

# OPPORTUNITY & EQUITY



**Connecting Cleveland  
2020 Citywide Plan**

## **Opportunity and Equity: *Building Assets for Clevelanders\****

Cleveland has earned its reputation as a comeback city. After decades of decline and disinvestment, Cleveland is in the midst of a resurgence. Thousands of single-family homes and townhouses are rising from vacant lots all across the city. Outdated warehouses and office buildings are being transformed into trend-setting lofts and condominiums in downtown and nearby neighborhoods. Middle-income households are returning from the suburbs, drawn by the renewed vibrancy of city living.

Seven new neighborhood shopping centers now complement over a thousand renovated storefronts, providing retail services to residents, old and new. And industrial parks and commerce districts are bringing jobs to locations from Collinwood on the east to Midtown to areas near Hopkins International Airport on the west.

*The comeback, however, has failed to reach tens of thousands of Clevelanders and has failed to reach into the heart of many neighborhoods.*

After more than a decade of dramatic progress in urban revitalization, over a quarter of all Clevelanders continue to live below the poverty level, with as many as 65 percent of residents living below the poverty line in some neighborhoods (as recorded in the 2000 U.S. Census). In 2004 and again in 2006, Cleveland was named the poorest large city in the nation. In addition, the typical Cleveland household in 1999, earned only about two-thirds the income of the typical household in most inner-ring suburbs. Similar disparities exist with respect to unemployment, where Cleveland's unemployment rate was recorded at 11 percent in the 2000 Census, with a rate as high as 33 percent in one Cleveland neighborhood, compared to a rate of 4 percent in suburban Cuyahoga County.

While a major focus of the *Connecting Cleveland 2020 Citywide Plan* is making Cleveland a more competitive place for those who have many choices in where to live and work and visit, the plan has an equal responsibility – or perhaps a greater responsibility – to provide more choices for those whose choices are limited by poverty, inadequate education, discrimination, health conditions and a host of other issues. The 1975 *Cleveland Policy Planning Report* stated this policy in the following manner:

*In the context of limited resources, the Cleveland City Planning Commission will give priority attention to the task of promoting a wider range of choices for those Cleveland residents who have few, if any, choices.*

The *Connecting Cleveland 2020 Citywide Plan* recognizes that, given current regional patterns of housing and transportation, the central city will continue to be the home to the region's poorest citizens for the foreseeable future. Although many of the plan's recommendations will benefit poor residents as well as those who are better off, the plan devotes special attention to policies designed to empower those who have been passed over by the recent tide of revitalization.

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\* *This chapter was written by former City Planning Director Norman Krumholz in collaboration with current City Planning Director Robert Brown.*

## AFFORDABLE HOUSING

The Cleveland City Planning Commission has been actively engaged with neighborhood-based organizations since the early 1970s. Originally, City Planning staff provided support services to neighborhood-based advocacy organizations. Then, as many of the advocacy organizations became non-profit Community Development Corporations (CDCs), the planners, in both the City Planning office and the Community Development Department, extended their collaborative strategy to provide advice, technical assistance, and resources.

In the 1980s, the planners helped emerging CDCs buy, rehabilitate, and preserve significant buildings in their neighborhoods, prepare applications under the Urban Development Action Grant program, and prepare short-term and long-term neighborhood plans. Planners assembled the complicated financing package for the low-income rental development at Lexington Village in Hough. Cleveland's planners continue to help to CDCs in finding development sites, tailoring zoning regulations to facilitate development, helping open up access to essential funding, and working closely on planning initiatives of all sorts.

In 1981, six small CDCs, with help from Cleveland's planners and a \$400,000 loan from the City's Community Development Department, came together to form the Cleveland Housing Network (CHN), a non-profit organization that continues to grow while supplying much of the City's affordable housing. In 2004, CHN had a budget of \$85.9 million and 107 employees. It operated four distinct programs: (1) low-income rental housing on scattered sites through its Lease-Purchase program; (2) rehabilitated single-family home sales; (3) energy conservation and weatherization and (4) supportive services including financial literacy.

Since its founding, CHN has produced 2,100 homes for families of very low income with a lease that offers them an option to buy at low cost. CHN has also produced 1,200 rehabilitated homes for low- and moderate-income first-time buyers. The organization's insulation and energy conservation program has assisted 57,000 greater Cleveland residents to reduce their energy costs by approximately 30 percent. And its supportive service program has helped 700 of CHN's families to transition from public assistance to full-time employment.

In 2003, CHN sold off its first group of low-rent homes, offering poor tenants the possibility of home ownership. In that sale, 26 of 27 households exercised their option to purchase their home and, thereby, enjoyed a huge loan-to-value advantage. The homes ranged in estimated market value from \$55,000 to \$80,000, while the actual purchase price averaged \$6,500 to \$16,000. The large gap between the sales price and the market value means that the residents now have substantial equity in their homes and have accumulated a valuable asset. An additional 463 lease-purchase homes will be eligible for sale to residents from 2006 to 2010.

In addition to assisting CHN and Cleveland's CDCs, planners in Community Development and City Planning are working to decentralize poverty in the HOPE VI program of the Cuyahoga Metropolitan Housing Authority and the Housing Choice Voucher program. Both HOPE VI and Housing Choice Vouchers are targeted to very low-income families who currently live in disadvantaged neighborhoods. Planners are helping select scattered sites for

the construction of new or rehabilitated homes for families displaced by the HOPE VI program. Planners are also providing data to help counsel voucher holders to make the best possible use of their assistance and move to communities where their children will attend well-performing public schools where their academic outcomes can improve. When families receive counseling in conjunction with housing assistance, many are able to improve their education or skills and enter the labor market, and some significantly increase their earnings and assets.

## **LAND BANKING**

Land banking is another responsibility shared by Cleveland's planners, principally in the City's Community Development Department. In many cities, especially in the Midwest and Northeast, declining populations since the 1950s have reduced the demand for housing and other structures. Vacant housing and vacant lots numbering in the thousands are often the result. In response, urban planners often draft local and state legislation regarding tax delinquent and abandoned properties, help conceive and design land banks, and help develop property disposition schemes to restore properties to productive use.

In Cleveland, planners have been involved in land banking since 1972. After studying the problem, the planners drafted a state bill enabling certain municipalities in Ohio to set up land banks. The planners then helped organize a coalition to lobby the bill into law. The successful effort changed state law, shortened and streamlined the foreclosure procedure dealing with tax delinquent land, and enabled Cleveland to set up a land bank to receive parcels, clear titles and liens, and dispose of the land for reuse.

From 1976 to 2000, the Cleveland land bank acquired, cleared and sold over 8,000 parcels, most of which were sold to CDCs for development or adjacent property owners. As CDCs and developers will attest, these properties have become essential building blocks in neighborhood revitalization. Cleveland's planners today continue their long-term efforts to facilitate and expand the land bank process.

## **REGIONAL INEQUALITY**

Regional socioeconomic inequality is very high in the Cleveland region. Differences are nearly always presented in terms of central city/suburban disparities, with striking rates of poverty, unemployment, and inequality of opportunity in the central city.

The spatial distribution of inequality, and particularly the increasing isolation of low-income African-American populations in Cleveland and its inner suburbs, results from population and job dispersion out of the central city, relative obsolescence of infrastructure in the older city, racial discrimination, and suburban zoning laws that limit housing for low-income minorities.

Cleveland's planners have been working on decentralizing poverty since the 1970s when the planning commission published ■A Fair-Share Plan for Low-Income Housing in Cuyahoga County• and also published a ■Plan for the New Town of Warren's Ridge• a proposed new town development including affordable housing on land owned by Cleveland but located in

the former Warrensville Township, an eastern suburb. Although both efforts failed, Cleveland planners continued working toward the goal of providing affordable housing in the greater Cleveland region, giving Cleveland families access to housing choices and expanded job and educational opportunities. Today, the work of Cleveland's planners has largely shifted to providing those housing, job and education opportunities within the urban core itself through initiatives to make Cleveland and its neighborhoods "communities of choice" for residents and businesses alike.

Cleveland planners are also working with the Greater Cleveland Regional Transit Authority and the Northeast Ohio Areawide Coordinating Agency (NOACA) to provide ■reverse commute• programs to connect neighborhoods of high unemployment in the central city to neighborhoods in the suburbs where many new jobs in the region are developing.

## **INCOME**

Cleveland is engaged in a variety of strategies to raise family incomes. An important component of this strategy is to increase use of the Earned Income Tax, a federal refundable tax credit program available to working families and individuals earning low and moderate incomes. Eligible working families were able to receive an average of \$1,900 and as much as \$4,300 during 2006. Cleveland officials have joined with others in the Cuyahoga EITC Coalition in a campaign to make sure that every family in Cleveland and the County that is eligible for the EITC credit takes advantage of it.

Officials are locating low- and moderate-income city neighborhoods, identifying areas where eligible taxpayers are not filing for the EITC credit and helping develop local outreach campaigns aiming at 100 percent filing. In Cleveland, the EITC Coalition recruited a group of volunteers who in 2005 filed over 3,000 Earned Income Tax Applications and recovered over \$1 million for eligible working families. The model includes EITC education and outreach, free tax preparation services, local government, business and CDC involvement in EITC promotion and constituent information.

In addition to work on the EITC, Cleveland's planners can join with other public and private leaders to redress the fact that lower income families tend to pay higher than average prices for many basic household necessities, including financial services and insurance-- than higher income families. For example, lower income consumers are much more likely to pay high prices to cash checks and take out payday loans in businesses that tend to be densely concentrated in low income neighborhoods. In some neighborhoods, consumers pay up to an additional \$50 to cash a \$500 check. Planners and others can work to use their licensing, zoning and regulatory authority to limit the fees and interest rates charged by fringe businesses and curb the development of these businesses while working, on the other hand, to connect banks and other members of the competitive, mainstream economy to lower income neighborhoods and consumers.

The city, school district and other interested parties have an opportunity to promote consumer responsibility and provide lower-income consumers with better market information. This can enable consumers to make more informed decisions, which means knowing which companies to buy from, what goods and services to stay away from, and how to manage day-

to-day budget demands. Planners can work with others in the city to make public investments in basic consumer education, which would help lower-income families get ahead by bringing down the inflated prices they often pay for basic necessities.

## **URBAN GARDENS AND FOOD**

Cleveland has a 30-year history of supporting community gardens and local food growing. The city provides land and resources to help people grow nutritious food, develop important skills, and build stronger communities and healthier environments. In 2006, close to 3,500 participants grew food for their families and communities in 163 community gardens in the city and produced over \$1.4 million worth of produce. Urban gardens convert vacant land into productive, attractive and inviting spaces. Gardens offer a physically and mentally healthy place to engage children and adults in outdoor recreation. In addition, three large urban gardens operated by the Cleveland Botanical Garden provide jobs and income to urban youth as gardeners.

Cleveland's planners believe that the urban garden program should be widened and strengthened for a number of reasons bourn out by various studies that show:

- *Crime reduction*
- *Increased property values*, especially on properties located within 1,000 feet of the garden
- *Economic development* to provide local food at fair cost and create jobs and income
- *Health benefits* in the form of decreased levels of obesity and diabetes
- *Food security* to help provide fresh food, stretch food budgets, sell foods at farmers markets, and donate surplus food to neighbors or food pantries.

Accordingly, Cleveland's planners will work with neighborhood groups to select additional sites that are appropriately located for an enlarged community garden program and will work with the city and other funders to provide adequate resources to the Botanical Garden, Ohio State University Extension, Cuyahoga Community Land Trust and other collaborators interested in gardens and food production.

In support of this program, the Cleveland Planning Commission approved in 2007 the adoption of a new section of the zoning code – Chapter 336, Urban Garden District – to protect and preserve Cleveland's urban garden areas. This may be the nation's first zoning district designed specifically to reserve land for community gardens.

## **GOALS AND POLICIES**

The *Connecting Cleveland 2020 Citywide Plan* proposes a wide range of goals and policies designed to provide greater opportunity and equity for all Clevelanders, particularly those who remain near the socioeconomic bottom of the community. These goals and policies (taken from other chapters of the plan) include the following.

**Housing (Goal).** *Provide new and renovated housing that meets the needs and preferences of Clevelanders of all incomes, ages and lifestyles.*

**Decent and Affordable Housing.** Give highest priority among the City's housing initiatives to the provision of decent and affordable housing for all Clevelanders.

**Housing Choice.** Provide a diversity of housing types in neighborhoods throughout the City, maximizing choices for residents of all economic and social circumstances.

**Rehabilitation.** Give priority to housing rehabilitation as the most effective means of making affordable housing available to the greatest number of residents.

**Homelessness.** Address homelessness through a multi-faceted strategy that includes emergency shelters, permanent supportive housing, medical and social services, and job training.

**Senior Housing.** Develop housing for senior citizens in proximity to shopping, medical facilities, social services, and public transportation.

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**Retail (Goal).** *Provide Cleveland residents with a broad range of high quality, conveniently located retail shopping opportunities.*

**Tapping the Market.** Improve the quantity and quality of retailing in Cleveland neighborhoods by tapping into the hidden market that is often overlooked by national retailers, particularly in neighborhoods with large numbers of minorities and immigrants.

**Creating Wealth.** Maximize opportunities for Cleveland residents to own and operate retail businesses in the City.

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**Economic Development (Goal).** *Increase economic prosperity through job creation and improved access to jobs and business ownership by all segments of the Cleveland community.*

**Education.** Strengthen public education in Cleveland as the foundation for economic development and personal prosperity.

**Job Training.** Improve access to job training opportunities that enable Cleveland residents to more fully participate in growing sectors of the economy.

**Inclusiveness.** Ensure that minorities and City residents are fully represented in all employment sectors.

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**Recreation (Goal).** *Provide high-quality recreation opportunities and facilities that meet the needs of Clevelanders of all ages, ability levels, incomes and interests.*

**Serving Neighborhoods.** Ensure that a wide range of recreation facilities are equitably distributed throughout the City, with playgrounds located within approximately ¼-mile (a 5-minute walk) of all residents.

**Diverse Programming.** Offer a diversity of recreation programs to serve the recreation needs and interests of Clevelanders of all ages, incomes, lifestyles and ability levels.

**Community Gardens.** Reserve land for both temporary and permanent use as community gardens in every neighborhood throughout the City.

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**Community Services (Goal).** *Connect communities and their institutions in a manner that nurtures the physical, mental and spiritual life of all residents.*

**Schools as Community Resources.** Utilize schools as centers for community education, open in the evenings and weekends for use by students as well as other neighborhood residents, as financial resources permit.

**Equitable Funding for Schools.** Advocate for a statewide system of school funding that responds to the needs of students rather than to the wealth of communities.

**Coordinated Neighborhood Services.** Facilitate cooperation between local service providers and community organizations to work at the neighborhood level to address the comprehensive needs of residents for education, training, health care, and social services.

**Community Libraries.** Support full-service libraries as centers for lifelong learning and intergenerational learning in each of Cleveland's neighborhoods.

**Community Health Care.** Ensure that medical offices are located so as to supplement full-scale hospitals in serving residents of all Cleveland neighborhoods and that critical health care education is provided to students in elementary and secondary schools.

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**Transportation and Infrastructure (Goal).** *Provide a variety of transportation options that serve residents of all income levels and that promote economic development while protecting the quality of life in neighborhoods.*

**Mass Transit.** Support improved bus and rapid transit service, through public funding and employer incentives, to serve individuals who require or prefer mass transit and to reduce the pollution and roadway congestion caused by use of personal automobiles.

**Neighborhood Bus Service.** Continue and expand RTA's "Community Circulator" program, providing convenient bus service to residents using mass transit to reach such neighborhood destinations as shopping, recreation and medical services.

**Job Access.** Provide transit service between central city neighborhoods and employment concentrations in the city and in outlying areas.

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**Arts and Culture (Goal).** *Enrich the lives of Clevelanders and strengthen economic vitality by establishing Cleveland as a world-class center for the arts.*

**Accessibility.** Ensure that the arts are accessible and affordable to residents of all neighborhoods, income levels and ages, including arts programming in the public schools and expanded publicity and outreach.



**Cultural Diversity.** Ensure that the arts in Cleveland fully reflect and represent the cultural and demographic diversity of the Cleveland community.

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**Sustainability (Goal).** *Ensure the long-term environmental, economic and social viability of Cleveland and its region.*

**Sustainable Neighborhoods.** Develop “full life-cycle neighborhoods” that provide housing and services for residents of all ages and incomes, with a healthful living environment and convenient access to jobs, shopping and recreation.

**Sustainable Economy.** Ensure that economic development, job training and education in the Cleveland region keep pace with national trends and emerging opportunities in order to provide jobs for current and future residents.