

Vacant building faces foreclosure



LOCAL & STATE

DAYTON

The Montgomery County treasurer has filed foreclosure proceedings against the Centre City building, a prominent downtown office tower that has been vacant for years despite multiple redevelopment efforts.

Building owners owe more than \$389,250 in unpaid taxes, assessments, charges and penalties, according to a foreclosure complaint filed this month in Montgomery County Common Pleas Court.

Robert Lubin, a partner with the development firm All Funds, said his group has been working to set up a payment plan and it still wants to rehab the high-rise tower into new apartments.

“We do intend to pay the taxes and we do intend to build the building,” he said.

The Centre City building at 40 S. Main St., also known as the United Brethren building, was purchased in 2016 by Centre City Partners LP.

The limited partnership paid more than \$1.6 million for the 21-story building, which has been empty since at least the mid-2000s.

Centre City Partners proposed spending \$41 million converting the building into more than 150 market-rate apartments.

The group proposed funding the project with the help of state and federal tax credits as well as millions of dollars in equity investment from the federal EB-5 program.

Under the EB-5 program, foreign investors and some of their family members are eligible to apply for green cards if they make certain investments in U.S. commercial enterprises.

All Funds says it specializes in this complex area and is one of the nation's largest EB-5 development groups.

Historic projects are eligible for noncompetitive federal tax credits and competitive state historic tax credits.

The United Brethren building in late 2016 was awarded \$5 million in state historic preservation tax credits to help with its revitalization.

But the project forfeited its state historic tax credits in 2019 after failing to make progress and make program milestones, said Megan Nagy, a spokesperson with the Ohio Development Services Agency.

Lubin said his group still plans to turn the building into new apartments.

He said his group is working to bring on a local partner, and construction hopefully could begin within about six months.

"Probably the biggest issue was not being able to find a good local partner and a good local contractor to work with," he said.

He said those issues hopefully have been resolved.

The Centre City building is just one of downtown Dayton's large and empty or underutilized office towers and buildings.

Others include the Paru Tower, the Grant Deneau Tower and the Dayton Grand Hotel.

