

The Montgomery County land bank has received additional funding and a time extension to spend federal money to remove blighted and abandoned structures.

The Ohio Housing Finance Agency last month awarded the land bank \$500,000 in federal Neighborhood Initiative Program (NIP) funds to help eliminate 29 or more eyesores. The land bank also was given a 12-month extension to spend its NIP funds.

The additional funding and extended deadline will allow the land bank to demolish about 10 percent more structures than previously anticipated, said Mike Grauwelman, executive director of the land bank.

"The funds represent an additional resource and another step in addressing the issue of blight in our community," he said. "It (blight) robs us of wealth by destroying property values and neighborhoods by creating unsafe conditions."

The land bank had already been awarded more than \$5.3 million in federal money to help prevent foreclosures and stabilize neighborhoods in several local communities. The NIP funding is split between Dayton, Trotwood, Jefferson Twp. and Harrison Twp.

The local land bank was one of only a dozen in the state that exceeded the minimum acquisition goal by at least 130 percent and had also begun the invoicing process prior to October 2015, said Sean Thomas, chief of staff with the Ohio Housing Finance Agency.

Meeting these "milestones" qualified the land bank to receive the \$500,000 performance bonus, he said.

The money comes from recycled Hardest Hit funds. The 12 land banks received funds that were shifted away from others that did not meet minimum property acquisition requirements, Thomas said.

The Montgomery County land bank also now has until June 2017 to complete its demolition projects using NIP funds. The deadline was pushed back from June 2016.

The grant funding requires land banks to own the properties they demolish. Since most properties are acquired through tax foreclosure — which can take six to nine months to complete — the extension buys valuable time to clear the necessary procedural hurdles.

The land bank expects to demolish more than 300 properties in total using NIP dollars, including 29 or more properties using the performance bonus, said Grauwelman.

The average cost of the group's demolition projects is about \$17,000, which includes acquisition, administrative and environmental-remediation costs.

Most targeted properties are abandoned single-family residential homes. These dilapidated structures tend hurt neighborhood aesthetics and threaten property values.

Disinvestment has the tendency to spread because people who live near blight often lose motivation to keep up their own properties, and many people try to flee neighborhoods featuring abandoned properties or are reluctant to purchase homes in distressed areas, Grauwelman said.

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