# The Neighborhood Development Fund

**Ordinance 113-2025** 

2021 2022 2023

**CDC and CNP Advocacy** 

2021 Neighborhood Platform Proposed CDBG changes and hearings

Neighborhood Funding Working Group

**CNP's Advancement & Resilience Grantmaking Program** 

2021 2022 2023

### **CDC and CNP Advocacy**

2021 Neighborhood Platform

Proposed CDBG changes and hearings

Neighborhood Funding Working Group

**CNP's Advancement & Resilience Grantmaking Program** 

### **Cleveland City Council**

Councilman Kerry McCormack Councilman Anthony Hairston Councilman Kris Harsh Jessica Colombi Joe Titran

### **Mayor Bibb's Administration**

Director of Finance Ahmed Abonamah Director of Community Development Alyssa Hernandez Assist. Director of Com. Dev. Michiel Wackers Chief of Integrated Development Jeff Epstein Chief of Staff Bradford Davy

#### **CDC Leaders**

Tom McNair, Ohio City Inc.
Joy Johnson, Burten, Bell, Carr Development Inc.

### **Philanthropy**

Keisha Gonzalez, The Cleveland Foundation Tim Tramble, The St. Luke's Foundation

### **Other Partners**

Ayonna Donald, Enterprise Community Partners Kandis Williams, LISC

### **Cleveland Neighborhood Progress**

Tania Menesse Edward Stockhausen Jason Powers

2021 2022 2023 2024 2025

### **CDC and CNP Advocacy**

2021 Neighborhood Platform

Proposed CDBG

Changes and hearings

Neighborhood Funding

Working Group

**CNP's Advancement & Resilience Grantmaking Program** 

5 Core Areas of CDC Work identified

CDCs engaged to build ARI model

2021 2023 2024 2025

### **CDC and CNP Advocacy**

2021 Neighborhood Platform

Proposed CDBG

changes and hearings

Neighborhood Funding
Working Group

Meetings with Cluster and Council

Ord. 113-2025 introduced

**CNP's Advancement & Resilience Grantmaking Program** 

5 Core Activities of CDCs identified

CDCs engaged to build ARI model

CDCs complete
ARI applications for FY25

\$2 Million in ARI grants Awarded to CDCs for FY25

ARI Year 1 Report published

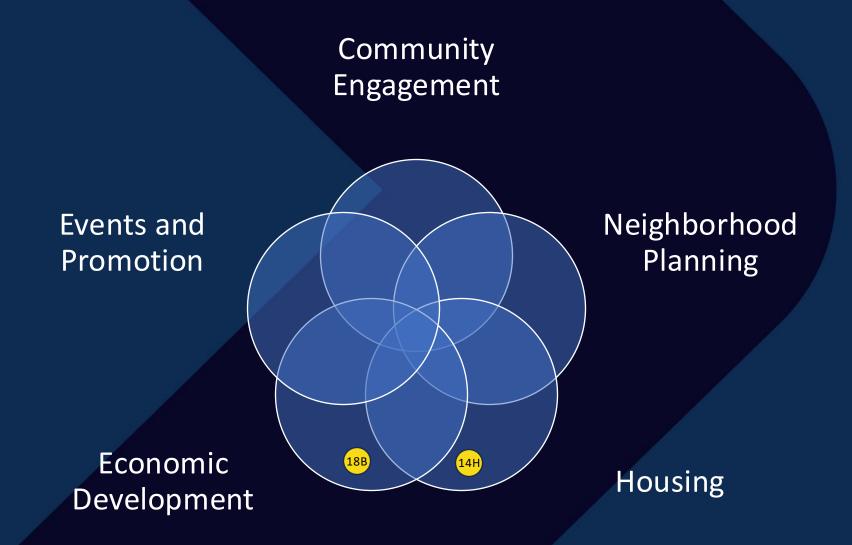
# Challenges of the Current System

Why CDBG and the system around it get in the way of better outcomes and impact for Cleveland neighborhoods.

## CDBG used to fund more activities

		Year 36	Year 37	Year 38	Year 39	Year 40	Year 41	Year 42	Year 43	Year 44	Year 45	Year 46	Year 47	Year 48	Year 49
		PY 2010	PY 2011	PY 2012	PY 2013	PY 2014	PY 2015	PY 2016	PY 2017	PY 2018	PY 2019	PY 2020	PY 2021	PY 2022	PY 2023
A d a d a d a d		112010		112012	112015	112024	112015	112010	112017	112010	112015	112020	112021	1112022	112025
Matrix	Di-ti	EV 2011	EV 2012	EV 2012	EV 2014	EV 201 E	EV 2016	FV 2017	FV 2010	EV 2010	EV 2020	EV 2021	EV 2022	EV 2022	EV 2024
Code 14H	Description Rehabilitation: Administration	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024 X
															Х
14H	DSS Single Family Substantial Rehabilitation	x	x	х	x	x	x	х					x	X	
14H	Housing Rehabilitation Referral (including Weatherization)													х	
14H 14H	DSS Single Family Redevelopment of vacant substandard housing	X	X	X	X	x x	Х	x x	Х	X	x x	x			
	Non-DSS single family exterior residential rehabilitation	x	x	x	x		x		X	x					
14H	Housing rehabilitation Referral	X	X	х	x	x	x	X	х	х	х	x			
14H	DSS Single Family Redevelopment of vacant substandard housing with green					x	x	х							
14H	Model Block: Exterior rehab of 1 and 2 family residential units (rebate progr	x	х	х	x	x		X							
14H	Home weatherization referral						X	х							
14H	Model Block: acquire/rehab/sale of vacant housing	x	X	х	x	x									
14H	Home weatherization (assistance)	х	х	х	х	х									
14H	Paint refund/rebate program	х	Х												
	- In														
21C	Public information				X	X	X	Х	Х	х	х	X	X	Х	
18B	Economic Development: technical assistance														х
18B	Design review project coordination	х	х		х	Х	Х	Х	X	х	х	х	х		
18B	General technical assistance: not related to expansion etc.	х	х	х	х	х	х	x	х	х	x	х			
18B	General technical assistance/Direct CDC assistance to business: expansion,		х	х	x	x	x	x	x		х	х			
18B	Development/redevelopment of commercial real estate (in excess of \$500,0		Х	х	х	х	х	х	х	Х					
18B	Commercial retail marketing "input" and "outcome" activities	х		х	х	х	х	х							
051	Crime awareness/prevention													х	
051	Commercial security patrol and crime prevention													Х	
0-6	Interim assistance			х									х	х	
0-6	Land (re)utilization program and area cleanup	x				x	х	x					х		
0-6	Area clean-up campaigns	х	х	х	х	х	х	х	Х	х	х	х			
0-6	Greening Projects	х	х	х	х	Х	х	x							
05V	Neighborhood Cleanups												х	x	
05V	(Comprehensive) Graffiti Removal			х									х	X	(x)
12	Construction of (New) Housing	х	Х	Х	х	х	Х	Х	х	х		х			
0-5	CBDO Public Services								x	x	x	х			
14E	Storefront Renovation Program	х	х	х	x	х	х	x	х	х	х				
14B	Rehabilitation: Multi-unit Residential	x	x	х	x	x	x	x	x	x					
03N	Neighborhood Tree Planting								х						
15	Residential Code Enforcement	x	x	x	x	x	x								
?	Commercial Code Enforcement	х	х	х	х	х	х								
20	Planning	x	x												
05H	Workforce development/hire local														(x)
051	Commercial Security Patrol and Crime Prevention														(x)
05X	Financial Literacy in conjunction with Homebuyer Education														(x)
05Z	Landlord Tenant Outreach, Mediation and Fair Housing														(x)
05Z	Side Yard Expansion Assistance														(x)
0-6	Comprehensive Bulk Waste Removal and Intervention (Area Clean Up)														(x)

## Neighborhood need more than what Cleveland uses CDBG for



## Using CDBG for smaller, neighborhoodbased projects slows and suppresses impact and outcomes



Assessment

Purchase

Pre-Development and Permitting

Contracting

Construction

Sale



## Using CDBG for smaller, neighborhoodbased projects slows and suppresses impact and outcomes



## Using CDBG for smaller, neighborhoodbased projects slows and suppresses impact and outcomes



## CDBG can be used strategically

#### Appendix A **CDBG MATRIX CODES**

Release Date: March 2019

#### MATRIX CODE DEFINITIONS

Matrix codes are used to indicate—but do not establish—activity eligibility. An activity must be eligible in accordance with the regulations at 24 CFR 570.201 - 570.207 for Entitlements, 570.703 - 570.705 for the Section 108 loan guarantee program, and with Section 105(a) of the HCDA [42 USC 5305] and 24 CFR 570.482 for States. Grantees need to refer to the regulations to determine an activity's eligibility; the codes defined below are used in IDIS On-Line chiefly to categorize activities for reporting purposes.

INDE	
Code	Title Page
01	Acquisition of Real Property
02	Disposition of Real Property
03A	Senior Center
03B	Facilities for Persons with Disabilities
03C	Homeless Facilities (not operating costs)
03D	Youth Centers
03E	Neighborhood Facilities
03F	Parks, Recreational Facilities
03G	Parking Facilities
03H	Solid Waste Disposal Improvements
03I	Flood Drainage Improvements
033	Water/Sewer Improvements
03K	Street Improvements
031	Sidewalks
03M	Child Care Centers
03N	Tree Planting
030	Fire Stations/Equipment
03P	Health Facilities
03Q	Abused and Neglected Children Facilities
03R	Asbestos Removal
03S	Facilities for AIDS Patients (not operating costs)
03T	Homeless/AIDS Patients Programs (subject to 15% public service cap)
03Z	Other Public Improvements Not Listed in 03A-03S
04	Clearance and Demolition
04A	Cleanup of Contaminated Sites
05A	Senior Services
05B	Services for Persons with Disabilities
05C	Legal Services
05D	Youth Services
05E	Transportation Services
05F	Substance Abuse Services
05G	Services for Victims of Domestic Violence, Dating Violence, Sexual Assault,
	or Stalking
05H	Employment Training
05I	Crime Awareness
051	Fair Housing Activities (subject to Public Services cap)
05K	Tenant/Landlord Counseling
051	Child Care Services
05M	Health Services
05N	Abused and Neglected Children Services
050	Mental Health Services
05P	Screening for Lead Based Paint/Lead Hazards
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### CDBG Review and Findings

Presentation to City of Cleveland

### Peer City Review

Rochester, NY Akron, OH Baltimore, MD Sandusky, OH Pittsburgh, PA Detroit, MI



Housing & Comm Dev : \$7.4M Demo/Blight Homeownership Prog: \$1.3M

Non-Housing Agencies: \$4.3M

Economic Dev. \$1.8M City Council \$650K Parks & Rec \$850K \$800K Infrastructure

Pittsburgh provides a small amount of funds to council in a manner similar to the NDA.

Council is able to allocate either to project through a department or through a third party that must contract with the City for CDBG.

## CDBG can be used strategically

2021 Population and Poverty (100% FPL) in Cleveland Wards

Ward	Total Population (2021)	Population at/below 100% Poverty (2021)	Percent of Ward at/below 100% Poverty	Percent of City at/below 100% Poverty
1	21,784	5,656	26.0%	4.6%
2	20,748	6,529	31.5%	5.3%
3	25,444	7,119	28.0%	5.8%
4	18,506	4,924	26.6%	4.0%
5	20,996	12,151	57.9%	9.9%
6	20,545	7,644	37.2%	6.2%
7	21,229	8,838	41.6%	7.2%
8	21,802	7,089	32.5%	5.8%
9	19,578	6,288	32.1%	5.1%
10	20,199	7,190	35.6%	5.9%
11	26,564	7,837	29.5%	6.4%
12	23,527	7,949	33.8%	6.5%
13	25,887	5,399	20.9%	4.4%
14	24,251	8,928	36.8%	7.3%
15	24,924	8,189	32.9%	6.7%
16	24,691	6,207	25.1%	5.1%
17	24,597	4,460	18.1%	3.6%
	385,272	122,397	31.8%	

## CDBG can be used to target communities with higher poverty rates

2021 Population and Poverty (200% FPL) in Cleveland Wards

Word	Total Population	Population at/below 200% Poverty	Percent of Ward	Percent of City
Ward	(2021)	(2021)	at/below 200% Poverty	at/below 200% Poverty
1	21,784	10,464	48.0%	4.8%
2	20,748	12,046	58.1%	5.6%
3	25,444	11,290	44.4%	5.2%
4	18,506	9,580	51.8%	4.4%
5	20,996	15,751	75.0%	7.3%
6	20,545	12,585	61.3%	5.8%
7	21,229	14,056	66.2%	6.5%
8	21,802	12,230	56.1%	5.7%
9	19,578	10,425	53.2%	4.8%
10	20,199	12,678	62.8%	5.9%
11	26,564	15,830	59.6%	7.3%
12	23,527	15,220	64.7%	7.0%
13	25,887	12,612	48.7%	5.8%
14	24,251	16,654	68.7%	7.7%
15	24,924	14,166	56.8%	6.5%
16	24,691	12,354	50.0%	5.7%
17	24,597	8,472	34.4%	3.9%
	385,272	216,413	56.2%	

## Reimbusement Delays create Financial Straint

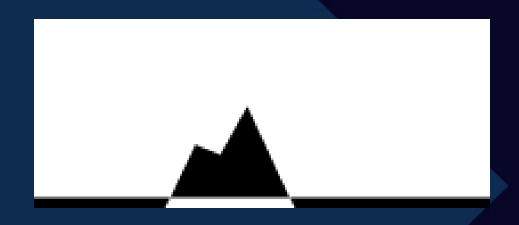
CDBG REIMBURSEMENT LAGS EXPENSES,
CAUSING FINANCIAL STRESS



# Benefits of Ord. 113-2025 to the City, CDCs, and Everyone

Transparency, Accountability, and Flexibility to get work done across all Cleveland neighborhoods.

## Transparency and Accountability



### What we see when CDCs use CDBG:

• 14H and 15B

## Transparency and Accountability



### What we see when CDCs use CDBG:

• 14H and 15B

### What we don't see today:

- <u>All</u> home repairs
- All business support
- Community engagement
- Programming and Events
- Financial Health

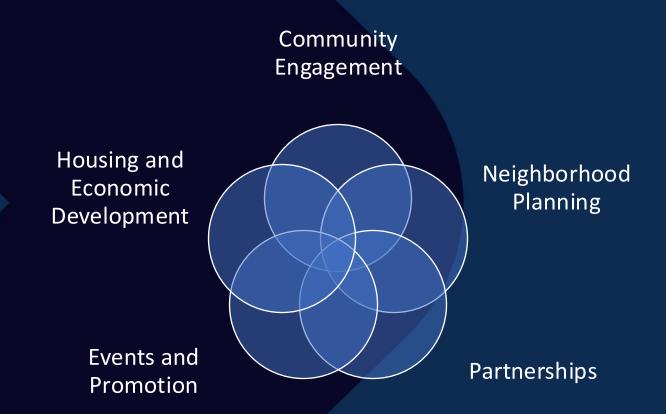
## **Transparency and Accountability**



- 370 home repairs completed, and 1,501 referred to partners
- 568 block clubs attended
- 91 community engagement sessions hosted for development projects
- 167 businesses supported for storefront/exterior renovation programs
- 57 projects in pre-development
- 20 events to attract new residents

## 1. Neighborhood Development Activities

- a. Five core activities to flexibly meet neighborhood needs
- b. Enumerated in ordinance to prevent administrative changes
- c. Standards and metrics set in legislative file



## 1. Neighborhood Development Activities

Engagement	gagement Housing & Econ. Dev.		<b>Events and Promotion</b>	Partnering
Community organizing, communications, and events  Business technical assistance, home repair, and real estate		Neighborhood plan implementation, pre-development, and placemaking	Resident & business attraction, neighborhood branding, and organization marketing	Network weaving, social service brokering, and city engagement
<b>38 community events /</b> month	100 small businesses assisted per month	<b>\$61 million</b> leveraged for placemaking in 2023	<b>50,000 subscribers</b> to CDC e-newsletter	<b>20% of Clevelanders</b> receive social services via
<b>100,000</b> print communications	Over 5,000 households engaged for housing programs/year	<b>104 developers</b> engaged in projects with CDCs	<b>163,000 followers</b> of CDC social media	CDC connections
circulated annually			136,000 visitors reached in 2023	

1. Neighborhood Development Activities

### 2. Reporting

- a. Monthly reporting, with quarterly and updates to all City officials.
- b. If a CDC falls 2 months behind in reporting, payments will be withheld until reports are submitted.
- c. Reporting should include **neighborhood and** ward identifiers.

- 1. Neighborhood Development Activities
- 2. Reporting
- 3. Review Committee

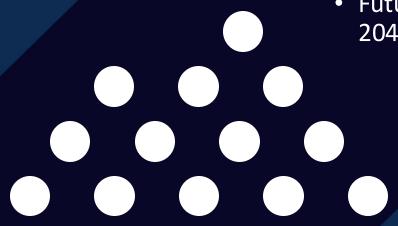
- 1. Neighborhood Development Activities
- 2. Payments and Reporting
- 3. Review Committee

## In 2028, charged with making recommendations on:

- The list of participating CDCs
- The list of neighborhood development activities

### After 2028, every 5 years.

- July December: Meet and issue recommendations
- Future years: 2033, 2038, 2043, 2048...



- 1. Funding Allocations
- 2. Neighborhood Development Activities
- 3. Payments and Reporting
- 4. Review Committee

### 13 Members

- 3 members of the Mayor's Administration
- 4 Members of Council or their staff
- 6 Nonvoting Members
  - 2 CDC leaders
  - 2 representatives of local foundations that support CDCs
  - 2 representatives from local community development intermediaries

### THE CURRENT SYSTEM

**Source of Funds:** 

Federal CDBG

Eligible Activities: 2011: 22 CDBG activities

funded reduced to...

2024: 2.5 CDBG activities

**Reporting:** One report per year from the Department, with CDC leaders doing their own reporting ad hoc

to Councilmembers

**Changes to Program:** Department staff have been making decisions administratively

### A NEW SYSTEM under Ord. 113-2025

**Source of Funds:** 

Non-Federal Sources

Eligible Activities:

5 Activities with multiple ways to achieve them

**Reporting:** Monthly on all activities across 89 activities, with quarterly reporting to the Mayor

and City Council

**Changes to Program:** 

Review Committee, appointed by the Mayor and Council President, to make recommendations in 3 years and then every 5 years

## Outcomes are better when actors and systems are aligned.

