

PRESS RELEASE

Land Bank Program Opens Doors for Affordable Housing

Montgomery County, OH ----- Additional demolition funding awarded to the Montgomery County Land Bank will create opportunities to grow the area's inventory of affordable housing for low- and moderate-income families.

The Land Bank has received \$3.1 million from the Ohio Housing Finance Agency to continue the Neighborhood Initiative Program, which aims to stabilize property values by removing blighting properties from neighborhoods. Since 2014, the Land Bank has been awarded \$21.2 million and demolished over 1,200 nuisance structures in nine partner communities.

The vacant properties are typically made available to neighbors who agree to maintain them and meet other qualifying criteria. However, in Dayton's Wolf Creek neighborhood, the Land Bank will transfer cleared titles of 21 demolition sites to County Corp Affordable Housing, the area's nonprofit affordable-housing agency. A grant from OHFA's Low-Income Housing Tax Credit program to the agency and its co-developer, Oberer Companies, to build new, single-family homes as affordable rentals.

The tax-credit program allows the developer to claim tax credits over a 10-year period to help offset the costs associated with construction of the new housing. In exchange for the credits, the company must keep rents affordable and limit occupancy to residents with low-to-moderate-incomes for a minimum of 30 years, when the units may be sold at market rate.

At that time, stable, long-term renters will be offered monetary credits toward a down payment on the units.

"This project gives people an opportunity to build wealth that they wouldn't otherwise have," said County Corp's vice president of Housing, Adam Blake. "It will also result in an \$8 million investment that will help stabilize the Wolf Creek neighborhood."

Construction of the new housing will begin this summer and be completed in about two years.

"Filling in these lots with housing will be a positive sign to encourage other developers to look at Wolf Creek," said Oberer Companies CFO Bob McCann. "Without the Land Bank clearing the titles, this project wouldn't have gotten off the ground."

Since the demolition program's inception in 2014, Land Bank officials have positioned the agency to consistently qualify for additional NIP funding by strategically acquiring properties in anticipation of additional OHFA resources becoming available. This practice has allowed the agency to complete, in advance, the year-long foreclosure process and then meet the state's requirement for NIP properties to be demolished within 90 days of the award announcement.

“This project is a great example of the Land Bank’s ripple effect in the community,” said Land Bank executive director Mike Grauwelman. “A strategy of leveraging our work to help people improve their lives will continue to guide the way we do business.”

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Proposed Wolf Creek housing development by County Corp Affordable Housing and Oberer Companies