

U.S DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

COMMUNITY PLANNING AND DEVELOPMENT

PATHWAYS TO REMOVING OBSTACLES TO HOUSING

(PRO HOUSING)

APPLICATION FOR FUNDING SUBMITTED BY

CUYAHOGA COUNTY, OHIO

OCTOBER 2023

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DRAFT

Northeast Ohio’s Cuyahoga County was named for the river that divides it. Cuyahoga is a Native American word that means “crooked” and the Cuyahoga River is a crooked river that runs through the middle of the county, dividing the east and west sides. Unfortunately, that division is also representative of the societal divide, because like some other large, urban counties in the U.S., residents of Cuyahoga County have a history of being divided by inequity.

Cuyahoga County sits on the southern shore of the great Lake Erie. The county is home to the city of Cleveland and the nearly 1.3 million county residents (2020 U.S. Census) represent a picture of diversity with 63% White, 30% Black, and 3.5% Asian.

NEED

Cuyahoga County has a long history of segregation and, unfortunately, the issue remains. According to a 2022 report from The Center for Community Solutions,¹ “The historical roots of residential segregation lie in the 1930’s and the post-World War II period which featured discriminatory housing policies, restrictive real estate covenants, and mortgage redlining. Housing segregation also led to de facto school segregation, leading to poor school outcomes, and in turn, socio-economic disparities between races. All of these dynamics have contributed to what we currently see as vastly lower intergenerational wealth transfers for Blacks as compared to whites and enduring racial inequities.”

The Cuyahoga County Council declared racism a public health crisis in 2021, with county leadership recognizing that the people of Cuyahoga County desire “an improved focus on equity for all our communities and citizens.” They identified specific areas of disparity between Black and White people in healthcare, the criminal justice system, healthy food, safe and **affordable housing**, well-paying jobs and business ownership opportunities, quality transportation, educational opportunities, and safe places to be active.

Two years later (2023) Cuyahoga County leaders – specifically in an effort to strengthen the ongoing battle with barriers to affordable housing -- established a stand-alone department of Housing and Community Development and secured a local leader with over 30 years of urban housing experience to be the inaugural director.

Cuyahoga County serves 59 municipalities, of which 51 are members of our Urban County and 4 are members of our HOME consortium. The County has been identified, in accordance with this NOFA, as a Priority Geography, along with 17 municipalities within the county.

Cuyahoga County has made increasing access to affordable housing a priority for the past decade. Initiatives to address barriers to affordable housing have included:

¹ Ahern, Joseph, “Measuring Racial Segregation in Cuyahoga County,” April 18, 2022

1. **Providing gap financing to developers of affordable housing.** For the past ten years, Cuyahoga County has used its annual allocation of federal HOME Investment Partnership Act funds to provide gap financing to developers of affordable housing projects in an effort to increase or retain the number of affordable units. These funds are provided as zero interest, forgivable loans. Cuyahoga County requires that for each \$150,000 loaned one unit be assigned as a HOME unit and must be maintained as affordable for a period of time designated in the loan agreement. The provision of these funds as gap financing allows the developers to close the financial gap, thus allowing the projects to move forward.

Cuyahoga County has expended over \$2.2 million to 61 projects to create or retain affordable housing units in the County. Through this funding we have assisted in the retention or creation of 3,081 affordable housing units.

In addition to the use of federal HOME funds, in the past two years the county has allocated \$6.5 million dollars of its Emergency Rental Assistance 2 funds from the U.S Treasury Department to provide financing to developers of affordable housing using the HOME program guidelines. *The use of the Treasury's ERA 2 funds for affordable housing has allowed us to assist eight projects for a total of 403 newly constructed affordable housing units in Cuyahoga County.* The provision of funding to these projects has allowed the projects to move forward with the creation of additional affordable housing units.

2. **Offering down payment assistance to home buyers.** Since 2012, Cuyahoga County has provided down payment assistance to homebuyers whose income does not exceed 80% of the area median income to occupy affordably priced homes in its Urban County communities and HOME Consortium community members. *In the past two years we have provided down payment assistance to 62 households for a total of \$1,052,835.*

3. **Funding for home repairs.** Cuyahoga County provides funding for home repair assistance to allow low-to-moderate (LMI) income households to make the necessary repairs to their homes to ensure these residents are able to remain in their homes and not become displaced.

4. **Addressing zoning issues.** The Cuyahoga County Planning Commission ("County Planning") has completed or is in the process of completing Master Plans and other planning processes in 27 municipalities, and these plans have included specific zoning and housing recommendations that address barriers to housing production. County Planning is an independently-governed arm of Cuyahoga County that is focused on "advancing Cuyahoga County's social, economic and environmental health through equitable community planning."

5. **Educational Opportunities.** Cuyahoga County has provided financial education to the

community to prevent foreclosure and the resulting displacement of our residents.

Moving forward, Cuyahoga County will continue with the programs noted above and introduce a new housing initiative, the Housing Fund, to target the population of residents who are currently above the CDBG and HOME AMI limit of 80% and above the PRO Housing limit of 100% of AMI. Cuyahoga County will leverage funds to support those residents whose incomes do not exceed 120% of AMI as was used in the administration of federal Neighborhood Stabilization Program (NSP) Funding.

Currently, available funding for housing assistance comes exclusively from federal sources, which limits the department's ability to provide services in other communities that receive direct federal funding, such as the cities of Cleveland and East Cleveland. The Housing Fund will be used to support projects and programs in all 59 Cuyahoga County communities. Funding will not be restricted to the income or rent limits as currently required by the U.S. Department of Housing and Community Development (HUD). Currently HUD requires that funding be provided to support households whose gross income does not exceed 80% of the Area Median Income (family of 4 = \$72,300). The ability to serve those who have a higher gross income is essential to providing affordable housing for all.

Combined funding from a PRO Housing award and other resources will be used to increase affordable housing options by providing:

- Support to developers and communities who need public subsidy to create or rehab affordable housing based on the Cuyahoga County definition of affordable. Cuyahoga County, for the use of its Housing Fund, will define eligible income as that income which is determined by the household's gross income minus taxes, that does not exceed the federal annual median income for the household size. Through the fund, the county will further create a countywide home repair program for households whose gross income currently exceeds the HUD mandated limits.
- The creation of a repair fund for landlords of single family or double/duplex structures who currently -- or agree to -- participate in the Cuyahoga Metropolitan Housing Authority or Emerald Development and Economic Network's voucher program.
- Financial assistance to cities and developers who will create new construction or rehabilitation of affordable single-family housing and multi-family housing projects. To ensure that affordable housing is available to a variety of income ranges, the creation of a countywide program will provide down payment assistance to those who currently do not qualify for federally funded assistance programs.

This creation of a countywide housing program allows the county to fill the gap for those residents whose gross household incomes exceeds 80-100% of AMI but are still in need of assistance.

To further assist in mitigating barriers to affordable housing, the Cuyahoga County Planning Commission (“County Planning”) has partnered with the communities of Cuyahoga County to identify, address, mitigate, and remove barriers to affordable housing production and preservation as part of three key initiatives: community planning updates, the Single-Family Zoning Analysis, and a Transit-Oriented Development Zoning Study.

Since 2013 County Planning has provided free or reduced cost planning services to the communities of Cuyahoga County through the Planning Grants program. County Planning has completed or has underway Master Plans and other planning processes in 27 communities, and these plans have included specific zoning and housing recommendations that address barriers to housing production. For instance, the 2016 City of Beachwood Master Plan includes actions to “Remove building code and zoning code obstacles to modernizing single-family homes,” “reimagine Richmond Road as a multi-family corridor,” and “encourage and incentivize universal design to allow aging in place.”

Second, County Planning has undertaken a Single-Family Zoning Analysis project in collaboration with the Cuyahoga First Suburbs Consortium, the first government-led advocacy organization in the country working to revitalize mature developed communities and raise public and political awareness of the problems and inequities associated with urban sprawl and urban disinvestment. The study determined the extent to which zoning regulations were hindering infill development on vacant lots in older, inner-ring suburbs. Core findings showcase the deep need to reform zoning.

It was determined that many existing homes could not be built under current regulations. An estimated 30% of existing homes would not meet existing front setback requirements. Moreover, multiple communities do not have the ability to update their zoning maps. In some cases, maps are only available in paper form at City Hall. Some communities have setback, height, or use district maps that are separate from their official zoning map, making updating maps more difficult.

As a result of this work, County Planning and the First Suburbs created a Phase 2, Pilot Program to build off the analysis completed in the first phase. Two east side communities—the cities of Euclid and South Euclid—were randomly selected to receive updates or re-writes of their single-family zoning districts code to incorporate best practices and modern text to better facilitate infill development and to assist the communities to adopt the revised code. In both

instances, proposed changes expand the allowable uses to include two-family dwellings and in certain instances three-family dwellings within existing single-family neighborhoods.

Additionally, changes to minimum lot size and width requirements would dramatically reduce the need for variances to build on vacant lots.

To facilitate changes beyond the pilot communities, County Planning produced educational pamphlets, a best practices guide, an incentives guide, and a design guidelines guidebook all aimed at providing communities the resources to address zoning issues for infill housing development. Independently, communities such as Brooklyn, Maple Heights, and Berea have all updated their zoning as a result of this study in order to better facilitate infill development.

Third and finally, County Planning began a Transit-Oriented Development (TOD) Zoning Study in collaboration with the Greater Cleveland Regional Transit Authority in 2022. The study aims to understand whether mixed-use, walkable development with housing over retail or similar use could be built adjacent to frequent bus routes. By building housing in close proximity to transit, we can better connect transit riders to areas of opportunity throughout the county. The study identified the following barriers to housing development:

- The majority of land even in close proximity to transit is zoned for single-family housing. More than 53% of land within ¼ mile of a bus stop or ½ mile of a train station is zoned for single-family housing, limiting the density of housing near transit.
- More land near transit is being used for parking than for buildings. Near transit, 25.3% of land is used for parking while only 17.1% is used for buildings.
- Only 5.5% of land near frequent transit would allow mixed-use, walkable Transit-Oriented Development (TOD). Within 26 communities along 22 bus and train routes, there are 455 different zoning districts covering 54,422 acres of zoned land. Only 2,990 acres met five basic criteria that we defined as being supportive of TOD.

The analysis of single-family zoning and transit-oriented development zoning shows that outdated, inappropriate zoning codes are standing in the way of allowing new housing development. This is even true for single-family housing, which is typically the most easily developed form of housing. Outdated zoning makes the process of building housing take longer and makes housing more expensive to construct. Zoning that fails to allow infill development in older communities means disinvestment in existing neighborhoods, less access to jobs and transit, decreased revenue for historic communities, and continues sprawl to green fields and farmlands, and areas without existing infrastructure.

As of September 2023, County Planning and its partners have contributed more than \$300,000 in planning toward the single-family zoning and transit-oriented development zoning projects.

County Planning has partnered with governmental entities across Cuyahoga County to address these issues by updating zoning to eliminate barriers and reduce burdensome approval processes, thus making housing investments—including affordable housing investments—buildable by-right.

DEMAND

In Cuyahoga County, 46.8% of households are housing insecure, meaning these families pay more than 30% of their income on housing costs.² This problem is universal, affecting households of all types, regardless of family configuration, marital status, age, or even neighborhood. Housing insecurity is a function of two things: 1) access and availability of affordable housing that is both safe, high quality, and connected to opportunity, and 2) sufficient income and stability to maintain an affordable home, particularly as wages stagnate and housing costs rise. Rising housing costs and stagnating wages create a “perfect storm” that threatens to destabilize low-income households – particularly renters. Housing insecurity forces families to make toxic tradeoffs that can affect health, education, and economic opportunity. Without new affordable units and efforts to preserve existing affordable units, housing insecurity will only continue to grow.

Approximately 282,513 people age 60 and over currently call Cuyahoga County home, 21.3% of the County’s population. However, by 2030 this population is projected to grow to 31%, outnumbering youth under 20 years old. While the County has found success in reducing the number of chronically homeless (long-term homeless with a disability), there are housing concerns for many other populations, such as other homeless, veterans, people who are disabled and not homeless, those re-entering from incarceration, youth aging out of foster care, and very low income seniors to name a few. The lack of affordable, quality and accessible housing that meets low-income special populations is the source of the challenge.

According to the Ohio Housing Finance Agency Northeast Ohio Regional Housing Needs Assessment - In 2019 home prices in the suburban counties around Cleveland and Akron were higher than the state median (\$132,317). While increases in home prices are positive for existing homeowners, it makes it challenging for new homeowners to enter the market. This is true for moderate-income potential homebuyers, who may be required to stay in the rental market as prices climb out of reach. Additionally, the report states that “Since 2010 Northeast Ohio’s housing stock has grown by 0.7%, a slower pace than the state in general (2.1%).

² Jarboe, Michelle, crainscleveland.com, “Cleveland Proposes Sweeping Code Changes Aimed at Absentee Landlords, Vacant Buildings,” September 18, 2023

Market rate rental housing is available throughout all of the Cuyahoga County Consortium communities -Cleveland Heights, Euclid, Lakewood and Parma Compared to rental rates in other parts of the county, rates in the Consortium are less expensive, however they are still unattainable for many households with extremely low incomes. Additionally, housing costs for both owners and renters went up substantially during and after the Covid 19 Pandemic, adding heightened pressure for the availability of affordable housing.

The United Way of Greater Cleveland-Cuyahoga County 2023 needs assessment indicates over 30% of households in Cuyahoga County spend more than 30% of their income on housing, and almost 40% of renters face unaffordable housing. 56% of female household renters without a spouse or partner face housing unaffordability, making them the most affected group. Older adult renters, especially in suburban communities, also face significant rent burdens. Housing affordability has remained relatively unchanged in the past five years, per U.S. Census data, but early 2023 data from United Way 211 indicates a growing crisis, with higher expressed needs for housing support in Q1 of 2023 compared to the previous five years.

The *2013-2017 ACS* showed that there were 388,043 housing units in the Consortium, 92% of which were occupied. Of the occupied units, 116,889 units were rental units. The *2013-2017 ACS* also showed that while rents in the Consortium communities ranged from \$643 in the Cuyahoga Urban County to \$783 in Cleveland Heights, almost 37,400 households had incomes that were 0-30% HAMFI, which currently is \$25,600 for a family of four. Of all of the rental housing units available in the Consortium, only 5,332 rental housing units were deemed affordable to households with incomes of 0-30% HAMFI (HUD Area Median Family Income), illustrating the enormous gap that exists between extremely low-income households and the availability of affordable housing. Therefore, without some type of assistance, it is unlikely that households with very low incomes can afford market rate housing.

ONGOING BARRIERS

Despite efforts since 2013 to address the barriers to producing and preserving affordable housing, key obstacles still exist in Cuyahoga County, including inconsistencies between plans and regulations, outdated zoning codes, and staffing issues among communities and the county necessary to make updates.

A major issue for Cuyahoga County is bringing zoning codes into conformance with the policy goals related to housing. From our Single-Family Zoning Analysis and Transit-Oriented Development Zoning Study, we are aware of the depths of these issues: just 5.5% of land along

transit lines is zoned in a manner that is considered TOD-supportive and large swaths of our residential parcels are non-conforming, requiring time-consuming variances for approval. While we have made great strides in Cuyahoga County and individual communities, significant work remains. The South Euclid and Euclid Pilot Zoning Code updates being undertaken by County Planning and the local communities will bring thousands of non-conforming parcels into compliance; however, 12 other communities in the First Suburbs still have zoning codes that make more than 30% of their single-family zoned parcels non-conforming. Similarly, our TOD Zoning Study has identified how little land is zoned for walkable, mixed-use development, but we have not progressed to the point of major zoning updates as a result of this analysis.

A core reason for the continuation of this pain point is the limited staff capacity within communities and the county to address these needs. Of the 59 communities in Cuyahoga County, less than half have a dedicated Planning Director on staff. Some communities have no staff dedicated to planning and zoning issues at all, but rely on an outside consultant, a building commissioner, economic development director, or even the Mayor to manage planning approvals. Without knowledge in best practices of planning and zoning, significant updates to zoning codes are often impossible. County Planning has provided communities with resources, best practices, and zoning re-writes, and will continue to do so as funding permits.

Importantly, we can clearly identify that these issues are critical to both communities and developers through surveys we have conducted. As part of the Transit-Oriented Development Zoning Study, 82% of participating communities and agencies said TOD was a high priority for them, but 67% said they were only somewhat or not prepared to attract it to their community. In the Single-Family Zoning Analysis, only 10.5% of respondent communities rated their zoning code as being very effective and more than a third of communities said they did not have the ability to update their own zoning maps. Developers also see the need for zoning updates: 71% of surveyed developers said city approval processes were a challenge to development—the most commonly cited challenge amongst 21 options provided. Similarly, 87% said a zoning code was very important when considering whether to build new infill housing, and more than a third of developers had been dissuaded from developing infill housing due to issues with a local zoning code.

In Cuyahoga County, we have the desire for new housing production and preservation but have clear barriers to overcome in order to achieve those goals. Outdated zoning and an inability to fund or manage updates has held back reinvestment. By building on the work we have already done with a PRO Housing Grant, we can directly address known barriers and produce additional housing in our communities.

In addition to the issues related to zoning, Cuyahoga County continues to experience NIMBYisms related to inaccurate perceptions of what affordable housing is and the persons in need of affordable housing.

In April 2016, HUD released guidance concerning the application of Fair Housing Act Standards to the use of criminal records by housing providers, recommending that housing providers not use criminal history to screen tenants for housing, except in specific limited instances.³ This point was further iterated by HUD in 2022.⁶⁶ Due to the pervasive racial and ethnic disparities present in the U.S. criminal legal system, restrictions on access to housing based upon criminal records disproportionately affect Black and Latinx individuals. Arbitrary, blanket criminal record-related bans can have a disparate impact if a policy denies housing to anyone with a prior arrest or to anyone with prior criminal conviction. Further, selective use of criminal record screening can be a proxy for illegal discrimination based on protected classes such as race or national origin and violate the Fair Housing Act. Finally, persons with criminal records relating to a disability, such as being in recovery from a substance use disorder or getting diagnosed with a mental illness and developing an effective treatment plan to address previously-unaddressed behavioral issues, are entitled to reasonable accommodations in connection with their disabilities which may include a request to overlook prior criminal records if the circumstances leading to the conviction no longer exist or effective interventions make the previous behavior or activity unlikely to recur.”

The county has worked for years with The Fair Housing Center for Rights and Research (The Housing Center), a local non-profit organization committed to fair housing in the Greater Cleveland area. The Housing Center conducts trainings for community staff, realtors, property owners and residents to provide key understanding of the Fair Housing rules and to assist in dispelling inaccurate and unfair treatment of those seeking housing. According to the Housing Center “Most complaints reported to The Fair Housing Center are not filed with HUD, often because The Fair Housing Center is able to provide direct assistance resolving the fair housing concern without the need for a formal complaint.”⁴

The mission of The Housing Center is: “To protect and expand fair housing rights, eliminate housing discrimination, and promote integrated communities.” Along with the extensive training performed by the Housing Center, the County has further contracted with them to perform testing to ensure that potential renters are not being discriminated against based on a protected class.

³ U.S HUD, “Office of General Counsel on Application of Fair Housing Act Standards to the Use of Criminal Records by Providers of Housing and Real Estate-Related Transactions,” April 2016

⁴ U.S. Department of Housing and Urban Development, “Eliminating Barriers that May Unnecessarily Prevent Individuals with Criminal Histories from Participating in HUD Programs,” released April 2022.

According to a report published by the Federal Reserve Bank of Cleveland called “Home Lending in Cuyahoga County Neighborhoods,”⁵

- White borrowers are proportionally more likely than black borrowers to get a home purchase loan in every year we examined. In 2005, there were 58 home purchase loans by white LMI borrowers for every 1,000 white LMI households compared to just 37 home purchase loans by black LMI borrowers for every 1,000 black LMI households. While the rates declined for both races from 2005 to 2010, these declines were significantly higher for black LMI borrowers than for white LMI borrowers: 72 percent compared to 53 percent. Home purchase loan rates did increase from 2010 to 2015 for both races, but the gains were considerably lower for black LMI and black non-LMI households compared to their white counterparts. Home purchase loan rates increased by 6 percent for black LMI households compared to 26 percent for white LMI households from 2010 to 2015.
- The shares of home purchase loans made in LMI neighborhoods declined from 2005 to 2010 for both black and white borrowers. Declines were greater for black borrowers, dropping by 28 percentage points to 39 percent in 2010. By comparison, the shares fell just 7 percentage points to 11 percent for white borrowers in 2010. However, black borrowers regardless of income are more likely to purchase a home in an LMI neighborhood when compared to their white counterparts. The share of black borrowers purchasing in LMI neighborhoods is more than three times the share of white borrowers purchasing in LMI neighborhoods in each year examined.

In preparation for the production of this grant we asked three affordable housing developers what barriers they faced in the production of affordable housing in Cuyahoga County. Our request was made to CHN Housing Partners, a non-profit organization that is involved in a significant number of affordable housing projects. Cuyahoga Land Bank, a land reutilization corporation operating under the Ohio Revised Code, and the Finch Group, a for-profit corporation that has produced significant projects in the county consisting of affordable, market rate and mixed-use housing.

CHN Housing Partners, indicated the following:

- LIHTC and other restricted rent executions generally. Low rents do not allow developers to execute on developing new or preserving existing quality affordable housing in Cleveland and its inner ring suburbs without government capital support to reduce the leverage necessary to develop projects. Additionally, because of the pandemic, the cost structure of many affordable housing projects that were planned prior the pandemic or during it have continued to struggle to fill the cost gap created by the inflationary pressures and interest

⁵ Klesta, Matt and Nelson, Lisa A., “Home Lending in Cuyahoga County Neighborhoods,” July 2017

hikes of the pandemic. A couple of examples: For our 30 LIHTC lease purchase homes, we need a minimum of \$600,000. For our PSH deals, we often need \$1.2MM-1.7MM of gap filler on a regular basis. For our senior deal, the Arch at St. Michael, which is an adaptive reuse in Tremont that we've been working on since before the pandemic, we need \$2MM to fill the gap created by costs increases from the pandemic.

- Capital needs overall. The deferred maintenance needs for both restricted affordable developments and naturally occurring affordable developments continue to grow. Without support in the form of forgivable, deferred, or low-cost mortgages, maintenance needs are going unmet. For LIHTC developments, that means continued deferred maintenance. For naturally occurring affordable housing, that means it is more likely to become a market rate execution that needs to maximize rents to afford the leverage necessary to address the capital needs of the asset.
- Product. Increasing interest rates have made homebuying more expensive for everyone, but in Northeast Ohio, on average, it's still cheaper to buy than to rent a house. That being said, increased interest rates have become a barrier for people to buy homes because of the increase in costs and this joins an environment where credit barriers already existed. We need to support more lending by community development financial institutions to do lending in our communities. Another product that should get further support is down payment assistance. Now, aside from addressing the requirement of a down payment from a mortgage perspective, it is also a useful tool to help bring down the overall mortgage balance to reduce the monthly payment amount, making the home more affordable.
- Education. Many in our community have challenges to their credit, but an issue that has grown is that people are not seeing the value of homeownership. It will be really important for our communities and residents to both understand the value of homeownership and help people get their credit into a place to be able to purchase a home.
- Inventory. The lack of availability of homes is causing the entire market from wealthy to low income frustration. It has made homes more expensive because of market demand and more difficult to attain even if you can afford it. It is important that we add to the inventory of our community through the acquisition rehab of existing housing stock and the new construction of units. A fundamental issue is that in many cities, such as Cleveland and its inner ring suburbs, many homes do not support a valuation necessary to use private dollars to rehab and recapitalize those homes. As a result, it is important for the government to intervene to help support the rehab of these units and the availability of affordable homeownership opportunity in our communities. Additionally, the Cleveland area has an extreme need to address deferred maintenance. According to one estimate, deferred maintenance is estimated at \$781MM. Supporting the repair of existing housing stock helps to maintain housing stability

for that family, creates a healthier environment for them to live and, because of the capital investment, helps to create additional homeownership opportunity for the next person to purchase the home.

We further received input from the Cuyahoga Land Bank, a county land reutilization corporation under section 1724.10(A)(2) of the Ohio Revised Code; on the barriers to the creation of affordable housing.

The Cuyahoga Land Bank faces several barriers to developing affordable housing. First, outdated municipal zoning codes often make infill development difficult or impossible without requiring multiple variances; adding time to the pre-development process to accommodate outdated zoning codes increases costs. The Land Bank has responded to this challenge by working with County Planning and all the inner ring suburbs to develop a modern model code that is less costly to the developer but still adequately protects the public' interest.

Second, the current construction labor shortage combined with the increased cost of materials generally makes urban infill construction more expensive than what can be recovered from a sale in weaker real estate markets. Relative to the labor shortage, the Land Bank has entered into relationships with local non-profits organizations that focus on workforce development and training to help increase the overall supply of labor over time. In most cases, there is a lack of subsidy to address ever rising cost of labor and materials. Put more bluntly, sale prices for infill construction in many Cuyahoga County markets are simply too low to cover the costs of development. Therefore, substantial subsidy is needed to make new homes "truly affordable" for the target population. As a consequence, the Land Bank currently uses funds that it receives from Cuyahoga County (County Housing Program) to subsidize projects to a degree but because this funding is limited, it cannot afford to sell the homes at a truly affordable price point.

Additionally, at income-restricted and affordable price points, there is a lack of bankable buyers who can qualify for a traditional mortgage. As a response, the Land Bank has established a real estate brokerage that offers HUD-certified financial training and homebuyer counseling to help create a pipeline of knowledgeable bankable buyers.

The Finch Group is a for-profit, multifaceted real estate developer and property management company. Their response indicated whether the developer is a For-Profits, Not-for-Profits or Community Development Corporations, all face the same conundrum. These are cost of construction especially using "prevailing wages."

First, since we are targeting 100% of AMI there is severely limited federal funding, tax exempt bonds or some form of Low Income Housing Tax Credits that can leverage more conventional financing sources.

APPROACH

Cuyahoga County envisions using the PRO Housing funds to provide funding to developers to increase the availability of both single family homes and multi-unit dwellings in areas across the county that have census tracts that lack the available affordable housing. By doing so we will work with those cities and neighborhoods to determine locations that provide accessibility to transportation and job hubs as well as accessible daily living amenities such as grocery and drug stores. It is our intent to not only provide developer incentives but to provide homeownership assistance to those whose income does not exceed 100% of the AMI. Homebuyers below 80% will be eligible to receive down payment assistance through our current HOME funded down payment assistance program. Those homebuyers above 100% of AMI will be provided with assistance through non-federal leveraged funds.

Cuyahoga County will use its current CDBG allocation and Leveraged funds to insure we can provide assistance that focuses on the neighborhood or city block by providing home repair services to existing homeowners. Homeowners whose income is at 80% or below will be assisted with our current CDBG funded home repair funds. Those whose income is between 81% and 120% of AMI will be assisted with our leveraged funds from non-federal sources.

Cuyahoga County, through its existing work with the Fair Housing Center for Rights and Research (the Housing Center) will continue to educate on and work to eliminate the discriminatory actions that present a barrier to obtaining affordable housing in any community within the county.

In addition, Cuyahoga County will use PRO Housing funding to further aid our Planning Commission with providing assistance to our cities to revise their zoning codes that currently present barriers to the creation of affordable housing.

The proposed activities are directly related to the barriers that the application and the use of other funding sources seek to address. Cuyahoga County has and will continue to work with our communities to identify and change the zoning codes that are barriers to affordable housing. We will also continue to provide gap financing to developers of affordable housing whether it be multifamily, senior or supportive housing rental units or lease to own single family units. We will continue to provide down-payment assistance to provide a step up for those that need it the most. Our mission is to create and retain affordable housing. The addition of the PRO Housing funds will allow the county to do more and reach further into the 59 communities we serve.

Currently, within Cuyahoga County there are several strategic plans that involve the increase and retention of affordable housing.

- **The State of Fair Housing in Northeast Ohio 2023 | Fair Housing Center for Rights & Research**
- **Cuyahoga County 2023 Strategic Action Plan for Homelessness – Department of Homeless Services**
- **2023 The Eight Point Plan for Housing Justice in Cuyahoga County – Department of Re-entry**
- **2023 Community Needs Assessment Cuyahoga County – United Way of Greater Cleveland and The Center for Community Solutions**
- **2023 Best Practices for TOD Zoning: An Element of the TOD Zoning Study- Cuyahoga County Planning Commission and Greater Cleveland Regional Transit Authority**
- **2022 A Tale of Two Markets: Equitable Housing Platform for Cuyahoga County – Enterprise Community Partners.**

These publications along with other resources were used to inform the content of this application. The findings of all, regardless of any specific demographic, is the need for additional affordable housing in the county. Our application is directly related to these findings with action plans correlating with the recommendations.

GEOGRAPHIC SCOPE

The Cuyahoga Housing Consortium (Consortium) jurisdictions include the Cities of Cleveland Heights, Euclid, Lakewood, Parma, and the 51 communities that comprise the Cuyahoga Urban County. The Consortium contains 837,106 persons; 355,253 households, and 388,043 total housing units (2013-2017 ACS). Of the total housing units, 355,277 are occupied housing units, of which 116,889 are rental units and 288,388 are owner-occupied units. The Consortium’s population, households, and housing units are roughly two-thirds of Cuyahoga County’s population, households, and housing units.

Utilizing a variety of funding sources, including the PRO Housing grant funds, Cuyahoga County will serve all communities with specific emphasis on those 16 communities within the county that have the “priority” designation. We will further look at census tracts in non-priority communities to determine those areas lacking in affordable housing.

Municipality	2022 median sales price	2021 median Sales price	Priority Geography
Total Cuyahoga County	\$165,000	\$155,000	YES
Suburbs only	\$198,000	\$182,100	
Bay Village	\$330,000	\$285,000	YES
Beachwood	\$400,000	\$346,250	YES
Bedford	\$129,200	\$113,000	
Bedford Heights	\$165,000	\$147,800	
Bentleyville	\$757,300	\$725,000	YES
Berea	\$183,775	\$175,000	
Bratenahl	\$400,000	\$455,250	YES
Brecksville	\$415,000	\$357,475	YES
Broadview Heights	\$358,500	\$310,000	YES
Brook Park	\$175,000	\$162,000	
Brooklyn	\$161,250	\$145,000	
Brooklyn Heights	\$205,000	\$199,900	
Chagrin Falls	\$447,500	\$428,500	YES
Chagrin Falls Twp.		\$1,150,000	
Cleveland	\$80,000	\$72,500	
Cleveland Heights	\$172,500	\$152,000	
Cuyahoga Heights	\$117,500	\$155,000	YES
East Cleveland	\$30,350	\$22,200	
Euclid	\$115,995	\$110,000	

Fairview Park	\$241,000	\$230,000	
Garfield Heights	\$110,000	\$94,000	
Gates Mills	\$520,000	\$562,450	YES
Glenwillow	\$406,050	\$232,000	YES
Highland Heights	\$368,500	\$316,500	YES
Highland Hills	\$100,800	\$71,500	
Hunting Valley	\$1,225,000	\$1,146,000	YES
Independence	\$289,000	\$280,000	
Lakewood	\$280,000	\$250,000	
Linndale	\$80,000		
Lyndhurst	\$200,000	\$180,000	
Maple Heights	\$98,000	\$81,000	
Mayfield Heights	\$192,000	\$175,000	
Mayfield Village	\$330,000	\$280,000	
Middleburg Heights	\$245,000	\$213,000	
Moreland Hills	\$694,500	\$527,500	YES
Newburgh Heights	\$114,640	\$62,500	
North Olmsted	\$228,500	\$208,000	
North Randall	\$125,125	\$129,500	YES
North Royalton	\$303,500	\$275,000	
Oakwood	\$149,950	\$162,000	
Olmsted Falls	\$250,500	\$225,000	
Olmsted Twp.	\$262,500	\$246,000	
Orange	\$475,000	\$434,000	YES
Parma	\$169,000	\$155,000	
Parma Heights	\$180,000	\$160,000	
Pepper Pike	\$605,000	\$495,000	YES
Richmond Heights	\$210,000	\$187,000	

Rocky River	\$350,000	\$355,000	
Seven Hills	\$252,000	\$239,950	
Shaker Heights	\$318,000	\$280,000	YES
Solon	\$389,000	\$340,000	
South Euclid	\$149,940	\$132,000	
Strongsville	\$298,500	\$285,000	
University Heights	\$221,000	\$205,000	
Valley View	\$175,000	\$307,875	
Walton Hills	\$257,500	\$247,500	
Warrensville Heights	\$105,000	\$91,950	
Westlake	\$397,000	\$351,000	
Woodmere	\$290,000	\$257,029	YES

As indicated in the chart above the 18 priority geographies in Cuyahoga County which is also a priority geography, have median values ranging from a high of \$1,225,000 in Hunting Valley to a low of \$117,500 in Cuyahoga Heights. We will work with all communities with concentrated efforts to those priority communities whose median values will be more accessible for the provision of affordable housing within HUD’s current definition.

STAKEHOLDERS

Cuyahoga County has created strong working relationships with a number of community organizations and will continue as we move forward. This includes:

Cuyahoga Land Bank - Existing partnership with Cuyahoga County as administrators of the Cuyahoga County Housing Program. In addition, the Cuyahoga Land Bank has developed tools and initiatives to address the ever-changing needs of Cuyahoga County’s housing market. Ranging from external rehab to market rate new construction, the Landbank has worked to provide solutions to improve market conditions and provide housing opportunities.

Cuyahoga Metropolitan Housing Authority - Established as the first housing authority chartered in the United States, the Cuyahoga Metropolitan Housing Authority (CMHA) is a leader in providing safe, quality, affordable housing for individuals and families of Cuyahoga County. CMHA provides affordable housing to over 55,000 low-income individuals annually through a variety of housing programs. CMHA currently manages over 60 developments constituting over 10,000 units of subsidized housing with an additional 15,000 households participating in the Housing Choice Voucher Program.

The Housing Center for Rights and Research (The Housing Center) - is a not-for-profit 501(c)(3) fair housing agency whose mission is to promote fair housing and diverse communities, and to work to eliminate housing discrimination in Northeast Ohio by providing effective research, education and advocacy. The agency provides a broad range of fair housing services including fair housing, fair lending and related research; education for housing providers, government officials, real estate professionals, and consumers; and fair housing testing, complaint investigation, and advocacy.

Enterprise Community Partners – Enterprise has created or preserved over 146,000 affordable homes by leveraging \$10.1 billion in capital throughout Ohio. Convening and leading coalitions to bring housing-based programs and creative policy solutions to support residents in achieving housing stability and economic mobility.

First Suburbs Consortium - the Northeast Ohio First Suburbs Consortium is the first government-led advocacy organization in the country working to revitalize mature developed communities and raise public and political awareness of the problems and inequities associated with urban sprawl and urban disinvestment.

Cuyahoga HOME Consortium and Cuyahoga Urban County Communities – The Cuyahoga HOME Consortium is made up of the cities of Cleveland Heights, Euclid, Lakewood and Parma, with Cuyahoga County that would not otherwise qualify for funding. These communities work collaboratively to meet their affordable housing needs. The Cuyahoga Urban County is made up of 51 of the 59 communities within Cuyahoga County that have agreed to participate as an Urban County and abide by the rules and regulations governing an urban county, therefore allowing them to participate in programming provided through the Community Development Block Grant funds (CDBG) received by Cuyahoga County.

According to the 2023 State of Fair Housing in Northeast Ohio produced by the Fair Housing Center for Rights and Research: One hundred seventeen fair housing complaints were filed with HUD in 2022 from the six-county region, a 13.59% increase over the number filed in 2021. Approximately 84% of the complaints alleged discrimination occurring within Cuyahoga County. The most common bases of discrimination in 2022 were disability (41.03%), race (21.37%), and complaints alleging retaliation (13.68%).

Throughout Northeast Ohio, there are insufficient tenant protections, impacting those rent with a housing voucher, have been incarcerated, or have been evicted.

In Northeast Ohio, lenders deny home-purchase mortgages to Black borrowers at more than twice the rate they do to white borrowers. In Cuyahoga County, some of the largest lenders

have no branch presence in majority-minority census tracts and do very little of their business in majority-minority census tracts.

To combat these issues, The Housing Center recommends that we:

- Devote increased resources to continue to fund comprehensive local fair housing programs, including enforcement, client intake and assistance, testing, research, education, and advocacy. Cuyahoga County will require any community for which funding is requested, either by the city itself or the project developer, must have an updated zoning code that eliminates barriers to affordable housing and inadvertently discriminates against protected classes of people. Through this funding we will provide assistance to the County Planning Commission to ensure the zoning codes are updated and free of barriers. We will further access the Housing Center, through contractual agreement, to monitor fair housing adherence in those specific areas through the provision of education and testing.

In addition, the county has been and will continue to work with our local banks to provide assistance and services to all 59 communities within the county, with special attention for those persons occupying a protected class.

A review of the 18 Priority Geographies within Cuyahoga County indicates a single family median sales price of \$458,498. Removing Hunting Valley, whose median sales price is over \$1 million dollars results in a median sales price of \$413,410.

Place	2022 median sales price	2021 median	Priority Geography
Bay Village	\$330,000	\$285,000	YES
Beachwood	\$400,000	\$346,250	YES
Bentleyville	\$757,300	\$725,000	YES
Bratenahl	\$400,000	\$455,250	YES
Brecksville	\$415,000	\$357,475	YES
Broadview Heights	\$358,500	\$310,000	YES
Chagrin Falls	\$447,500	\$428,500	YES
Cuyahoga Heights	\$117,500	\$155,000	YES
Gates Mills	\$520,000	\$562,450	YES
Glenwillow	\$406,050	\$232,000	YES

Highland Heights	\$368,500	\$316,500	YES
Hunting Valley	\$1,225,000	\$1,146,000	YES
Moreland Hills	\$694,500	\$527,500	YES
North Randall	\$125,125	\$129,500	YES
Orange	\$475,000	\$434,000	YES
Pepper Pike	\$605,000	\$495,000	YES
Shaker Heights	\$318,000	\$280,000	YES
Woodmere	\$290,000	\$257,029	YES

Using the HUD 1 unit sales maximum of \$281,000 we will target those communities whose median sales prices are in line with the current HUD maximums for 1 unit. In those communities we will work with the mayors to determine how we can best assist in the creation of new single family affordable homes. Where subsidy is needed to bring the sale price in line with the HUD maximum, through the PRO Housing funding we can provide the required developer assistance. Utilizing our non-profit partners, we can then ensure that those persons who are in need of affordable single family housing are further assisted with down payment funds.

We will look to all the qualified geographies in Cuyahoga County to determine where affordable housing units can be added. Working with the Mayors and Managers Association we will offer incentives to those developers of multifamily, market rate units to include a portion of those units for affordable units. Using the PRO Housing funds will allow us to provide the developers with the required funding to write-down the cost of the affordable units.

The needs of members of protected class groups will be addressed by following recommendations made in The Cuyahoga County 2014 Analysis of Impediments which indicated the following:

Lack of quality affordable housing that is handicapped accessible

Many advocates for the disabled noted that there was a lack of accessible affordable housing of high quality throughout the County. Cleveland Metropolitan Housing Authority does have some accessible units, but the majority of these public housing units are located in the City of Cleveland. In addition, architectural designs and standards of older homes in many parts of the County often require extensive rehabilitation in order to accommodate residents with disabilities.

Notes & Recommendations:

- *Develop a home repair program that would specifically focus on funding repairs and modifications that would make a home more handicapped accessible.*

Cuyahoga County has and will continue to work with developers of affordable housing to ensure accessibility is addressed in multi-family housing units. The same is true of those scattered site, lease to own, projects that request and receive financial assistance for development. In addition, our home repair program provides accessibility to those homeowners in need.

Historical patterns of racial segregation

Cuyahoga County has a long history of segregated housing patterns that were created by both private and public sector policies that are difficult to overcome. In many parts of the County there is a perception that not all communities are welcoming of minorities and that there is still steering of home seekers by race or ethnicity to certain neighborhoods or cities.

Notes & Recommendations:

- *Continue to work with communities to ensure that they communicate housing choice is available for all through a variety of media to reach diverse populations.*

Through the county's work with the Housing Center we have and will continue to promote Fair Housing rights for all citizens.

Affordable housing is concentrated in the City of Cleveland and the First Ring Suburbs, furthering segregation

Notes & Recommendations:

- *Re-establish the security deposit assistance program.*

Working with Cuyahoga Metropolitan Housing Authority, with the use of ERA 2 funding from Treasury, we have provided funding to the authority to assist residents with security deposits and two months' rent for units located in our suburban communities. This provision of funds has also worked to allay the fears of those landlords with the misconception that the voucher holders will not maintain the property. Providing the security deposit, at the rate requested, has allayed some of the fears that they would not be able to make the necessary repairs, should the need arise.

Lack of education about fair housing rights by consumers and housing providers

Many interviewees commented on the lack of consumer knowledge about fair housing rights, particularly with regard to fair housing protections for people with children and

people with disabilities. In addition, there is a lack of knowledge of fair housing laws by landlords, property managers, property owners, and other housing professionals throughout the County.

Notes & Recommendations:

- Continue efforts to educate consumers about their fair housing rights through seminars, workshops, brochures, advertisements, and other media.*
- Continue enforcement efforts including fair housing testing and complaint investigations.*

Through our partnership with the Fair Housing Center, we have and will continue to provide funding allowing the Center to educate residents and real estate professionals, as well as building and housing staff, on fair housing rights. The center provides these efforts through workshops and community meetings and gatherings, often in conjunction with the Legal Aid Society of Cleveland.

Disproportionate impact of foreclosures on African American communities

The Foreclosure Crisis is an issue that has damaged the region. However, foreclosures have had a disproportionate impact on African American Communities. Foreclosures have resulted in a significant loss of wealth to African American homeowners who lost their homes or equity because of foreclosures in their neighborhood. While predominantly white communities have seen progress since the foreclosure crisis began, African American neighborhoods have not seen an equal rate of reinvestment.

Notes & Recommendations:

- Even though the number of foreclosures is beginning to slowly decline, programs to prevent foreclosure are still an important part of the solution.*

Cuyahoga County continues to provide financial education and foreclosure prevention counseling through the five non-profits we currently partner with.

It should be noted that it is not the intent of this proposal to displace any resident. If, in the off chance, displacement was to occur the County would follow the requirements of the Uniform Relocation Act.

Cuyahoga County has and will continue to require a letter of support from the highest elected official for any project for which we provide funding, all communities within the county have home rule, and in such have some type of review board and public meetings before allowing a project to move forward. In addition, as part of our annual plan submission, public review and comments are requested. Moreover, before the County Council or the County Board of

Control approve any funding assistance, meetings, open to the public, are held to obtain feedback on the proposed funding. Developers requesting funding are aware of the requirement for an environmental review of the project as well as the submission of their Phase I and if necessary, Phase II review. We will continue to work with our communities and developers to ensure they are aware of what is expected of them and the penalties for lack of adherence to county policy.

A former Cuyahoga County Councilwoman, U.S. Congresswoman Shontel Brown, led the charge for Cuyahoga County to declare racism as a public health crisis. In July of 2000, the County Council passed the legislation. This declaration expresses our intent to address the impact of structural racism in our community. The Citizens' Advisory Council on Equity and the Internal Equity Commission were developed to take a look at both external, community-wide factors and internal practices that may contribute to current inequities and provide recommendations to create a more equitable County.

The Citizens' Advisory Council on Equity, composed of 17 members appointed by the Cuyahoga County Executive and Cuyahoga County Council President, was formed to:

- Encourage community outreach and public participation in the development of equity goals, strategies, and programs.
- Provide recommendations and input to the Executive and County Council regarding the development of equity goals, strategies, and programs.
- Meet publicly to provide a forum for the public to offer ideas and recommendations regarding equity.

One of the council's charges is to provide recommendations to reduce disparity in safe and affordable housing. The Department of Housing and Community Development will be responsible for the administration of the PRO Housing grant and will work closely with the Citizens Advisory Council.

The Department of Equity and Inclusion was established in 2021 as part of Cuyahoga County's efforts to enhance equity both within government and throughout the community. The Department of Equity and Inclusion is responsible for enhancing equity in program and policy development within County government by coordinating with the County Equity Commission, the Citizens' Advisory Council on Equity, and the various departments under the jurisdiction of the County Executive.

The duties include:

- Increasing participation of minority- and women-owned business enterprises (MWBE) in County contracting and purchasing opportunities.

- Working with the Office of Innovation and Performance to develop metrics and reports regarding whether County agencies meet or exceed their MWBE contracting goals.
- Working with the Human Resources Department to develop and implement programs, training, and assessment to build a culture of equity with respect to race, gender and sexual orientation throughout County government, including in hiring and promotion.
- Serving as an ombudsman to accept and evaluate inquiries and complaints from the general public with regard to implementation of the County's equity initiatives and to coordinate and facilitate community input.

On July 26, 2021 an [Executive Order was issued](#) directing the establishment of a map of Cuyahoga County identifying areas of historic disinvestment to be known as Cuyahoga County Equity Zones and the development/implementation of policies and procedures that will result in the County providing additional consideration to investments in road projects, building projects and development projects in identified Equity Zones. In an effort to ameliorate the effects of past disinvestment, it is the policy of Cuyahoga County to focus and prioritize present and future investments on infrastructure, construction, and development projects and programming to benefit areas of Cuyahoga County that have suffered historic disinvestment.

In order to effectively monitor the success of our programs, Cuyahoga County will enter into an agreement with Cleveland State University (CSU) to evaluate our progress and make necessary recommendations for needed course correction. The CSU evaluation will gather data to assist with:

- tracking progress
- understanding the successes and barriers of the initiative
- understanding whether the program is accomplishing its goals and objectives
- improve and adapt the program, as needed

Cuyahoga County requires an Affirmative Fair Housing Marketing Plan be submitted with all applications for housing funds. This practice will continue with the infusion of PRO Housing funds. In addition, throughout the approval process the public is made aware of the project, providing them the opportunity to comment as well as making them aware of the location of the project.

The roots of segregation run deep in the County and it will be our responsibility to educate all persons regarding fair housing, from recognition of the law to reporting of violations. We will work with community groups and the development team to ensure the units will be affirmatively marketed. We will further work with the Housing Center to dispel the belief that certain areas within the county are not available to people of color. Working with the mayors, police chiefs and others we will seek to provide a sense of safety for those moving to areas where people of color have traditionally not lived.

Budget and Timeline

Pro Housing Grant Proposed Budget January 2024 - September 2029

Purpose	PRO Housing Grant	Leveraged Funds	Source of Leverage	Total
Administrative Cost @15% includes \$450,000 for fair housing	1,500,000			1,500,000
Annual Program Evaluation with Recommendations	600,000			600,000
Zoning Code Development and Transportation Oriented Development Zones	750,000			750,000
Fair Housing testing and education	*Amount included in admin	750,000	HOME funds	750,000
Financial and Foreclosure Prevention Counseling	300,000	1,350,000	CDBG/DTAC	1,650,000
Homeowner Repairs		5,300,000	CDBG/CDF	5,300,000
Incentives for developers and homebuyers	6,850,000	10,500,000	HOME funds	17,350,000
TOTALS	10,000,000	17,900,000		27,900,000

Our budget is based on current annual cost for the proposed activities and services. We are confident that these line items are consistent with industry standards and appropriate for the projects as defined.

Budget definitions:

Administrative cost: includes dedicated staff equivalent to three full time employees, for the administration of the PRO Housing grant reporting including but not limited to completion and submission of reporting, entry into HUD IDIS system, and sub-recipient contract administration.

This item spans all six years of the proposed funding. Also included is \$450,000 required for fair housing training where the tracking of demographics and income is not available.

Annual program evaluation with recommendations: Includes funding to allow for a qualified organization to evaluate the success of the program on an annual basis through the analysis of information provided. The annual report will also provide and recommendations to ensure program is working toward or reaching its goals. This item spans all six years of the proposed funding.

Zoning Code and Transportation Study: Cost based on the amount currently expended to assist communities to update zoning codes to remove housing barriers. Expected time to complete – 3 years. Transportation oriented Development cost is also based on cost already expended. Expected time to complete – 6 years.

Fair Housing: The cost for Fair Housing services is based on the amount of funding Cuyahoga County currently allocates to this activity on an annual basis. This item spans all six years of the proposed funding.

Financial and Foreclosure Prevention Counseling: The cost for counseling is based on the amount of funding Cuyahoga County currently allocates to this activity on an annual basis. This item spans all six years of the proposed funding.

Home Repair: Cuyahoga County currently provides \$550,000 annually in CDBG funding to assist homeowners to make repairs to their homes. In addition, the County Community Development Fund provides \$1 million to the County Landbank to provide homeowner funding to those residents whose incomes range from 81% - 120% of AMI. This item spans all six years of the proposed funding.

Developer/Home Buyer Incentives: The cost for incentives is based on the current allocated for affordable housing gap financing. Currently, the amount of gap financing provided through HOME funding is capped at \$450,000. The addition of PRO Housing funding will allow for additional funding to be provided to developers as an incentive to add additional affordable housing units to the project. In addition, the county also provides down payment assistance, funded with HOME funding, to first time homebuyers, not to exceed \$25,000. With the addition of PRO Housing funds, we will be able to assist more buyers to purchase homes in priority geographies. This item spans all six years of the proposed funding.

It is the intent of Cuyahoga County to continue to seek out and apply for funding from other organizations that would allow for continued financial support of the projects we have proposed. The county intends to work with our local banks to either expand on some of the programming

or fill the gaps where funding is not available directly from the county. We will have conversations with our philanthropic community to request funding to support our zoning and transportation-oriented development studies.

If funding is reduced, we will adjust the budget to conform to same while continuing to use the funding from our current federal allocations and other sources to continue our mission of creating and retaining affordable housing for all residents of the county.

Capacity and Professional Staff

The Department of Housing and Community Development was a division of Cuyahoga County's Department of Development until May 2023. At that time, at the recommendation of the County Executive who has made the need for more affordable housing options a priority for his administration, the Cuyahoga County Council created a new department solely responsible for the administration of federal funding from the U.S. Department of HUD, including annual allocations of CDBG and HOME funding, as well as special allocations of Neighborhood Stabilization Program Funds. In addition, the department has the responsibility of administering \$125 million of the Emergency Rental Assistance I and II Funding from the Department of Treasury. The Director of the department has over 30 years of experience in affordable housing and has been an employee of the county for over 25 years. Staff experience in the department encompasses those who have worked with affordable housing and community development programs for a minimum of 5 years. The staff participates in continuing training on all HUD regulations, including determining eligibility, IDIS, DRGR and HEROS. The Housing and Community Development department shares fiscal staff with the Department of Development. This fiscal staff is dedicated to the administration of the finances for both departments. This dedicated staff is experienced with the HUD IDIS system, DRGR systems. The department is supported by a number of other departments within the county including but not limited to, the Law Department, Fiscal Office which includes the Office of Budget and Management, Information Technology and Purchasing.

The Cuyahoga County Executive is the Chief Operating Officer of Cuyahoga County and represents the executive branch of the county government. The Cuyahoga County Council is the legislative body of Cuyahoga County government, made up of 11 elected representatives from across the County. The Council makes policy decisions for the effective functioning of County government and is a link between government agencies and citizens. It has legislative and taxing authority for the County and is a co-equal branch of the County government with the executive branch.

Cuyahoga County works directly with the Mayors and Managers Association. The mission of the Association, in part, is "to take stands as an Association on relevant public issues of the

moment so that our collective voice may be heard and felt, and to do such other things necessary or proper for the betterment of this County and its citizens.”⁶

The County also works directly with the Northeast Ohio First Suburbs Consortium which was created as a council of governments to respond to government policies and practices which promote the development of new communities at the outer edges of metropolitan regions over the redevelopment and maintenance of mature suburbs.

All communities in Cuyahoga County have Home Rule, consequently these working relationships along with individual relationships with city leaders allows the county to have open discussion regarding proposed programs and activities that directly affect their communities. Fifty-one of the county communities have agreed to be members of the HUD approved urban county and therefore have provided consent, through a renewable agreement, to participate in funding received from the U.S. Department of Housing and Urban Development. The county is also home to six entitlement communities, four of which are members with the county making up the HUD approved HOME consortium. For the purpose of this grant proposal the entitlement city of East Cleveland has indicated support of and willingness to participate with the county on the development of this application and subsequent programs resulting thereof.

Community Stakeholders

Cuyahoga County will continue to work with several organizations for the implementation of the programs outlined in this proposal. As the programs outlined are currently active within the county, we are not dependent upon any one organization’s capacity.

It is the county’s intent to continue working with the following organizations:

Cuyahoga county Planning Commission - Governed by Chapter 713.22 of the Ohio Revised Code (ORC) and established by the Cuyahoga County Commissioners in 1988 to strengthen the planning arm of county operations, County Planning provides professional planning services to the cities, villages, and townships of Cuyahoga County and to County departments and agencies.

Cuyahoga County Land Reutilization Corporation - The Cuyahoga Land Bank reactivates and repurposes vacant, abandoned, underutilized, and tax-delinquent properties to support our vision that Cuyahoga County’s land is optimally used to make our communities vibrant, prosperous, and sustainable. We do this by acquiring these properties, stabilizing them, and returning them to productive use through in-house renovations, new home construction, sale to private owners, demolition, and preparation for short and long-range economic development.

⁶ The Cuyahoga County Mayors and City Managers Association Meeting | Events | Insights & Events | Squire Patton Boggs

The Fair Housing Center for Rights & Research (formerly known as the Housing Research & Advocacy Center) - The Housing Center is a not for profit fair housing agency that promotes equal housing opportunities and positive race relations in Northeast Ohio. While the Fair Housing Center continues to advocate for programs that promote fair housing, the scope of the agency has changed from a grass-roots coalition of community groups to a focused fair housing agency. The Fair Housing Center's general mission remains the same: To ensure, through research, educational programs, public policy and enforcement activities, that all residents are guaranteed equal access to housing.

Cleveland State University Maxine Goodman College of Urban Affairs-Center for Community Planning and Development - The mission of the Center is to strengthen the practice of planning and community development through independent research, technical assistance, and civic education and engagement. The Center works in partnership with public, private and non-profit organizations, local governments, and development and planning professionals.

- **Planning, program development and evaluation** to foster resilient, just and prosperous communities, improve the quality of life, attack the causes of poverty and inequality, and advance the sustainable development of urban regions.
- **Public policy research** to inform policymakers as they respond to issues related to housing and neighborhood development and change (including foreclosures and vacant and abandoned property).
- **Data development and dissemination** to promote the exchange of information and data and technical assistance about community planning, development and housing issues.

Should any of the above referenced organization become unable to continue with the county on the identified programs the county will seek out equally qualified organizations to continue the work.

This funding proposal was developed by:

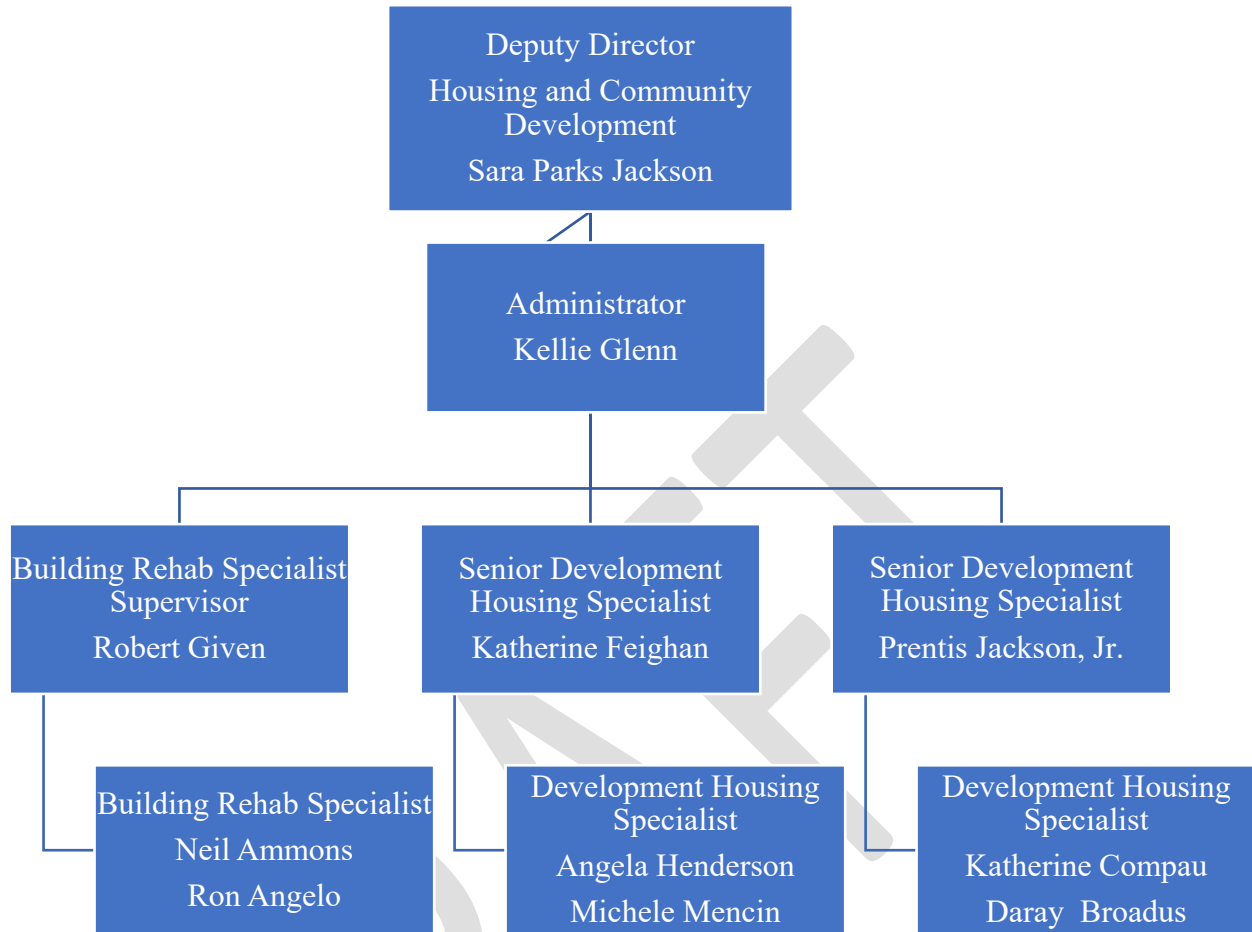
- Sara Parks Jackson, Director, Cuyahoga County Department of Housing and Community Development
- Bridget Sukys, Cuyahoga County, Grant Writer
- Mary Cierebiej, Executive Director, Cuyahoga County Planning Commission
- Valerie Katz, Deputy Director, Cuyahoga County Department of Sustainability

Cuyahoga County will partner through a mutual sub-recipient agreement with the Housing Center for Rights and Research. The Fair Housing Center conducts research on housing and lending patterns in Northeast Ohio and throughout the state. In addition to an annual State of Fair Housing in Northeast Ohio report, they produce a variety of reports, maps, and other publications examining fair housing and fair lending issues in the region, as well as foreclosure

trends, subprime lending, and related matters. This research has resulted in a number of policy changes at both local and state levels throughout Ohio. The Fair Housing Center has also conducted Analysis of Impediments to Fair Housing reports, required under Section 808(e)(5) of the Fair Housing Act for communities that receive CDBG funds, for a number of municipalities in Northeast Ohio.

The Fair Housing Center also offers free assistance to victims in the administrative complaint process. Advocates are available to assist victims of housing discrimination in a variety of ways, which may include providing education on their rights, investigating a complaint, engaging with a housing provider on a tenant's behalf, or supporting victims in exercising their fair housing rights. Cases filed by the Fair Housing Center have resulted in conciliation agreements, civil penalties and affirmative action agreements with individual housing providers throughout Greater Cleveland. The Fair Housing Center conducts systemic and complaint based testing for housing discrimination in the housing rentals and sales markets, as well as in the provision of homeowner's insurance and mortgage lending. The Fair Housing Center's testing program uses trained testers who conduct matched pair testing using HUD-approved testing guidelines.

The Fair Housing Center regularly conducts fair housing law seminars and events for landlords, property managers, real estate professionals, social workers, attorneys, government officials, newspaper publishers, and others. In addition, they conduct workshops for consumers on avoiding predatory lending. Since 2005, the Fair Housing Center has also conducted conferences and trainings on predatory lending, building accessible housing, disability rights, and legal and other strategies for addressing fair housing issues.



Capacity

Department Director -The Director of the Office of Housing and Community Development with a staff of nine, is responsible for planning and directing housing initiatives to address the needs of the unhoused and those seeking affordable and middle market housing options. The Director reports to the Deputy Chief of Staff for Integrated Development.

Administrator - This is a senior management position with responsibility for planning, directing, and managing. The position supervises the two Senior Development Housing Specialists and one Inspection and Permits Supervisor.

Senior Development Housing Specialist – (2) The Senior Development Housing Specialist manages data and keeps the county Housing and Urban Development (HUD) programs and contracts in compliance with all regulations. The Senior Development Housing Specialist also supervises the Development Housing Specialists who administer HUD programs and administer

contracts related to HUD programs. The county intends to hire one (1) Senior Development Housing Specialist to have direct oversight of the ProHousing grant.

Development Housing Specialists – (4) Administers community and housing development programs; reviews and recommends reimbursement requests; prepares payment requests; reviews eligibility criteria and performs loan underwriting; performs loan closing duties; obtains and submits client’s loan information; reviews client’s loan application and loan modification applications; provides loan servicing; verifies loan pay-off information with title company; runs a comparative analysis on existing and proposed first mortgage loans and composes a recommendation; reviews subordination requests. The County intends to hire one (1) additional Housing Specialist to administer the sub-recipient contracts resulting from the ProHousing grant award.

Building Rehabilitation Specialist Supervisor – (1) Performs specialized office and field work involving the planning, implementing, coordinating, and managing of housing related rehabilitation activities as well as supervising Building Rehabilitation Specialist(s).

Building Rehabilitation Specialist – (2) Performs specialized office and field work involving the planning, implementing, coordinating, inspecting, and managing of housing related rehabilitation activities.

Cuyahoga County plans to leverage funding by accessing revenue currently allocated through other programs, including:

- Community Development Block Grant
- HOME Investment Partnership
- Cuyahoga County’s Delinquent Tax and Assessment Collected funds -- for counseling services only
- Cuyahoga County’s Community Development Fund (Casino Revenue Tax) allocated to the Cuyahoga County Land Bank

Long Term Effects

This significant investment in Cuyahoga County to help mitigate barriers to affordable housing will produce long-term effects and outcomes, including:

- The creation of additional affordable multifamily and single family housing, which will be sustained for a period of at least 15 years.
- The increase of homeownership opportunities. Providing individuals with the opportunity to create family wealth.

- The removal of barriers to affordable housing through the updating of zoning plans which will lead to additional affordable housing being built in diverse neighborhoods
- The creation of transportation oriented housing which will provide the opportunity for individual economic enhancement due to the proximity of affordable transportation.
- Continuing the efforts through education, to remove the barriers that cause disinformation and segregation.

DRAFT