

The City of Shaker Heights

2015 HOUSING & NEIGHBORHOOD PLAN

EXECUTIVE SUMMARY



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The City of Shaker Heights is known for the excellent quality of its housing stock, its attractive, Garden City landscape and its vibrant, diverse neighborhoods. These are the characteristics which draw people to the community and cause them to stay once they are here. While all cities seek to be regarded as desirable places to live, for cities like Shaker Heights where 89.7% of the property tax base is residential, and only 10.3% is commercial, maintaining strong property values is an imperative, not a choice. Housing is Product #1 in the City of Shaker Heights. Throughout the decades, the City of Shaker Heights has been the choice for home seekers looking to make a move into a community that acknowledges and recognizes the benefits – social, economic, and long-term – of an integrated, diverse suburb.

Why Housing Matters

Housing matters to us as residents, and as taxpayers. Housing matters to residents because it is typically their largest investment and they want to ensure that the investment in their homes is protected and ideally is appreciating. In addition, they want the safe, quiet enjoyment of their homes, the ability to sell their houses without incurring a loss, and a sense of community and stability in their neighborhoods. They look to the City to help them to achieve these goals. Housing very much matters—to the individual, to the family, to the neighborhood, and to the City. Housing is a critical source of revenue for both the City and the School District. The schools are the main recipients of property tax revenue, with 84.6% of these taxes going to fund school operations. The housing market impacts City revenue in two main ways:

- directly through the value of the residential property taxes the City receives; and
- indirectly through the income tax revenue received from those who choose to live in the City.

Economic Impact of Housing

The linkage between housing and economic development is well documented. In fact, the slow recovery of the national housing market has been blamed for the slow national economic recovery, as housing has traditionally been the economic driver that has brought the country out of its economic downturns. When retailers look at a city as a potential place to open a business, one of the most important factors for them is the median household income, which is of course tied to the value of the housing in a community. They recognize that the greater the amount of income in an area, the more likely that there will be disposable income available to support their business. Housing also matters to business owners looking for a place to locate because they want their employees to have access to nearby attractive, affordable housing, and they want an available pool of employees from the area.

For all these reasons, the City needs to maintain a pro-active strategy which preserves the characteristics that have made this City one of the premier places to live in the country – quality housing in a quality setting - while simultaneously keeping pace with changing market demands for a broader range of housing choices. The City's 2015 Housing and Neighborhood Plan is a critical element in our planning for our future as a community. It seeks to address the key questions of what actions by the City will have the greatest impact on stabilizing and increasing housing values. How can we build off of our existing assets? What are the best

ways to make our housing stock more competitive and to increase demand for Shaker housing? What is the City's role in meeting resident expectations regarding housing?

Housing Plan Goals

The 2015 Housing and Neighborhood Plan is aimed at providing the framework for attaining the City's goal of "High Quality, High Functioning Neighborhoods". It builds on the foundation of the 2001 Housing Plan, and identifies new recommended strategies and approaches for the City to pursue over the next five years, responding to the significant changes in the local and regional housing market since 2001.

There are three goals identified in the 2014 Housing and Neighborhood Plan:

- Attract New Residents to Shaker, Increase Demand for Houses and Increase Property Values
- Preserve Existing High Quality Housing Stock
- Increase Cohesiveness, Desirability, Attractiveness and Stability in the Neighborhoods

For each of these goals, recommendations have been made to help attain these goals. Key recommended strategies include:

- A continued comprehensive code enforcement program;
- Incentives to encourage modernization of properties, especially energy efficiency and accessibility upgrades;
- Leveraging City owned land assets to strengthen neighborhoods;
- Investment in infrastructure enhancements, such as broadband access, to make the City as a whole more competitive;
- Leveraging the City's economic development efforts to create a more vibrant retail and commercial sector that will be an attraction to potential new, as well as existing, residents;
- A neighborhood marketing, branding, and resident recruitment effort to attract a diverse population of new residents;
- Efforts to encourage and provide opportunities for current residents to remain in the community as they age; and
- Expanded collaboration with the private and non-profit sectors, and with neighborhood associations.

The 2015 Housing and Neighborhood Plan also identifies key market opportunities for the City based on changing demographic trends and housing preferences and needs. These include targeting specific population cohorts such as Millennials, Baby Boomers, immigrants, and entrepreneurs to maintain and enhance the diversity of residents, and encouraging investment, particularly in the townhouses, apartments and condos that will be demanded by many in these populations.

GOAL 1: Attract New Residents to Shaker, Increase Demand for Houses and Increase Property Values

KEY PRINCIPLES

- Shaker should enhance its ability to compete in the regional marketplace as a place to live, work, and shop by leveraging public funds to enhance its competitive position.

EXISTING PROGRAMS

- Expand marketing of city's housing initiatives and neighborhoods to attract a wide variety of new residents and educate residents
- Implement Transit Village Project in northern Moreland.
- Continue to support County down payment assistance program
- Expand infill housing program, focusing on development of new housing types
- Continue to promote transportation alternatives

NEW INITIATIVES

- Partner with private developer to construct new for sale housing at Avalon Station II on Van Aken.
- Partner with private developers to construct luxury apartments at Van Aken District.
- Expand residential tax abatement areas
- Develop incentive program aimed at encouraging people to live and work in Shaker, e.g. teachers, entrepreneurs
- Develop new resident welcome program with neighborhood groups
- Develop and implement Moreland Innovation Zone initiative aimed at revitalizing southern Moreland as a mixed use, multigenerational neighborhood and expanding high speed internet access in the area

GOAL 2: Preserve Existing High Quality Housing Stock

KEY PRINCIPLES

- ❖ Shaker should preserve its unique and architecturally significant housing and update its housing to meet current and future demand.
- ❖ Shaker should continue to enforce its codes in order to ensure people have confidence to invest and live in Shaker.

EXISTING PROGRAMS

- Maintain systematic inspections program for both rentals and owner occupied homes
- Maintain Point of Sale Escrow Program
- Maintain Certificate of Occupancy Program
- Continue to support HELP & Heritage low interest loan programs
- Use Inter-departmental forum to identify problem properties and develop solutions to resolve these issues
- Expand Shaker Renovator Program to attract more high quality rehabbers
- Maintain Private Purchase Rehab program aimed at rehabbing city owned properties
- Research partnership with a non-profit to enable the City to expand number of residents served through its technical assistance and grant programs

NEW INITIATIVES

- Develop and implement program aimed at increasing accessibility of condos, apartments and two family houses.
- Develop affordable energy efficiency financing mechanism with regional partners.
- Develop and implement Multifamily Building Reinvestment program focused on modernizing apartment buildings, particularly in the Van Aken area
- Work with local lenders to develop additional affordable home improvement financing options
- Research additional code enforcement tools to ensure compliance by out of town investors.
- Review Architectural Board of Review (ABR) design guidelines and Landmark Commission guidelines to ensure that they meet changing needs.
- Identify additional ways to encourage the repair rather than the removal of significant architectural/historical details by homeowners when correcting code violations.

GOAL 3: Increase Cohesiveness, Desirability, Attractiveness and Stability in the Neighborhoods

KEY PRINCIPLES

- ❖ Shaker should celebrate and strengthen its historically well-defined and well-beloved neighborhoods.
- ❖ Shaker should identify, celebrate, and utilize fully the special assets of each neighborhood.
- ❖ Shaker should aggressively fight blight and vacancy

EXISTING PROGRAMS

- Continue securing and monitoring of vacant properties
- Continue foreclosure monitoring & enforcement of foreclosure filing fee.
- Continue to maintain & develop relationships with lenders who own property in Shaker Heights
- Continue to work closely with subsidized housing providers to ensure quality rental housing
- Continue land banking program for blighted and obsolete properties
- Expand program to return vacant owned city lots to productive use by encouraging more creative uses and new housing types
- Maintain demolition program for distressed housing using County demolition bond grant funding whenever possible
- Expand pilot owner occupancy programs such as the deed in escrow program and the land trust program
- Work with neighborhood groups to reconfigure neighborhood community grant program to complement city Housing and Neighborhood Plan goals

NEW INITIATIVES

- Identify and implement programs to ensure that out of town landlords understand the city's rental requirements and standards.
- Explore registration of rental property managers.
- Develop & implement new initiatives aimed at improving security of vacant properties, and reducing theft related damage of vacant properties.
- Implement small scale nuisance abatement program
- Expand partnerships with non-profits to provide residents with more homebuyer education and asset building resources
- Provide leadership training and capacity building to neighborhood groups