

2022-2026 ARPA Home Repair Investments



CITY OF CLEVELAND

Mayor Justin M. Bibb

ARPA – Home Repair

Current proposal is built on qualitative and quantitative research with extensive community input.

- **Home Repair Grants and Financing**
 - \$15M
 - Section 603 Coronavirus State and Local Fiscal Recovery Funds
 - U.S. Treasury Department



ARPA – Home Repair



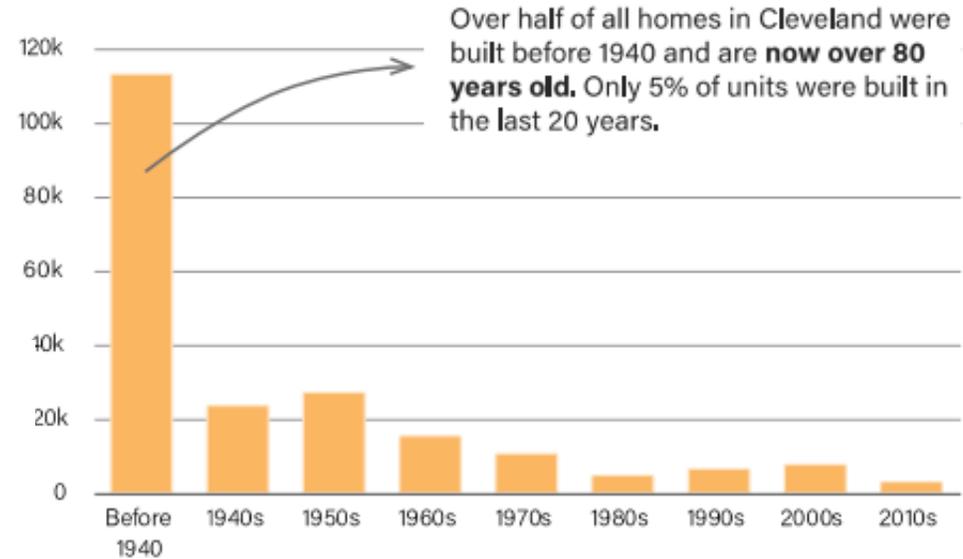
TARGETS

In order to address these needs, the City of Cleveland has set a target to **protect, preserve, and produce 100,000 homes** over the next 10 years. These targets recognize that the need for housing interventions is deepest at the lowest income levels. The market will likely produce additional units at higher income levels without intervention.

- **Protect 35,600 housing units** through equitable affordability interventions, including down payment assistance, affordable home loans, renter protections and legal aid, rental assistance, and property tax exemptions.
- **Preserve 41,400 housing units** through housing quality interventions, including home repair assistance, small landlord loans, 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.

Achieving these targets also requires the city and its partners to **position** themselves to collaborate effectively across agencies and stakeholders, adequately fund new and existing efforts, and provide a welcoming environment for new investment.

AGING HOMES



Over half of all homes in Cleveland were built before 1940 and are **now over 80 years old**. Only 5% of units were built in the last 20 years.



Cleveland has a vacancy rate of nearly 14%, compared to 7% in Cuyahoga County. As of January 2021, 7,700 units in the city were considered **vacant and distressed**.



Property surveys in 2015 and 2018 found that on the East Side, **the number of structures in "excellent" and "good" condition declined**, and the number in need of significant repairs increased.



Permits for alterations and repairs are concentrated on the West Side of Cleveland, even though property surveys report the worst conditions on the East Side.

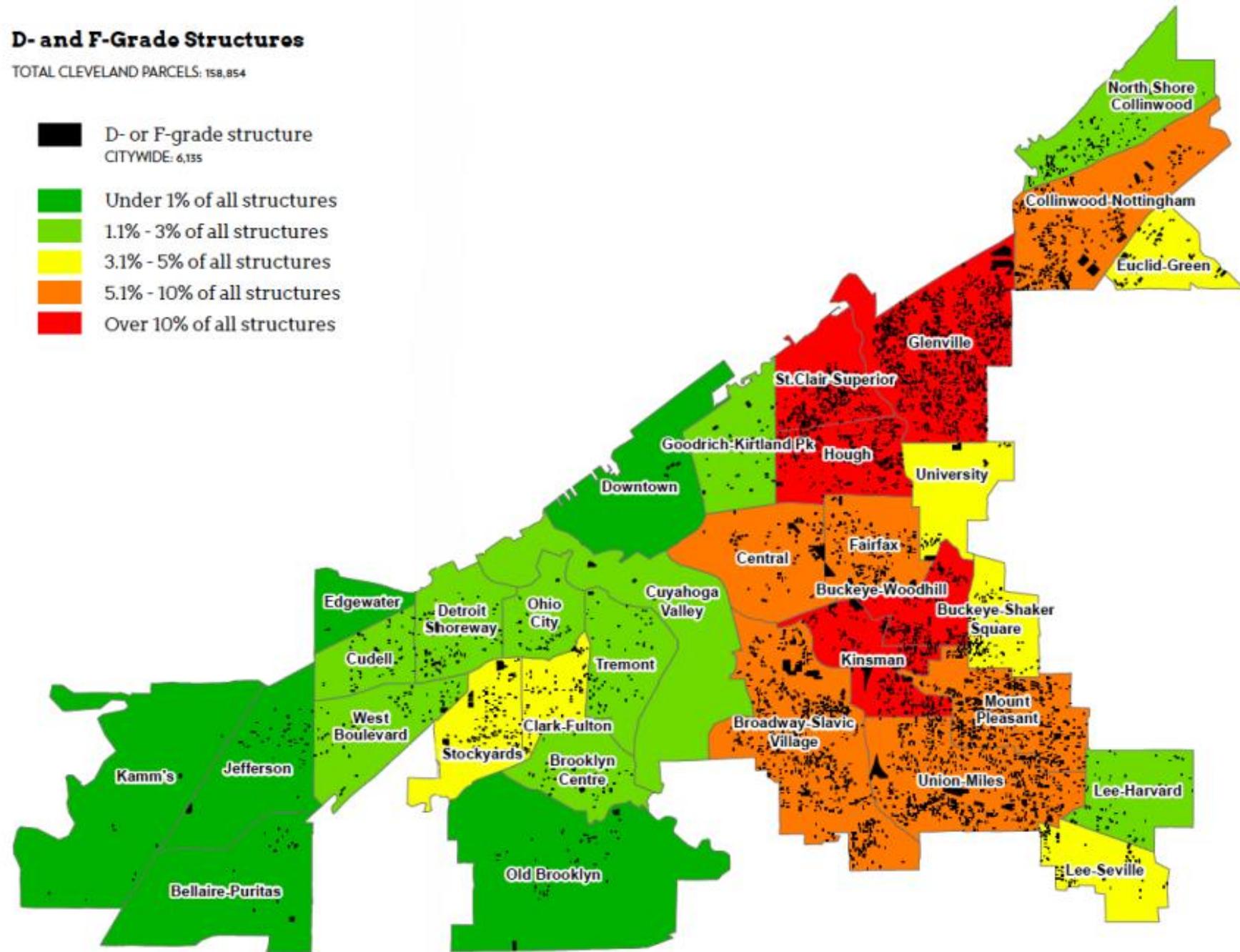


ARPA – Home Repair

D- and F-Grade Structures

TOTAL CLEVELAND PARCELS: 158,854

- D- or F-grade structure
CITYWIDE: 6,135
- Under 1% of all structures
- 1.1% - 3% of all structures
- 3.1% - 5% of all structures
- 5.1% - 10% of all structures
- Over 10% of all structures



ARPA – Home Repair



GOAL

Invest in the quality of existing homes. Poor housing conditions are a significant challenge in Cleveland. Over half of all housing units in the city were built before 1940 and are now over 80 years old. Only a very small share (5%) was built within the last 20 years. A 2015 citywide property inventory conducted by the Western Reserve Land Conservancy graded over 6,000 as grades D or F because they exhibited major exterior cracks, rotting wood, broken or missing windows, open holes, or were filled with trash. In addition, 20,300 properties were only in “fair” condition (rated C). Worryingly, the number of C-rated properties had increased when WRLC re-inventoried neighborhoods on the East Side, at a rate of 1.3% per year. If this rate holds, over 40% of structures will be in only “fair” condition by 2030.

Create an emergency home repair program. Draw on fast and flexible local funds (not entitlement funds) to offer up to \$20,000 of grant-based emergency home repair assistance per qualifying household. When a gap remains between the available emergency funding and repair need, assist the homeowner in accessing additional low-cost home repair financing (see below).

Timeline: ○ ○

Increase access to private home repair financing. Seed a revolving public-private loan fund with a publicly subsidized loan loss reserve to offer small-dollar home repair and improvement loans, including deferred or forgivable loans tailored to low-income homeowners and low-cost amortizing loans to moderate-income homeowners.

Timeline: ○



ARPA – Home Repair

	ARPA-CSLF
Ordinance	899-2022
Funding Authorization	\$10,000,000
Apply and Accept	NA
Authorize Director to Enter in Agreements	Yes
Estimated Units	800 Households
Types of Assistances	Loans, Grants and Loan Loss Reserves
Public Private Funds	Yes
Expended By	December 31, 2026



ARPA – HOME Repair

ARPA Program	Home Repair Grants	Home Repair Lending	Total	Leverage Goals
City Administered (Existing Pipeline)	\$0	\$0	\$0M	\$0M
RFP for Partners (Non-profits, CDFIs and Financial Institutions)	\$4,850,000	\$5,000,000	\$9.85M	\$50M
Program Delivery Admin	\$75,000	\$75,000	\$150,000	NA

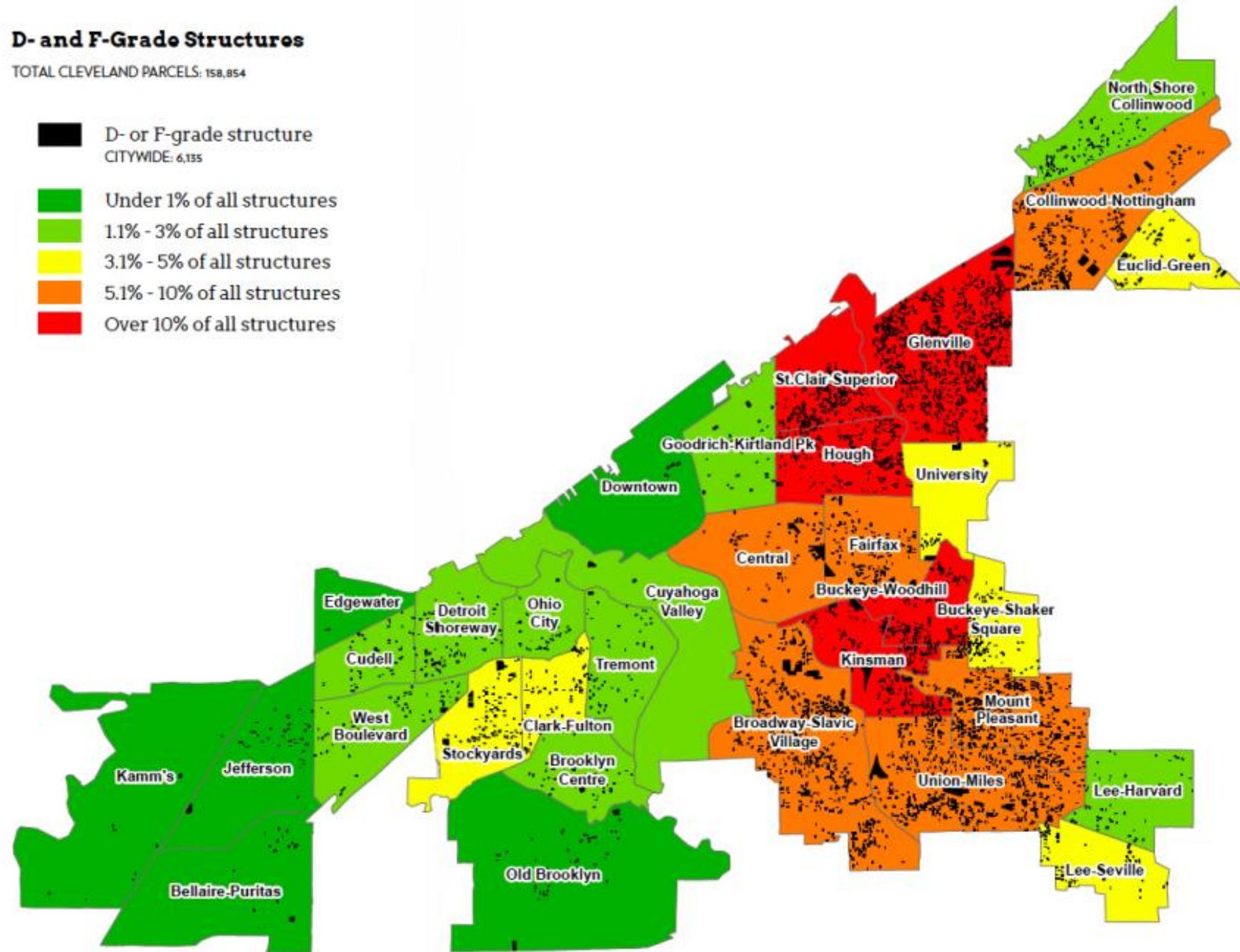


Housing Quality Map

D- and F-Grade Structures

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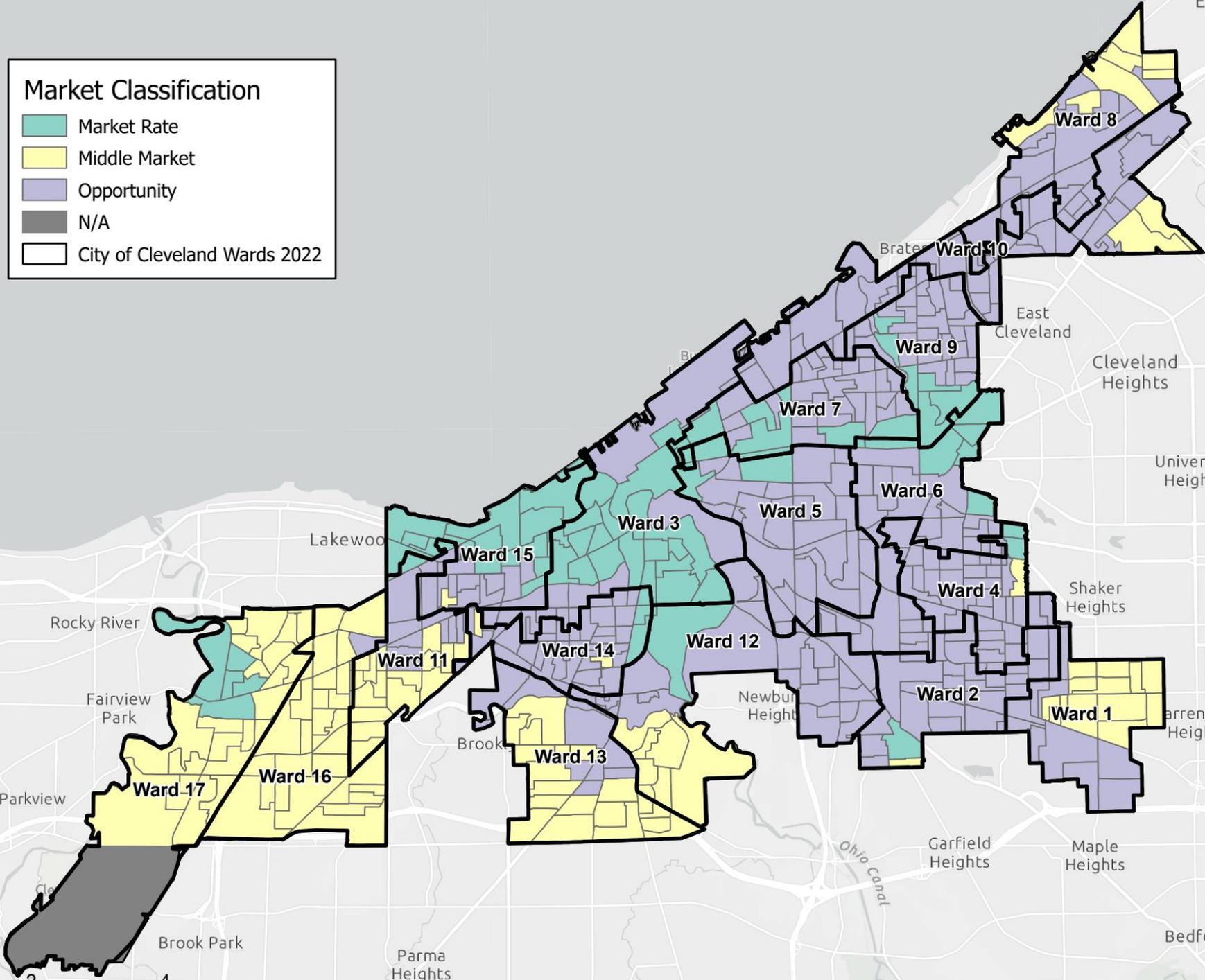
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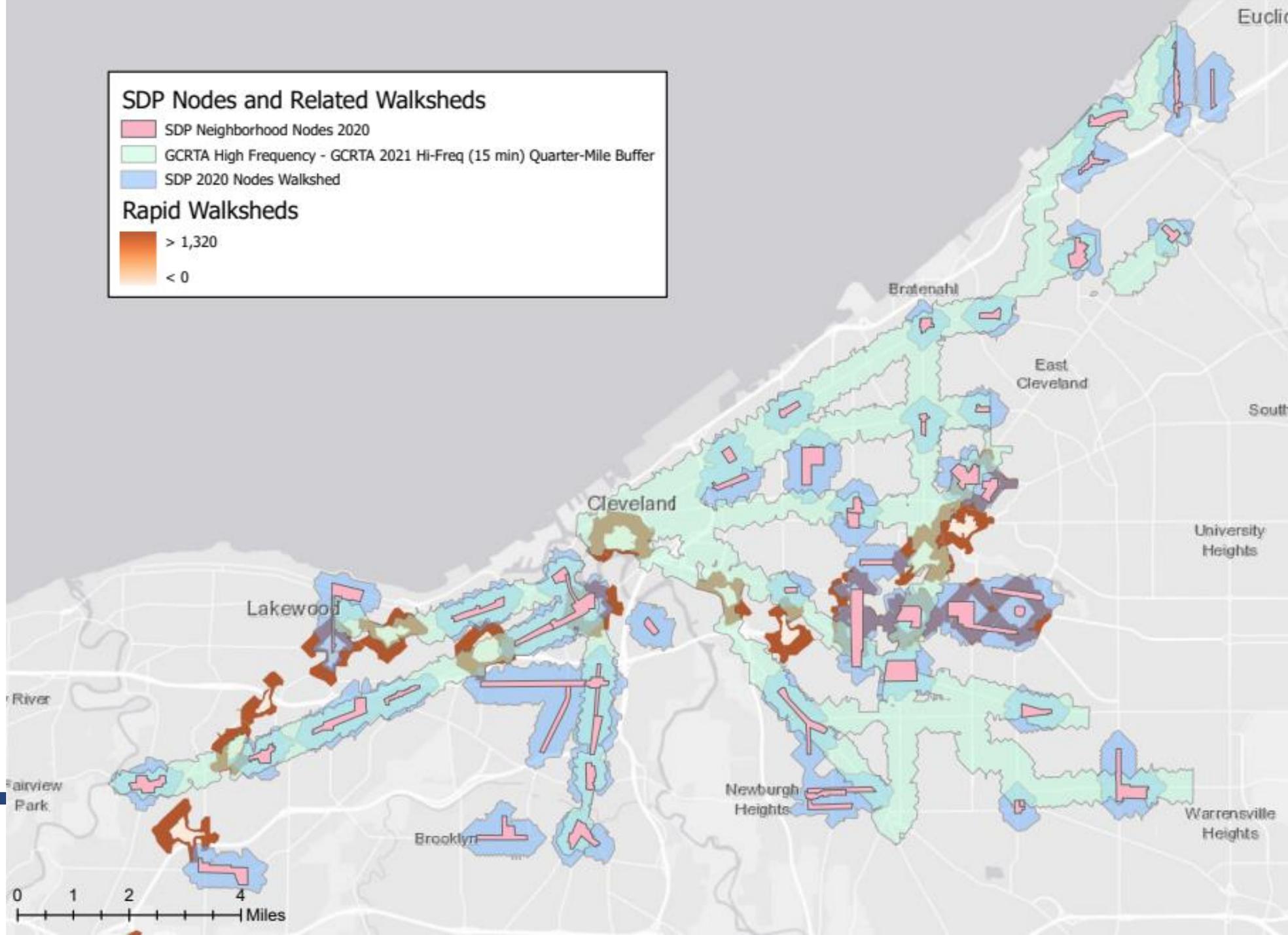
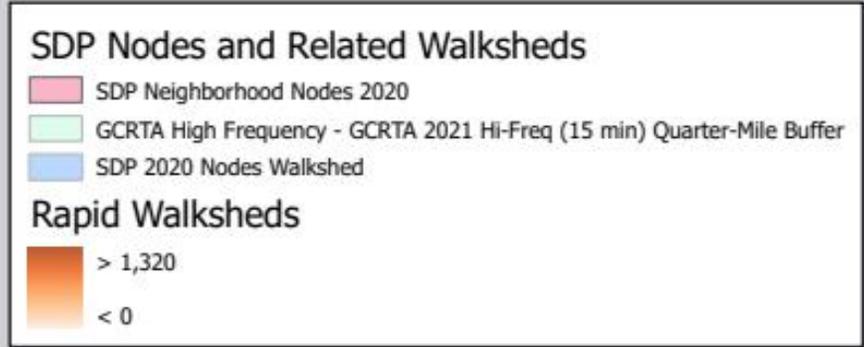
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Source: Western Reserve Land Conservancy

Neighborhood Market Classification Map



Priority Investment Map



Questions?



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