



For Immediate Release
April 25, 2019

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Diocese of Toledo Sells Affordable Housing Properties To BLVD Capital

Bishop Daniel Thomas announced today that the Diocese of Toledo has sold five (5) affordable housing properties located in Toledo and Fremont, Ohio that are collectively known as the MAREDA Properties to BLVD Capital, with the Diocese of Toledo's net proceeds approximating \$12 million. These estimated net proceeds are after all property debt, loans, bonds, allocations to limited partners, transaction costs and legal fees are paid; and final property audits are completed. An important part of the agreement was assurance that the buyer would maintain the properties as affordable housing and meet or exceed HUD requirements.

In 2015 a thorough review was begun to assess the efficiency, effectiveness and evangelical value of the structure and efforts of the Diocesan pastoral center and particular apostolates. Following an extensive evaluation which included broad study and consultation with the Diocesan Finance Council, College of Consultors and Senior Staff, as well as the Mareda Board itself, the decision was made that the most appropriate path forward for the Diocese was to sell the properties, as was announced on [August 10, 2017](#). "Based on the findings," said Bishop Thomas, "it became clear that the complexities of sponsoring and overseeing government-funded housing, and resources necessary to manage the properties in a manner fitting to the people who call those locations home, left the local church without the competence to continue this level of corporate governance." He added: "Many things have changed since this apostolate was started in 1969. These changes have made it nearly impossible for the Diocese to carry out more broadly her spiritual mission of charity and pastoral care of people, which Pope Francis so often reminds the world is the primary focus for the Church."

In order to identify the most appropriate buyer for the properties, the Diocese once again engaged in a thorough process which included evaluating multiple potential buyers. We performed our due diligence with a view to finding a buyer who understood our ethos, our care for people, and who would be committed to providing that same kind of care. Throughout the process of identifying a buyer for the properties, the College of Consultors, the Finance Council and Senior Staff thoroughly reviewed the proposals and, in the end, on [October 5, 2018](#) the Diocese announced that it had entered into a contract with BLVD Capital for the sale of the affordable housing properties. Bishop Thomas affirmed, "When making the decision for the

buyer, it was imperative that assurances would be given in any sale that affordable housing would continue to be provided for those who need it and the sale of the property would enable the Diocese to exercise her spiritual mission in a way that focuses on the Good News of Jesus Christ to the whole diocesan community. BLVD Capital has committed to maintain affordable housing in a dignified and quality manner and to invest in improvements to the properties.” As part of the process, in accord with the Church’s Canon Law, permission was requested and granted by the Holy See for the sale of the properties. Pat Luke from BLVD Capital said, “We are excited to become part of the Toledo and Fremont communities and look forward to working with area partners to provide safe, affordable housing to residents and build stronger neighborhoods.”

According to Chris Kozak, Chairman of the LISC (Local Initiatives Support Corporation) Toledo Advisory Board, “BLVD Capital leadership has shared their commitment to be part of our community, a dedication to do the right thing and willingness to work with us to have a positive impact on Toledo. I believe they want to make these properties not just a place where people have to live, but a place where they want to live. It is exciting to have their investment in the revitalization and rejuvenation of the City.”

Jeffrey A. Dempsey, President - Mercy Health - St. Vincent Medical Center & Children's Hospital said, “Mercy Health welcomes BLVD Capital as a neighbor and we look forward to future collaborations for the betterment of the community.”

According to Monsignor Michael Billian, Mareda Board Chairman, “The Church has been committed and continues to be at the service of the poor and underserved of our community. Their needs have changed throughout time and our response has changed to correspond with their needs. The Church particularly has filled the gaps when and where others have not been serving. Today to simply serve as a landlord can be done by many different responsible community partners, so it is time to let go of this service and provide ministry in other ways. The sale of these five low-income housing properties to BLVD Capital will allow the Diocese of Toledo to find new ways to serve.”

According to Sister Mary Thill, OSF “As a long-time Mareda Board member, I have seen a lot of improvements in the Mareda Properties and I look forward to seeing these special housing units continue to be places where children, families and the elders can live life to the fullest.”

The affordable housing properties being sold are: **Madonna Homes**, 722 North Huron Street; Toledo, Ohio (171 units, restricted to residents age 62 years or older); **Michaelmas Manor**, 3250 Schneider Road; Toledo, Ohio (94 units, restricted to residents age 62 years or older and those who are disabled); **Moody Manor**, 2293 ½ Kent Street; Toledo, Ohio (119 units of varied sizes; single to multi-person); **Regina Manor**, 3731 North Erie Street; Toledo, Ohio (180 units of varied

sizes; single to multi-person); and **Delaware Acres**, 707 South Buchanan Street; Fremont, Ohio (68 units of varied sizes; single to multi-person)

Following thorough discussion and deliberation with the College of Consultors, the Finance Council and Senior Staff, the Diocese determined the net proceeds of the sale (estimated at \$12 million) would be directed approximately in the following way:

- 25 percent of the net proceeds will be dedicated to Catholic social outreach and ministry needs. This includes direct outreach to the poor in underserved areas, the marginalized and those in need; increasing the footprint of Catholic Social Services; and broadening the scope of services to support those in need.
- 27 percent will be added to reserves to support obligations made to individuals and families which include the sustainability and long-term care of our diocesan cemeteries.
- 26 percent will be used to reduce debt obligations of several diocesan entities to strengthen the viability of pastoral ministries.
- 17 percent will be dedicated to enhance the priest retirement fund and lay employees retirement plan to fulfill our obligation to those who have served faithfully.
- 5 percent will be used for capital improvements to Our Lady, Queen of the Most Holy Rosary Cathedral and for supporting initial efforts to achieve the goals of the Diocesan Strategic Plan.

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