



SHAKER HEIGHTS
Neighborhood Revitalization and Development Agenda
Via Zoom Meeting Due to COVID-19
Public Health Emergency
Wednesday, March 10, 2021, at 6:00 p.m.

**For the safety of staff and residents, in-person attendance is not permitted.
Join online as a viewer or listener from a PC, Mac, iPad, iPhone or Android
device**

**at <https://zoom.us/j/96978685239?pwd=VmN5ZG40MEo3WWRadVFqWVNuSVRPdz09>,
Password: 33553400; Description: Neighborhood Revitalization and
Development;
or join by phone at 833-548-0282 (toll free); Webinar ID: 969 7868 5239; Password:
33553400.**

1. Approval of February 10, 2021 Meeting Minutes

Documents:

[DRAFT 2021-02-10 MINUTES.PDF](#)

2. Encouraging Scattered Site Infill Housing - City Owned Vacant Lots

Documents:

[NRD MEMO-ENCOURAGING INFILL FEB 2021-K LEWIS.PDF](#)
[SF INFILL POLICY STATEMENT-REVISED-K LEWIS.PDF](#)

3. 2021 Housing Programs

Documents:

[NRD MEMO-HOUSING PROGRAMS 2021 C. COMPTON.PDF](#)

*To request an accommodation for a person with a disability, call the City's ADA
Coordinator at 216-491-1440, or Ohio Relay Service at 711 for TTY users.*

Chair Tres Roeder:

Director Lewis, nothing did come in but would you like to give a more formal response?

Director Kamla Lewis:

I did send out an email to you all you might've missed it. It did go to Council and Council approved.

Chair Tres Roeder:

Anything else on the minutes from our last meeting?

Chair Tres Roeder:

Approval by Council Member Moore, seconded Mr. Strang. All those in favor. Aye. Those opposed, motion carries. Thank you. Our next agenda item is a discussion of the sale of the property at 3662 Riedham Road. Director Lewis will you be presenting this item?

Director Kamla Lewis:

Yes, I will. Staff is recommending tonight that the City sell a single family house located at 3662 Riedham Road that has been donated to us. The proposed buyer is CAP Construction which is one of our Shaker Renovators. The goal of the transaction would be to get this property back into productive use by transferring it to a reputable rehabber and subsequent sale to an owner occupant. The property was donated to the City on December 15th, 2020. It isn't actually deeded yet because of the slowdown process at the County but we anticipate by the time we get through all of our steps, if this is approved, it would be in our formal ownership. This property has been one the City has been concerned about for some time; it's been vacant for at least five years, is in considerable disrepair as you saw from the images that I included in the memo, and it's been the subject of many neighbor complaints. Housing Inspection issued a demolition order in August, 2020. This is a four bedroom colonial house built in 1938, it will require substantial rehab, as it does not appear to have been updated at all since it was built.

Director Kamla Lewis:

In addition to correcting all the point of sale violations, which include raising and replacing the garage and the back porches, CAP Construction proposes to make the following upgrades to the property; install new windows, electrical, plumbing, air conditioning, insulation where the walls are gutted, adding a security system, new cabinetry, countertops, new lighting, plumbing, new tiling, flooring, and refinishing the hardwood floors. They expect their renovation to cost approximately \$125,000 and that's excluding labor costs. Many of you are familiar with CAP Construction, they have been working with the city for some time under our Shaker Renovator program. They've done 20 similar renovations throughout the first suburbs. Their last project in Shaker was on Traver Road which sold in August, 2018 for \$225,000. They have consistently produced high quality rehabs and they do have an excellent reputation with all the City departments.

Director Kamla Lewis:

For those of you who may not be as familiar with our Shaker Renovator program, it was a program that Neighborhood Revitalization developed and instituted in 2011. We certify high quality rehabbers who, if they meet our standards, can then participate in programs like this to take over City owned properties. They get certain concessions. The main one of which is instead of having to

put 150% of funds in escrow for the rehab, they only have to put a 100% in escrow. We also offer free marketing of their projects even though that has not been very necessary because they have quite a following at this point as well. Since 2011 there have been 37 properties rehabbed under the Shaker Renovator program and that has represented an additional 9 million in property value through those rehabs.

Director Kamla Lewis:

If this sale is approved by Council, the City would sell the property to CAP Construction for a dollar and any additional costs related to the acquisition: the closing costs, taxes, title work, so that the transaction is cost neutral to the City. We would enter into a development and use agreement that would commit them to completing the rehab within six months of transfer and selling it to an owner occupant, as well as making those enhancements that are above point of sale. The goals of this proposal are to return the property to productive use, rehabbing it rather than demolishing. It would not only save us the cost of the demolition, but would represent approximately \$200,000 of property tax value. It would also save the City the funds of ongoing maintenance of a vacant lot if we were to demolish the property. The neighbors are very supportive of the City moving forward. They are so fed up at this point in time they would go with either option, but they do believe it would be a good outcome to have the property rehabbed. Staff is requesting that the Committee consider this proposal tonight and support its recommendation to Council.

Chair Tres Roeder:

Thank you Director Lewis, questions?

Carter Strang:

I appreciate the background too on the program itself and its success. It's just absolutely amazing. I don't know how many people generally in Shaker know what a great story. Just phenomenal and great to see. I lived on Strathavon just one street over, and that's a very, very nice neighborhood. Is this between Lomond and Scottsdale, or is this further up between Lomond and Chagrin?

William Hanson:

It's between Lomond and Scottsdale.

Director Kamla Lewis:

Actually Cindy Maxey, who many of you know from the library, lives right next door.

Director Kamla Lewis:

Bill and I have been through the house. When we went through the first time I asked the rehabber to come through, and he said, "Can I bring the kids?" I said, no, not at all. We did come out with fleas again this time.

Chair Tres Roeder:

Mrs. Moore, I saw you had your hand up and Mr. Woodcock, I see you have your virtual hand up, so we'll go to you after Mrs. Moore.

Council Member Moore:

I have three comments/questions. The first is that I was privileged and did view the CAP renovation on Traver. It had been a long time I guess, in actual transition, from its deteriorated state to the renovated state. It was such an outstanding renovation. It was like walking into a brand new house done to market tastes. I just wanted to say that wherever CAP walks is hallowed ground, in my opinion. I can only think that the neighbors are going to be delighted with the results. The second is two questions. The ivy, as a member of the tree advisory board, ivy looks really quaint and Englishy, but it needs to be removed exclusively, totally, from brick. Is that part of the plan?

Director Kamla Lewis:

Absolutely. In fact, because of the extent of this, Housing Inspection on the point of sale was not even able to conduct a full inspection. That is one of the first priorities to clear the ivy off of the property.

Council Member Moore:

Last question is the trees. I always ask you this, and you're such a good conservator of trees. What exists and what thought have you given to the trees?

Director Kamla Lewis:

You've probably noticed that there is a very large tree in the front of this property. From the first time that I had CAP Construction come and take a look at the house I said, make sure you assess the tree. At this point in time there is no indication that it will be in any way a problem to maintain, to keep the tree. It seems to be far enough away from the foundation, but as I said, unfortunately, there is so much that needs to happen on this house that it is going to be a wait and see. Anthony Paciorek who operates CAP Construction shares your sentiments about trees.

Council Member Moore:

I know he did a great job in the Traver house. There were quite a few trees and it was questionable which to retain.

Cmte. Member Woodcock:

I would like to also echo that the Traver house was spectacular. As somebody that used to walk by it all the time and watched that transformation, it was great, so I hope to see that again with this house. My question is kind of forward-thinking though, do we know of any other properties? This is wonderful. How does someone like CAP find these properties and do they have an opportunity to do more of them?

Director Kamla Lewis:

So the whole idea of the program was to have high quality rehabbers continue to ply their trade in Shaker and do as many possible. They have loved, as have all our Shaker renovators, working in the City and with the City. The main problem right now is inventory, and that has been the issue for a couple of years. They are in regular contact with both Bill Hanson and myself on the lookout for these properties. Originally when I created the program, it was to take the ones that the City itself owned and have a good way for them to be put into productive use. Of course we are getting fewer and fewer. It's very rare that we get properties with structures on them these days. But like this one,

any time that there is an opportunity we use that opportunity to get these into the hands of our Shaker renovators.

Director Kamla Lewis:

Bill constantly has a handle on, monitoring all the properties that are in foreclosure, et cetera, or he knows that the owners are thinking of selling. He will also give a heads up to these rehabbers for ones that they can then acquire on their own, on the private market, and that's mostly what they have been doing. There were three done in 2020, one on South Park, one on Aberdeen and one on Woodbury, all of those acquired privately, without having to go through us, but because of their participation in the program we're able to do more properties than they would have because they only had to put a hundred percent in escrow.

Bill Hanson, Housing Commissioner:

The only thing I would add is we found for longstanding distressed properties that issuing a repair/demolish order is effective in getting property owners to do something. This property on Riedham is a prime example where it had been vacant for many years. We couldn't track down the owner. We issued a number of violation notices. We did nuisance abatement work on the exterior landscaped areas, but couldn't prosecute or take any action against the owner because we couldn't find him. Through a lot of research we're able to track him down and that allowed us to get inside to assess the condition. It became very clear that the owner didn't have the wherewithal to make any repairs, it really wasn't cost-effective. At the end of the day we issued a repair/demolish order and that was the impetus to say "I'll just donate the property to the City." We were delighted that one of our Shaker renovators expressed an interest in renovating the property because it's really in bad shape.

Director Kamla Lewis:

Every property the Housing Inspection department issues a demolition order for, we consider for rehab at the same time. If we can't ourselves determine the feasibility of rehab, we invite them in to take a look. If any of them show the slightest bit of interest, we prefer to go that route.

Bill Hanson, Housing Commissioner:

It's also important to point out that when we issue a demolition order, the owner has the opportunity to file an appeal with the Board of Appeals. Certainly, and probably more than half of the cases where we do issue a demolition order, the owner of either decides to sell the property to a buyer who can afford to make the repairs and fund the escrow account or make the repairs themselves. So again, it's been a very effective tool and as Kamla indicated returning properties to productive use.

Director Kamla Lewis:

We currently have in the pipeline about two or three that are either already forfeited to the State and will eventually come to us or are heading in that direction. Once we are on that track that's when we start looking to our Shaker renovators as potential rehabbers.

Chair Tres Roeder:

Hello, Dr. Whyte. We're having a discussion on the PDF that we received in terms of the sale of the property, are there any other questions?

Cmte. Member Woodcock:

I have a somewhat related question. These certified rehabbers that we have such a great track record in Shaker, do they only rehab houses they've purchased or can people in Shaker Heights hire them to do work on houses that the rehabber doesn't then purchase? In other words are these people that we can, in a sense, help by having them listed on the Lomond referral list? There used to be a list of Lomond Association recommended contractors.

Director Kamla Lewis:

Particularly right now, where inventory is low, in order to keep their teams employed, they have been doing that. Alberino Construction is heavily advertising and doing rehab work. So yes, they are advertised on our city website as part of the benefits of being Shaker renovators. We have done pieces in the past on these rehabs in the Shaker Life magazine, for example. Again, we do want people to know about good rehabbers. One of the things we found is that particularly when people inherit a house and they aren't planning to take it on, they will contact them because they've heard that they do good work, but like I said, they have such a following. For the Traver house on the first day, they were already in a multiple bid situation back in 2018 before the stuff we saw last year.

Chair Tres Roeder:

Other thoughts? Comments? Dr. Whyte, did you have any questions on the PDF? Okay, if there are no further questions I'd entertain a motion. Moved by Mr. Strang and seconded by Mr. Woodcock. All those in favor say aye. Those opposed? Motion carries. That will be forwarded to Council. That concludes our formal agenda. Were there any other questions or items that the Committee wanted to discuss this evening? Okay seeing none. The meeting will be adjourned. We'll see you all next month.

* * * *

There being no further business, the meeting was adjourned at 6:23 p.m. The next meeting will be April 14, 2021.

Council Member Tres Roeder, Chair
Neighborhood Revitalization & Development Committee



Memorandum

To: Members of Neighborhood Revitalization and Development Committee
 From: Kamla Lewis, Director of Neighborhood Revitalization
 cc: Mayor David E. Weiss
 Jeri Chaikin, CAO
 Date: March 1, 2021
 Re: **Encouraging Scattered Site Infill Housing on City Owned Vacant Lots**

SUMMARY

As part of the city’s 2020 goal to promote private acquisition of City owned vacant lots, last year we focused on streamlining the city’s side lot program. In 2021, staff is recommending several steps to increase interest in building homes on city owned vacant lots.

BACKGROUND & DISCUSSION

- ***Why is this important?*** Building infill housing on city owned vacant lots is important for a number of reasons, including:
 - It returns these vacant lots to productive, tax paying uses, generating additional tax revenue.
 - It revitalizes areas hard hit by foreclosures, spurring investment by existing owners, and raising property values.
 - It creates new housing options, including more energy efficient housing, accessible housing and lower maintenance housing, expanding the options for people interested living in Shaker Heights.
 - It costs the City approx. \$615 annually to maintain each vacant lot, so it saves us general funds when we are able to transfer these lots to private ownership.
- ***Potential Impact?*** There are currently 428 vacant lots throughout the City, with the City owning 222 (52%) of those. City owned lots are mostly concentrated in the Moreland and Lomond neighborhoods.

Neighborhood	City Owned	Privately Owned
Boulevard	0	18
Fernway	0	15
Lomond	63	45
Ludlow	13	13
Malvern	1	17
Mercer	4	29
Moreland	140	40

Neighborhood	City Owned	Privately Owned
Onaway	1	10
Sussex	0	19
Total	222	206

- **Why now?** As the housing marketplace has stabilized in the past 2 years, we have seen greater interest by both individuals and developers, in building new homes in suburbs like Shaker Heights, and believe, therefore, that it is the right time to look at additional steps we can take to spur interest in building new homes on city owned vacant lots. Because of this shift in the marketplace, for the first time, the County’s Housing Program is currently providing funding which can be used by developers in certain areas of the city, providing potential subsidy to make new housing economically feasible.

Current Situation

- Because of limited staffing resources, and the focus in the aftermath of the foreclosure crisis on eliminating blight and stabilizing neighborhoods, the City has historically chosen to take a passive approach to marketing the availability of these lots to builders, developers, realtors and potential homeowners wanting a new home. We have relied primarily on these individuals happening across our city website and searching our list of available properties.
- There are currently 13 city owned vacant lots under contract with developers:
 - 5 with Knez (Moreland)
 - 6 with Keystate (3- Lomond, 1- Mercer, 1- Onaway)
 - 2 with the County Land Bank (Moreland)).
- 32 new single family homes have been built on vacant lots throughout the City from 2000-2020. Of these, 6 were on city owned vacant lots (5 in Lomond and 1 in Moreland). Of the houses built on privately owned lots, only 7 were built south of Van Aken.

What’s Already in Place to Encourage New Housing?

- Ten year, 100% tax abatement in sections of Moreland.
- Infill design guidelines for Moreland that allow more flexibility on material choices to improve affordability.
- A Small Lot Infill Development (SLID) overlay in Southern Moreland, that offers developers more zoning flexibility to allow density and different housing options.
- Single point of contact for developers to shepherd them through the process.

Challenges to Increasing Housing on Vacant Lots

- **Building Costs:** Building on scattered vacant lots is more costly to developers than building on large tracts of land, in part because they do not have the benefits of scale. Developers are interested in building where they have the greatest opportunity for profit, so they look closely at incentives being offered, and city processes/requirements that increase their costs, and where they can control and market multiple lots at a time.
 - Because of our [high design standards for new construction](#), building in Shaker is more expensive than in Cleveland and other inner ring suburbs.
 - Shaker offers less expansive tax abatement and in very few areas of the city. For example, Cleveland and University Heights offer 15 year 100% tax abatement throughout their cities, Cleveland Heights offers 15 year 100% tax abatement in about one third of the city, and Warrensville Heights offers 15 year 75% abatement.
- **Limited Number of Potential Developers:** There are a limited number of experienced local developers who do scattered site infill housing market, and hundreds of vacant lots available in

Cleveland and the first ring suburbs. The challenge, therefore, is to get the attention of these developers and clearly articulate the value proposition in Shaker vs other locations, similar to what we do as we seek to attract commercial investment in the city. This would require a more active marketing approach than we currently have in place.

- **Lack of familiarity with the marketplace:** Ultimately, developers want to be able to sell the houses they build, and therefore assessing the market in different locations is key to their decision making process. While Shaker Heights is generally well known to them, the neighborhoods where we have the greatest concentrations of available lots are less so. African American neighborhoods like Moreland have particular challenges in attracting developers because they are lesser known and because of widespread, but frequently unfounded, negative perceptions about these neighborhoods. Intentional marketing of these neighborhoods has been shown to be critical to attracting developers and potential buyers to these neighborhoods.

RECOMMENDATIONS

1. Attract more residential builders/developers to work in Shaker:

- Create a webpage section on our City website aimed specifically at builders/developers as a “one stop” location of the most relevant/frequently requested information.
- Create MLS listings of the city owned vacant lots reserved specifically for new housing.
- Participate in the First Suburbs Consortium (FSC) project aimed at reducing barriers to infill.
- Continue to use social media and Shaker Life to promote the new homes being built on city owned vacant lots.

2. Increase public awareness among potential homebuyers of new housing construction opportunities:

- Create a webpage section on our City website aimed specifically at potential homebuyers of new housing, addressing their specific concerns.
- Since the majority of the available lots are in the Moreland neighborhood which is unfamiliar to most potential buyers, create a webpage that specifically highlights neighborhood assets.
- Continue to use social media and Shaker Life to promote the new homes being built on city owned vacant lots.

3. Attract potential buyers for new homes:

- Work with ESOP to develop and pilot a “Know Before You Build” workshop series to educate potential buyers and build a pipeline of buyers for new homes.

4. Make new construction costs more affordable:

- Expand the applicability of the more flexible infill design standards (attached) developed for the Moreland neighborhood, to the Lomond and Ludlow neighborhoods.

5. Ideas Under Consideration:

- Updating RDL designs of infill homes to provide concepts of what is possible on these smaller lots.
- Researching the market demand for accessory dwelling units as an option for increased affordability.

Neighborhood Policy Statement:

Single Family Infill Housing Design Guidelines (6/1/18)

Intent:

The Design Guidelines' intent for infill single family homes include: compatibility with the surrounding neighborhood; architectural style meeting neighborhood standards; individual building design quality; and materials in context with and of sufficient quality and durability within an existing neighborhood. While the design intent is applicable city wide, some neighborhoods have experienced high levels of vacancy, demolition and a general lack of investment due to the housing crisis and economic recession in 2008 and after. This document outlines some possible flexibility in the design guidelines taking into account the current conditions of the housing stock and wide diversity of neighborhoods in the city.

Explanation of evolving neighborhood standards:

1. There is up to a 40% vacant lot rate of former home sites in some neighborhoods due to demolition resulting from the foreclosure housing crisis and economic recession.
2. The City's Housing Plan encourages development in neighborhoods that have experienced demolitions and high levels of disinvestment. Some neighborhoods have not had a new house built in over 15 years.
3. The types of materials used to renovate existing homes in these neighborhoods include some of the same materials and design details as proposed for some new housing including vinyl windows, vinyl siding, and composite trim details.
4. These neighborhoods have dense development with limited side yards and no rear yard sight lines from the public street.
5. The general design of many homes in some neighborhoods with smaller lot sizes and denser development emphasizes the front elevation design. The same level of design does not necessarily continue on other elevations of the structure. The side and rear elevations, not visible from the street, are typically more utilitarian in design and materials and lack the same design details present on the front elevation.

Policy:

The following is a proposed statement of policy based on the preceding information.

The Architectural Board of Review and City Planning Commission agree to adopt a policy that allows for modifications to the Single Family Infill Housing Design Guidelines to allow greater flexibility within dense neighborhoods that have experienced disinvestment and have a higher than historical rate of demolition and vacancy with these specific conditions. The level of infill housing design should not be compromised, but alternative exterior materials can be considered.

1. Certain materials, such as high quality vinyl windows, have significantly improved since the Design Guidelines were written in 2005. Some vinyl window brands replicate wood windows with similar profiles, functionality and durability.

2. Advances in higher quality vinyl siding has improved certain qualities including thicker gauge choices, better profile choices and long-lasting color retention. Thicker gauge vinyl siding, with appropriate trim details that replicates wood siding trim details, may be allowed and reviewed on a case-by-case basis. If different siding materials are proposed on the same house, the materials must be color matched.
3. Composite materials used for trim, railings, porches, columns, architectural detail have proven to replicate the look of wood, are available in a multitude of styles and colors, and hold up to the elements.
4. The review of other new homes in the city has led to the following precedent for modifying the design guidelines:
 - a. Simulated or real divided lite windows are preferred on the front elevation of a home while windows with grids between the glass may be considered on all elevations on a case-by-case basis.
 - b. Allow composite trim materials.
 - c. Allow fiberglass front doors, which replicate a wood door design.
 - d. Allow stoop and steps materials other than brick and stone when they are attached to and of the same material as a porch.



Memorandum

To: Members of the Neighborhood Revitalization and Development Committee
From: Colin Compton, Neighborhood and Housing Specialist, Economic Development
cc: Mayor David E. Weiss
Chief Administrative Officer Jeri E. Chaikin
Economic Development Director, Laura E. Englehart
Date: March 10, 2021
Re: Request to contract with Home Repair Resource Center for an amount not to exceed \$75,000 to administer home repair programs for Shaker residents in 2021

The Economic Development Department requests a recommendation to City Council to enter into a contract with Home Repair Resource Center (HRRC) for an amount not to exceed \$75,000 to administer the City’s existing home repair grant programs and additional home repair and empowerment services in 2021. Of this total amount, \$50,000 will be reserved as grant funds available to Shaker Heights residents for brick-and-mortar repairs. Funds are available in the Economic Development Department operating budget for this purpose.

I. Background

The City has a long-running suite of home repair programs to help eligible owner-occupants correct exterior code violations, address emergency repairs, complete accessibility upgrades, and more. This includes three grant programs funded by the City and one competitive grant program funded by an outside entity (outlined below). These programs are essential in assisting financially constrained residents, especially senior adults, with completing health, safety, and other improvement projects at their homes.

To date, the City has administered these programs directly. The Economic Development Department is looking to improve service to residents and reduce barriers to successful project completion by partnering with HRRC in 2021 to administer our City-funded grant programs. This will be done in a budget neutral way that does not reduce total funding available to eligible residents for repair work. HRRC was chosen through a competitive RFQ process as outlined below.

II. Overview of Existing Grant Programs

City-Funded Programs

- **Exterior Maintenance Grant and Senior Exterior Maintenance Grant:** Provide grants of up to \$2,500 to eligible residents to correct exterior code violations cited by the Building and Housing Department.
- **Senior Emergency Safety Grant:** Provides grants of up to \$500 to eligible residents to address emergency repairs or accessibility upgrades.
- **Paint Program:** Supplies a voucher for paint and supplies to eligible residents for addressing DIY “scrape and paint” violations.

Externally Funded Program

- **Carol M. Peterson Housing Fund (CMPHF):** In addition to self-funded programs, the City has successfully participated in this program for a number of years. This competitive program provides grants of up to \$7,500 for as many as 10 households to address emergency repairs or accessibility improvements. No dollar match is required from the City.

CITY OF SHAKER HEIGHTS | *Economic Development*

3400 Lee Road Shaker Heights, Ohio 44120 P 216.491.1334 Ohio Relay Service 711

shakeronline.com www.shaker.life

III. Grant Program Data

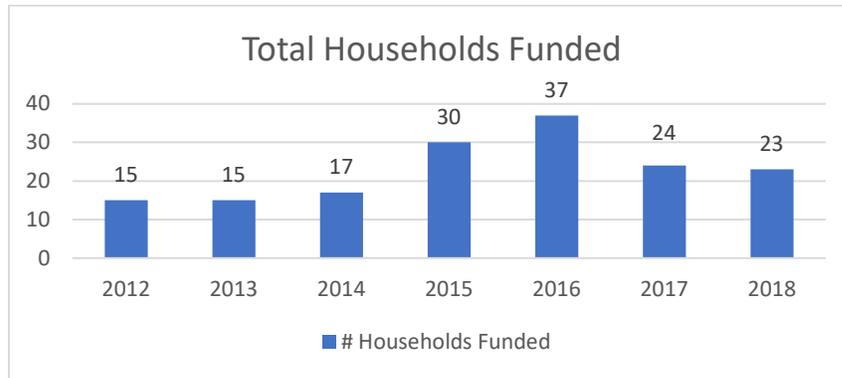
Budget

Historically, the City has budgeted \$75,000 each year for all housing programs administered by the Economic Development Department. This total budget has included the City-funded grant programs described above as well as hands-on home repair classes, landlord- and tenant-focused programming, and more.

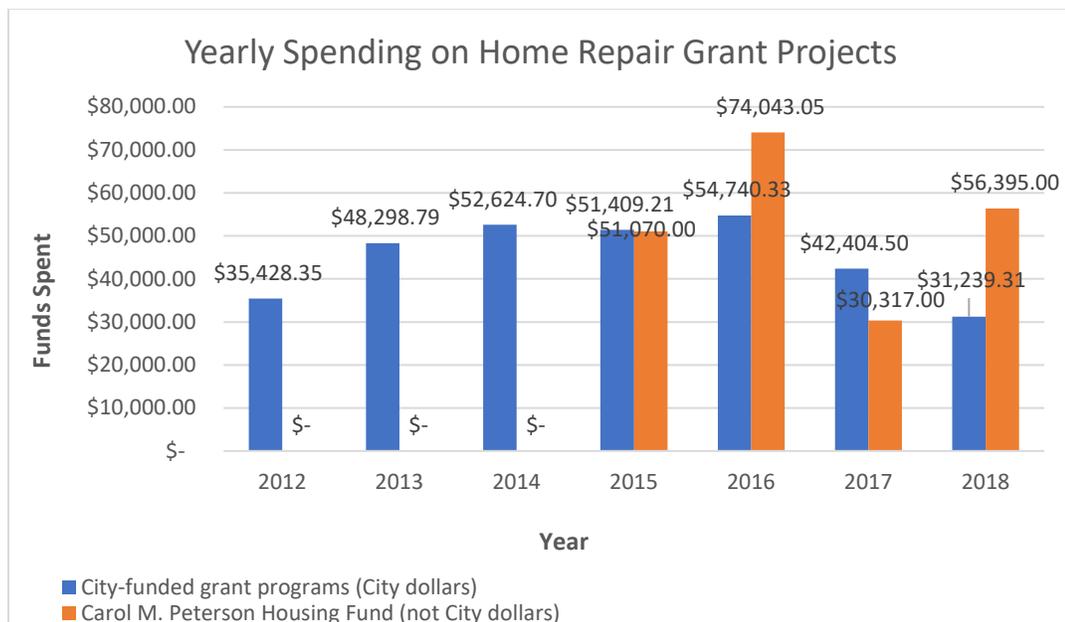
Spending and Program Use Data

A majority of grant-funded projects address code violations cited by the Building and Housing Department during exterior systematic inspections of every neighborhood on a five-year rotation. Accordingly, usage and spending on grant projects varies from year to year. Generally, usage of these programs increases in the years immediately following exterior inspections in our low- and moderate-income neighborhoods.

- Households Funded: from 2012 through 2018, an average of 23 households completed a City-funded grant project each year (the lowest amount was 15 households and the highest amount was 37).



- Yearly Spending: from 2012 through 2018, average yearly spending on City-funded home repair projects was \$45,000 (the lowest amount was \$31,000 and the highest amount was \$55,000). This average does not include projects funded by the Carol M. Peterson Housing Fund (not City dollars).



- Resident Survey Data: Following most years of grant administration, the City sends surveys to all households that completed a grant project. In the most recent rounds of surveys over a two-year period, 85% of homeowners who completed a grant-funded project stated that the most difficult part of the process was obtaining estimates from contractors willing to proceed with a grant-funded project. This survey data is consistently backed up by anecdotal evidence from homeowners stating the same problem. Alarming, this data does not include projects that were approved but could not move forward due to issues with obtaining estimates, so the problem is even larger than we have data for.

Program Challenges

Under the current model in which the City administers these grant programs in-house, contractors chosen by approved grant recipients are paid directly by the City. To make this possible, each contractor must become a City vendor and comply with documentation requirements established by state auditors. These documentation requirements cause projects to languish and have increasingly lead contractors to refuse City-funded projects altogether.

This results in eligible repair projects remaining uncompleted for homeowners who most need extra financial assistance. This also causes homeowners to feel misled by the City by being awarded funds but presented with an onerous process that stymies construction work. Lastly, managing these housing grant programs requires significant City staff time (up to 90% of the Neighborhood and Housing Specialist's time during the warmer months), leaving little time for neighborhood engagement work and other tasks.

IV. Request for Qualifications Overview

The Economic Development Department released a request for qualifications (RFQ) on January 25, 2021 seeking qualified, local housing partners to administer our home repair grant programs in 2021. In developing this RFQ and evaluating subsequent submissions, we developed four primary goals aimed at continuing and improving service to residents while also fully leveraging available funding for home repairs in a budget neutral manner. These goals are:

- o Retain a high level of service and assistance to residents
- o Streamline processes for homeowner-chosen contractors to complete repairs
- o Maintain a majority of budgetary funding for brick-and-mortar repairs for residents (as opposed to professional fees)
- o Continue participation in the externally funded Carol M. Peterson Housing Fund

The RFQ was sent to local housing nonprofits and the City subsequently received two applications. Both applicants were interviewed on February 22. Based on submissions, qualifications, and interviews, staff is recommending that the City move forward with Home Repair Resource Center.

V. Partner Overview and Services

Overview

Home Repair Resource Center (HRRC) is a local nonprofit housing agency located in Cleveland Heights whose mission is to empower homeowners to maintain their homes for sustainable and diverse communities. HRRC offers classes and counseling for prospective homebuyers, loans and grants for eligible homeowners to finance repairs, hands-on workshops, a Tool Library, foreclosure prevention, and more. Founded in 1971, HRRC is a firmly established organization with multiple entry points designed to serve people throughout all stages of homeownership. HRRC has facilitated \$15.5 million in repairs for homeowners since their founding and has managed grant programs for the City of Cleveland Heights since 1978.

The City of Shaker Heights has had a successful collaboration with HRRC since 2014 that has provided hands-on repair classes, technical assistance, access to the Tool Library, and more to residents. Our most recent contract with HRRC for these services in 2019 was for \$10,000 and did not include any administration of City-funded grant programs.

In 2021, our primary point of contact at HRRC for this proposed expanded contract will be Sharra Thomas. Ms. Thomas previously served as the Housing Specialist for the City of Shaker Heights and administered our grant programs from 2012 through 2016. Lastly, Ms. Thomas initiated and established Shaker's participation in the Carol M. Peterson Housing Fund. HRRC is the only other agency in our area that has experience with this program.

Contract Services

Under this contract, HRRC will:

- Administer all City-funded grant programs, to include:
 - o Fielding inquiries from Shaker residents
 - o Providing applications for City grants and referrals to other programs, as needed
 - o Reviewing and approving/declining grant applications
 - o Providing technical assistance to applicants, including assistance with contractors
 - o Managing construction projects and ensuring completion
 - o Processing payments to contractors
 - o Reporting data on program usage to the City
- Administer the Carol M. Peterson Housing Fund for up to 10 Shaker households
- Provide a suite of additional home repair-related services available to all Shaker residents to include:
 - o Hands-on repair class rates discounted 25% for Shaker residents
 - o Shaker-based hands-on repair classes (located in Shaker when safe to do so in person; virtually to start)
 - o Access to the Tool Library
 - o Technical assistance by phone or email (perhaps in-office if safe to do so later in the year)
 - o Assistance to residents with Shaker Heights Municipal Housing Court cases, upon request
 - o Homeowner Education Series and counseling (also currently virtual)
 - o Senior Programming
 - o Landlord Training

Fee Structure

In compensation for the services above, for work performed through December 31, 2021 (as well as any additional closeout work required for home repair projects started in 2021 and completed in 2022), HRRC will be paid a base contract fee of \$20,000 plus a per-project fee of 10% of the cost of each completed grant project (maximum of \$5,000). Therefore, fees to HRRC under this structure will not exceed \$25,000. The funds available to residents for brick-and-mortar repairs will be maintained at their current level of \$50,000. Monies reserved for repair work that are not spent will be retained by the City.

Recommendation

The Economic Development Department requests a recommendation to City Council to enter into a contract with Home Repair Resource Center to administer the City's existing home repair grant programs and a suite of additional home repair and empowerment education services in 2021 for an amount not to exceed \$75,000.