Residential PACE Lessons from Toledo

Ohio Land Bank Conference
September 19, 2019

David Mann, President & CEO
## The Lucas County Land Bank

<table>
<thead>
<tr>
<th>Established:</th>
<th>2010 – 2nd in Ohio</th>
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<tbody>
<tr>
<td>Inventory:</td>
<td>2,350 parcels</td>
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<tr>
<td>Repurposed:</td>
<td>3,700 homes, businesses, vacant lots</td>
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<tr>
<td>Capacity:</td>
<td>$8 million 2019 budget</td>
</tr>
<tr>
<td>Context:</td>
<td>$1.3 million predictable funding</td>
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<tr>
<td>Leveraged:</td>
<td>$35 million of direct funding</td>
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<td></td>
<td>$16+ million of private investment</td>
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<td>Staff:</td>
<td>10 full-time professionals</td>
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<td></td>
<td>2 part-time consultants</td>
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<td>Board:</td>
<td>Elected &amp; Community Leaders</td>
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It’s Occupied – Why Worry?

• It’s not typical for a land bank to worry about occupied properties

• But an occupied property can disguise problems:
  • Deferred maintenance (sometimes for decades!)
  • Expensive to own (high utilities, insurance challenges, taxes)
  • Weak market neighborhood (inability to sell)

• Failure to support occupied properties is a recipe for future vacancy & abandonment where underlying problems exist
What is the Heritage Home Program?

A tool for homeowners that assists in repairing older homes by providing “know-how” and financial assistance.

✓ Guidance to homeowners – Technical Assistance
✓ Financial assistance – Low-Interest Loans

BEFORE

AFTER

www.LucasCountyLandBank.org/HHP
Site visits to review the property and issues that the homeowner is having

www.LucasCountyLandBank.org/HHP
Impartial advice on maintenance, repair & improvements from a preservation perspective

www.LucasCountyLandBank.org/HHP
Contractor guidance to help facilitate improvements and impartially review estimates
PACE Residential Loans

- An energy-efficiency loan for your home
- Paid back through a new property tax assessment
- Borrow up to 20% of home value
- Loan amounts between $2.5K – $50K
- Fixed interest rate of 4.25%
- 5 – 10 year term
- Meet all other lender requirements

www.LucasCountyLandBank.org/HHP
Heritage Home Program Outcomes
2015 - 2019

695 Homeowners have received free technical assistance

20 unique zip codes in Lucas County served (out of 23)

40 PACE Loans made - $426,000 in loan capital

7 Home Equity Loans made - $201,000 loan capital
PACE Loan

✓ Major Furnace Replacement

www.LucasCountyLandBank.org/HHP
Blended Loan

- New Windows
- Repaint Exterior
- Masonry Work

www.LucasCountyLandBank.org/HHP
Lessons for Land Banks

You can own a home and not understand how everything in it works. **Land Banks can provide technical expertise in an impartial manner to guide homeowners.**

Contractors aren’t perfect and sometimes work needs fixed. **Land Banks can act as a third-party steward of funds to ensure that the homeowner, the contractor, and the lender are satisfied.**

County Treasurers are key to successful repayment of PACE. **Land Banks have unique relationships with Treasurers.**

PACE improvements aren’t always sexy, but they’re important. **Land Banks can make the case for this needed tool and investment in Ohio’s older and less efficient housing stock.**