

Greater Ohio Policy Center
399 East Main Street, Suite 140, Columbus, Ohio 43215
614.224.0187 phone; 614.224.0328 fax
www.greaterohio.org



For Immediate Release:
April 5, 2010

For Additional Information Contact:
Sarah Mills Bacha
614.486.3819
smbacha@earthlink.net

41 Ohio Counties Receive Green Light to Establish Land Banks

Legislation provides important tool to address urban decay created by foreclosure crisis

COLUMBUS – Ohio’s local leaders will soon have a powerful tool to use in addressing the foreclosure and vacant property crisis plaguing our communities, thanks to the recent passage of Substitute House Bill 313 by the Ohio Senate. The bill, which is awaiting Gov. Strickland’s signature and was approved by the Ohio House late last year, would provide 41 additional counties with populations of more than 60,000 people the opportunity to form and operate countywide nonprofit land banks.

Ohio has experienced record numbers of foreclosures in the past few years, only compounded by the recent Great Recession – 89,053 in 2009 up from 85,773, the previous year, and the 14th annual increase, according to state data – a number that is not likely to decline soon. The result is urban decay and high numbers of vacant properties too large for the private sector to accommodate in cities throughout the state, conditions for which the land bank mechanism is intended to provide urgent, long-term relief.

The land banks would work to return vacant and abandoned properties to productive use, thus stabilizing and ultimately restoring neighborhoods, according to the Greater Ohio Policy Center in Columbus, which was instrumental in passage of the legislation. Primary bill sponsors were former Representative Peter Ujvagi (D-Toledo) and Representative Roland Winburn (D-Dayton). While the land bank can receive funding from a variety of sources, the primary source of funds will be penalties and interest on delinquent real property taxes.

“We are excited to have been involved in bringing this important legislation to this point,” said Dawn Larzelere, associate director of Greater Ohio, a research organization focused on smart growth and land use. “We hope counties will research this proven tool to address decay in their communities and that they will follow the lead of other communities that have used land banks as a powerful solution to address the growing vacant property problem.”

Greater Ohio was helped in its efforts by a network of supporters throughout Ohio. Two were Montgomery County treasurer Carolyn Rice and Lucas County treasurer Wade Kapszukiewicz, who worked with Greater Ohio to push House Bill 313 through the legislative process, and are excited about the prospects the land bank bill provides for their local community.

“I am thrilled that the Ohio Legislature has overwhelmingly voted to expand land banking authority so that communities like ours have another tool available to revitalize neighborhoods,” Rice said. “Land banking initiatives will enable our cities and suburbs to implement local solutions for finding new, productive uses for abandoned and deteriorating properties. I believe land banking can certainly help us tackle the problem of vacant foreclosed houses.”

Echoed Kapszukiewicz: “This program will allow our community to take control of its own destiny, instead of being held hostage by land speculators or Wall Street banks. It will be an important weapon in the battle to stabilize and restore our neighborhoods, and it allows us to fight urban blight without having to raise taxes.”

Montgomery and Lucas counties are exploring whether to follow the lead of Cuyahoga County, which formed a countywide land bank in April 2009 after the Ohio General Assembly approved enabling legislation in December 2008. Since opening its doors in June 2009, the Cuyahoga County Land Reutilization Corp. has acquired or is in the process of acquiring more than 170 vacant properties, including both structures and lots, in hopes of returning them to productive reuse and stabilizing surrounding properties.

Passage of expanded land bank authority was identified as a key recommendation in Greater Ohio and the Brookings Institution’s recently released *Restoring Prosperity: Transforming Ohio’s Communities for the Next Economy*, co-authored by Greater Ohio co-director Lavea Brachman. According to the report, the land bank statute can help stabilize neighborhoods and provide a comprehensive planning tool for cities whose physical footprint no longer matches their population size.

“One of the beauties of this legislation is that it is all about local control. All the state is doing is granting local communities the permission to explore this option and see if it is right for them,” said Gene Krebs, Greater Ohio co-director.

After the bill’s passage, Treasurer Rice said she will work with community leaders in her county to evaluate next steps. “I would like to thank our local legislators and Greater Ohio for all their work to pass this important legislation, and I look forward to working with our community leaders on this new opportunity,” she said.

For additional information, please visit [.greaterohio.org](http://greaterohio.org) or contact Dawn Larzelere at Greater Ohio at 614.224.0187 or via e-mail at dlarzelere@greaterohio.org.

Greater Ohio Policy Center (www.greaterohio.org) is the state’s “smart growth” organization. We promote – through research, public education and grassroots advocacy – public policy to grow Ohio’s economy and improve the state’s quality of life through intelligent land use. Toward this end, Greater Ohio works to advance policies and programs that revitalize urban and metropolitan areas, strengthen regional cooperation, and protect Ohio’s open space, natural resources and farmland. We are non-partisan, non-profit, and foundation-funded. Greater Ohio’s office is located in Columbus, Ohio.

###