



Ohio Revised Code

Section 122.631 Grant for land bank acquisitions of residential property.

Effective: October 3, 2023

Legislation: House Bill 33 - 135th General Assembly

(A) As used in sections 122.631 to 122.633 of the Revised Code:

- (1) "Electing subdivision," "county land reutilization corporation," and "land reutilization program" have the same meanings as in section 5722.01 of the Revised Code.
- (2) "Manufactured home" has the same meaning as in section 3781.06 of the Revised Code.
- (3) "Qualifying residential property" means single-family residential property, including a single unit in a multi-unit property containing not more than ten units but excluding manufactured homes, that has at least one thousand square feet of habitable space per unit.
- (4) "Qualifying median income" means eighty per cent of median income for the county where qualifying residential property is located, as determined by the director of development pursuant to section 174.04 of the Revised Code.

(B) There is created in the department of development the welcome home Ohio (WHO) program to administer the grants authorized by this section and section 163.632 of the Revised Code and the tax credits authorized by section 122.633 of the Revised Code. The department shall create and maintain a list of qualifying residential property to which the deed restriction described in division (D)(4) of this section, division (B)(4) of section 122.632, or division (C)(4) of section 122.633 of the Revised Code applies. That list is not a public record for purposes of section 149.43 of the Revised Code.

(C) An electing subdivision or county land reutilization corporation may apply to the director of development for a grant from the welcome home Ohio fund, which is created in the state treasury, to pay or defer the cost of purchasing qualifying residential property for incorporation into 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 (D)



of this section.

(D) The director of development shall require all applicants for a grant authorized by division (C) 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 purchasing qualifying residential property;

(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 (D)(2)(c) of this section that, subject to divisions (F)(2) and (3) of this section, 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 (D)(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 not expended to purchase qualifying residential property and all grant funds expended to purchase qualifying residential property that is not sold to an individual or individuals who meet the requirements described in division (D)(2) of this section or that is sold without the deed restriction described in division (D)(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. Financial literacy counseling provided by the applicant to the same purchaser, in accordance with division (B)(6) of section 122.632 of the Revised Code or division (C)(5) of section 122.633 of the Revised Code, satisfies the requirements of division (D)(6) of this section.

(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.

(E) The director of development has authority and standing to sue for the enforcement of a deed restriction described in division (D)(4) of this section.

(F)(1) An electing subdivision or county land reutilization corporation may apply for, and the director of development may award both a grant under this section for the purchase of qualifying residential property, and either a grant under section 122.632 of the Revised Code, or a tax credit



under section 122.633 of the Revised Code, to rehabilitate or construct the same qualifying residential property.

(2) If an electing subdivision or county land reutilization is awarded a grant under this section and a grant under section 122.632 of the Revised Code for the same qualifying residential property, and the individual or individuals who purchase the property violate both of the agreements required by division (D)(2)(c) of this section and division (B)(2)(c) of section 122.632 of the Revised Code, only the penalty described by division (B)(2)(e) of section 122.632 of the Revised Code applies.

(3) If an electing subdivision or county land reutilization is awarded a grant under this section and a tax credit under section 122.633 of the Revised Code for the same qualifying residential property, and the individual or individuals who purchase the property violate both of the agreements required by division (D)(2)(c) of this section and division (C)(2)(a) of section 122.633 of the Revised Code, only the greater of the penalties described in divisions (D)(2)(e) of this section and division (C)(2)(c) of section 122.633 of the Revised Code applies.

(G)(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.