



July 14, 2011

Cuyahoga County Land Reutilization Corporation

For more information, contact:
Katherine Bulava, Hatha Communications
hathacommunications@gmail.com
216-357-9508

Cuyahoga County Land Bank's First Two Years a Ringing Success, CSU Professor Reports Impressive Progress in Study

(CLEVELAND) – In the two years since its formation as a tool to battle the foreclosure crisis, the Cuyahoga County Land Reutilization Corporation, commonly referred to as the Land Bank, has acquired more than 1,200 abandoned properties, forged groundbreaking partnerships with Fannie Mae, the U.S. Department of Housing and Urban Development and leading banks, and has been recognized as a national role model for other communities. After two years, there are agreements in place and are still unique on a national level. These relationships have now turned into ongoing partnerships.

The Land Bank's 2009- 2011 Report, released today, details the impressive progress made by the innovative, non-profit community improvement corporation since enabling legislation was signed into law in January, 2009.

The report, written by Dr. Dennis Keating, Director of the Master of Urban Planning, Design and Development Program at Cleveland State University, highlights the Land Bank's most significant accomplishments over the last two years.

Funded primarily by penalties and interest paid on delinquent property taxes, the Land Bank's aim is to acquire abandoned, neglected properties that blight entire neighborhoods and lower home values. Several hundred properties acquired by the Land Bank have been turned over to cities for redevelopment, and the rest have been or are scheduled to be rehabbed or demolished. Furthermore, demolition has often resulted in innovative land reuse through the creation of urban gardens, additions to the plots of current homeowners or the holding of properties through strategic land assembly for future development.

Besides removing neighborhood eyesores that tend to attract vandals and other criminal elements, the Land Bank's acquisition of such properties helps thwart speculators who snap up foreclosed homes in hopes of "flipping" them for a quick profit. Dr. Keating notes in the report that speculation was a major factor in the collapse of the local real estate market.

Fannie Mae and HUD are aiding in the effort to reduce real estate speculation by turning over foreclosed homes to the Land Bank for nominal sums, rather than making them available to house flippers. Leading mortgage lenders Wells Fargo and Bank of America have also just recently agreed to donate foreclosed properties to the Land

Bank based on the Land Bank's demonstrated skill and capacity developed in just two short years. This never would have been dreamed of two years ago.

Since the creation of the Cuyahoga County Land Bank in 2009, three Ohio counties – Trumbull, Mahoning and Lucas – have established land banks. Two others – Montgomery and Hamilton – are in the process of developing theirs. Localities in other states have also looked to the Cuyahoga Land Bank while formulating their entities.

“The CCLRC is the first of its kind ‘land bank’ in the nation and has served as both a statewide and national model,” Dr. Keating wrote.

In a foreword to the report, Land Bank President Gus Frangos points with pride to the organization's many achievements and concludes: “The CCLRC is a valuable tool in positively dealing with the fallout from the real estate market collapse. The CCLRC's professional staff is making a difference day in and day out.”

Citing the CCLRC as a satisfying accomplishment, Senator Tom Patton states, “CCLRC has kept its promises – and then some.”

His voice joins those of many other civic, city of Cleveland, county, suburban, and legislative leaders in the report, all praising the Land Bank for its contribution to helping combat the fallout from the foreclosure crisis.

“We are proud of what we have accomplished since opening our doors in 2009,” said Frangos, “There is still much more to do and we are committed to making a positive, lasting impact on Cuyahoga County through our efforts.”

The report will soon be able to be viewed online at: www.cuyahogalandbank.org.

###