

# Mayor Bibb's

## STRATEGY FOR CLEVELAND'S SOUTHEAST SIDE

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A comprehensive plan to combat concentrated disinvestment in the neighborhoods of the southeast side of Cleveland, because residents deserve to live in a safe, equitable, vibrant neighborhood of choice.



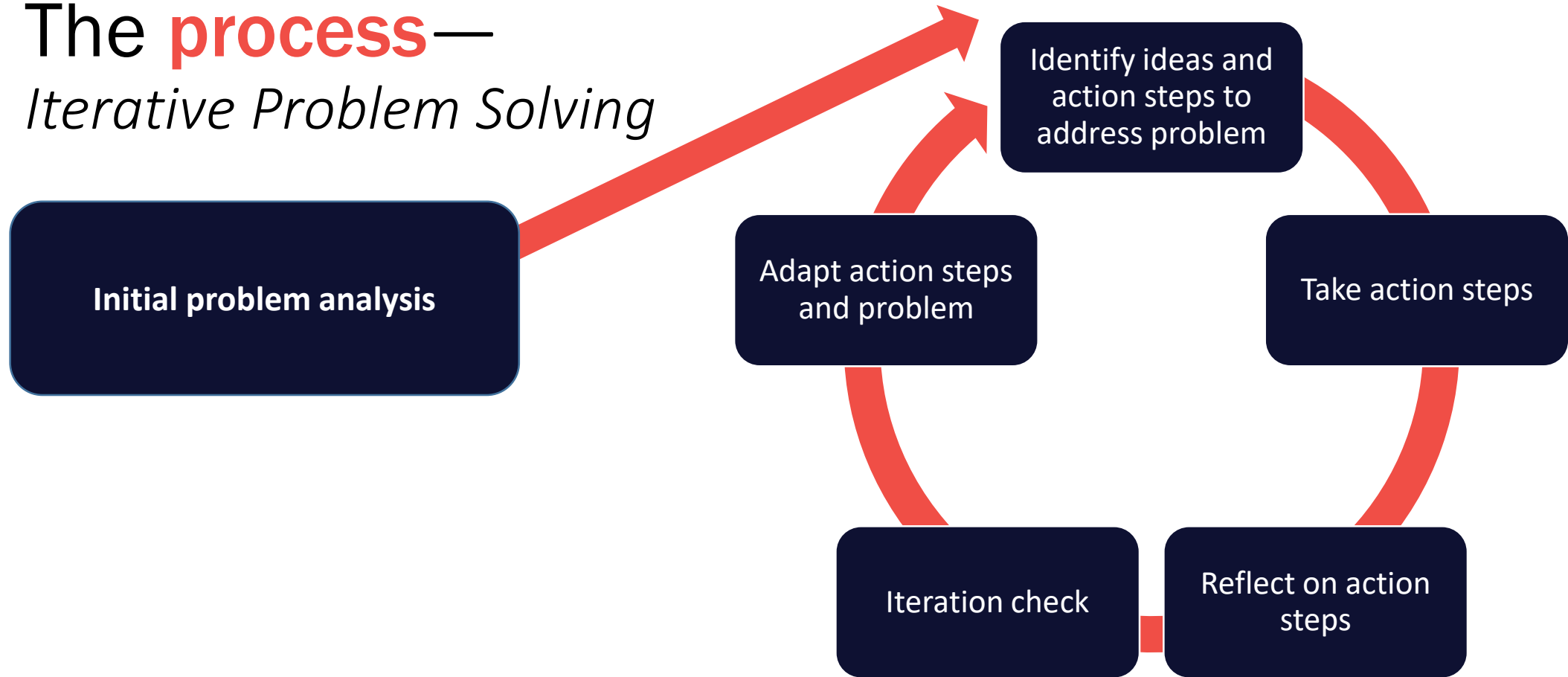
**CITY OF CLEVELAND**  
Mayor Justin M. Bibb



# What we've been **doing**—

- Informed and inspired by our last discussion, **8 representatives** of the City
  - Participated in intensive weekly 2.5 hour workshops in Jan. and Feb.
  - Traveled to NYC to participate in a weeklong **Bloomberg Harvard City Leadership Initiative** summit with 9 other global cities
- Goals of the work:
  - Clearly **define the problem**, break it down into smaller pieces, and identify the best “**entry points**” to start
  - Kick-start us into **action**
  - Develop tools to support of **constant iteration and learning**
  - Launch into deeper **community engagement**
- This is iterative; we want input along the way and we need everyone's help to move the work forward

# The **process**— *Iterative Problem Solving*



We must take small steps – test them, learn, and iterate.

The work will not be successful without engagement, feedback, and iteration. But perfect cannot be the enemy of the good.

# Southeast Side **Neighborhoods** are...



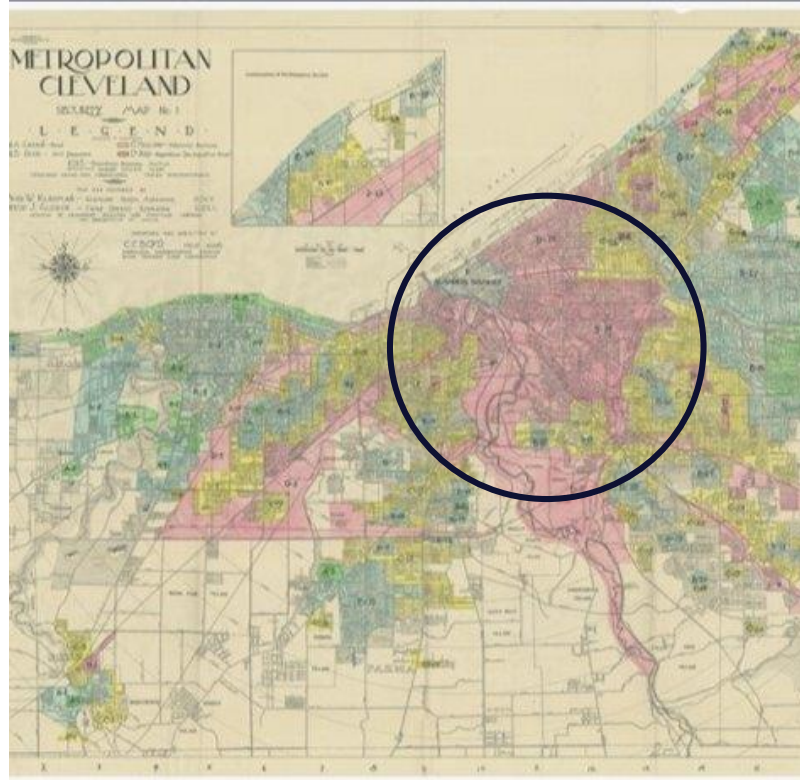
*Communities with **rich historic legacy** and **deeply engaged residents** who are **full of pride** in their neighborhoods*

*Neighborhoods that have been **ignored and disinvested**- they haven't gotten the care they deserve from public and private sectors*

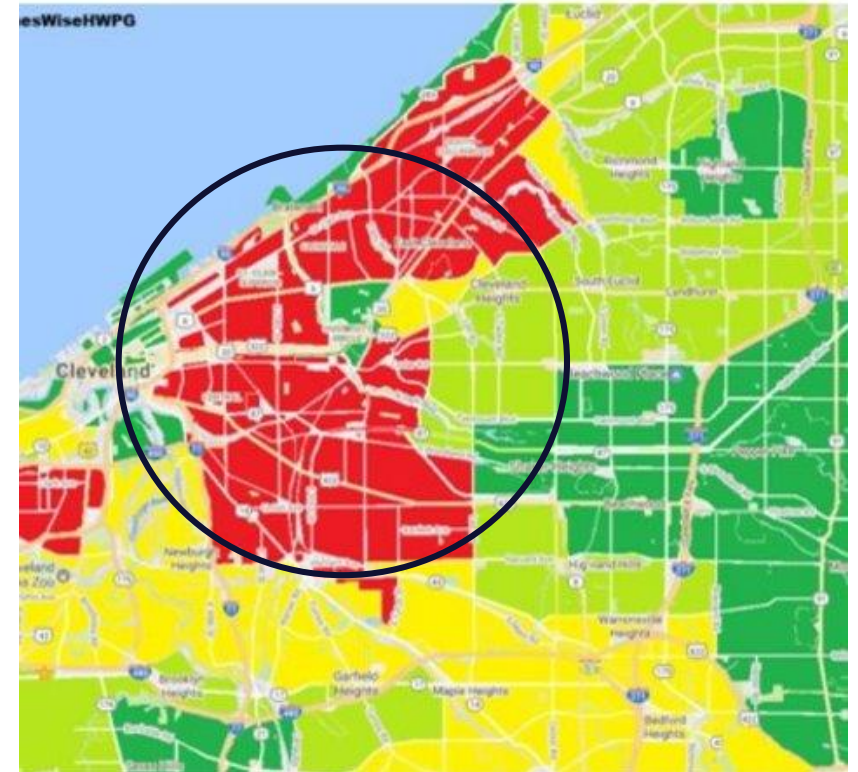


# Visualizing Disinvestment

*HISTORIC CONTEXT*



A MAP OF REDLINED NEIGHBORHOODS  
IN CLEVELAND IN 1920



IMPACTS OF REDLINING CONTINUE  
TODAY

Mayor Bibb's **SE SIDE STRATEGY**



## POPULATION LOSS

- **Cleveland's Southeast side saw a 13.5% decline in population (8,616 residents), more than double the loss of the City overall**

- The current population of the Southeast side is around 55,000, with over 90% of residents identifying as Black.







# Our Mission—

*REINVESTING IN CLEVELAND'S EAST SIDE*

**We will tackle concentrated disinvestment** in the neighborhoods of the southeast side of Cleveland **because residents deserve** to live in a safe, equitable, vibrant neighborhood of choice.



# Drivers in this cycle of disinvestment – WHY?

*REINVESTING IN CLEVELAND'S SOUTHEAST SIDE*

- Resident attrition
- Lack of resident resources
- Limited public sector attention
- Lack of quality housing
- High rates of business closures
- Private investment is too risky
- Real and perceived crime/safety concerns
- Blight
- Limited support by financial institutions and philanthropy

# Our Plan.

## Address Blight and Deterioration

We will define and target micro-geographies to employ demolition, home repair, home rehab, code enforcement, and clean-up activities

## Increase Quality Housing and Homeownership

We will focus on home repair and rehab within micro-geographies, with the intent of keeping people in their homes

## Change the Narrative

We will create a public campaign that builds on neighborhood pride and seeks to bring additional investment.

## Community Partnerships

We will leverage our political power and partnerships to convene and align investment and resources across private, philanthropic, and non-profit institutions.

## Public Sector Commitment

We will mobilize the power and full support of the City Administration behind the plan.



# Key considerations in our **equitable approach**

Proactively collaborating with  
community partners

Considering life-cycle  
investments (long term residents,  
newcomers, seniors/aging in  
place, renters, owners, families)

Utilizing qualitative and  
quantitative data to make  
informed decisions

How our work will impact  
and benefit the Middle class

Introducing wealth-creation  
opportunities

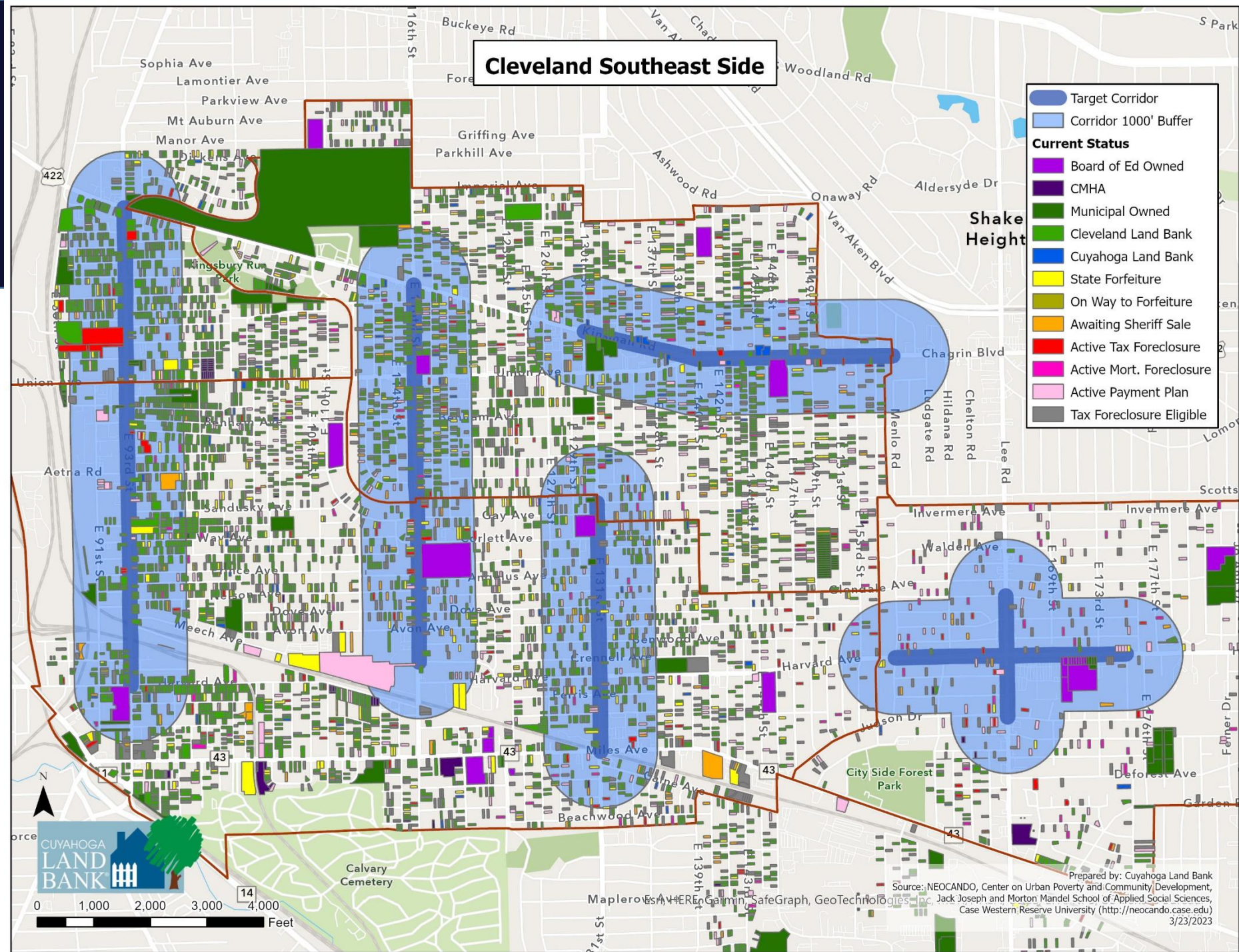
Investing without  
displacement

Targeting investment in these neighborhoods will lift the whole city



# SE Side Proposed Target Micro Geographies

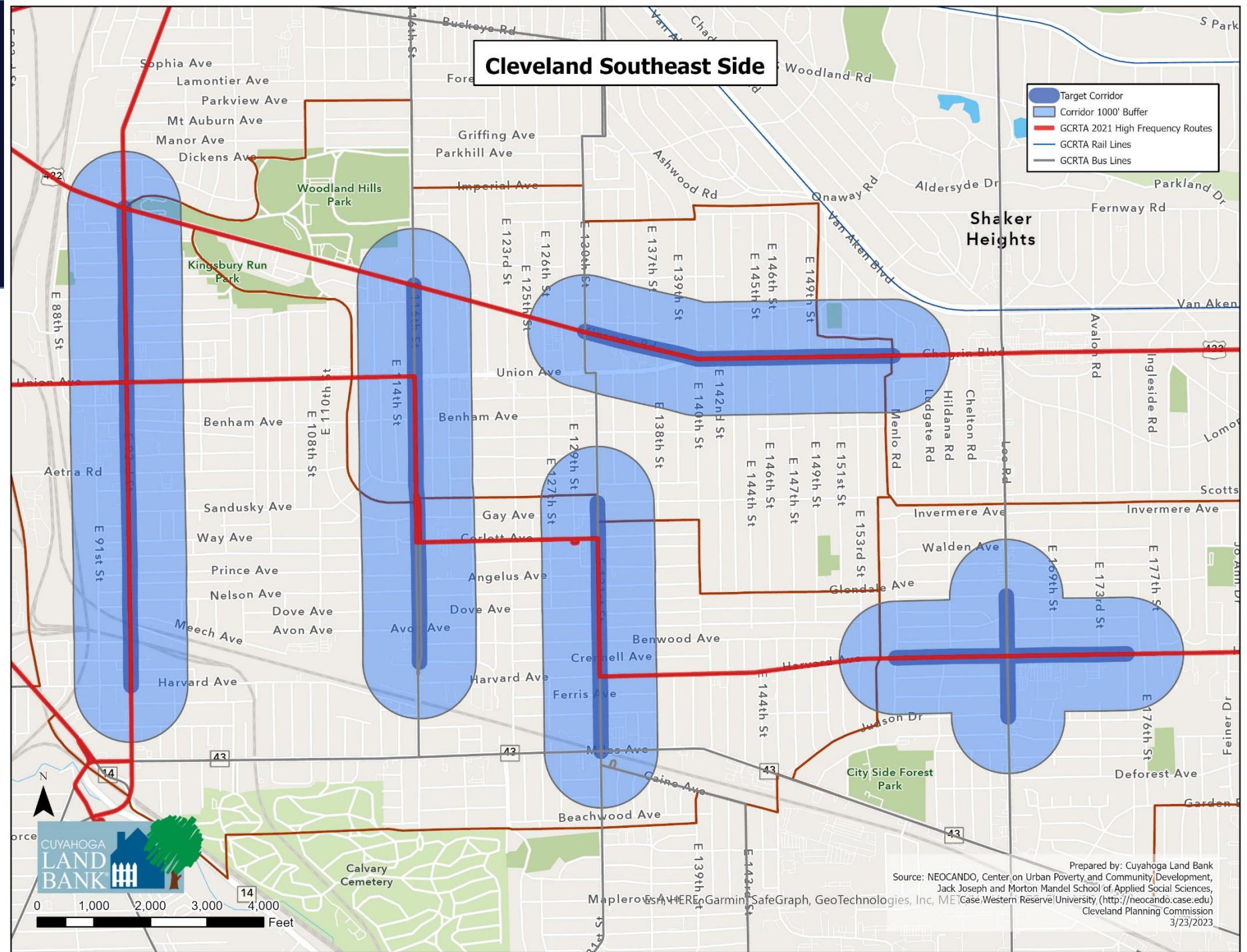
## Overview





# SE Side Proposed Target Micro Geographies

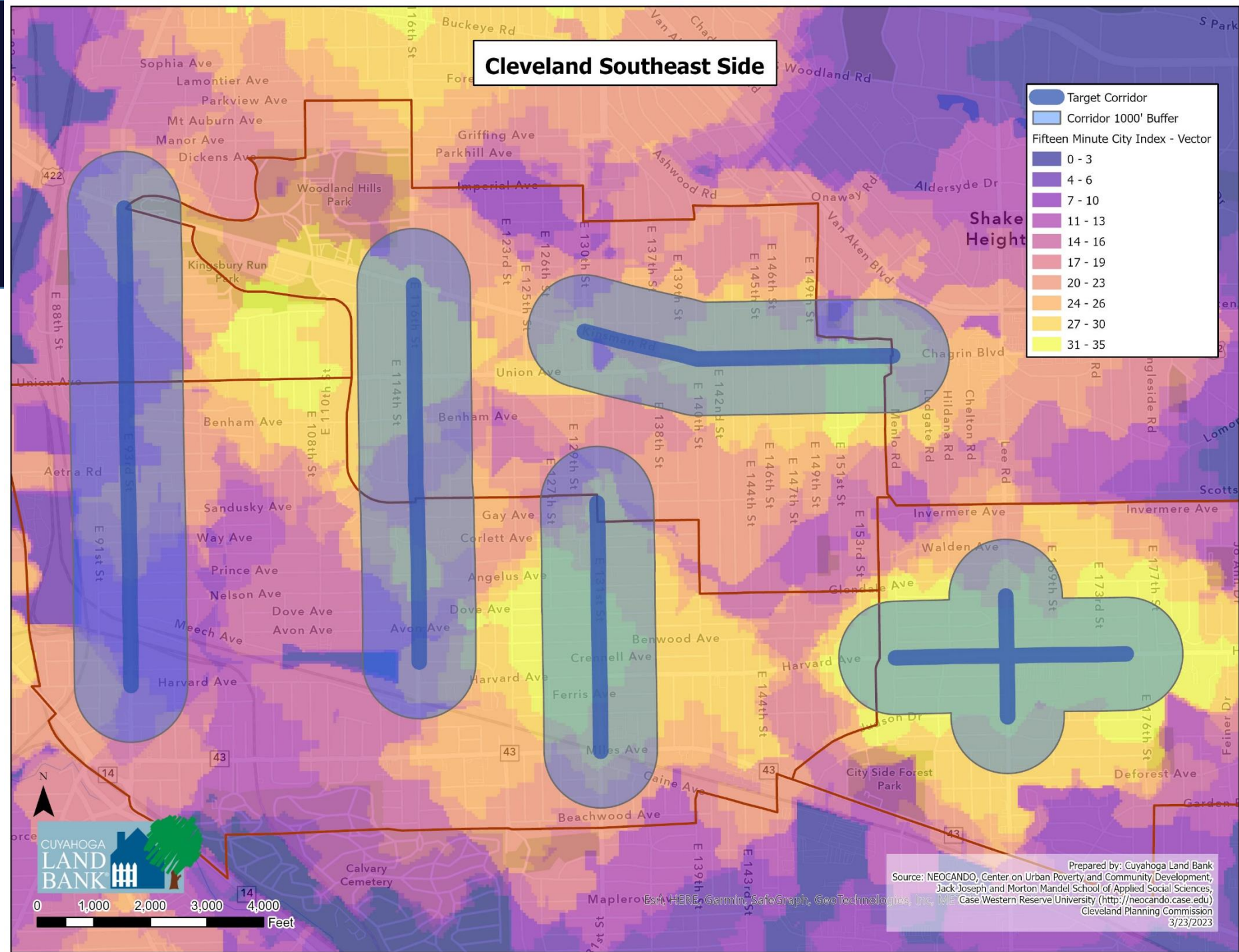
## Transit Corridors





# SE Side Proposed Target Micro Geographies

## 15 Minute City Index





# Pipeline





# Community Assets





# Near Term Actions

*REINVESTING IN CLEVELAND'S SOUTHEAST SIDE*

- **Clean-up surge-** Kinsman Road & Lee-Harvard
- Habitat for Humanity **home construction**
- **Lee Road** plan
- **Expedited Land Bank Application** process for target geography
- RFP for **priority development** areas
- **\$15 million** ARPA investment in Southeast Side
- “Back to Basics” **Infrastructure** ARPA \$20M
- Brookings “Buy Back the Block”

# ARPA Investment

*REINVESTING IN CLEVELAND'S SOUTHEAST SIDE*

## Rationale for Targeted Investment

- We have to start somewhere
- Data points to these neighborhoods
- Focused resources in a smaller area will have a greater impact than being spread across the City
- Learnings from this effort will be applicable across the City
- Large concentration of City owned land
- Mix of opportunity and middle neighborhoods
- Investments here will benefit the entire east side (and City)



# Home Repair and Rehab

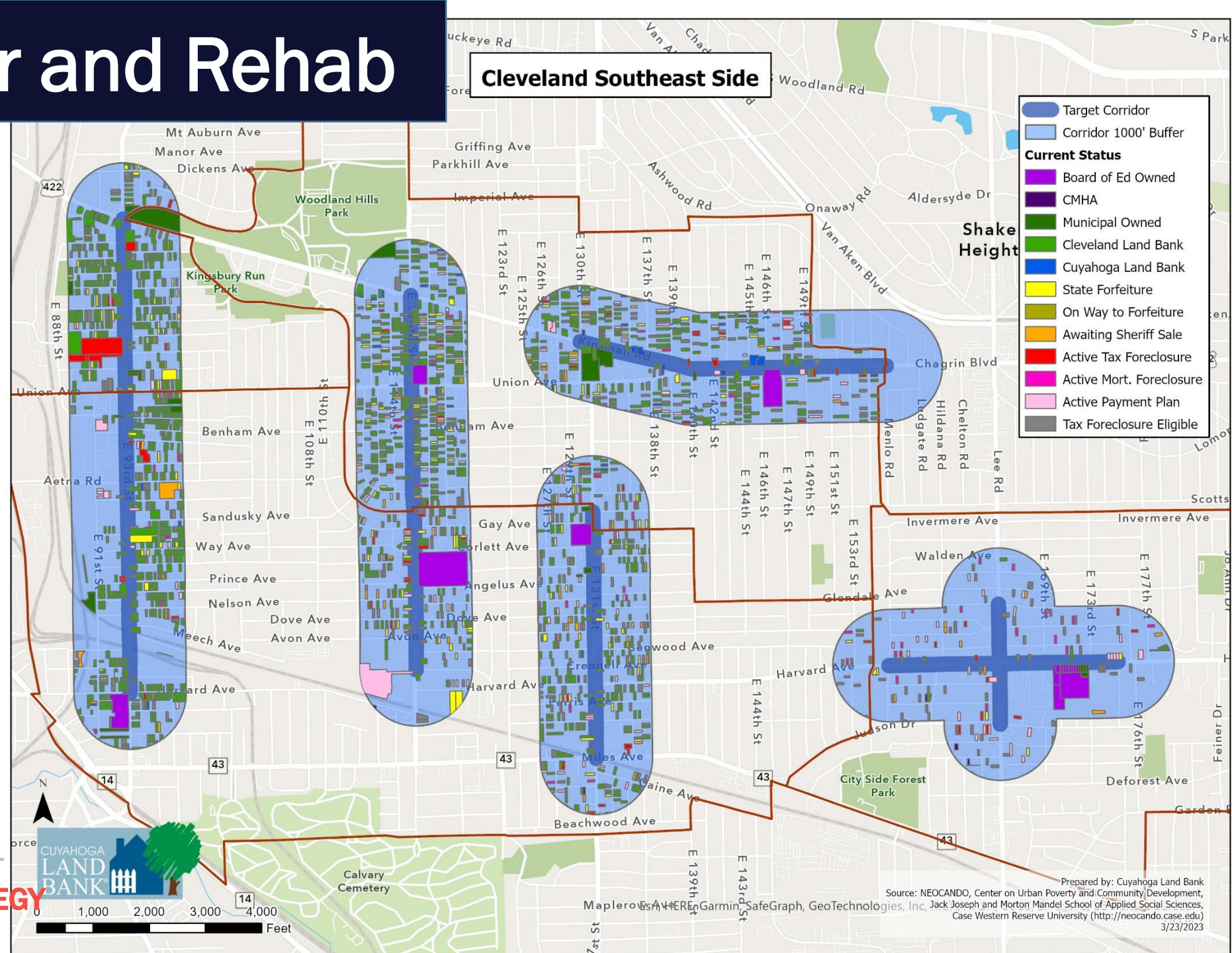
- \$5 million fund targeted in micro-geographies
- Home repair grants and loans
- Home rehab grants to for profit and nonprofit partners – targeted at retaining housing stock from demolition
- Seeking leverage from philanthropy and lenders to maximize impact
- Target of **100-150 home repairs @ \$15-\$20K** and **30-50 rehabs @ \$60-\$80K**



# Home Repair and Rehab

Target  
investment  
along  
commercial  
corridors for  
maximum  
impact

Mayor Bibb's **SE SIDE STRATEGY**





# Home Repair and Rehab

## Process:

2 sources of homes for repair and rehab

## State of Ohio Forfeited Lands

- Parcels that are in tax foreclosure that contain **vacant or occupied** structures that are able to be repaired or rehabilitated will be held at the Cuyahoga Land Bank and these funds can be used to do repairs and put the property into productive use.
- Partner with Cleveland Neighborhood Progress and CDCs to identify the best candidates for rehab and connect to contractors and end users.

## Community Development Housing Development Office

- **Supplement funding for other home repair and rehab that is being administered through partners identified through a current RFQ with these geographically targeted funds**

# Commercial Corridors

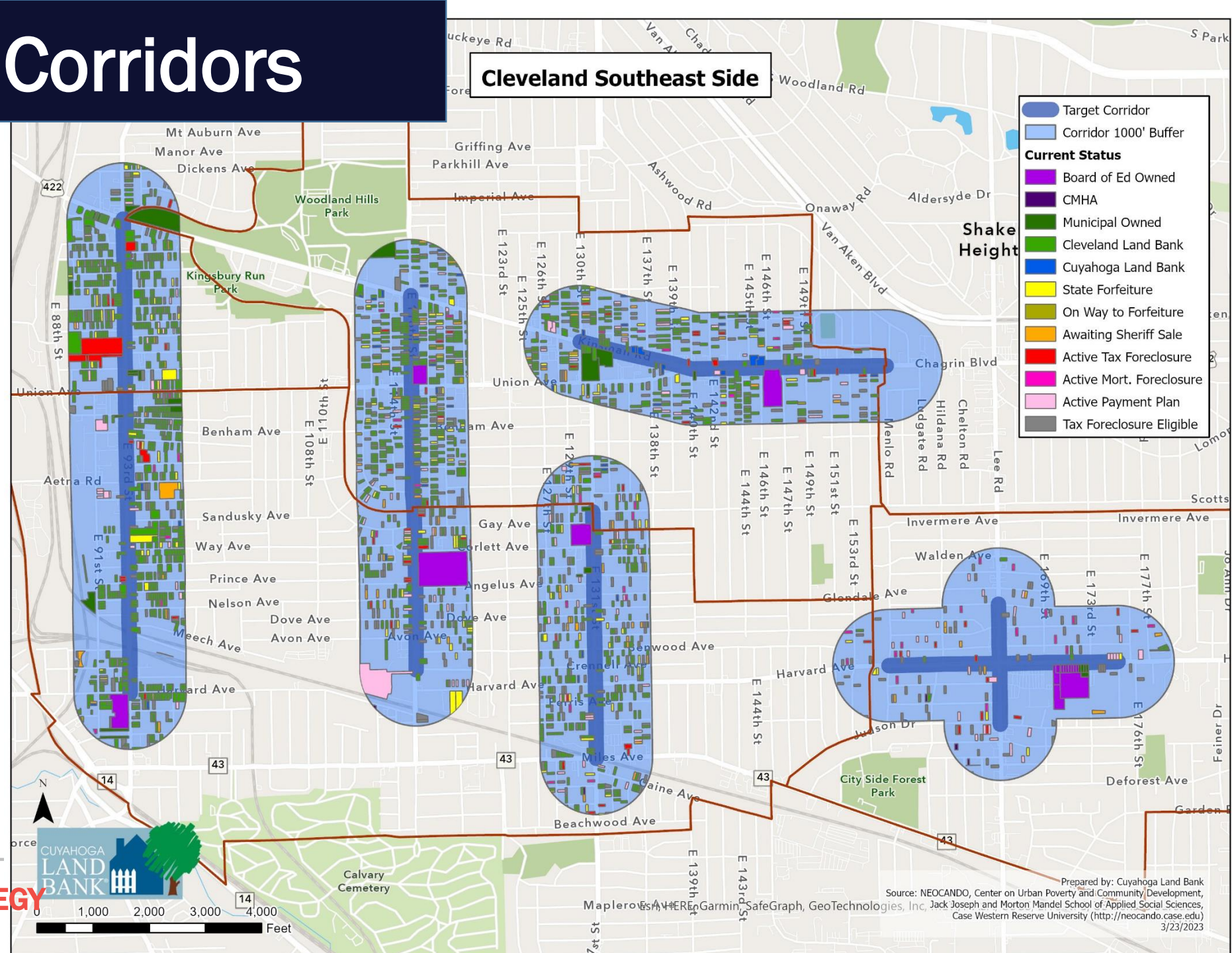
## **\$5M to revitalize key strategic commercial corridors**

**Goals:** stabilize surrounding neighborhoods, provide quality-of-life improvements for nearby community members, attract additional investment





# 5 Key Corridors for Investment



## Mayor Bibb's SE SIDE STRATEGY

Maplewood, OH  
39th St  
43rd St  
Source: NEOCANO, Center on Urban Poverty and Community Development, Jack Joseph and Morton Mandel School of Applied Social Sciences, Case Western Reserve University (<http://neocano.case.edu>)  
3/23/2023

# Commercial Corridor Actions

City will design several specific programs to revitalize commercial corridors

- Administered by Department of Economic Development
- Marketed by Entrepreneur in Residence, Senior Strategist for the Southeast Side, and partner CDCs

**Retail White Boxing  
Recoverable Grant**

**Strategic  
Acquisition Loans**

**Commercial  
Corridors  
Strengthened  
and Revitalized**

**Tenant Buildout &  
Storefront  
Renovation Grants**

**Public Realm  
Grants**



# Commercial Corridor Actions

## ***Retail White Boxing Recoverable Grant***

- Recoverable grant program for property owners to “white box” vacant ground floor retail spaces to make them tenant ready. Prepares space for tenant to add their own furniture, fixtures, and décor.
  - Adding functioning HVAC
  - Mechanicals
  - Lighting
  - Ceiling & walls
  - Restrooms
- Program will engage property owners to activate, upgrade/prepare commercial retail space for immediate occupancy or lease in targeted commercial areas
- Grants up to \$25K with at least 1:1 match

## ***Tenant Buildout and Storefront Renovation Grants***

- Recoverable grants up to \$50K to cover storefront renovation, space buildout, or equipment for small businesses to occupy storefronts in key commercial corridors
  - Grants will require a 25% equity match

# Commercial Corridor Actions

## ***Strategic Acquisition Loans***

- Patient loan pool for nonprofits to acquire strategic properties in key commercial corridors for immediate redevelopment or land banking for strategic redevelopment
- Eligible projects will be owned by a nonprofit or joint venture with a nonprofit partner
- Minimum 1:1 match from applicant and long-term, low-interest loans without an immediate job creation requirement
- Anticipated loans of \$100K - \$250K will have eligible uses for acquisition, holding costs, and predevelopment

## ***Public Realm Grants***

- Matching grants of \$50K for businesses or nonprofits to invest in visible exterior improvements including:
  - Murals
  - Parklets
  - Trees & landscaping
  - Benches
  - Streetscapes
  - Decorative lighting
- Grants go beyond storefront renovation and into the public realm to focus on areas between or adjacent to buildings



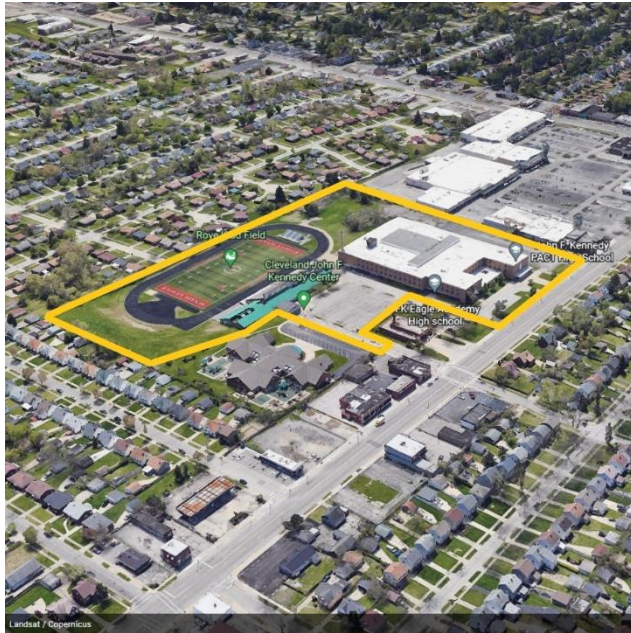
# Commercial Corridor Actions

## Breakdown

- 40 Retail White Boxing Grants
- 40 Storefront Grants
- 8 Acquisition Loans at an average of \$175K
- 12 Public Realm Grants

# Catalytic Redevelopment

**Problem:** Although there are many vacant sites in Southeast Side neighborhoods, the sites are not shovel-ready, construction gaps are large, and the market is not yet attracting private investment.





# Catalytic Redevelopment

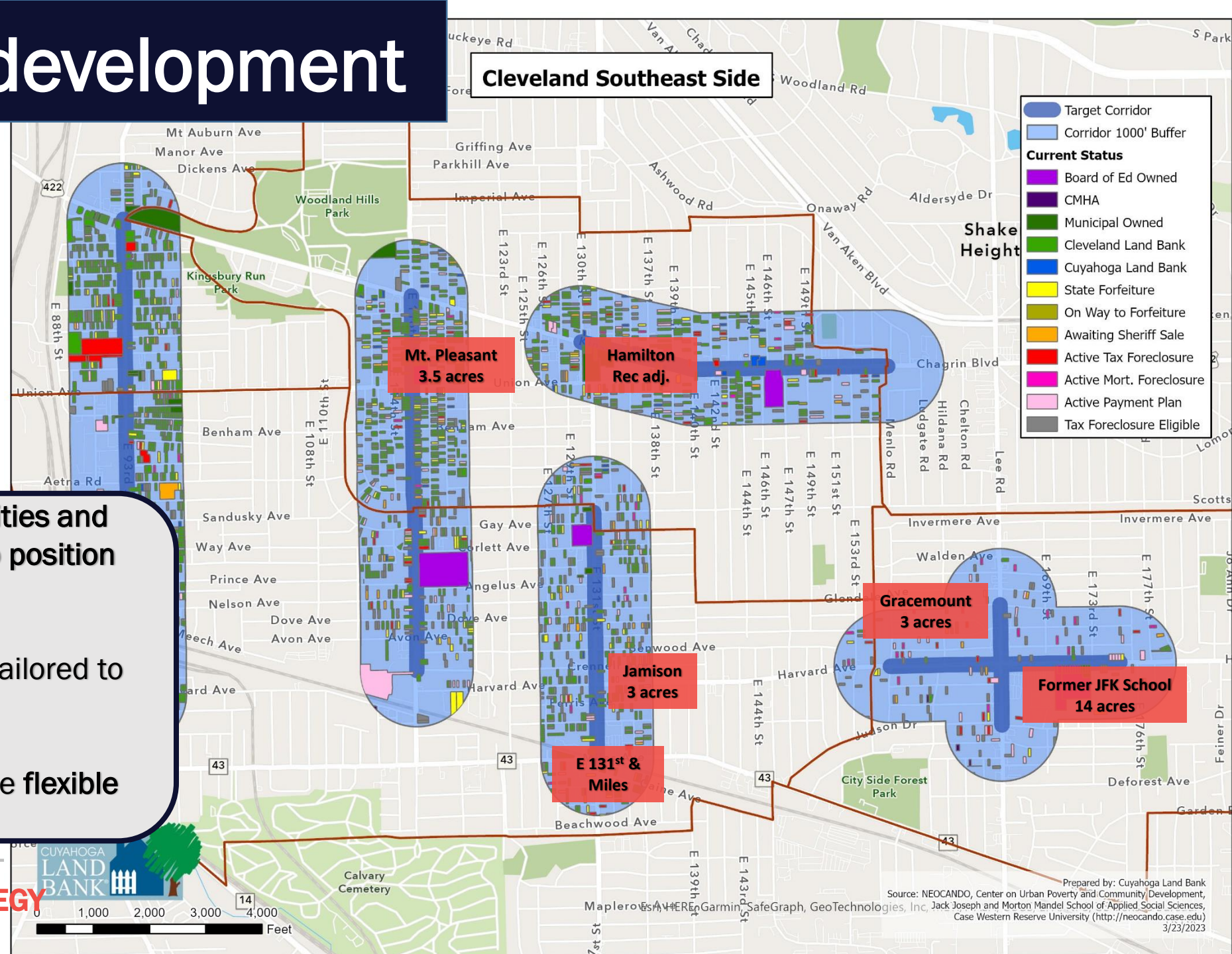
**\$5M to spur catalytic redevelopment on key sites**

Following is a menu of activities and incentives that we will use to position sites.

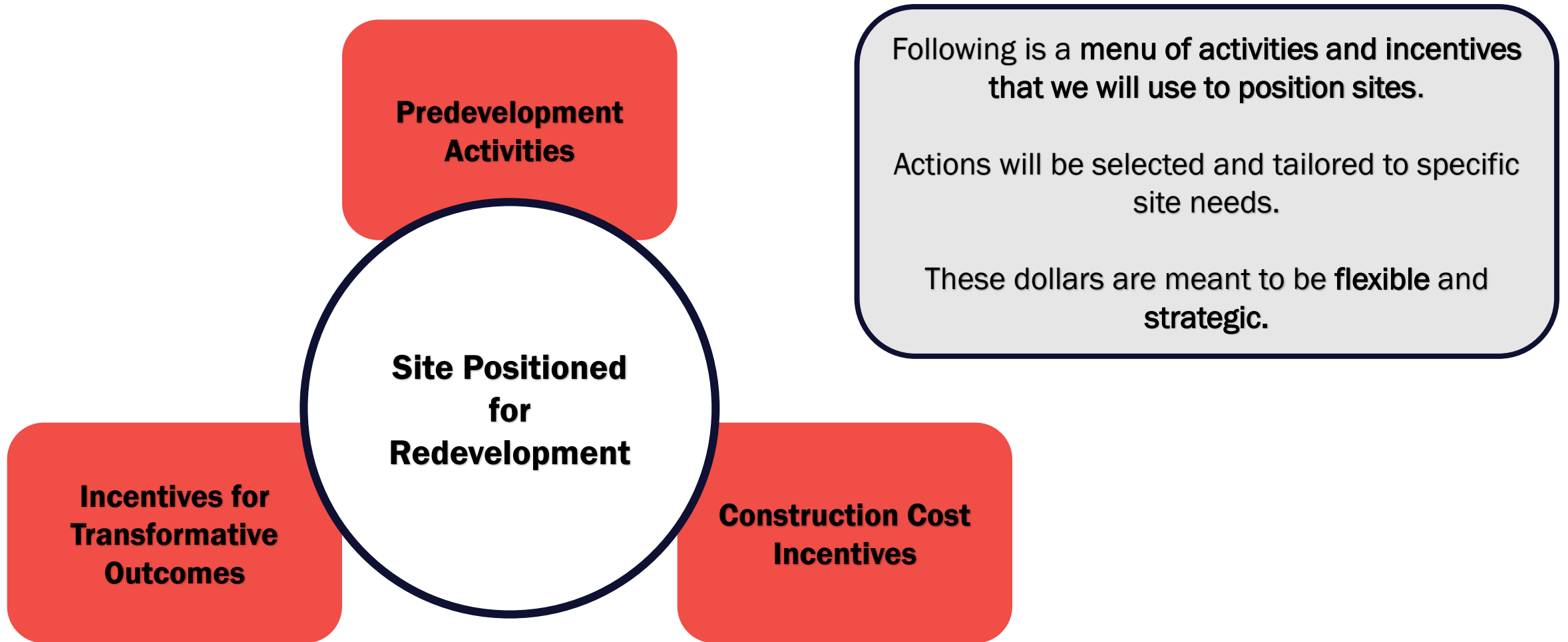
Actions will be selected and tailored to specific site needs.

These dollars are meant to be **flexible** and **strategic**.

Mayor Bibb's **SE SIDE STRATEGY**



# Catalytic Redevelopment Actions





# Catalytic Redevelopment Actions

## ***Predevelopment Activities***

### Property Transfer Logistics

- Title search, survey work, appraisals

### Environmental Conditions

- Phase I and II Reports
- Remediation\*
- Mitigation of conditions that make redevelopment difficult (demo, grading, storage tanks, etc.)
- Floor Plans; Lead & Asbestos Surveys (if existent building)

### Preparing for RFP Opportunities

- Market Analysis
- Planning & Engagement Studies
- RFP marketing/websites

These Predevelopment Activities position sites for redevelopment. Starting due diligence will increase efficiency once a project team is selected.

# Catalytic Redevelopment Actions

## ***Construction Cost Incentives***

Up to \$250,000 grant or low interest loan for Soft Costs

- Design Development
- Architectural Drawings
- Engineering Fees
- Construction Documents
- Enhanced Community Engagement
- Permits, Entitlements

Soft Costs are typically 30% of a development project budget

Up to \$1,000,000 low interest loan for Hard Costs

- Acquisition
- Technology
- On-Site Infrastructure
- Public Amenity Space
- Public Realm Enhancements
- Labor – MBE/SBE/FBE
- Multimodal Connectivity

Lower market demand and overall labor shortages may impact construction costs



# Catalytic Redevelopment Actions

## ***Incentive for Transformative Outcomes***

Up to \$500,000 forgivable loan for incorporating transformative outcomes into their project

### **Inclusive Economic Recovery**

- Wealth-creation tool, eg: Resident Investment Model
- Revolving Loan Fund / Program that Supports Existing Residents

### **Addressing Environmental Justice**

- Net Zero Building
- Increased Tree Canopy
- Solar Arrays

Incentivizing Transformative Outcomes that will directly benefit existing residents and are aligned with other City initiatives and priorities.

Site RFPs will outline principles for accessing these funds and proposals could include plans to include these outcomes in projects.

# Catalytic Redevelopment

## Costs:

Costs are and activities are highly variable depending on specific site and project needs. Estimated cost ranges for each set of activities:

### Predevelopment Activities

\$150,000 - \$600,000 per site

### Construction Cost Incentives

Up to \$1,250,000 per site

### Transformative Outcomes

Up to \$500,000 per site

➤ **3 - 4 Sites** with a combination of predevelopment & incentive funding