

Middle Neighborhoods Investment Program

Main Streets | Side Streets | Neighborhood Marketing

Overview

- **What are Middle Neighborhoods?**
- **Main Street Interventions**
- **Side Street Interventions**
- **Neighborhood Marketing**
- **Measuring Success**

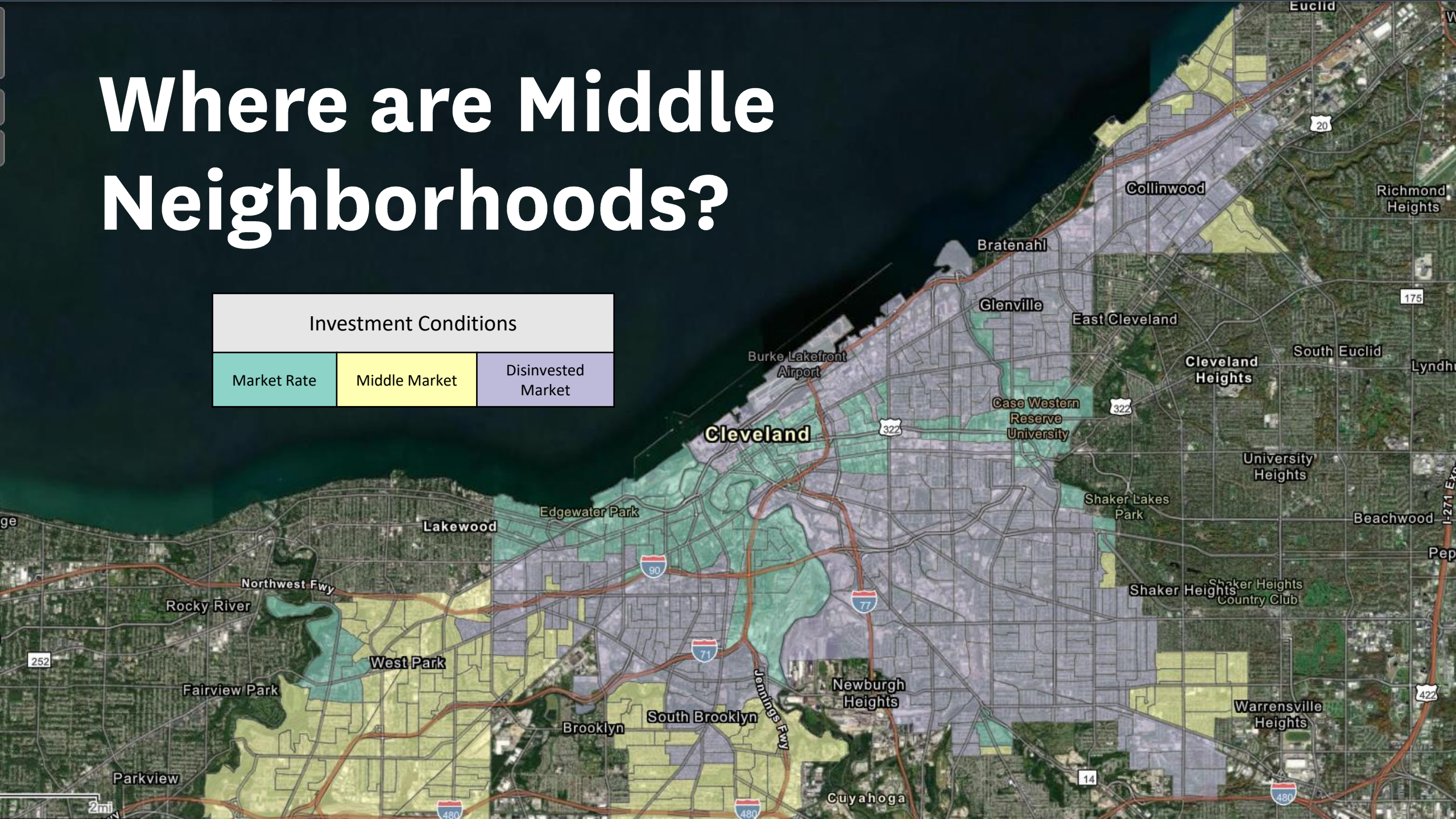
What are Middle Neighborhoods?

Middle neighborhoods tend to exhibit the following characteristics:

- **Mostly single-family housing** originally built for families with children **with strong main streets** serving the community.
- **Decreasing homeownership.**
- **Aging housing stock** without features to compete for today's homebuyers.
- **Property values in slow decline, flat, or underperforming** against city and/or inflation.
- **Racially and ethnically diverse.**
- A holder of hard-won middle household wealth.

Where are Middle Neighborhoods?

Investment Conditions		
Market Rate	Middle Market	Disinvested Market



Main Street Investments

2022-2023 Investments

Funded with support
from the State of Ohio

- **\$267,034 distributed to 175 small businesses** across 30 Cleveland neighborhoods.
- **2 white-boxed commercial spaces**, piloted in 2022-2023 and both secured new tenants.
- **Encouraged existing property owners to invest** in their unused and underutilized storefronts.
- **Attracted additional private investment.**
- **Best when complemented with adjacent parklets** to create additional public space.

White-boxing Pilot: Geek Peek

Original Exterior Condition



Updated Exterior



White-boxing Pilot: Geek Peek

Interior White-boxing



Interior White-boxing + Small Business Grants for Interior Upgrades



Middle Neighborhoods Main Streets Program

Whiteboxing | Parklets | Grants to Small Businesses | Technical Assistance

Main Streets

Partially funded with support from the State of Ohio's FY24-25 Operating Budget

One main street intervention will include the following elements:

- **3 Whiteboxed commercial spaces.**
- **3 Parklets** to increase outdoor seating and improve the pedestrian experience.
- **3 Grants to local businesses and entrepreneurs** for in-store improvements.
- **Technical assistance** for small businesses to support them and connect them with additional opportunities.

Total Cost: Up to \$400,000

Middle Neighborhoods Side Streets Program

Renovation | Rehabilitation

Side Streets

Funded with support from the State of Ohio's FY24-25 Operating Budget

Three strategies to improve housing markets in Middle Neighborhoods:

- **Repair – Up to \$25,000:** Maintains home values and improves quality-of-life for homeowners/tenants
- **Rehabilitation - \$50,000 to \$150,000:** Major updates to home, but does not transform square footage or footprint of the home.
- **Renovation - \$150,000 and higher:** Transformation of the home through addition of square footage and other major changes.

Side Streets

Other, complementary housing interventions led by partner organizations

Home Repair: \$25,000 or less

- **Managed and supported by CDCs, CHN, and other organizations**
- **Essential for quality-of-life of residents and stabilization of housing values.**
- **Preserves naturally occurring affordable housing** across all markets.

Available Programs

- **Home Heritage Program**
- **HELP Loan Program**

Side Streets

Other, complementary housing interventions led by partner organizations

Rehabilitation:

\$50,000 to \$150,000

- Challenged due to rising costs and limited supply.
- Increased support from other nonprofit partners, including:
 - CHN Housing Partners
 - The Cuyahoga County Land Bank
 - Habitat for Humanity
- **Effective for stabilization and naturally affordable housing** in middle & opportunity markets

Side Streets

Other, complementary housing interventions led by partner organizations

Renovation: \$150,000 and above

- Also challenged due to rising costs and limited supply.
- No organization currently using renovations as a market-moving strategy to improve middle or opportunity neighborhoods.
- **Makes homes marketable to homebuyers** who would otherwise look outside Cleveland for products with specific amenities.

Side Streets

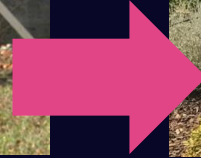
Funded with support from the State of Ohio's FY24-25 Operating Budget

One side street intervention in this Middle Neighborhoods program will include:

- **4 renovations**, to improve existing homes and make them marketable to homebuyers who otherwise look outside Cleveland for homes that appeal to them. Per unit subsidy of \$100,000.
- **2 rehabilitations**, accomplished in partnership with other organizations, to create affordable homeownership opportunities.

These renovations will establish new neighborhood “comps” for use by real estate agents and appraisers.

Total Cost: Up to \$500,000



Side Streets

Funded with support from the State of Ohio's FY24-25 Operating Budget

Neighborhood Marketing

Promotion | Pride

Neighborhood Marketing

Funded through other revenue streams, not the City of Cleveland or the State of Ohio

- **Creates civic pride among residents** and introduces new audiences to our neighborhoods.
- **Educates and empowers brokers, real estate agents, appraisers, and lenders** to do more work in Cleveland neighborhoods.
- **Advances strong, powerful messages about the strength of Cleveland neighborhoods**, to counter prevailing stories and narratives in many media outlets.

10 Middle Neighborhoods Interventions

\$3 Million in funding from the State of Ohio and \$7.3 Million from the City of Cleveland will fund 10 middle neighborhood interventions, including:

Main Street Program:

- 30 white-boxed commercial spaces,
- 30 parklets and street improvements,
- 30 grants to small businesses and entrepreneurs,
- Ongoing technical assistance for small businesses.

Side Street Program:

- 40 home renovations.
- 20 rehabilitations.

Measuring Success

The following measures are some of the ways we will track our success, in the short-term and in the long run.

Short-term Impact Analysis

- **Comparative analysis of sales on the market** at completion of home sale.
- **Dollar amount allocated to contractors**, specifically to MBE, SBE, and WBE firms.
- **Occupancy of white-boxed spaces.**

Measuring Success

The following measures are some of the ways we will track our success, in the short-term and in the long run.

Interim Impact Analysis

- **Analysis of increased property tax valuations** via Cuyahoga Fiscal Officer.
- **Increase in building and construction permits taken out for properties in targeted Middle Neighborhood areas.**
- **Inquiries and investment from other sources.**

Measuring Success

The following measures are some of the ways we will track our success, in the short-term and in the long run.

Long-term Impact Analysis

- **Increases in average household incomes.**
- **Increases in commercial occupancy and rents.**
- **Sales comparable increase percentages**
- **Increase in additional loan products used in middle neighborhoods area.**

Thank you.