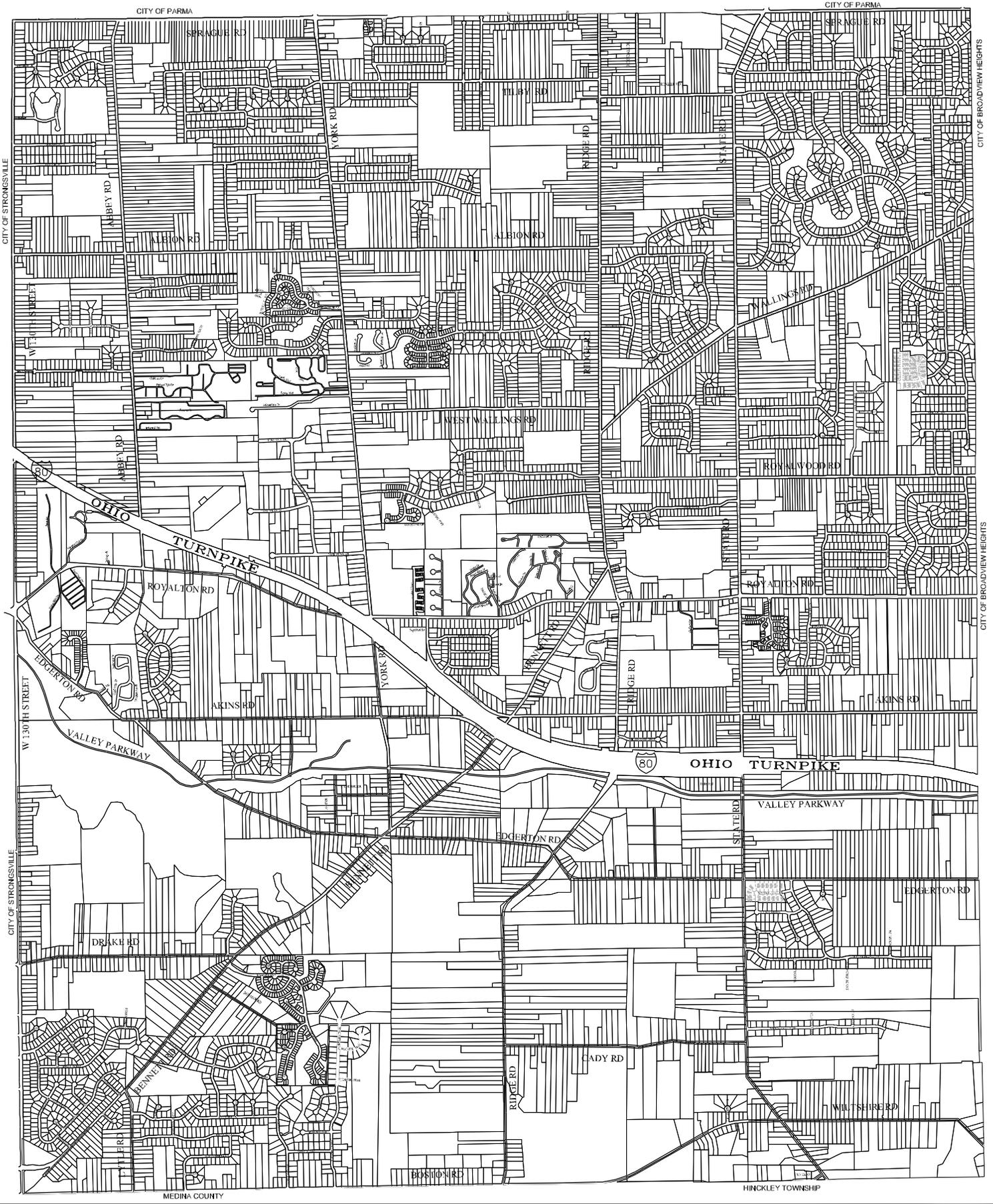


CITY OF NORTH ROYALTON Community Reinvestment Area



COMMUNITY REINVESTMENT AREA

HOUSING SURVEY

City of North Royalton, Ohio

Prepared By: MB3 Consulting

Date: February 26, 2015

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Introduction

The purpose of this report is to determine whether North Royalton should be designated as a Community Reinvestment Area (CRA) as defined by Ohio Revised Code: Sections 3735.65-70. The proposed CRA location represents the entire city of North Royalton. There are 13,075 housing units located within the proposed CRA. The criteria for eligibility are whether the area is one in which “housing facilities or structures of historical significance are located and new housing construction and repair of existing facilities or structures are discouraged.”

City of North Royalton Characteristics

The city of North Royalton, with a current population of 30,367, was incorporated as a city in 1961. The city is a suburban, residential community located in Cuyahoga County, approximately 15 miles south of the downtown area of the city of Cleveland. North Royalton has a moderately-sized and mature tax base.

General Demographic Summary

Demographic and socio-economic characteristics of the city of North Royalton are described to identify past conditions and trends in the community. The statistical information in this section, unless noted, was derived from census reports published by the U.S. Census Bureau. Because statistics in the census data products are based on the collection, tabulation, editing, and handling of questionnaires, errors in the data are possible.

In addition to errors occurring during collection, much of the census data presented in this report is based on sample data rather than 100% reporting and is, therefore, subject to sampling error. One hundred percent of the data, where used, is subject to non-sampling error. Because of sampling and non-sampling errors, there may be discrepancies in the reporting of similar types of data. However, the discrepancies will not negate the usefulness of the census data to conduct the analysis.

Population

North Royalton’s population grew 5.8% between 2000 and 2010, but fell slightly (77) through 2013 based on Census estimates.

North Royalton’s population density (based on 2010 Census data) is much greater than adjacent communities:

- North Royalton has 1,428 residents per square mile, which is much higher than the city of Brecksville at 694 residents per square mile.
- There is very little land available in North Royalton for new housing construction, so infill and reinvestment in the existing housing stock must be encouraged in order to stabilize and grow real property values.

Concentration of Low-Moderate Income Families

Median household income in the city of North Royalton in 2013 is estimated at \$66,683. Currently 13.8% of residents in North Royalton have a median household income of less than \$25,000 compared to 9.2% of households in the neighboring city of Brecksville.

Housing Characteristics

The table below provides information about select key indicators of housing stability. The table shows that North Royalton lags behind the adjacent communities in many of the selected indicators.

Table 1. Housing Stability

	Vacant Housing % (2010)	Owner Occupied Housing % (2010)	Median Home Value (2014)	Median For Sale Listing Price per Sq. Ft. (2014)	Change in Median Home Values (Jan. '06 - Dec. '14)
North Royalton	5.6%	71.6%	\$179,300	\$96	-7.7%
Brecksville	4.9%	87.6%	\$236,500	\$117	-2.5%
Broadview Heights	6.5%	82.2%	\$199,300	\$112	-7.9%
Brunswick	4.7%	78.6%	\$160,900	\$106	-7.5%
Strongsville	4.4%	80.8%	\$182,200	\$93	-9.0%

Sources: U.S. Census Bureau and Zillow.com

Vacancy Rates

According to 2010 Census data, the vacant housing rate in the city of North Royalton was 5.6%, which was slightly higher than most surrounding communities (refer to Table 1).

Age of Housing Stock

The age of housing stock can be a suitable benchmark of potential historic significance and also whether or not new construction has been “discouraged.”

Table 2. Year Structure Built

	North Royalton	Strongsville	Brunswick	Broadview Heights	Ohio
Pre 1939	5.1%	2.7%	1.9%	3.2%	19.8%
1940-59	11.8%	9.9%	16.2%	19.9%	21.6%
1960-79	29.1%	37.1%	40.6%	26.6%	27.0%
1980-2000	40.9%	40.5%	29.1%	32.9%	21.4%
2000-13	13%	9.9%	12.1%	17.4%	10.1%

Source: U.S. Census Bureau – 2013 American Community Survey

Housing Tenure

Studies show that homeowners are more likely to repair or improve their homes than renters. Owner-occupied homes are far less likely to have interior, exterior, or structural problems than the homes of comparable renters. Homeowners also tend to invest in improvements that beautify their properties. Buyers of new homes tend to purchase in communities that have a stable or growing owner-occupied housing stock. Therefore, housing ownership characteristics can be a suitable benchmark of whether or not new construction has been “discouraged.” The table below makes a comparison between 2000 and 2013 projections of the percentage change in renter-occupied housing units. The table shows that the portion of renter-occupied housing units in North Royalton is increasing at a much faster rate than Cuyahoga County and the state of Ohio.

Table 3. Change in Renter-Occupied Housing Units

	North Royalton	Cuyahoga County	Ohio
2000	2,820	210,477	1,373,251
2010	3,670	213,180	1,492,381
2013, estimated	3,493	209,087	1,482,863
Percentage Change ('00-'13)	23.9%	-0.7%	8.0%

Source: U.S. Census Bureau

Condition of Housing Stock

The proposed CRA contains housing stock that is in need of considerable repair. The city of North Royalton conducted an assessment of housing to evaluate housing conditions throughout the city. Findings of the assessment concluded that residential properties located throughout the city were in need of roof, exterior wall, window/door, garage, porch/step, and/or grounds repair work. Below are photographs of select housing units in North Royalton that depict the types of unresolved housing maintenance/repair issues (i.e., code violations) that exist in the city.

9652 Akins Road
North Royalton, OH 44133



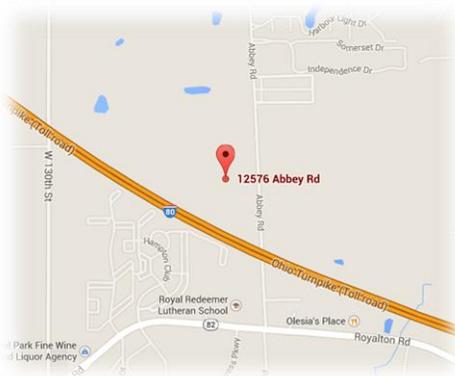
11371 State Road
North Royalton, OH 44133



12000 Abbey Road
North Royalton, OH 44133



12576 Abbey Road
North Royalton, OH 44133



**12961 Abbey Road
North Royalton, OH 44133**



Value of Housing Stock

Value of housing stock can be used to indirectly measure the level of investment. According to 2010 Census data, the median value in North Royalton was \$199,200. Median Home values in nearby communities were: Broadview Heights / Brecksville - \$233,800; Strongsville - \$202,300; and Brunswick - \$162,700.

Table 4. Percentage Change in Housing Values 2000 – 2010

	North Royalton	Broadview Heights / Brecksville	Brunswick	Strongsville	Cuyahoga County
Median Home Value	13.8%	31.4%	19.6%	18.9%	14.2%
Monthly Cash Rent	17.6%	24.9%	22.4%	17.5%	25.3%

Source: U.S. Census Bureau

Proposed CRA Boundary

Map 1 shows boundaries of the proposed Community Reinvestment Area (CRA) in North Royalton. The proposed North Royalton Community Reinvestment Area will consist of all parcels of land within the corporate limits of the city of North Royalton.

Zoning

Map 2 shows the current zoning in the city of North Royalton. Zoning within the city of North Royalton is marked by a significant Commercial / Public corridor running east/west along Royalton Rd. The remainder of the city consists predominantly of Residential Districts.

Major Industries

The table below shows the top five industry sectors in North Royalton based on the number of business establishments. Refer to Attachment 1 for a detailed industry summary.

Table 5. Top Five Industry Sectors in North Royalton Based on Number of Establishments

NAICS	Industry Description	Employment Range							
		Total Estabs	'1-4'	'5-9'	'10-19'	'20-49'	'50-99'	'100-249'	'250-499'
-----	<i>Total establishments for all sectors</i>	783	472	165	91	33	17	3	2
23----	Construction	118	81	22	10	4	0	0	1
54----	Professional, Scientific, and Technical Services	90	72	10	7	1	0	0	0
81----	Other Services (except Public Administration)	80	44	24	10	0	2	0	0
31----	Manufacturing	75	35	18	13	5	4	0	0
42----	Wholesale Trade	66	38	18	7	2	1	0	0

Source: U.S. Census Bureau, 2012 County Business Patterns.

Commercial Development Opportunities

The City of North Royalton is in close proximity to communities with greenfield development sites that have grown considerably in recent years; however, the city has not experienced that significant new development. The city believes that establishing a Community Reinvestment Area program will improve the marketability of the city, enabling it to compete more effectively with many of the adjacent communities for new business development and expansion projects that create critical employment opportunities and improve the local tax base.

Vacant Land

Attachment 2 provides a detailed summary of the vacant land within the city of North Royalton's proposed CRA. There is roughly 3,088 total acres of undeveloped land in North Royalton, according to

data in the 2014 Master Plan. Based on current zoning, nearly 80% of the vacant land (2,462 acres) could be developed for single-family uses and approximately 16% or 505 acres could be developed for retail, industrial or commercial uses. When you consider environmental impacts on the undeveloped land (wetlands, riparian setbacks, steep slopes, etc.), then approximately 1,250 acres of the undeveloped land are removed from the development picture. That leaves the city with just under 1,840 acres or 14% of its total land area available for future development. The limited amount of developable land in the city highlights the need for tools like CRA to help advance reinvestment in strategically important areas throughout North Royalton.

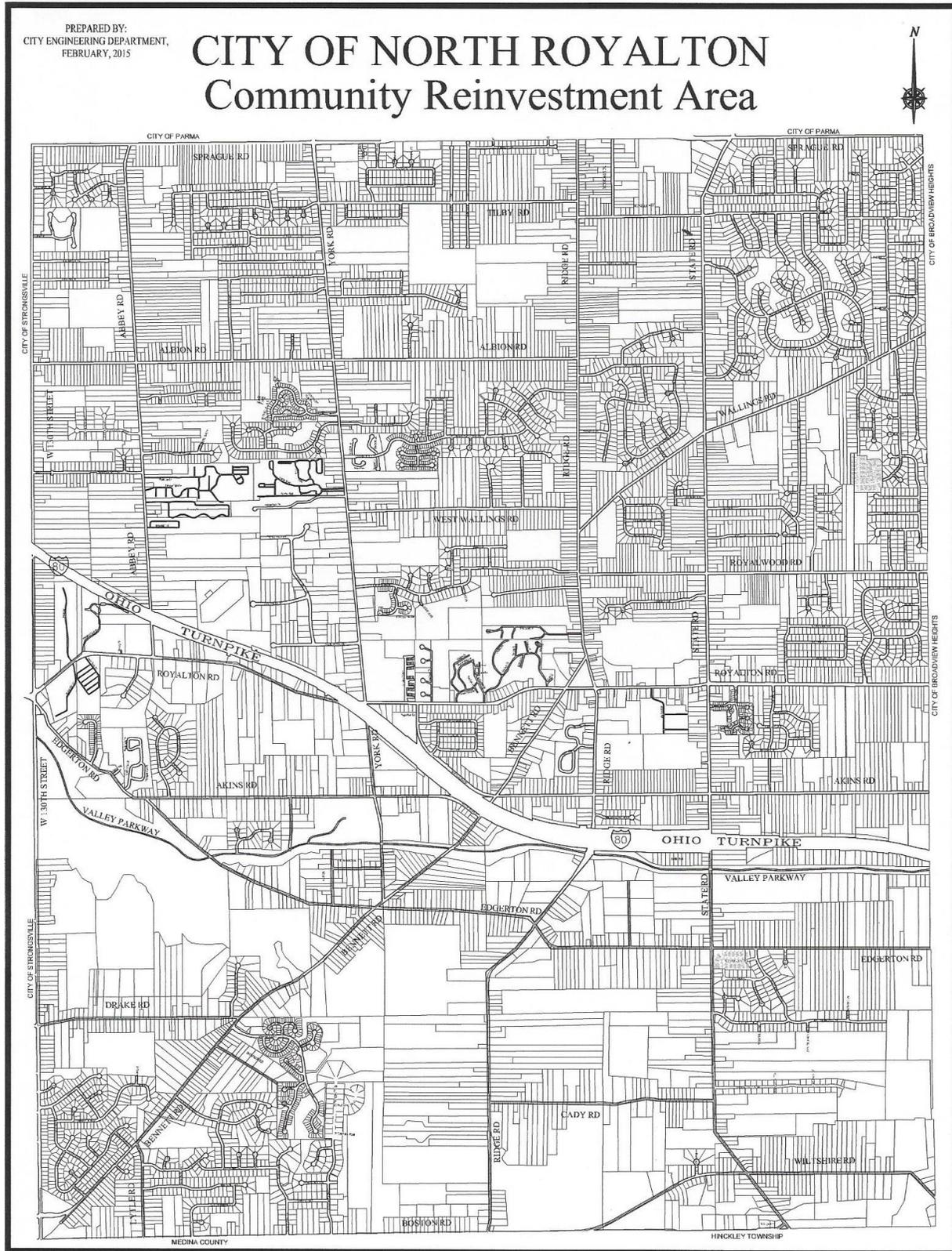
Conclusions

The data provided within this survey demonstrates that the proposed CRA is an area that has higher rates of vacancy, lower values, and shows signs of deterioration. Furthermore, there has been little reinvestment or new investment in recent years in the area. Therefore, the proposed CRA appears to meet the criteria for a Community Reinvestment Area as defined by the Ohio Revised Code as the CRA is an area “in which housing facilities or structures of historical significance are located and new housing construction and repair of existing facilities or structures are discouraged.”

MAPS

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MAP 1 (Proposed CRA Boundary)



ATTACHMENTS

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ATTACHMENT 1 (Existing Major Industries)

Number of Establishments by Employment-size class									
		Total paid employees: 6,647 Annual payroll (\$1,000): \$247,284							
NAICS	Industry Description	Total Estabs	'1-4'	'5-9'	'10-19'	'20-49'	'50-99'	'100-249'	'250-499'
-----	<i>Total establishments for all sectors</i>	783	472	165	91	33	17	3	2
23----	Construction	118	81	22	10	4	0	0	1
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81----	Other Services (except Public Administration)	80	44	24	10	0	2	0	0
31----	Manufacturing	75	35	18	13	5	4	0	0
42----	Wholesale Trade	66	38	18	7	2	1	0	0
62----	Health Care and Social Assistance	65	29	14	11	3	5	2	1
44----	Retail Trade	64	39	14	9	1	0	1	0
56----	Administrative and Support and Waste Management and Remediation Services	56	35	8	5	6	2	0	0
72----	Accommodation and Food Services	47	21	12	7	4	3	0	0
52----	Finance and Insurance	34	20	9	5	0	0	0	0
48----	Transportation and Warehousing	28	23	1	3	1	0	0	0
53----	Real Estate and Rental and Leasing	26	15	8	2	1	0	0	0
51----	Information	12	6	3	1	2	0	0	0
71----	Arts, Entertainment, and Recreation	11	8	1	0	2	0	0	0
61----	Educational Services	9	4	3	1	1	0	0	0
55----	Management of Companies and Enterprises	2	2	0	0	0	0	0	0

ATTACHMENT 2 (Vacant Developable Land)

Zoning District	Total Acres	Vacant Land				
		Total Vacant	% of City Total	Acres Impacted by Environment	% of Category Total Vacant	
Single-Family & Two-Family						
RRZ	Rural Residential	3,501	1,373	44%	670	49%
R1-A	One Family	5,519	983	32%	330	34%
R1-B	One Family	451	79	3%	50	63%
R2-C	Two Family	123	9	0%	4	46%
PUD	Planned Unit	140	19	1%	0	0%
	Subtotal	9,735	2,462	80%	1,054	43%
Multi-Family						
RM-D	Multi Family	529	47	2%	27	57%
SCD	Senior Citizen	6	0	-	0	-
	Subtotal	535	47	2%	27	57%
Commercial/Industrial						
TCD	Town Center	295	97	3%	4	4%
LB	Local Business	126	32	1%	6	19%
GB	General Business	86	38	1%	21	55%
CS	Commercial Service	2	0	-	0	-
MS	Motorist Services	2	0	-	0	-
OB	Office Building	9	2	0%	0	-
RO	Research Off	216	111	4%	33	30%
GI	General Industry	719	225	7%	78	35%
	Subtotal	1,454	505	16%	142	28%
PF	Public Facility	893	74	2%	25	34%
	Unzoned Street Right-of-way	196	0			
	City Grand Total	12,813	3,088	100%	1,248	40%