Introduction:

- Who is Metro West / Detroit Shoreway Community Development Office?
- What are the characteristics of our neighborhoods?
- Importance of Stabilizing our Markets through Code Enforcement
- Single Family Rehabilitation Program
  - How it works
  - How we use it to leverage our assets
Thank You to All of Those Who Make This Work Possible:
DETROIT SHOREWAY & METRO WEST OFFICES: SERVE 4 NEIGHBORHOODS & 40,000 RESIDENTS
Metro West Service Area

Total Foreclosures

January 1, 2005 to June 30, 2017

Metro West Housing Overview

<table>
<thead>
<tr>
<th></th>
<th>Count</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total One &amp; Two Family Homes</td>
<td>7,577</td>
<td>100%</td>
</tr>
<tr>
<td>Foreclosures</td>
<td>3,614</td>
<td>45%</td>
</tr>
<tr>
<td>Demolitions</td>
<td>454</td>
<td>6%</td>
</tr>
</tbody>
</table>
METRO WEST: REAL ESTATE TRENDS

- **Vacant and Abandoned Property**
  - 950 identified in 2010
  - 400 exist today
  - 590 Vacant Lots

- **Distressed Property**
  - 50% of properties are distressed
SETTING THE FOUNDATION FOR A MARKET

• Using Code enforcement effectively

From this........................................to this!
<table>
<thead>
<tr>
<th>House Number</th>
<th>Street Name</th>
<th>Finding or Violation Type</th>
<th>Inspection notes</th>
<th>Contact Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>ALTHEN AVE</td>
<td>minor</td>
<td>Topp on main, distressed gutters, good progress on porch</td>
<td>6/10/2017</td>
</tr>
<tr>
<td>3</td>
<td>ALTHEN AVE</td>
<td>minor</td>
<td>Topp on trim, distressed siding</td>
<td>6/10/2017</td>
</tr>
<tr>
<td>4</td>
<td>ALTHEN AVE</td>
<td>major</td>
<td>Damaged siding, distressed roof, no gutters, padlocked, graffiti</td>
<td>6/10/2017</td>
</tr>
<tr>
<td>5</td>
<td>BLATT CT</td>
<td>minor</td>
<td>T&amp;t in by, dw &amp; porch. high grass.</td>
<td>6/10/2017</td>
</tr>
<tr>
<td>6</td>
<td>BLATT CT</td>
<td>minor</td>
<td>Topp on porch ceiling, torn screens, junked car parked on soft surface</td>
<td>6/10/2017</td>
</tr>
<tr>
<td>7</td>
<td>BLATT CT</td>
<td>minor</td>
<td>Topp on steps &amp; rails</td>
<td>6/10/2017</td>
</tr>
<tr>
<td>8</td>
<td>BLATT CT</td>
<td>minor</td>
<td>Topp on trim &amp; rail, distressed porch ceiling</td>
<td>6/10/2017</td>
</tr>
<tr>
<td>9</td>
<td>BLATT CT</td>
<td>major</td>
<td>Topp on main &amp; trim, damaged eaves, broken window veg in gut</td>
<td>6/10/2017</td>
</tr>
<tr>
<td>10</td>
<td>ALTHEN AVE</td>
<td>major</td>
<td>Damaged &amp; Chipped, distressed &amp; broken edge</td>
<td>6/10/2017</td>
</tr>
</tbody>
</table>
Dear John Doe,

The Metro West Community Development Office is a non-profit organization which helps improve neighborhoods through community organizing, housing development and economic development. In partnership with the city’s Department of Building and Housing, we inspect every structure in our service area and have noticed Major code violations on your property at 1234 Main St, Anytown, Ohio as verified by our inspection on 7/14/2018.

The following violations need to be corrected:

- distressed siding and back porch, peeling paint on masonry and hand rail, trash and debris in driveway and porch

Please contact me by August 21st, 2018 presenting your plan for correcting these violations. If you fail to communicate with us regarding these violations you may be subject to an official Inspection by the Department of Building and Housing. Failure to correct violations issued by the city is a criminal offence and can result in maximum penalties of $1,000 per day out-of-compliance or $5,000 for corporations.

Sincerely,
REPLIES LEAD TO HELP

Model Block

SHAP

Church Groups

Nehemiah Mission

Hebrew Free Loan

Community Service
NO VIOLATIONS?

In partnership with the city’s Department of Building and Housing, we inspect every structure in our service area and are happy to report that we have found NO CODE VIOLATIONS on your property at 1234 Main St, Anytown, Ohio as verified by our inspection in July of 2015.

Our inspection of your area yielded the following results:

- 600 properties surveyed
- 50 notified of Major violations
- 250 notified of Minor violations

As the Housing Specialist with this community development office, I want to thank you for contributing to a vibrant and beautiful community! I also want you to know that we are here to help anyone with a violation. Code Enforcement is not a punitive measure, it is for the wellbeing of the whole community.

We are always looking to work with those in the neighborhood who need help and if any of your neighbors should mention their citation letters to you, please encourage them to call us. We will do everything in our power to assist them in finding the resources they need to bring their homes up to code. We have asked everyone with violations to contact our office with their plans to correct their violations.
TECHNOLOGY IS OUR FRIEND
Identifying Opportunities
The Single Family Rehabilitation Program was created in 2008 in response to the foreclosure crisis. The program was developed to mitigate the impact of vacant and abandoned property.

- Saves homes that would otherwise be demolished
  - Gut Rehabs
  - Missing mechanicals
  - Serious structural problems
Program Goals:

- To stop flippers and slum landlords who wish to buy property in the neighborhood.
- Reduce Vacancy and Blight
- Stabilize Market Conditions
OVERVIEW OF SINGLE FAMILY REHAB PROGRAM
(2008 — 2016)

Total number of houses rehабbed since 2008: 364
- Detroit Shoreway: 219
  - Since 2008
- Metro West: 145
  - Since 2011

Total Investment into our Communities: $13,500,000

Demolition funding saved: $3,100,000
Overview

- **METRO WEST DOES NOT ACQUIRE OCCUPIED HOUSING.**

- **NO ONE IS DISPLACED BY METRO WEST.**
Where Do Our Houses Come From?

- Acquisition Pathway
  - Cuyahoga County Land Reutilization Corporation Acquisitions
    - 15%
  - Board of Revisions Tax Foreclosure
    - 70%
  - REO / State Forfeiture
    - 9%
- Private Donation
  - 6%
The houses are sold through a competitive Request for Proposals (RFP) process that is only available to the pre-qualified owner occupants and investors.

DSCDO prequalification verifies:

1. financial capacity
2. record for quality housing rehabilitation
3. foreclosure history
Request for Proposal Process:

- How do we select a rehabber through the RFP process?

- Developers and occupants submit a scope of work and financial credentials as a proposal.

- Priority is given to proposals that:
  - Create Owner Occupancy
  - Include historical rehabilitations
  - Comply with Enterprise Green Building Standards

- The proposal with the highest priority and the best scope of work is selected
Program Administration, Quality Assurance:

- Selected Rehabbers have 9 Months to Complete the Project
  - Must pull required permits
  - Complete work identified in their Scope of Work
  - Must meet Cleveland minimum code

- Properties are inspected as needed or on a 3 month basis

- Upon transfer, a rider is attached to the deed that enables Metro West to re-acquire the property if these obligations are not met.
OWNER-OCCUPIED PURCHASE REHAB

Challenges for owner occupants to purchase vacant and abandoned homes:

- Many first time homebuyers are not interested in a gut rehab
- Bank Financing can be difficult

We Require:
- Homeownership class
- Rehabilitation specifications and bids from contractor/contractors required
- Permits and timely inspections are required
OWNER-OCCUPIED PURCHASE REHAB

In Metro West, 40% of SFRP sales have been to owner occupants

Primarily Latino families (90%)

- Cash paid for purchase
- Cash paid for materials
- Completion of modest rehab
- Labor provided by family
SINGLE FAMILY REHAB PROGRAM: METRO WEST

2016
- Total number of sales: 27
- Total revenue generated: $115,702.22

2017
- Current number of properties sold: 20
- Projected sales by years end: 27
- Estimated Revenue by years end: $100,000
THREE CATALYTIC INITIATIVES
Creating Positive Change in All Neighborhoods
BUILDING AND STRENGTHENING A DIVERSE COMMUNITY

INTERNATIONAL

Village
INTERNATIONAL VILLAGE: PROJECT BOUNDARIES
INTERNATIONAL VILLAGE

Thomas Jefferson Students

950 Students, 30 Languages, 56% Latino
INTERNATIONAL VILLAGE

Three Focus Areas
1. Community Organizing
2. Economic Development
3. Housing Development
HOUSING WITHIN ½ MILE OF THOMAS JEFFERSON

108 vacant properties
• Down from 165 in 2014

Distressed Properties:
• 7 condemned properties
• Down from 50 in 2014
HOUSING REHABILITATION

Goals:

• Work with City and private owners to demolish 57 homes
  • 32 demolished to date

• Acquire 20 vacant properties for rehabilitation at a minimum
  • Currently have 7 completed homes
  • 12 homes under construction
  • 54 properties currently in the pipeline

• By 2022, We will have 73 rehabilitated homes. This will:
  • Save the City and County $584,000 in demolition
  • Create $3,650,000 million in investment
  • Return payroll, real estate taxes to the city and county as well as boost the local economy and generate sales taxes
DARYL ANDERSON –
MUSTARD SEED DEVELOPMENT, LLC.

- Daryl originally started this as a for-profit venture but quickly realized that he wanted to help provide housing to refugees and train them to work in his business.
- Daryl has completed nearly 70 properties in the DS and MW service areas. Daryl and his family are residents of the Stockyards neighborhood.
- Currently, Daryl has a crew of 6. 4 members of his crew are refugees that he has trained.
  - Over the past 4 years, he has helped train 15 refugees and is constantly helping them grow personally and professionally.
INTERNATIONAL VILLAGE

Lease/Purchase Program
- Partnership with CHN
- 2017 LIHTC Application
- 22 New Construction Infill Houses
QUESTIONS?