

# 289-2022

AN EMERGENCY ORDINANCE Authorizing the Director of Community Development to establish the Residential Repair and Rehabilitation Revolving Loan Fund Program and to enter into contracts under that Program.

1. **Practical-** Help City of Cleveland comply with HUD Timeliness
2. **Strategic-** Implement one of the CLE Housing Plan Strategies



**U.S. Department of Housing and Urban Development**  
**Office of Community Planning and Development**  
**Integrated Disbursement and Information System**  
**CDBG Entitlement Communities Timeliness Report**  
 Field Office : itee} = 19414:CLEVELAND  
 Historical 60 Day Ratio Report

DATE: 04-26-22  
 TIME: 8:55  
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ST	GRANTEE	-- Program year 2022 --			-- Program year 2021 --			-- Program year 2020 --			-- Program year 2019 --			-- Program year 2018 --		
		Not Adj Ratio	Adj Ratio	End Date	Not Adj Ratio	Adj Ratio	End Date	Not Adj Ratio	Adj Ratio	End Date	Not Adj Ratio	Adj Ratio	End Date	Not Adj Ratio	Adj Ratio	End Date
OH	CLEVELAND	*****	*****	05-31-2023	1.50	1.50	05-31-2022	1.50	1.51	05-31-2021	1.49	1.50	05-31-2020	1.39	1.41	05-31-2019

City of Cleveland is required to maintain a Grant to Available Credit balance of 1.50 or less, or be subject to addition oversight or penalties.

A revolving loan fund is permitted under 24 CFR § 570.500 and all funds deposited into the fund are EXEMPT from the timeliness calculation.

Revolving Loan fund allows repayments to be reissued for new loans.



# 2030 Cleveland: A Housing Equity Plan



# 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



## Cleveland 2030: A Housing Equity Plan

Summary | September 2021



**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.

4/26/2022



# 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
<b>Total</b>	<b>Total</b>	<b>9,370</b>	<b>16,000</b>	<b>9,500</b>	<b>26,230</b>	<b>25,400</b>	<b>13,500</b>	<b>100,000</b>

# TIMELINE



## SHORT TERM

### PROTECT

- Develop equity framework.
- Tax relief program for long-time, low-income homeowners.
- Fund a shallow rent subsidy.
- Expand efforts to divert cases from housing court.
- Expand Housing Court representation.
- Promote the development of new affordable housing units.

### PRODUCE

- Update zoning to allow for a greater variety of housing types.
- Preserve and improve the Cleveland Tax Abatement.
- Streamline the permitting process.
- Reduce the complexity and cost of acquiring land from the Cleveland Land Bank.
- Explore other cost reductions.

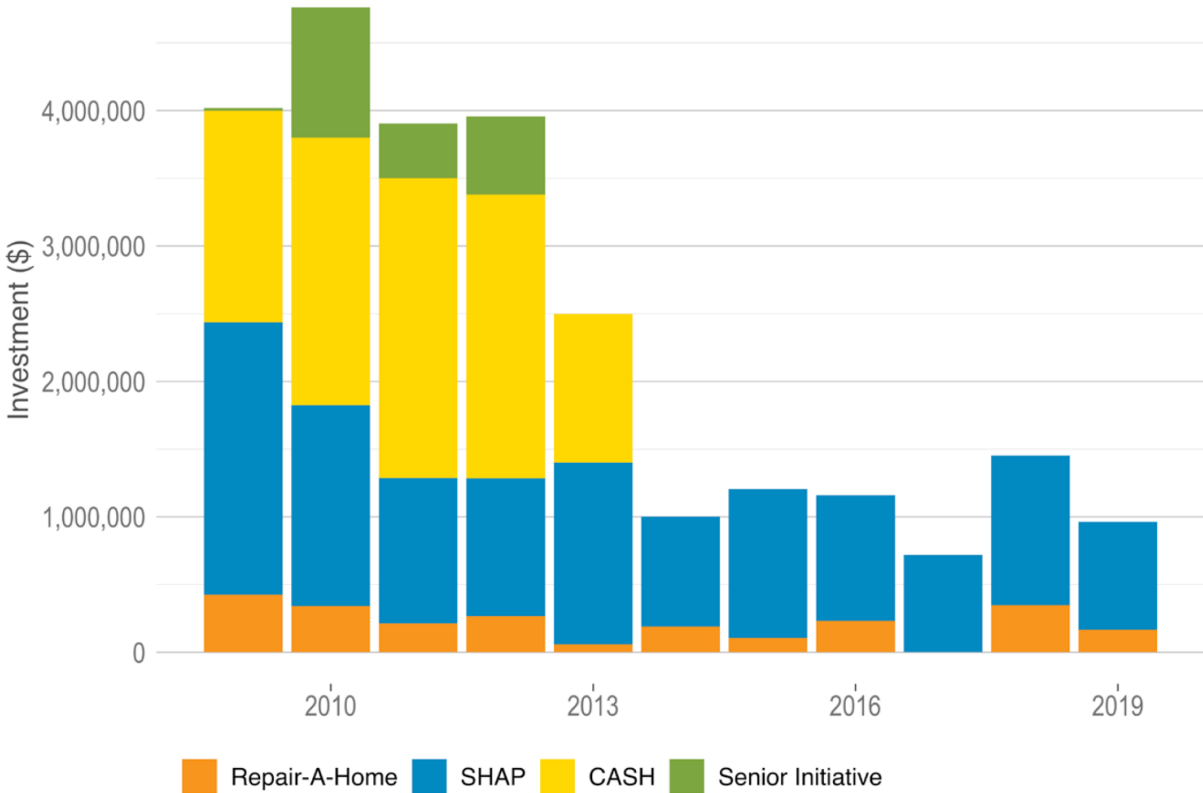
### PRESERVE

- Increase access to private home repair financing.
- Invest in home repair and maintenance education.
- Explore new strategies to preserve subsidized affordable housing.
- Curb predatory investment.
- Improve appraisal accuracy.

### POSITION

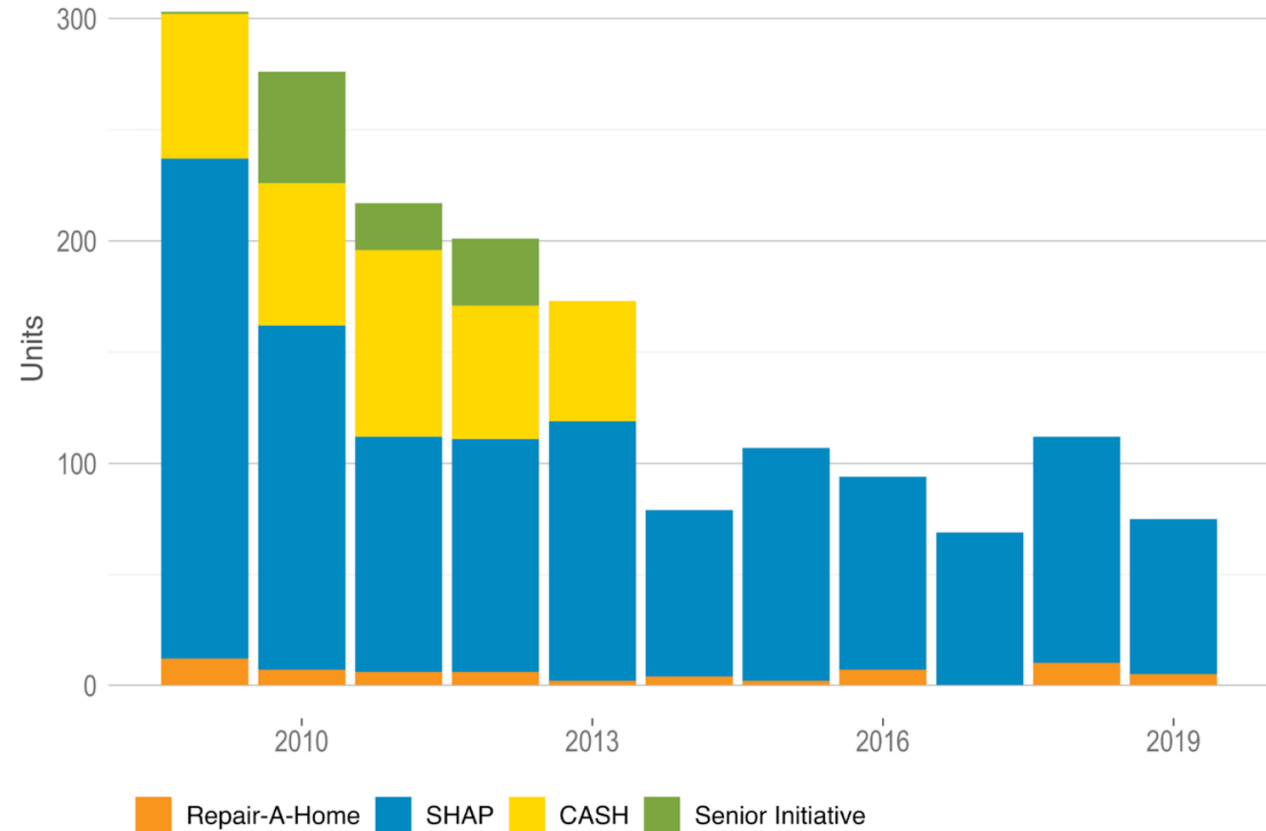
- Selectively demolish abandoned housing.
- Create universal application for housing programs.
- Address barriers to application completion.
- Issue a housing report card.

Homes Repair Investment by Program, 2009-2019



Source: City of Cleveland

Homes Repaired by Program, 2009-2019



Source: City of Cleveland

# City's Investment in Home Repair/Rehab 2009-2019

# Home Repair Revolving Loan Pool

1. Authorizing the establishment of a CDBG funded Revolving Loan Fund that will ultimate be \$4,181,293.
  - a. Currently available funds from old CASH program **\$2,295,555**
  - b. Future available funds from old CASH program **\$1,885,738** is restricted until the CDs mature.
2. Loans for Owner-Occupied only Properties
  - a. Income Eligible at 80% AMI or below
  - b. Loan repayment determined by underwriting.
3. Loans for Rental Properties
  - a. 14 Year Affordability Requirement
  - b. 51% of the assisted units are occupied by Low/Mod tenants
  - c. Loan repayment determined by underwriting
4. The Revolving Loan Fund may be used to fund loans for the following programs:
  - a. SHAP program for seniors between 35% AMI and 80% AMI
  - b. RAH program
  - c. Model Block Program
  - d. Subrecipient Developed HOME Repair Program

