

Documenters

POWERED BY CITY BUREAU & SIGNAL CLEVELAND

Development, Planning and Sustainability Committee

Documenter name: Marcy Clark

Agency: [Cleveland City Council](#)

Date: Oct. 17, 2023

[See more about this meeting at Documenters.org](#)

Summary

- The Erieview Tower project will bring housing and 800 new employment opportunities in roughly the next 24 months, according to an official.
- The Apollo project will create eight new jobs with an annual payroll of \$400,000.
- There was no public comment.

Follow-Up Questions

- Will there be affordable housing for low-income families on the Erieview and Apollo sites?
- Can the city outsource the maintenance of Opportunity Corridor to an outside company or maybe allow for non-profits and other organizations to adopt certain areas along the corridor?

Notes

The [Development, Planning and Sustainability Committee](#) is responsible for legislation relating to the redevelopment of blighted areas, the rehabilitation and conservation of properties, the alleviation of the housing shortage, economic and industrial development, the land reutilization program and all matters pertaining to Cleveland's Departments of Community Development, Economic Development, Consumer Affairs and Building & Housing and Cleveland's Empowerment Zone office. The committee oversees the appropriation and expenditure of Cleveland's Community Development Block Grants, which fund programs such as recreation and senior services.

City Council members present:

- Anthony Hairston, chair
- Jasmin Santana, vice chair
- Stephanie Howse-Jones

- Kris Harsh
- Kerry McCormack

Emergency Ordinance [1029-2023](#) was approved. Erieview Tower is set to be redesigned by W, a Marriott-ran brand. The overhaul is projected to bring in 800 jobs, according to presenters. It also will include redeveloping the Galleria. This project should be completed within two years. This legislation is a step required before City Council can approve a [tax-increment financing \(TIF\)](#) deal to support the costs.

Emergency Ordinance 1091-2023 was approved. This is for a TIF to develop the Apollo, a mixed-use building located in The Flats. This building, located at 1250 Riverbed St., has been vacant for a while, according to presenters. McCormack noted this project would be led by a Black-owned development company. The owner and developer is Mike Apt, who relocated from Texas to Cleveland. Apt proposes to create 70 apartments and a commercial space for Apt Development, creating employment opportunities for city residents with an annual payroll of \$400,000.

With no more legislation to review, the committee then held an operational review of Cleveland's [Department of Building and Housing](#).

Sally Martin O'Toole, director of the department, started with some highlights from the year:

- As of April, the city had completed a survey of every [parcel](#) in the city with the Western Reserve Land Conservancy.
- The Demolition Bureau is at full capacity and has finished its first round of a state-funded demolition program, which included demolishing structures on 300 parcels; more are anticipated using state money.
- Surveys of the parcels are used to remove blight.
- O'Toole said her department has been short-staffed all year.
- She also spoke on the [Residents First legislation](#) and its importance to the city. The package would help to revise existing city code, revamp housing code enforcement, and create a new vacant property registry.

Committee Chair Hairston noted that the Demolition Bureau had spent \$4 million of the \$15 million of federal stimulus money allocated to it. He asked administration officials to remind him and those watching what the money was allocated for and what the bureau has spent it on.

Alex Abramowitz from the department said the bureau has demolished far more residential than commercial projects, but it takes about \$10,000 to \$20,000 per residential project, and commercial work can balloon up to six figures. He said a large sum of money is going to demolish a big building on Harvard Road. He said it cost a couple hundred thousand dollars to get the site prepped for demolition. He also said the big building on Harvard is being paid for with the American Rescue Plan Act (ARPA) funding in question. He will forward a better breakdown to council at a later time.

Hairston asked about using state grants primarily for residential demolitions and ARPA money for commercial. Abramowitz said that's essentially how the city does it, with ARPA being a secondary source for residential and commercial projects.

Hairston asked whether there was a prioritization of taking care of blight areas on the East Side.

O'Toole said they are working with Economic Development on that, as well as the city's [Southeast Side Strategist](#).

Hairston: Why is the bureau re-vetting contractors?

Abramowitz: They are re-vetting their contractors due to some performance issues. At this time they have more than 50 companies but are looking to downsize to 20-some.

Hairston: Council wants to know or make sure that things are being prioritized properly.

O'Toole said they do have a tracking sheet about council's demo priorities. She also said the council's priorities are her department's priorities.

Santana: Questioned the department's ability to inspect the main corridors. Many businesses and corporations are not maintaining the corridors. How many inspectors do you have? How many do you need? Do we (City Council) need to increase the budget?

O'Toole: The division that handles that work is not well staffed. They need a better staff plan.

Chief Building Official Tom Vanover voiced his aggravation with the situation. The department's Main Streets Division was created to assist with going after big corporations not taking care of their buildings. They do have plans to bring in more inspectors, but they are having trouble recruiting.

Santana: Are you asking council to help with budget, with staffing?

O'Toole: They can pull from other resources, and they were able to ratify some issues with the wage scale changes in union contracts. If Residents First passes, they will be able to hire more people.

Santana: How much is the citation?

Vanover: The city doesn't issue fines. The city issues a notice of violation. If they ignore it, that triggers a court proceeding and then the judge -- if the business owners/landlords show up -- issues a fine. Residents First would allow the city to issue civil fines up front.

O'Toole: states it's frustrating with the current directive; it's kind of impossible to get the out-of-town investors, landlords and corporations in court. Hoping Residents First will pass with the provision to allow civil tickets that would manifest into misdemeanors. She said they also have been working with the law department on receivership cases.

Hairston: Are there any other critical hires you intend to make to address code enforcement?

O'Toole: We are in the middle of restructuring. She believes they will have a change on the managerial level as well as with court enforcement. We do have a number of critical new hires in the pipeline. The most important thing is getting feet on the street.

Harsh: Said he did push for more positions in Building and Housing, believes it is one of the most important departments in the city. What is the full-time staff number?

O'Toole: She thinks 134 with 33 current open positions.

Navid Hussain, commissioner of construction permitting: We do have two residential plan examiners and five commercial plan examiners. The commercial examiners have about 18,000 permits to review and residential has about a thousand.

Harsh: What do assistant plan examiners do?

Hussain: Administrative permits for such things as roofing, siding, HVAC and plumbing (things that can be done the same day).

Harsh: For an extension /addition to your property, that goes to a residential examiner?

Hussain: Yes, close to a thousand permits are issued per year.

Harsh: Can two people handle 1,000? That's 500 each, 10 a week, two a day. Is that possible?

Hussain: Our commercial examiners are certified examiners.

Harsh: We expect them to handle paperwork. The difficult calls we get are from residents who are trying to get additions to their back garage. They don't understand why it takes two months, and it is frustrating. Neighbors ask if we are understaffed in that department and can they get help, especially with residential.

O'Toole: One of the reasons for hiring the consulting firm Baker Tilly to study part of their work is to determine optimal staffing levels. Building and Housing believes it should be simple to get permits and is encouraging online permits.

Harsh: Always thought that online permits were low-hanging fruit in Cleveland. Why is it so difficult? Is it a legal problem?

O'Toole: We have online permitting; 50% are issued electronically. We made that change seven years ago.

Harsh: Commercial or residential?

O'Toole: Both. We did recognize there is a backlog.

Harsh: The Baker Tilly study feedback is expected to be completed when?

O'Toole: Soon, maybe November. By the end of the first quarter next year, they should be able to move on it.

Harsh: You have 134 and are hiring 33, so that would be 167-ish. Residents First will help with that. Can you point out where the rental registry is compliant? Where is the rental registry on processing? How many people are in this division? What might this division need?

O'Toole: We know if Residents First passes. Toni Allen's rental registration division needs

more capacity.

Harsh: It's a major concern of his to be able to verify and hold people accountable. It will require some enforcement with half of the city trying to avoid it. He is concerned about accountability.

Santana: Does an inspector go into the house to inspect?

O'Toole: It depends. Part of the problem is difficulty getting a search warrant to go inside, and in occupied rental homes, it is not something they are given traditionally. So when there are complaints from tenants inside of the residence, the city tries to mail proactive inspection letters. It's more of, "I will let you in or no thanks." We need to tighten that up. With the new legislation, which she hopes will pass, it is more than likely they will be able to work better with residents.

Santana: Residents are renting properties that are registered yet in terrible conditions. Now we get calls for health complaints. Santana thought registry came automatically with inspections

O'Toole: If Residents First passes, it will be true.

Harsh: It's coming up. Administration has a budgeting target, and directors are not sent here to create ripples. But he added that Building and Housing needs a lot more money. He said getting more people is at the heart of solving the lead problem in Cleveland, which comes mostly from rentals. He said he will be advocating for more resources for the Building and Housing Department.

Hairston: In November, participatory budgeting is on the ballot, and its passage could lead to catastrophic reductions in Building and Housing. *[Editor's note: Learn more about participatory budgeting with [Signal's series of FAQs](#)].*

Howse-Jones: Residents First—what's the timeline when we get into legislation?

Hairston: Next week.

Howse-Jones: Regarding the second piece, preserving affordable housing. The city has 9,000+ vacant structures. What's your thought process? We know we don't want to demolish everything. We do need to have the financial ability for people to be able to fix up the home. Can you talk about the role Building and Housing will play in partnership

with Community Development to actually start getting resources to redevelop the home?

O'Toole: It does require a lot of collaboration. One of the things that the survey allowed was to share data. They also have map layers to see what is in the pipeline for tax foreclosure. What could be coming in the State of Ohio forfeited lands.

O'Toole believes Community Development staffers are working with Marvin J. Owens Jr. to pilot a test especially for the Southeast Side to see how they can identify funding and plan strategically. Some ARPA money is dedicated to home repair and renovation. Officials are looking to see what they can do to scale that to work with the county land bank, which already has the capacity and does a lot of work with Deed and Escrow. They are looking at how to steer that to better use. They talked with a group out of Pittsburgh and would hope that their model could come to Cleveland and be an expansion of the county land bank or an external partner.

Howse-Jones: How are we transitioning? She said she does not understand the process. She said calls were made last week from an elderly lady who said her house was paid off but taxes were due. People need to contact us about taxes before it gets out of hand. With that being said, certain properties are getting sold before the houses that are abandoned for years versus someone living in them. Is the city looking into this before going after taxes? How can we better work together to identify people who need assistance? It has been older Black women that this has happened to who are now experiencing homelessness. We need a better strategy for communicating with one another so that this trend can stop. We have to be able to identify who needs help so random companies can't throw anybody in this house with tenants who won't take care of it. How can we better work in alignment?

O'Toole: Yes, they are operationalizing. Last summer a staffer focused on looking for opportunities through tax foreclosure in the State of Ohio forfeited lands. The Building and Housing Department needs to work with more partners.

A department official: Said it depends on how delinquent they are. They used to sell to third parties. She said she will introduce Howse-Jones to those people so they can work together.

Howse-Jones: Concern is more with the elderly becoming homeless due to their taxes, which is a real challenge versus those that are vacant. We need to understand the crisis we are in.

O'Toole: It's a hard issue. [CHN Housing Partners](#) has helped hundreds of homeowners, but that money is expected to run out by the end of the year. When she worked in South Euclid, she looked at the pipeline of delinquent taxes and sent outreach letters to try and funnel them into assistance. The county has stopped selling tax liens.

Howse-Jones: Can you have your team map what that looks like? Specifically identifying how you get that list or however the process. Can you send that to City Council?

If you believe anything in these notes is inaccurate, please email us at cleDOCUMENTERS@gmail.com with "Correction Request" in the subject line.