

May 9th, 2023

The Ohio Land Bank Association (OLBA) House Bill 85 Supporting Testimony House State and Local Government Committee

Chair John, Vice Chair Dean, Ranking Member Brennan, and Members of the Ohio House State and Local Government Committee, thank you for the opportunity to provide supporting testimony on House Bill 85.

My name is Shawn Carvin, Executive Director, Ohio Land Bank Association, and I am writing to lend our support of House Bill 85. This bill is another method for local communities to revitalize communities, create homeowners, in an accessible and affordable manner, and return properties back to productive use. This bill proposes to authorize land banks to purchase tax-foreclosed properties before they are offered for public sale. Additionally, it allows land banks to exercise a right of first refusal to purchase a property prior to tax foreclosure. This model has been successful in Michigan. Detroit's Make it Home Program has built strong community relations and has had the opportunity to transition 1,000 tenants into homeowners. They strategically work with tenants to provide them the education and support needed to be a homeowner, not simply just transferring properties, and hoping for the best.

The proposed methods of land bank acquisition of property will facilitate the reutilization of nonproductive land in Ohio while offering an alternative to residents facing eviction due to tax delinquency. Often, distressed homes that are foreclosed upon end up in tax forfeiture, and occupants are left stranded. This bill would enable land banks like ours to purchase properties by paying either the complete tax amount or the property's value, providing a practical approach to keeping locals in their homes and ensuring the county remains financially solvent, a process like the current Sheriff's Sale Process.

The bill prioritizes land banks who operate in the county where the property is located. This ensures that land banks are continuing to invest in their communities, thus contributing to the revitalization of neglected areas.

Moreover, the proposed acquisition method will address the issue of absentee landlords who collect rents but fail to pay taxes, leaving their tenants at risk of eviction, often neglecting their properties, unwilling to make even minimal repairs, and driving down the surrounding property values. The bill will enable the land banks to transition these occupants into responsible homeowners through community outreach, while also restoring the homes, making them an asset to the tenant and the neighborhood at large.

If enacted, House Bill 85 will create a win-win situation for Ohio residents and the state and local governments. The land banks will acquire properties and return them to productive use while allowing innocent residents, tenants, and land contract vendees to remain in their homes rather than being evicted. I urge your support for this bill.

Chair John, Vice Chair Dean, Ranking Member Brennan, and Members of the Ohio House State and Local Government Committee, thank you all for your time and consideration.

Sincerely,

Executive Director,

Ohio Land Bank Association