

Dayton area gets \$8M to combat blight

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## Dayton area gets \$8M to combat blight

NEWS | Aug 12, 2016

By Cornelius Frolik

**Eight local communities are expected to benefit from the money.**

The city of Dayton has spent millions of dollars trying to reduce blight, and it will spend millions of dollars more to combat the issue. But the city is still home to an estimated 6,600 vacant structures, including homes, garages and other structures. Dilapidated homes and buildings drag down property values and hurt neighborhood aesthetics, safety and attitudes. We've been your news source for what the city is doing to clean up and stabilize neighborhoods. We will continue to tell you how effective the city has been at addressing housing abandonment and the foreclosure problem.

An \$8 million state allocation should help demolish about 500 dilapidated homes in local neighborhoods in order to prop up property values and prevent the spread of foreclosures.

Housing blight remains a big community challenge nearly nine years after the housing bubble burst, which caused home prices to plunge and led to a wave of housing abandonment.

But the funding award announced Wednesday will support removing residential blight in "tipping point neighborhoods," which are in decent shape but are at risk of spiraling downward if foreclosures and growing abandonment are left unchecked.

“We’re doing these demolitions in targeted neighborhoods, and it’s a concentrated effort ... so this will have a substantial impact in the end,” said Mike Grauwelman, executive director of Montgomery County Land Reutilization Corp., the local land bank.

The Ohio Housing Finance Agency on Wednesday announced that the Montgomery County Land Reutilization Corp. was one of 18 land banks across the state to receive funding to assist with fighting blight.

The Montgomery County Land Bank received the fourth largest allocation, after land banks in Cuyahoga County (\$31.3 million) , Lucas County (\$13.8 million) and Franklin County (\$12.2 million) .

The \$8.2 million award likely will be divided up between Dayton, Trotwood, Harrison Twp., Jefferson Twp., Riverside, Kettering, Clayton and Miami Twp.

Local officials estimate the money — which comes from the Neighborhood Initiative Program — will help eliminate about 500 decrepit residential properties.

Under the program, funding recipients are required to maintain and landscape the vacant lots, at least until a new owner is found.

The money is left over Hardest Hit Funds from the U.S. Treasury Department used to help families avoid losing their homes and stabilize neighborhoods.

The local land bank received about \$5.9 million during previous funding rounds of the program.

The work is not yet complete, but the land bank used the Hardest Hit funds to acquire and remove about 370 residential properties in four participating communities: Dayton, Trotwood and Harrison and Jefferson Twps.

These four communities are expected to participate in this funding round.

Dayton was the largest benefactor of prior funding awards, and the city could receive between 70 to 75 percent of the newly allocated money, according to local officials.

Local distributions are determined based on vacancy rates, and Dayton still has about 6,600 vacant homes, buildings, garages and other structures, according to a recent survey

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About one in six structures in Dayton are vacant, even though the city and its partners have removed more than 2,200 structures since 2009, according to city data.

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On average, the city can pay to remove a blighted home for roughly between \$12,000 to \$15,000, if no asbestos is present, said Aaron Sorrell, Dayton's director of planning and community development.

The Neighborhood Initiative Program limits reimbursement for residential demolition at \$25,000 per property.

The city removed 222 homes using the program's funding through the end of June, and it has another 150 in the works, Sorrell said.

This is one of the last major dedicated funding sources for blight removal, and it's unclear if there will be another round of awards later this year, he said.

Once the work related to this round of funding is finished, the city will have reduced its supply of blighted housing by 35 to 40 percent, Sorrell said.

Trotwood will likely receive six to seven percent of the funding, which it plans to use to demolish about 30 residential properties, city officials said.

The city already has demolished about 30 homes using the Hardest Hit funds, which were selected to stabilize neighborhoods that were significantly impacted by the recession, said Quincy Pope Sr., Trotwood's city manager.

Early funding rounds targeted about 20 "tipping point neighborhoods" in the four participating communities. Officials expect to expand the targeted areas to try to stabilize housing in other at-risk neighborhoods.

Studies have shown that property values increase several percentage points shortly after adjacent blighted properties are removed, and values also rise in the nearby vicinity, Grauwelman said.

The visual impact of removing blighted structures is hard to overstate, and people in the neighborhood are more likely to invest in their homes and properties once the eyesores are gone, he said.