



2872 Northglen Ave. (Before)



2872 Northglen Ave. (After)

Housing Bubble Creates Eyesores in Townships Statewide

Practical solutions for razing abandoned homes

By: Kaitlin Hall, OTA Director of Public Relations

According to ABC News, home prices have surged 10.9 percent in the past year, to highs last seen at the end of the housing bubble. But what happens to the properties that have been abandoned or foreclosed upon since that time?

Townships statewide have expressed concern with the “eyesores” within their territory, but oftentimes lack the funding to be able to combat the issue.

Mifflin Township (Franklin County) will tell you the solutions are just catching up to the problem that began in 2007, when the housing market peaked and the U.S. economy went into a tailspin. The township has demolished 12 houses since 2010 with 16 more pending.

Trouble arises when homes are abandoned or foreclosed on. This problem leaves a “sense of lawlessness in neighborhoods,” said Mifflin Township Code Enforcement Officer Steven Blake. Not only does it burden police departments with extra patrol duty, neighboring properties also suffer. If an abandoned or foreclosed property abuts your residence, it is likely the value of your home will decrease.

Harrison Township (Montgomery County) launched an effort five years ago to demolish both residential and commercial properties. The “hit list” included such major demolitions as American Carco, the Royal Crest Dairy and Parkway Inn. In 2012 alone, the township razed 20

properties, which cost \$222,483. All but approximately \$8,000 was paid through various grants.

As with any program, funding is the key to success. There are several funding opportunities available to townships with this predicament, including the Community Development Block Grant Program, land banking, Ohio Attorney General programs and the Neighborhood Stabilization Program.

Land Banks

While not an easy process, land banking has been the most fruitful for Mifflin Township. City land banks have been in existence for some time, while county land banks have been established primarily in the last two years, thanks to legislation passed in 2010 allowing counties with populations of 60,000 or more to create such an entity. There are currently 16 county land banks in Ohio, Ashtabula County being the most recent addition.

County land banks are private, nonprofit entities made up of a five-person board (seven or nine-person boards also exist), comprised of two county commissioners or their representatives, the county treasurer, a representative from the largest city and a township representative if there are at least two townships with a population of 10,000 or more. If the board has more than five people, one must have real estate or development experience.

The main goal of a land bank is to fight blight by working to make homes livable, selling the properties, demolishing unsafe homes and assembling vacant properties for economic development purposes. Funding comes primarily from delinquent tax and assessment (DTAC) fees. When residents pay back taxes, five percent is withheld. Half of these monies are distributed to the county prosecutor and half to the county treasurer. These funds

are allocated to the county land bank. Additional revenue for the land banks is acquired through grants and personal donations.

More information about land banks can be found at www.thrivingcommunitiesinstitute.org.

Community Development Block Grant

The Community Development Block Grant Program is administered by the Office of Community Development and provides federal funding to communities to address a variety of needs. More information can be found at www.development.ohio.gov/cs/cs_cdbg.htm.

AG Programs

Demolitions are currently being reimbursed through May 31, 2014, as part of the Moving Ohio Forward Demolition Grant Program. The Attorney General's office allocated \$75 million among Ohio's counties to assist communities in their economic recovery by

removing blighted or abandoned structures.

Boardman Township (Mahoning County) received \$100,000 in match dollars for cleaning up abandoned or foreclosed homes in their limits. With the help of their Zoning Department, they have razed 10 homes, with

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another 7-10 slated for demolition by next spring. The money was passed through the Mahoning County Land Bank. In order to qualify for the funding, paperwork, and before, during and after photos were required.

"As the economy improves, the homes that can be spared will hopefully get the attention they need," said Jason Loree, township administrator. "Because of the AG Demolition Grant Program, Boardman has been able to combat some of the problem housing that it would not have been able to demolish within our current budget."

Check out www.ohioattorneygeneral.gov/Individuals-and-Families/Consumers/Foreclosure for more details.

Neighborhood Stabilization Program

The U.S. Department of Housing and Urban Development (HUD) awarded \$1 billion to states and communities across the country to address the nation's abandoned and foreclosed homes crisis through the Neighborhood Stabilization Program. The Ohio Department of Development (ODOD) received an allocation of funds and put \$11,590,000 of the funds toward the Ohio Housing Finance Agency (OHFA) for distribution through the Affordable Rental Housing Initiative.

While funding is depleted through this particular program, the OHFA is currently working on guidelines for a new demolition plan. The Neighborhood Initiative Program (NIP) is designed to stem the decline in home values and prevent future disclosures of existing homeowners. OHFA will utilize \$60 million for this program. Check out the following website for more information: www.ohiohome.org.

Other Resources

There are numerous other options at the local level. For example, Homeport is a central Ohio nonprofit whose mission is creating and preserving healthy, stable and affordable communities. The Well Field Protection Fund Board is located in Dayton and helps to reduce environmental risks. Additionally, while many townships are lacking funding today, they are permitted to use general fund monies for any lawful use within the township. Mifflin Township has spent \$10,000 from its General Fund for razing abandoned homes this year.

The task of razing abandoned homes can be tedious, however, Officer Blake said, "I'm passionate about what I do. I get to help people and the community, and I recognize there is a story behind every house." ☺

