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## Valley Homes receiver gets more time

BY WILLIAM A. WEATHERS | [BWEATHERS@ENQUIRER.COM](mailto:BWEATHERS@ENQUIRER.COM)

**DOWNTOWN** – After hearing the prospective developer outline plans for redevelopment of the aging Valley Homes housing complex in Lincoln Heights, a judge Wednesday decided to extend the receivership of the property for another 12 months.

“This is a good thing for Valley Homes. This is a good thing for Lincoln Heights,” Hamilton County Common Pleas Court Judge Ethna Cooper said. “I think we’re moving in a very positive direction for Valley Homes and Lincoln Heights.”

The judge’s comments came during a hearing to decide whether to extend the receivership of the World War II-era housing complex that has been plagued with financial difficulties.

A judge initially approved the receivership in February 2006 when the complex was faced with mounting debt that hadn’t allowed for necessary maintenance and repairs over the years.

Noel Morgan, a Legal Aid Society attorney representing some of the Valley Homes residents, had requested the receivership extension.

“We’re seeing there is some real progress toward redevelopment,” Morgan said before the hearing.

Valley Homes is a cooperative, owned by the residents, most of whom are senior citizens.

Maureen Wood, the court-appointed receiver, and the housing complex task force have selected the Walnut Hills-based Model Group as the prospective developer for the complex.

Stephen Smith, Model Group president, told the court that his firm is seeking \$10 million in tax credit financing from the state to redevelop the housing complex. “Our plan is to raze the buildings,” Smith said.

The state tax credit program allows a corporation developing new affordable rental housing to offset its federal income tax liability for 15 years.

Phase 1 of the redevelopment – which would be called The Villas of the Valley – would include 150 single-family cottages designed for “seniors 55 or older.”

Most of the residents remaining at Valley Homes are seniors, and the developer would finance their relocation during construction of the new homes.

“Folks that live there now get the first chance to move back,” Smith said.

He estimated the rent on the units would likely be in the range of \$525 to \$550 a month.

The cooperative would lease the land to the developer to allow the redevelopment, Smith explained. Once they move back in, the residents would pay rent to the developer for 15 years before ownership would revert back to the cooperative, he said.

Once completed, Villas of the Valley will be “one of the nicest parts of Lincoln Heights,” Smith said.

The developer said that, in his opinion, it was not financially feasible to rehab the existing units, which are functionally obsolete and dilapidated,

It becomes a viable project for redevelopment with the tax credit financing, he said. A decision on the request to the state is expected in July, he said.

"We feel valley Homes is very strong contender," he said.

Smith told the court that Valley Homes residents have been kept abreast of the proposed redevelopment plans.

"Residents have been at the table every step of the way," he said.

Valley Homes was originally developed by the government as affordable housing for defense workers at the Wright Aeronautical Plant (now GE Aviation) in 1942.

In 1954, the federal government sold the 30-acre site and 350 homes to the Valley Homes Mutual Housing Corp., a cooperative of war veterans.

Currently, 179 of the 350 units are occupied.

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