



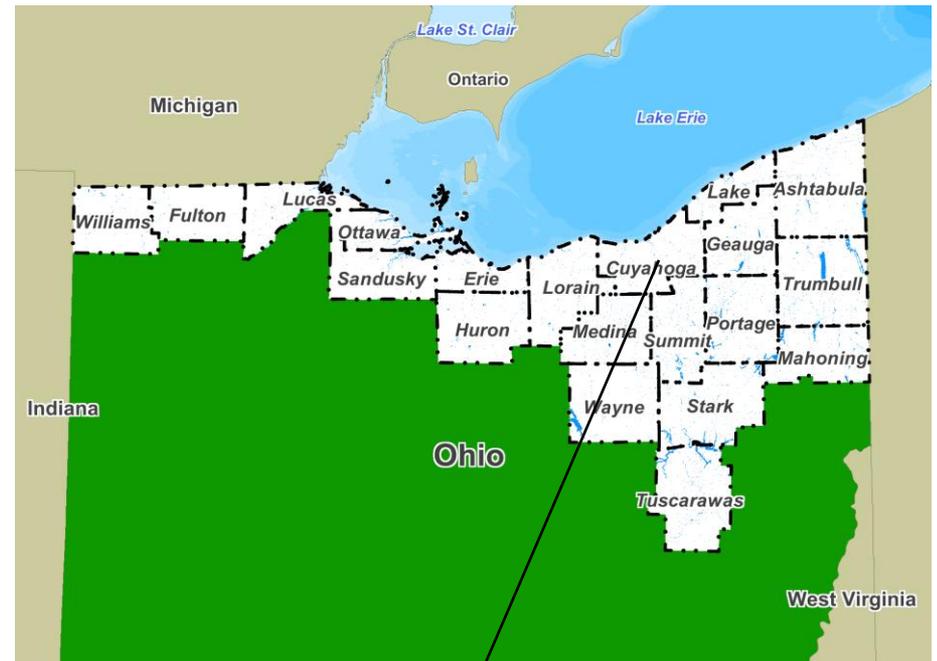
Federal Reserve Bank Neighborhood
Indicators for Recovery

Challenges in the Recovery Process

The Shaker Heights, Ohio Experience
May 2009

The City of Shaker Heights

- First ring suburb of Cleveland, OH
- Developed in 1920s as a planned community
- 6.28 sq. miles
- 12,994 housing units
- 84% of housing units built before 1960



**Shaker
Heights**

The City of Shaker Heights

- 29,405 people
- 60% white, 34% black
- \$64,900 median h/hold income (2005 est.)
- Poverty rate: 5.3%
- 62 % bachelor's degree of higher



Single Family Housing

- 7,623 single family houses (59%)
- Prices range from \$50,000 to \$5 million



Rental Housing

- Rental housing = 1/3 of stock
- 2619 apartment units (20%)
- 1402 two family units (11%)
- Rents range from \$500 to \$2000
- Approx 350 Section 8 subsidized units



Foreclosure Crisis Impact



- Median single family house sales price: \$195,000 (2008); 16% decline
- Days on the market: 107 days (2008); 11% increase
- 514 vacant properties, i.e. 5.8% of single & two family properties; a 20% increase in one year.

2007-2008 Sales

Single Family Market

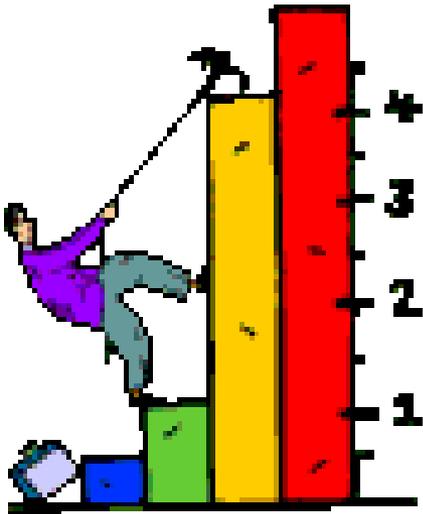
- **Under \$150K**: 26% decline in median price
- **\$150K - \$250K** (approx. 1/3 of housing stock): slight increase in median price.
- **\$500K - \$750K**: 1.4% decline in sales price.
- **\$250K - \$500K**: 6.7% decline in sales price.

Two Family Market

- Two-family house prices declined by 66% !!



Meeting the Challenge



- Foreclosure prevention
- Protection of property values
 - Nuisance abatement
 - Grant & loan programs
- Strengthen weak markets
 - Two family houses
 - Under \$150K housing
- Positioning for the future
 - Land banking
 - Modernize housing
 - Marketing

Foreclosure Prevention

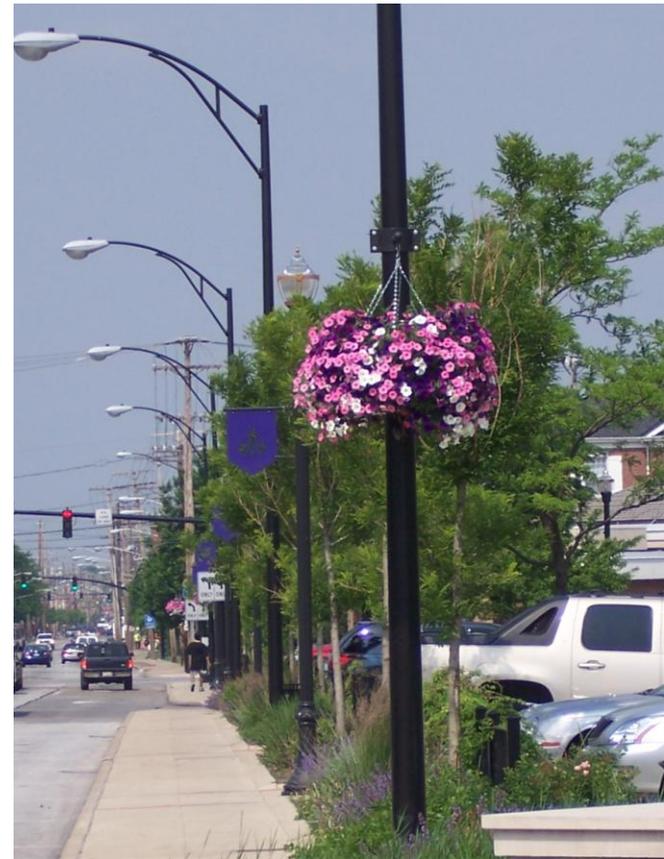


- Education
- County 211 & State 888 numbers
- City commissioned study
- Early Warning System

Protect Property Values

Enhancing Curb Appeal

- Landscape programs
- Hanging flower baskets
- Strong code enforcement
 - Point of Sale escrow
 - Grass cutting/landscaping
 - Vacant Property inspector



Nuisance Abatement

- 143 houses since 2001
- \$250,000+ of contracts annually
- No General Fund \$\$\$ used
- No board ups
- Emergency nuisance abatement



Before



After

Grant & Loan Programs

- 32 exterior home improvement projects completed
- \$305K in Help Loans
- \$209K in Heritage Loans
- 65 homeowners received technical assistance
- 18 houses painted



Before



After

Strengthen Two Family Market



- Certified Shaker
 - Free decorating & technical advice
 - Free marketing in exchange for property upgrades
- Landlord training
- Tenant screening cooperative
- Two Family owner occupancy incentive

SHAKER HEIGHTS



winslow road:

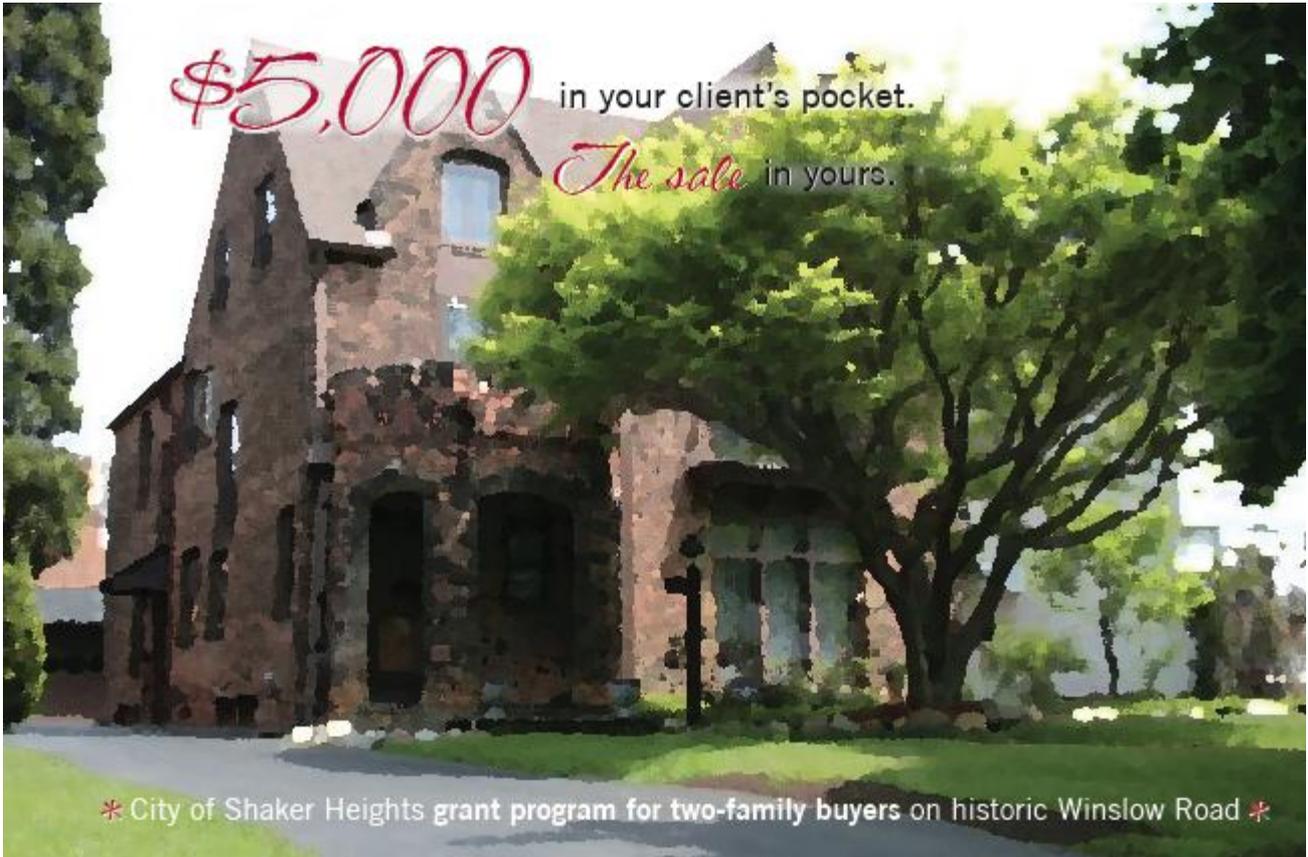
Shaker's newest historic district
of distinctive two-family homes

Great housing options, including...

- a place for your **home-based business** to thrive
- a home to **share** with aging parents
- a **smart investment** where you can live in one spacious unit, and get **rental income** from the other

live creatively...*Invest in the best.*

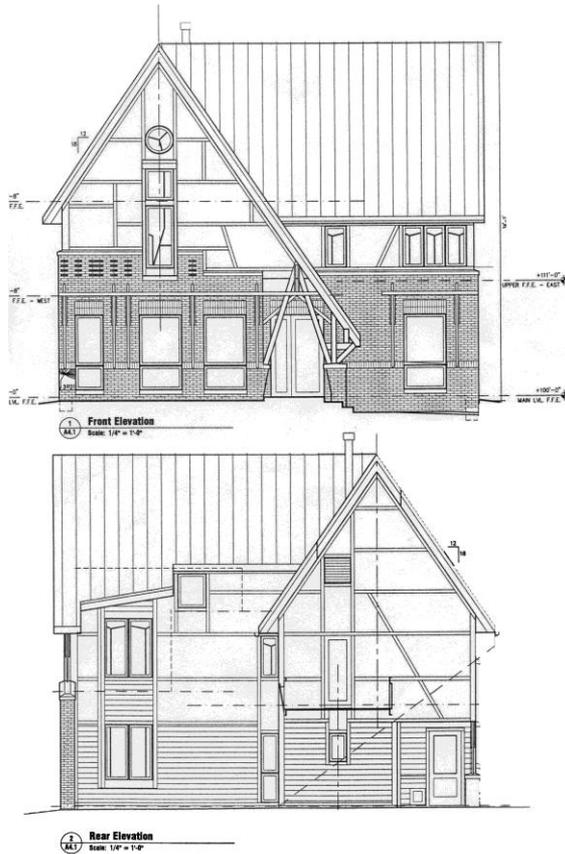
For relocation information, visit shakeronline.com or call 216-491-1332



\$5,000 in your client's pocket.
The sale in yours.

* City of Shaker Heights grant program for two-family buyers on historic Winslow Road *

Strengthen the under \$150K market



- Tax abatement in lower income neighborhoods
- Encouraging new uses for old products
 - Senior bungalows
- Land banking
 - Demolition of obsolete houses

Land Banking

- 22 properties acquired; 3 pending acquisitions
- 2 donations negotiated; 2 pending
- Approx. \$25,000 per property (acquisition/demolition/landscaping)



Treatment A - Menlo Prototype

Shaker Heights Vacant Parcel Landscape Initiative

February, 2008

Infill Housing

- Architectural subsidy to promote high quality design
- Discounted plans
- \$7 million in new single family housing since 2001



The Penbury - front elevation



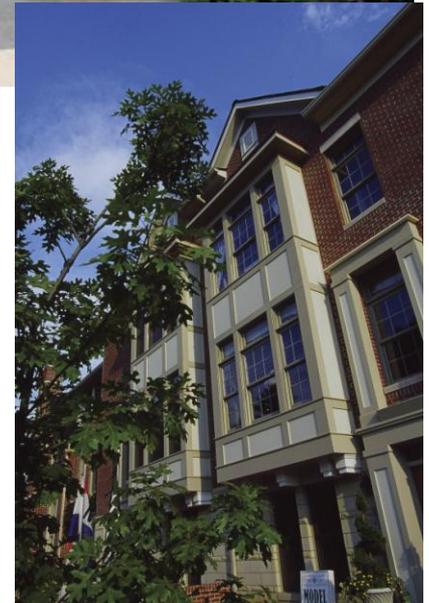
The Blackstone - front elevation



The Hadlow - front elevation

Positioning for the Future

- Increase commercial/retail sector
- New housing options
- Modernize housing
 - Rehabber incentives
 - Go Green



New Housing Options



Before

\$2.1 million of tax value

After

\$38.3 million of tax value



New Housing Options

- Senior affordable housing



FRONT ELEVATION - CHAGRIN BLVD



LEFT ELEVATION



RDL ARCHITECTS
 1240 West 10th Street, Suite 100
 Tulsa, Oklahoma 74106
 Phone: 918.259.8878
 Fax: 918.259.8879
 Email: info@rdlarchitects.com

**LIBRARY COURT
 SENIOR HOUSING**

SPARKS RESOURCES, LP



PIRHL LLC
 4000 W. 10th Street, Suite 100
 Tulsa, Oklahoma 74106
 Phone: 918.259.8878

PROJECT NO. 2008-001
 SHEET NO. A-3.03
 DATE: 08/15/08
 DRAWN BY: JLD
 CHECKED BY: JLD
 PROJECT: LIBRARY COURT SENIOR HOUSING
 CLIENT: SPARKS RESOURCES, LP
 ARCHITECT: RDL ARCHITECTS
 ENGINEER: PIRHL LLC
 TAX CREDIT SUBMITTAL 2008

**TAX CREDIT
 SUBMITTAL
 2008**

**FRONT & LEFT
 RENDERED
 ELEVATIONS**

SCALE: AS SHOWN
 DRAWN BY: JLD
 CHECKED BY: JLD
 PROJECT: LIBRARY COURT SENIOR HOUSING
 CLIENT: SPARKS RESOURCES, LP
 ARCHITECT: RDL ARCHITECTS
 ENGINEER: PIRHL LLC

A-3.03

Modernizing the Housing Stock



- Tax abatement for significant rehabs
- Encouraging new uses for old products
 - Live-work
- Certified Rehabber Incentives
- Go Green

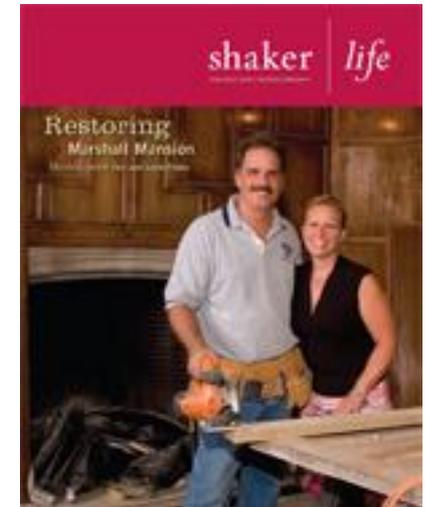
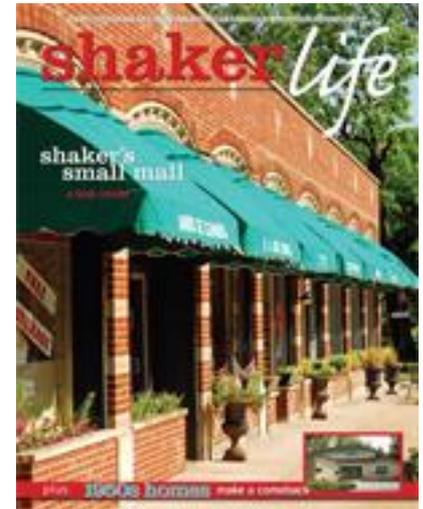
Energy Efficient Housing

- Go Green Program
- Transit Village
 - District geothermal
 - New & old housing



Marketing the City

- Shaker Life magazine
- City website: www.shakeronline.com
- Bill boards at airport
- Marketing packets
- National ad campaign
- Linkages with main employers
- Tours of rental properties

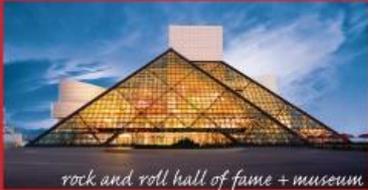




In Shaker Heights,

fun

is just a rapid ride away. Choose the only community with two rail lines right to downtown Cleveland and Hopkins International Airport.



rock and roll hall of fame + museum



Jacobs field



quicken loans arena



SHAKER HEIGHTS

*skip the traffic,
save on gas, sit back and relax!*

Ongoing Problems?



- Fraud....and all its new faces!
- Still no real funding for non-entitlement communities
- The Banks:
 - Walkaways
 - Bulk sales
 - Sales to out of country buyers
 - Slow, slow process

What's Still needed?

- Enhanced ability for public and responsible private sector to gain control of properties for productive reuse or land banking.
- Stronger tools to help cities deal with the destabilization of neighborhoods.
- Regional land reuse strategies to deal with loss of population.
- Consumer protection!

