last few years in her Norwood home, Jeanne Dawson says she felt unsafe walking along busy Edwards Road with her guide dog, Lizzie. "I needed to get out of there," Dawson, 85, says. She received \$205,000 for her two-story house last year - \$121,400 more than its appraised value. That allowed her to move to the Evergreen retirement community in Hartwell.

Tim and Kelly Grondin sold their two-story brick home for \$275,000, more than double the \$120,300 auditor's value. They now live in Mount Lookout with their 9-year-old daughter.

Developers "should pay well above market value, and in the end they did," Tim Grondin says. "Our experiences with the developer were extremely good. We negotiated our own deal and got exactly what we wanted."

Susan Kovach was glad to sell, too. She received \$235,000 for her rental house, nearly twice its appraised value. She described the neighborhood as "a dump."

Other former owners are just dismayed that the sales were held up so long. "We could have amended the Constitution with the numbers we had to sell," Karen Frey says.

SOME NOT AS HAPPY

Some former residents aren't as satisfied.

Timothy M. Jones was extremely reluctant to sell his three-bedroom brick cottage, even though the \$230,000 offer was \$77,000 higher than the home's appraised value.

Jones and two brothers and a sister grew up in the house on Garland Avenue, and he and his wife, Sandy, were raising their two boys there. They moved into a bigger house in Norwood, but they sorely miss their old home.

"Three generations lived in the house," Sandy Jones says. "They were wanting us to move out. We didn't want to, but we were kind of forced because everyone else was selling."

Joy and Carl Gamble Jr. say their quality of life has worsened since they were forced to leave their home of 35 years.

Just before their neighborhood was targeted, the Gambles retired from their small Walnut Hills grocery store. They planned to stay in their Norwood house for the rest of their lives. Instead, the couple, in their late 60s, now rent a basement apartment in their daughter's Northern Kentucky house. "This is not our home here. We're renters," Joy Gamble says.

Sanae Ichikawa-Burton and Matthew Burton lost their business, the Kumon Math & Reading Center, which they've relocated temporarily at United Church of Christ in Oakley.

The Burtons have been the least vocal of the holdouts - until now.



"People think we are holding out just for money," Ichikawa-Burton says. "We are not holdouts. That is not our reason at all. Anderson (the developer) wants to take it. They are a business. They should do the business, not the government.

"We are really standing on our constitutional right. We don't want to give up. Somebody has to stand for that."

Contributing: Carrie Cochran

E-mail skemme@enquirer.com

and gkorte@enquirer.com

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