

# Cities, nonprofits take the fight to blight

Effort stabilizes areas, puts more houses on market.

**By Lynn Hulseley**  
**Staff Writer**

Trash and broken furniture cover the stained carpet at the boarded, long-vacant house at 1538 Midwood Ave., in Trotwood, where paint strips hang like confetti from the ceiling and an awful smell fills the air as soon as Chad Downing unlocks the door.

The house, slated for cleanup and repair, is another piece in the Trotwood Community Improvement Corp.'s effort to take blighted, vacant and tax delinquent houses, repair them and get them in the hands of homeowners.

Once renovations are complete, the houses not only help relieve the shortage of homes for sale in the Dayton region, but give neighbors a sense of relief that their own values are not being driven down by blight.

“I’m glad something is finally getting done here,” said Luke Clark, who lives down the street at 4428 Engleka Court.

The Dayton Daily News Path Forward initiative seeks solutions to the most pressing issues in our community, including making sure our region is prepared for the economy of the future.

This story examines some solutions local communities have used to address the housing market inventory shortage and the blight left in the wake of the Great Recession.

Downing is housing director for the Trotwood CIC.

It’s a nonprofit land bank that takes possession of the homes through the tax foreclosure process, cleans them out and sells them to investors who rehab them under strict standards set by the CIC. The houses are then sold to homeowners, or in some cases rented out by the investors.

“Trotwood does a great job of stabilizing these houses,” said William Allen, co-owner of Righteous Development of Trotwood, who is rehabbing a home at 4301 Nevada Ave. that he expects will sell in the \$50,000 range.

“It helps bring the neighborhood up,” Allen said.

Downing said 43 CIC properties were sold to home buyers and 23 were turned into rentals since 2015, restoring about \$90,000 in annual property taxes to schools and other taxing agencies that got nothing during the years that the properties sat vacant.

Another 24 properties are in the pipeline for repairs and 23 more are in the process of tax foreclosure.

The CIC is also finalizing a contract with a developer to build about 100 low- to moderate-income houses on vacant land in the Townview and Drexel neighborhoods of Trotwood, said Fred Burkhardt, executive director of the CIC.

“Is there a demand for \$400,000 houses in Trotwood? No,” said Burkhardt.

“Is there demand for a house that can be afforded by a working family? Yes. We have a shortage.”

Burkhardt said the CIC selects neighborhoods where acquiring and renovating houses will “turn the neighborhood from going from the tipping point of being seriously blighted back into a more positive, stabilized neighborhood.”

The much larger Montgomery County Land Bank also focuses on “tipping point” neighborhoods, Executive Director Mike Grauwelman said.

The land bank, a quasi-public-private organization, began its work in 2011.

It has received more than \$26 million in state and federal funding to obtain and demolish 1,700 single-family homes and duplexes in communities across

Montgomery County. The properties can then be turned over to responsible owners for a nominal fee.

A separate land bank program has acquired and transferred more than 200 vacant, tax delinquent homes to be renovated by new owners.

“This is heavy lifting, but it’s gratifying,” Grauwelman said. “That whole blight is removed and therefore you’ve repositioned the neighborhood. It’s extraordinarily important for the neighborhood to believe that it is worthwhile to continue to invest in itself.”

The federal and state funding sources have dried up, so the land bank will continue its work with \$1.6 million in county delinquent tax payment fees and penalties while seeking new funding sources.

But Grauwelman said the bottom line is fewer demolitions will be possible once the land bank finishes its final 100.

“I don’t see any programs that are being developed or advocated that would support continuing to do this,” Grauwelman said.

The land bank has worked with the city of Dayton to demolish blighted property, but he said it has typically not been active in the Dayton neighborhoods most devastated by the home foreclosure crisis because there are simply too many dilapidated, abandoned houses to fix.

“You could spend all of the money that is spent in the city of Dayton on one neighborhood,” Dayton Mayor Nan Whaley said.

In addition to demolition, the city blight-battle toolbox includes turning vacant lots

over to neighbors, spending money on repaving, improving public safety and upgrading major corridors that are entryways into the neighborhoods, she said.

Sometimes public sector help is needed for the “gap funding” to make redevelopment projects work in the most blighted sections of the city, said Darrin Carey, owner of Dayton Capital Partners, which is a real estate investment, lending and redevelopment company in Dayton.

“When I get to Fountain/ Delaware/Santa Clara (in north Dayton), it will take me \$40,000 or \$50,000 to fix up a house over there and I’m not sure I can sell it for \$30,000,” Carey said.

“Most of those houses still have good bones. They have a good structure, but they essentially need everything else. The plumbing has been stolen. The wiring is gone.”

Officials recognize that the costs are prohibitive to turn around places off North Main Street that were ground zero in the foreclosure crisis. But they hope that as the economy continues to improve investors will begin redeveloping those neighborhoods and bringing houses back into the housing market.

“The major challenge is always how do you attract investment to areas that have challenged economic markets.” Dayton City Manager Shelley Dickstein said.

“The government can feed markets, but we can’t create markets.”

Contact this reporter at 937-225-7455 or email [Lynn.Hulsey@coxinc.com](mailto:Lynn.Hulsey@coxinc.com).