



Cleveland 2030: A Housing Equity Plan

Summary | September 2021



VISION

The **Housing Equity Plan** is an action plan with a broad set of programs, policies, and investments that, over the next decade, will:

- Ensure that all Clevelanders—renters, homeowners, and those who are unhoused—have access to a **safe, healthy, and affordable home** in a **vibrant neighborhood**
- Tackle the **racial and geographic divides** that define the Cleveland housing market
- Promote growth that **lifts up individuals and communities that have been excluded** from housing opportunity, including the opportunity to participate in housing design and development
- Support Clevelanders who want to **remain in their homes**, while also **attracting new residents** to the city

ENGAGEMENT



- Interviewed **180+ stakeholders**
- Surveyed **2,000 residents**
- Surveyed **80 developers**
- 8 neighborhood ambassadors conducted **7 focus groups** with hard-to-reach communities
- Held **2 public meetings** with 400 registrants
- Collected additional feedback via **plan website**

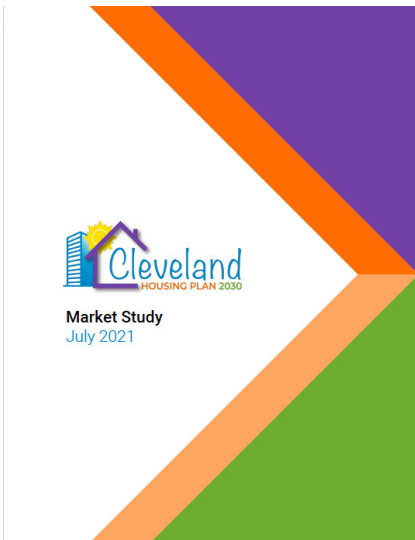


- Conducted **3 Advisory Committee meetings**
- Advisory Committee members chaired **6 Stakeholder Working Groups**, which each met twice
- Working Group chairs and City Committee each met to synthesize recommendations



- Final **public meeting** scheduled for September 15th
- Planned meetings with ULI, social service agencies, CDCs, taxing entities, and City Council

RESEARCH



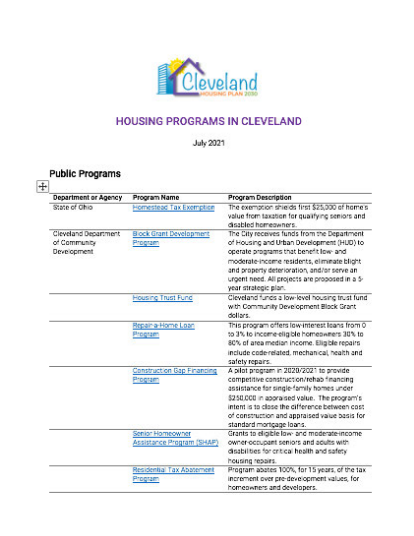
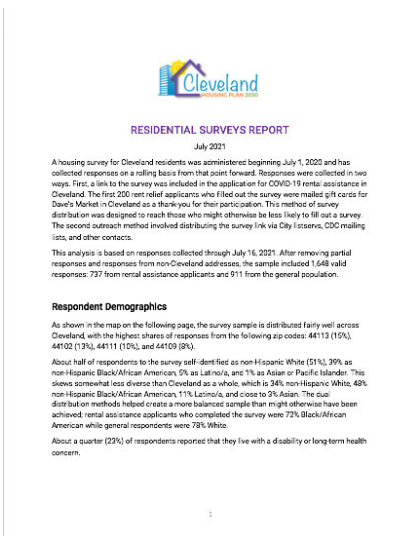
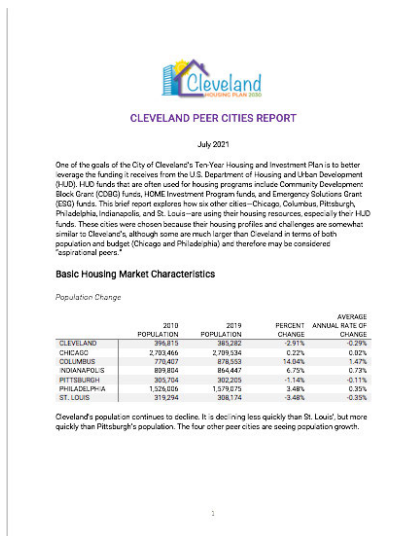
Qualitative and survey analysis



Quantitative analysis of existing, market conditions



Analysis of existing programs and gaps



One of the goals of the City of Cleveland's Ten Year Housing and Investment Plan is to better leverage the funding it receives from the U.S. Department of Housing and Urban Development (HUD). HUD funds that are often used for housing programs include Community Development Block Grant (CDBG) funds, HOME Investment Program funds, and Emergency Solutions Grant (ESG) funds. This brief report explores how six other cities—Chicago, Columbus, Pittsburgh, Philadelphia, Indianapolis, and St. Louis—are using their housing resources, especially their HUD funds. These cities were chosen because their housing profiles and challenges are somewhat similar to Cleveland's, although some are much larger than Cleveland in terms of both population and budget (Chicago and Philadelphia) and therefore may be considered "aspirational peers."

Basic Housing Market Characteristics

Population Change

	2019 POPULATION	2019 POPULATION	PERCENT CHANGE	AVERAGE ANNUAL RATE OF CHANGE
CLEVELAND	396,315	385,282	-2.91%	-0.29%
CHICAGO	2,793,866	2,799,334	0.22%	0.82%
COLUMBUS	776,427	878,533	14.84%	1.47%
INDIANAPOLIS	878,554	864,447	-6.73%	-0.73%
PITTSBURGH	305,704	302,205	-1.14%	-0.11%
PHILADELPHIA	1,526,526	1,578,775	3.48%	0.33%
ST. LOUIS	315,284	306,174	-3.48%	-0.33%

Cleveland's population continues to decline. It is declining less quickly than St. Louis', but more quickly than Pittsburgh's population. The four other peer cities are seeing population growth.

A housing survey for Cleveland residents was administered beginning July 1, 2020 and has collected responses on a rolling basis from that point forward. Responses were collected in two ways. First, a link to the survey was included in the application for COVID-19 rental assistance in Cleveland. The first 200 rent relief applicants who filled out the survey were mailed gift cards for Davis's Market in Cleveland as a thank you for their participation. This method of survey distribution was designed to reach those who might otherwise be less likely to fill out a survey. The second outreach method involved distributing the survey link via City Connects, CDO mailing lists, and other contacts.

This analysis is based on responses collected through July 16, 2021. After removing partial responses and responses from non-Cleveland addresses, the sample included 1,648 valid responses: 737 from rental assistance applicants and 911 from the general population.

Respondent Demographics

As shown in the map on the following page, the survey sample is distributed fairly well across Cleveland, with the highest shares of responses from the following zip codes: 44113 (10%), 44102 (12%), 44111 (10%), and 44109 (8%).

About half of respondents to the survey self-identified as non-Hispanic White (51%), 39% as non-Hispanic Black/African American, 5% as Latino/a, and 1% as Asian or Pacific Islander. This does somewhat less diverse than Cleveland as a whole, which is 34% non-Hispanic White, 48% non-Hispanic Black/African American, 11% Latino/a, and close to 3% Asian. The dual distribution methods helped create a more balanced sample than might otherwise have been achieved: rental assistance applicants who completed the survey were 72% Black/African American while general respondents were 78% White.

About a quarter (23%) of respondents reported that they live with a disability or long-term health concern.

Department or Agency	Program Name	Program Description
State of Ohio	Cleveland, Ohio Emergency Rental Assistance	The exemption shields first \$25,000 of a home's value from taxation for qualifying seniors and disabled homeowners.
Cleveland Department of Community Development	Block Grant Development Program	The City receives funds from the Department of Housing and Urban Development (HUD) to operate programs that benefit low- and moderate-income residents, eliminate blight and property deterioration, and/or serve an urgent need. All projects are proposed in a 5-year strategic plan.
	Housing Trust Fund	Cleveland funds a low-level housing trust fund with Community Development Block Grant dollars.
	Senior Home Loan Program	This program offers low interest loans from 0 to 3% to income-eligible homeowners 62+ to 80% of area median income. Single repairs include code-related, mechanical, health and safety repairs.
	Construction Line Extension Program	A 2005 program ("2005/2007") to provide competitive construction rehab financing assistance for single family homes under \$250,000 in appraised value. The program's intent is to close the difference between cost of construction and appraised value basis for standard mortgage loans.
	Senior Homeowner Assistance Program (SHAP)	Grants to eligible low- and moderate-income owner-occupied seniors and adults with disabilities for critical health and safety housing repairs.
	Homestead Tax Abatement Program	Program abates 100% for 15 years of the tax increment over pre-development values, for homeowners and developers.

RESEARCH



Stark **inequality** in income and mortgage lending by race/ethnicity



Households of color much more likely to **rent** their home



Persistently high rate of **eviction**, with most evicted being single mothers of color



Persistent challenges of **neglect**, vacancy, and abandonment



Permits for alterations/**repairs** are concentrated on West Side



Number of structures in good or excellent condition is **declining**



Rentership is increasing as both a number and a share



Households in Cleveland are **shrinking** and **aging**



In 2018, the City spent only **half** of available HUD entitlement funds



The number of homes repaired through City programs is **declining**



Housing Trust Fund loans for new development have also **declined**



Right to Counsel assists only a small share of those facing eviction

A SPOTLIGHT ON EQUITY

How does this Plan promote housing equity? Many of the actions put forward in this Plan are specifically designed to promote equity in housing outcomes, as well as equitable access to housing resources and opportunities. Some examples include:



By the end of 2021, develop an **equity framework** to guide all housing programs and decisions.



Support **minority developers and contractors** through affirmative access to financing, technical assistance, and youth mentorship.



Include affordable, accessible options in new development, and **target underserved neighborhoods** for infrastructure improvements.



Protect vulnerable households from displacement via targeted tax relief for long-time homeowners and a suite of new protections for renters.



Assess progress using a **housing scorecard** that includes equity metrics, like the number of grants and loans provided to households of color and the volume and nature of investments in traditionally underserved communities.

PLAN OVERVIEW

EQUITY. All four of these pillars are rooted in a vision for an **equitable** housing market in which those who have historically been excluded, and continue to be excluded, from housing opportunities are prioritized for those opportunities going forward.

FOUR PILLARS

PROTECT

Protect households from housing instability and displacement

PRESERVE

Preserve existing housing as safe, livable, and affordable

PRODUCE

Produce a range of housing types in all neighborhoods

POSITION

Position the City of Cleveland and its partners to achieve these goals

CAPACITY. The success of this Plan relies on the capacity of the City of Cleveland and its partners to implement its recommendations. For this reason, many of the recommendations themselves aim to build up this capacity through stronger partnerships, creative financing mechanisms, streamlined City processes, and accountability measures.

TARGETS

PROTECT

35,600

housing units

through equitable affordability interventions, including down payment assistance, affordable home loans, rental assistance, and property tax exemptions.

+

PRESERVE

41,400

housing units

through housing quality interventions, including home repair assistance, and compassionate code enforcement.

+

PRODUCE

23,000

housing units

through new construction or substantial rehabilitation supported by targeted development incentives, revised zoning, and streamlined approval processes.

2030 Housing Targets by Income Band

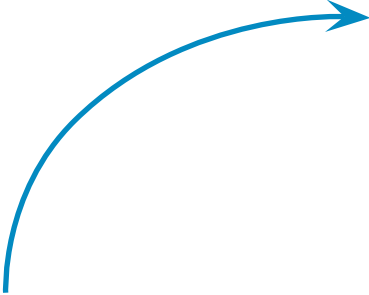
AMI Range	Household Income Range	Ownership Units			Rental Units			Total Units in 2030
		Protect	Preserve	Produce	Protect	Preserve	Produce	
<30% AMI	\$0 to \$22,000	7,800	9,000	500	25,700	17,400	6,300	68,100
30-50% AMI	\$22,000 to \$36,500	1,300	7,000	1,500	400	8,000	3,300	21,500
50-80% AMI	\$36,500 to \$58,400	250		2,500	100		2,200	4,650
80-120% AMI	\$58,400 to \$87,600	20		3,200	30		1,000	3,250
>120% AMI	Over \$87,600			1,800			700	2,500
Total	Total	9,370	16,000	9,500	26,230	25,400	13,500	100,000

HOUSING SCORECARD

TARGETS

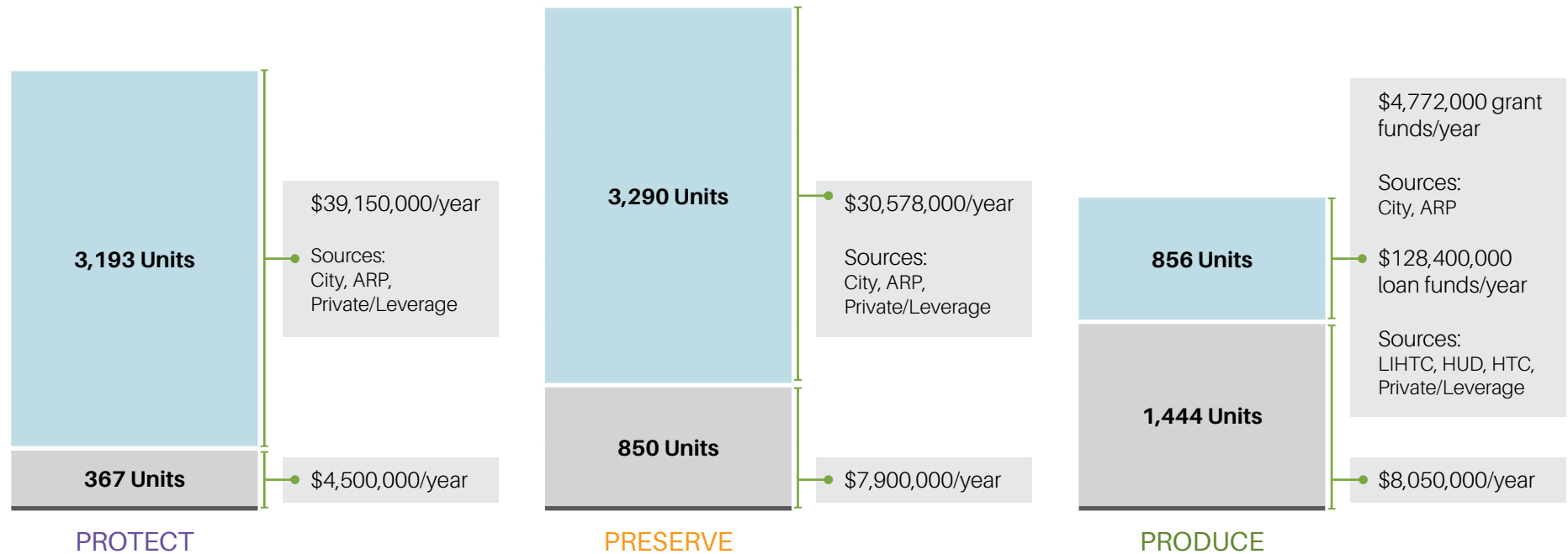
Annual progress towards housing targets.


	Metric	Total Number	Share in Strong-Market Neighborhoods	Share in Middle-Market Neighborhoods	Share in Underinvested Neighborhoods	Share Persons or Households of Color (if applicable)
Protect	Down payment assistance grants					
	Affordable purchase loans					
	Households given rental assistance					
	Households given property tax protection					
	Households given free legal counsel		n/a	n/a	n/a	
Preserve	Home repair grants					
	Home repair loans					
	Small landlord loans					
	Construction and rehab workers trained		n/a	n/a	n/a	
Produce	Total new/gut rehab units					
	Purchase-rehab loans					
	New affordable units					
	New accessible units					


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- Annually report on **progress towards targets** by neighborhood and race/ethnicity
 - Track key **equity metrics**
 - Report on **status** of each action (launched/ongoing/completed)
 - Regularly **convene** stakeholder coalition

RESOURCING THE PLAN

~\$2.2 billion total investment



 Additional units/year needed to meet targets

 Units/year protected, preserved, or produced at **current rates**

RECOMMENDATIONS

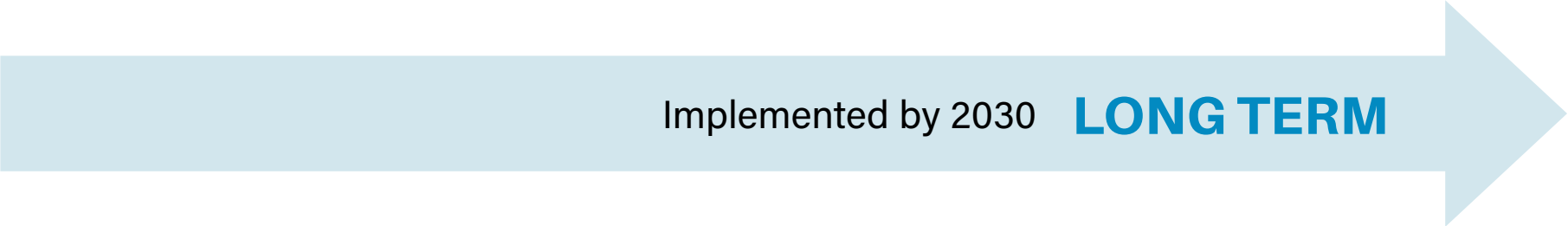
Implemented by 2022 **SHORT TERM**

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Implemented by 2025 **MEDIUM TERM**

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Implemented by 2030 **LONG TERM**

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RECOMMENDATIONS

PROTECT

SHORT TERM

- Develop equity framework
- Tax relief program for long-time, low-income homeowners
- Shallow rent subsidy
- Expand eviction diversion
- Expand right to counsel

MEDIUM TERM

- Tenants' rights legislation (SOI, pay-to-stay, fair chance)
- Rental insurance
- Scale up alternative lending programs

LONG TERM

RECOMMENDATIONS

PRESERVE

SHORT TERM

- Increase access to private home repair financing
- Expand home repair education
- Explore new strategies to preserve subsidized affordable housing
- Curb predatory investment
- Improve appraisal accuracy

MEDIUM TERM

- Develop credit enhancement for purchase-rehab loans
- Create emergency home repair program
- Create small landlord loan program
- Build contractor capacity
- Implement compassionate code enforcement
- Expand downpayment assistance and prioritize for those facing appraisal gap

LONG TERM

RECOMMENDATIONS

PRODUCE

SHORT TERM

- Update zoning to allow for more housing types
- Preserve, improve tax abatement
- Streamline permitting process
- Expedite permitting for priority projects
- Reduce complexity, cost of land bank transfers
- Explore other cost reductions

MEDIUM TERM

- Incentivize development in underinvested neighborhoods
- Implement inclusionary zoning in strong markets
- Require accessibility in new projects
- Implement form-based zoning citywide
- Increase developer and contractor diversity

LONG TERM

RECOMMENDATIONS

POSITION

SHORT TERM

- Selectively demolish abandoned housing
- Create universal application for housing programs
- Address barriers to application completion
- Issue a housing report card

MEDIUM TERM

- Coordinate infrastructure and housing investments
- Launch effective housing resource outreach strategy
- Maintain strong Continuum of Care
- Expand Housing Trust Fund
- Get public dollars out the door

LONG TERM

- Make basic neighborhood infrastructure upgrades
- Integrate service delivery across providers
- Expand available non-public capital