



## Ohio Revised Code

### Section 122.632 Grant for land bank rehabilitation of residential property.

Effective: October 3, 2023

Legislation: House Bill 33 - 135th General Assembly

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(A) An electing subdivision or county land reutilization corporation may apply to the director of development for a grant from the welcome home Ohio fund created in section 122.631 of the Revised Code to pay or defer the cost to rehabilitate or construct qualifying residential property held by the electing subdivision's or county land reutilization corporation's land reutilization program. To the extent that funding is available, in that fund the director may award grants to electing subdivisions and county land reutilization corporations that make such an application and agree to comply with division (B) of this section, with a maximum grant of thirty thousand dollars per qualifying residential property.

(B) The director of development shall require all applicants for a grant authorized by division (A) of this section to agree, as part of the application, to all of the following:

(1) That grant funds shall only be used to pay the cost of rehabilitation or construction of qualifying residential property and all work will be completed according to all applicable construction and design standards;

(2) That qualifying residential property on which grant funds are spent shall be held until sold to an individual or individuals who, inclusively:

(a) Have annual income that is not more than the qualifying median income;

(b) Demonstrate the financial means to purchase the qualifying residential property;

(c) Agree to maintain ownership of the qualifying residential property, occupy it as a primary residence, and not to rent any portion of the property to another individual for use as a dwelling, for at least five years following the date of purchase;

(d) Agree not to sell the qualifying residential property, within twenty years after the date of the sale,



to any purchaser except an individual or individuals who have annual income that is not more than the qualifying median income;

(e) Agree to pay a penalty to the director of development for violation of the agreement required by division (B)(2)(c) of this section that, subject to division (F)(2) of section 122.631 of the Revised Code, equals ninety thousand dollars, less eighteen thousand dollars multiplied by the number of full years the individual or individuals owned the property.

(f) Agree that the director of development is a third-party beneficiary of the purchase agreement;

(g) Agree to participate in the applicant's financial literacy program;

(h) Agree to annually certify to the director of development or the director's designee, during the period described by division (B)(2)(c) of this section, that the individual or individuals own and occupy the qualifying residential property, and that no part of the property is being rented to another individual for use as a dwelling.

(3) That qualifying residential property on which grant funds are spent shall be sold for not more than one hundred eighty thousand dollars per property.

(4) That qualifying residential property on which grant funds are spent shall not be sold without a deed restriction prohibiting the sale of the property to a person that is not an individual or individuals who have annual income that is not more than the median income for twenty years after the date of the property's first transfer from the applicant following the use of grant funds;

(5) That the applicant shall repay all grant funds expended on any expenses other than the construction or rehabilitation of qualifying residential property or on qualifying residential property that is not sold to an individual or individuals who meet the requirements described in division (B)(2) of this section or that is sold without the deed restriction described in division (B)(4) of this section;

(6) That the applicant shall provide financial literacy counseling, over a minimum of one year, to each purchaser of qualifying residential property on which grant funds are spent. An applicant may



provide information regarding its financial literacy program to the director of development for review as part of the application or prior to application;

(7) That the applicant shall report to the department of development the date when the qualifying residential property that is the subject of the application is sold by the applicant.

(8) That, if grant funds are received, the qualifying residential property that is the subject of the application shall not be the subject of an application for a tax credit under section 122.633 of the Revised Code.

(C) The director of development is granted authority and standing to sue for the enforcement of a deed restriction described in division (B)(4) of this section.

(D)(1) The director may adopt rules in accordance with Chapter 119. of the Revised Code as necessary to administer the grant program. Such rules may include the following:

- (a) Application forms, deadlines, and procedures;
  - (b) Criteria for evaluating and prioritizing applications;
  - (c) Guidelines for promoting an even geographic distribution of grants throughout the state.
- (2) Any grants repaid under this section shall be credited to the welcome home Ohio fund.