MONTGOMERY COUNTY
LAND BANK

Montgomery County
Land Reutilization
Corporation

INVESTING IN A RESILIENT COMMUNITY

PROGRESS
REPORT
2019

MONTGOMERY COUNTY
LAND BANK

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A Message from the Montgomery County Land Bank Board

When histories are written, 2019 will go down as a year that tested Miami Valley citizens and institutions. But far from shrinking from the challenges, the community showed the world its true character as smart, compassionate, generous, hard-working, fair-minded and practical.

The Land Bank is proud to take a role in addressing the issues of distressed real estate that face Montgomery County. We're action-oriented problem solvers who care deeply about the future of this community. To that end, we continued in 2019 to work with local governments, residents, neighborhoods businesses and nonprofits to develop and implement the collaborative, coordinated solutions you'll read about in this report.

> **"I can be changed by what happens to me. But I refuse to be reduced by it."**
>
> *Maya Angelou, Poet*

In this community, being reduced by our trials is not an option. The community has chosen resilience instead. And the Land Bank chooses it, too.

Montgomery County Land Bank

Progress Report 2019

OUR MISSION:

To facilitate the transition of blighted, foreclosed and abandoned properties into viable, marketable properties by working collaboratively with public and private entities in a financially responsible, transparent manner with a long-term goal of returning these properties to the tax roll.

Within minutes after tornadoes ripped through the Miami Valley on the night of Memorial Day 2019, the community rallied to launch a full-scale response. Local governments, nonprofits, faith-based groups, businesses, institutions and volunteer citizens joined in the effort. Right away, there were victims to feed, clothe, house – and comfort. There was debris to clear, homes to secure, infrastructure to repair and funds to raise. In the long term, there remain lives to rebuild and neighborhoods and businesses to restore.

Armed with a coordinated plan that involves a network of service providers, a realistic view of the challenges and a bias toward action, our community made strides in 2019. No stranger to disasters, the Miami Valley knows about bouncing back.

When social science studies resilience

Social scientists have discovered that people who have overcome trauma and gone on to achieve success display common characteristics. In their book, Supersurvivors: The Surprising Link between Suffering and Success, psychologists David B. Feldman, Ph.D., and Lee Daniel Kravetz define that quality as "grounded hope." The concept comprises three key attributes: a realistic view of the situation and its challenges, confidence in one's own abilities and a willingness to try new things.

So defined, grounded hope fueled the Montgomery County Treasurer's Office actions to establish the Land Bank in the wake of the 2008 foreclosure crisis. And it continues to drive our actions today. Using data to reflect today's realities, the organization has implemented practical programs that address distressed residential and commercial properties and their impacts.

We are pleased to report, for example, that in 2019, the Thriving Neighborhoods Initiative pilot program in Dayton's Pine View neighborhood brought the hoped-for results with the sale of renovated houses well above existing market rate. Buoyed by this momentum, we anticipate expanding the program to priority neighborhoods in our partner communities.

The Land Bank has seen the implementation of the Neighborhood Initiative Program outperform stated targets, thus qualifying Montgomery County for additional funding in 2019. With funds awarded since the program's inception totaling more than $20 million, the Land Bank has demolished 1,168 abandoned and dilapidated structures over five years.

Going forward, we'll strive to push the boundaries of resilience in our work to restore vibrancy and health to our community's challenged neighborhoods and commercial areas – to bounce back from the crises they have endured. This report highlights our progress toward that goal in 2019.

Programs:
Tools For Community Resilience

Whether responding to a man-made crisis or a natural disaster, a community that approaches problems with a realistic view of the challenges, an attitude of confidence and action-oriented strategies – the components of grounded hope – is positioned to bounce back from adversity.

In Montgomery County, Land Bank programs are strategically designed as tools to propel grounded hope into action and ultimately, results.

Thriving Neighborhoods Initiative

2019 Highlight: In Dayton's Pine View neighborhood, where the Thriving Neighborhoods Initiative is being piloted, one of two Land Bank-renovated homes was sold for $65,000 – more than 60 percent above median sales value in the area. The other home, listed at $84,000, is under contract. The first such sale was made in 2018.

- This Land Bank initiative aims to increase property values, encourage improvements by homeowners, increase market confidence and enhance quality of life.
- The Pine View neighborhood was chosen for the pilot program because home values there were not rebounding from the housing crisis. Home values were substantially less than the same construction type and year in other communities.

- The Land Bank has employed a strategy layering services available from a variety of community partners to address the physical, social and financial concerns prevalent in the neighborhood.
- The Vectren Foundation awarded a $50,000 grant for energy-efficiency improvements in the two newly renovated homes, resulting in less consumption and greater affordability.
- Lending institutions introduced programs to provide financial assistance toward home purchase and improvement projects.
- The Land Bank demolished eight abandoned houses on Gettysburg Avenue in an effort to spruce up the appearance of this gateway into the Pine View neighborhood. Five additional troubled properties throughout the area were also removed – with more to come.
- Rebuilding Together Dayton announced it will be featuring Pine View as one of its 2020 Rebuilding Day neighborhoods.
- CityWide Development Corporation has been working with the Pineview Neighborhood Association on a community plan. Neighbors have targeted Lakeside lake and various lots on Gettysburg Avenue for cleanup.
- The positive momentum experienced in Pine View served as a springboard for piloting additional neighborhoods to gain important experience to develop formal program criteria.
- The Board of Township Trustees approved Harrison Township's Castlewood neighborhood as an additional pilot project for 2020.

Other Neighborhood Efforts

- In Dayton's Carillon neighborhood, the Land Bank continued to acquire vacant, abandoned, tax-delinquent properties through tax foreclosure. As part of this joint effort with the neighborhood and CityWide Development, the Land Bank had previously completed several demolitions to address the blight and abandonment that threaten neighborhood health.
- The Land Bank and MVRPC are assisting the city of Miamisburg in furthering its Miamisburg CARES program, which is similar to Thriving Neighborhoods. It may become a Thriving Neighborhood project once planning work is completed.

Neighborhood Initiative Program

2019 Highlight: The Land Bank received more than $1.4 million in additional funding from the state's Neighborhood Initiative Program and demolished 294 abandoned and dilapidated houses.

- From the program's inception in 2014 through 2019, the Land Bank secured funds totaling $20,077,582. With these funds, our nine partner communities demolished 1,168 targeted properties in 37 neighborhoods.
- Additional awards became available to the Land Bank year after year because of the ability to meet program milestones, and the availability of unspent funds from other program participants.
- The Land Bank positioned itself to qualify for these funds by acquiring additional properties in anticipation of the resources becoming available. By completing, in advance, the year-long foreclosure process to meet a challenging requirement that the properties be demolished within 90 days of the award announcement.

Do-It-Yourself Renovation

2019 Highlight: The Land Bank transferred 19 properties to new owners upon their completion of improvements. The rehabbed properties represent significant private investment and corresponding increase in tax valuation. At the same time, the equity associated with the property is being preserved for the community.

- The DIY Renovation Program aims to stabilize property values by providing opportunities for citizens and investors to buy and renovate distressed homes that have been acquired by the Land Bank that would otherwise remained vacant and abandoned.
- When the rehab is completed to Land Bank standards, the buyer receives the deed and may sell, lease or occupy the property.

Tax Foreclosure Acquisition Program

2019 Highlight: The Land Bank transferred 30 properties to new owners in 2019. These properties included distressed homes acquired by the Land Bank that would otherwise remain vacant and abandoned, as well as vacant lots.

- Through this program, citizens and investors can purchase a tax-delinquent residential property to rehab and reuse for a residence, side lot, home expansion or new construction.

- To ensure the program's effectiveness, the Land Bank tightened the rules requiring stricter vetting of participants, buyer completion of the Home Ownership Center of Greater Dayton's Home Buyer's Success Training and a six-month limit for finishing the rehab work.

Commercial Redevelopment

2019 Highlight: The Land Bank completed three commercial redevelopment deals.

- Four commercial properties were acquired and transferred to support community and private redevelopment efforts.
- The Land Bank purchased a tax lien and initiated foreclosure of an abandoned, tax delinquent, and highly distressed downtown commercial property to support an adjoining property's redevelopment.
- It is gratifying to see the Dayton Arcade project coming to fruition. The Land Bank's early role involved acquiring the property under a deed in lieu of taxes provision. In so doing, the Land Bank was able to eliminate a sizeable tax liability that would have rendered the $90 million redevelopment unviable. The iconic building will soon open as an Innovation Hub with commercial and residential spaces.

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Engagement: The Foundation of a Resilient Community

The profound work required to turn around Montgomery County's distressed neighborhoods and commercial areas takes a team approach.

Partnerships

During 2019, the Land Bank partnered with these organizations that are helping to generate a critical mass of effort – and a resilient response – to our area's most consequential property-related issues:

- **CityWide Development Corporation** continued to work with the Pineview Neighborhood Association to create a redevelopment plan and spearhead cleanup efforts.
- **Pineview Neighborhood Association** is collaborating with officials to plan the neighborhood's future.
- **MVRPC** has become the Land Bank's go-to source for baseline demographic data collection and mapping in Montgomery County neighborhoods and has provided support for the neighborhood planning process.

- **Vectren Foundation** awarded a $50,000 grant for energy-efficiency improvements in the Land Bank-rehabbed houses in the Pine View neighborhood.
- **Day Air Credit Union** has developed financing programs for renovation loans and first-time home ownership in challenged neighborhoods.
- **Union Savings Bank** has launched a program to provide down-payment assistance in Thriving Neighborhoods areas.

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Land Banking

2019 Highlight: The Land Bank accepted a vacant shopping center property in West Carrollton to hold while the city creates a redevelopment plan.

- The Land Banking Program allows Montgomery County cities, villages and townships to strategically "bank" residential, commercial and industrial properties with the Land Bank – tax-free – while the jurisdiction creates a redevelopment plan or financing strategy.

- As a land bank, we are able to acquire, maintain and dispose of a property – or an assemblage of properties – on behalf of a jurisdiction or nonprofit.
- The program is fee-based.

Tornado Relief

2019 Highlight: Although a member of the Miami Valley's Long-Term Recovery team, the Land Bank anticipates a limited role in the short term for the community's recovery following the Memorial Day 2019 tornadoes. That role, which likely will not be evident for several years, will be to help affected communities with repositioning properties and assisting in redevelopment planning.

- Unfortunately, the Land Bank's ability to respond to the disaster is influenced by the complex personal, technical and financial issues and decisions associated with

rebuilding and repair. Further, there are no designated resources available for the Land Bank to address these properties that should be removed.

- The community has and is taking action where it is able. Some neighborhoods have already rebuilt damaged structures while others await organized rebuilding efforts.

- **City of Dayton** is expected to fulfill its commitment to demolish additional structures in the Pine View neighborhood as a match to the Land Bank's investment.
- **City of Miamisburg** is leading the organizing effort to develop a plan for their CARE designated neighborhood.
- **Harrison Township** is leading the organizing effort to develop a plan for their Thriving Neighborhoods-designated neighborhood.

Outreach

The Land Bank places a priority on engaging various audiences through a variety of channels. Educating the public, local leaders, partner jurisdictions, the press, stakeholders and potential customers about the Land Bank's mission, goals and programs is fundamental to gaining exposure and build understanding about our strategies. These are the vehicles employed in 2019:

- **15 Live Presentations** were made by staff to audiences totaling 260 people, including professional organizations, real estate groups, neighborhood organizations and public sector leaders.
- **A Community Briefing** to share information about the Thriving Neighborhoods Initiative was held at Sinclair College for an audience of 45 community development professionals.
- **4 Quarterly Newsletters** were published online to share Land Bank news and updates with various audiences.
- The Land Bank's **Social Media** presence was extended through a Facebook page, where posts are published weekly.
- The **Homebuilders' Fall Parade of Homes** provided an opportunity to showcase as affordable housing the two Land Bank rehabbed houses In the Pine View neighborhood.

RESILIENCE

A Marathon, Not a Sprint

Long before social scientists coined terms such as "grounded hope," the people of the Miami Valley were well practiced in that principle. Adversity has taken many forms here – from floods and tornadoes to racial unrest and corporate flight. And while recovery never advances as rapidly as anyone would like, it does come incrementally, over time. Month by month, year by year, the region moves forward and improves in many ways.

The Land Bank is here to encourage, support and invest in our resilient community.

Rebuilding Vibrant Communities, One Property at a Time.

MONTGOMERY COUNTY

LAND BANK

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