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OHFA Continues Efforts to Tackle Blighted Communities, Awards \$10.4 Million to 15 Counties

COLUMBUS - The Ohio Housing Finance Agency (OHFA) today announced the recipients of a program designed to help prevent foreclosures and stabilize local property values through the demolition of vacant and blighted homes across the state. Fifteen counties with established land banks were awarded a portion of more than \$10 million available through the second funding round of the Neighborhood Initiative Program (NIP).

The 15 land banks, or entities acting on behalf of land banks, receiving funding through NIP include:

- Ashtabula County Land Reutilization Corporation, Ashtabula County, \$500,000
- Belmont County Land Reutilization Corporation, Belmont County, \$500,000
- Butler County Land Reutilization Corporation, Butler County, \$2,000,000
- Clark County Land Reutilization Corporation, Clark County, \$680,000
- Columbiana County Land Reutilization Corporation, Columbiana County, \$1,118,750
- Erie County Land Reutilization Corporation, Erie County, \$500,000
- Fairfield County Land Reutilization Corporation Land Bank, Fairfield County, \$642,500
- Jefferson County Regional Planning Commission, Jefferson County, \$715,000
- Lake County Land Reutilization Corporation, Lake County, \$500,000
- Portage County Land Reutilization Corporation, Portage County, \$533,750
- Cuyahoga County Land Reutilization Corporation, Cuyahoga County, \$1,221,525
- Central Ohio Community Improvement Corporation, Franklin County, \$54,900
- Lucas County Land Reutilization Corporation, Lucas County, \$1,221,525
- Montgomery County Land Reutilization Corporation, Montgomery County, \$54,900
- Trumbull County Land Reutilization Corporation, Trumbull County, \$192,150

Available to the 22 Ohio counties that have an established land bank, applicants were required to focus efforts on target areas in which the demolition and greening of abandoned homes will assist in preventing a further reduction in property values and possible foreclosure of neighboring occupied residential homes. Awardees are responsible for all aspects of the property acquisition and removal as well as plans for greening and ongoing maintenance of the property.

Five recipients were also awarded a portion of \$49.5 million in the first funding round announced earlier this year including: Cuyahoga County Land Reutilization Corporation, Central Ohio Community Improvement Corporation, Lucas County Land Reutilization Corporation, Montgomery County Land Reutilization Corporation and Trumbull County Land Reutilization Corporation. By the end of June, NIP enabled the demolition of 14 vacant and blighted homes.

“When negative equity combines with other factors such as loss of income, the risk of foreclosure is high because homeowners do not have the option to sell a home they can no longer afford,” said OHFA Executive Director Doug Garver. “Foreclosures result in distressed sales that further depress property values and continue the downward spiral, too often resulting in vacant and blighted homes. The Neighborhood Initiative Program is a critical component to stabilizing home values and preventing foreclosure.”

Funding amounts were awarded based on a number of factors including county population and the magnitude of vacant and blighted properties owned or identified for acquisition within the area. The maximum amount of assistance per property is \$25,000 with an estimated average amount of assistance of \$12,000.

In 2013, OHFA received approval from the U.S. Department of the Treasury to utilize up to \$60 million of the state’s remaining Hardest Hit Funds to prevent future foreclosures by stemming the decline in home values in communities affected negatively by vacant and blighted properties. Treasury allocated \$570.4 million of Hardest Hit Funds to OHFA in 2010 to administer the state’s foreclosure prevention program, Save the Dream Ohio.

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About the Ohio Housing Finance Agency

OHFA is a self-supporting quasi-public agency governed by an 11 member board. The Agency uses federal and state resources to provide housing opportunities for families and individuals through programs designed to develop, preserve and sustain affordable housing throughout the state of Ohio. OHFA is also the administrator of the state's foreclosure prevention program, Save the Dream Ohio.