

Land banks key to reviving neighborhoods, Arcade

Tool used locally to combat many abandoned homes.



A Bladecutters Inc. crew tears down a house for the Montgomery County Land Bank on La Salle Drive in Dayton in 2019.

STAFF / FILE



Mike Grauwelman



Lisa Parker Rucker, the former Pineview Neighborhood Association president, credits the Montgomery County Land Bank's Thriving Neighborhood Initiative with stabilizing the neighborhood.

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Land banks took hold in hard-hit areas of Michigan and Ohio as the fallout from the 2008 housing and foreclosure crisis left decimated neighborhoods in blight, including Montgomery County.

Today, about 170 of the quasi-public authorities exist, most in Georgia, Michigan, New York and Ohio, where 56 of the state's 88 counties have them.

The Montgomery County Land Bank was created by county commissioners 10 years ago next month; work started the following year.

At the time, few ways existed to combat abandoned homes on the scale experienced by Montgomery County and other parts of the country, said Mike Grauwelman, executive director of the Montgomery County Land Reutilization Corp.

"From a historic perspective, we never as a nation faced a situation like this in the past," Grauwelman said.

"Our laws are to protect ownership interests, but never did we conceive that owners were perhaps walking away from properties under that crisis and

leaving houses abandoned and vacant, becoming nuisances to the adjoining property owners, falling into a state of disrepair, devaluing neighborhoods, introducing blight and the potential for crime.”

The housing market was in freefall and foreclosures were peaking, said Montgomery County Commissioner Carolyn Rice, who was at the time the county’s treasurer.

“There wasn’t a solution,” said Rice, who pushed to find one with the formation of the county land bank.

Land banks were granted “robust capabilities” to deal with abandoned housing, either through demolition or renovation, Rice said.

“When problem properties crop up — and they crop up everywhere — the land bank can often be the unique solution that helps give a brighter tomorrow for those properties,” she said.

Through the expedited administrative foreclosure process, the Montgomery County Board of Revision turned over 2,855 properties to the land bank or municipalities between 2013 and 2020, according to the county auditor’s office.

Since 2014, the Montgomery County Land Bank has demolished 1,200 nuisance structures in nine communities using \$22.6 million from the Ohio Housing Finance Agency’s Neighborhood Initiative Program.

Through 2020, at least 120 properties have gone to new owners through the local land bank’s Tax Foreclosure Acquisition Program, saving \$2.1 million in demolition costs and bringing \$526 million in real estate tax revenue back to the county.

Another program, which transfers vacant properties with renovation potential to new owners, has turned around 87 houses resulting in \$2 million of direct investment while avoiding nearly \$1 million in demolition costs, according to the land bank.

Lisa Parker Rucker, a former Pineview Neighborhood Association president, credits the Montgomery County Land Bank’s Thriving Neighborhood Initiative for stabilizing the West Dayton neighborhood by taking down several

eyesores and renovating others.

“We have more green space that looks much better than unkept property ... The neighborhood looks a lot brighter,” she said. “The renovations of the homes are very nice.

It definitely improved the property value as well as just the pride that we have in the neighborhood.”

Before the Land Bank’s Pineview project, sale prices for the modest 1,000-squarefoot homes worked out to about \$25 a square foot. As the renovated houses sold, the price per square foot increased to more than \$80, Grauwelman said.

Grauwelman said the land bank’s work at Pineview wasn’t achieved alone. In addition to neighbors, other community partners had a hand, including CityWide Development, the Ohio AFL- CIO, Rebuilding Together Dayton and others.

The Land Bank also helps reposition commercial properties, so far acquiring about 60. It had a “small but mighty role” in saving the Dayton Arcade from the wrecking ball, Rice said.

Under a deed-in-lieu of taxes provision that removed the tax liability, the land bank accepted the property and transferred it to the developers.

Other Land Bank programs have repositioned vacant land into parks, community gardens and tree nurseries.

More than 31,200 administrative tax foreclosure proceedings had been adjudicated in Ohio by April 2019, according to a court affidavit.

“When I consider how far we’ve come from an idea more than 10 years ago, to the reality of it, and the impact that we’ve had on this county and other land banks have had across Ohio, it’s just been such a positive for the communities,” Rice said.