

Montgomery County Land Bank may take ownership of city-owned property

Official: Transferring vacant sites will increase redevelopment chances.

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DAYTON

The city of Dayton is considering transferring city-owned land along Ludlow Street to the Montgomery County Land Bank, a move that could open it up for future development.

The city property is where the Schwind building and part of the former Dayton Daily News building were demolished in 2013.

Dayton City Commissioners today are expected to decide whether to donate the 1.7-acre site located at 25 to 49 S. Ludlow St. to the land reutilization corporation, which offers programs to help combat blight and return distressed properties to productive uses, according to city documents.

Transferring the vacant properties to the land bank will relieve the city of liability and increases the chances they will be redeveloped, wrote Ford Weber, Dayton's economic development director, in a memo in support of the donation.

The Schwind apartment building and the newer sections of the old Dayton Daily News property were demolished in 2013 to make way for a student housing project that failed to move forward.

The original 1908 Dayton Daily News building at the corner of South Ludlow and East Fourth streets still stands and belongs to demolition contractor Steve R. Rauch Inc. This part of the property is not a part of the transfer proposal.

If the transfer is approved, the city will no longer be responsible for the properties' taxes, maintenance and insurance, said Mike Grauwelman, executive director of the land bank.

The land bank can remove the parcels' back taxes, which should help improve their marketability and attractiveness to potential investors, Grauwelman said.

"Currently, the tax liability (debt) exceeds the assessed valuation," he said. "By utilizing this process the property will be in a position to be put back into productive use generating investment, jobs and taxes."

The land bank's properties are exempt from property taxes.

The land bank has taken ownership of a variety of commercial buildings to remove their back taxes, including the Dayton Arcade.

If the city commission approves the transfer, the land bank board will have to approve the transaction.

That vote could take place next month.

The land bank's ownership will minimize the holding costs and should facilitate the future redevelopment of the property, said Chris Lipson, senior economic development specialist with the city.

Lipson said the property should be attractive to developers because of its proximity to the Dayton Arcade, which is right across the street.

The arcade's innovation hub has opened, and new apartments and amenities are expected to open soon.

About four years ago, the city sought a developer to partner with it to develop the site. The city received responses from three developers, including two out-of-state companies and Cross Street Partners and Miller-Valentine Group.

The city selected an Indianapolis firm, Flaherty & Collins Properties, but the project did not work out for financial reasons, city planning staff said.

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