



SHAKER
HEIGHTS

State of the City

Earl M. Leiken, Mayor
League of Women Voters
February 23, 2017

Introduction

“Change is the law of life. And those who look only to the past or the present are certain to miss the future.”

John F. Kennedy



“Life is a moving, breathing thing. We have to be willing to constantly evolve. Perfection is constant transformation.”

Nia Peeples

Actor, Singer, Dancer

I. Where We Were

1967 Cleveland

- Population 876,050¹
- Nation's Eighth Largest City²
- Leading City – Corporate Headquarters
 - Addressograph – Multigraph
 - Diamond Shamrock Corporation
 - Republic Steel
 - Sohio
 - Warner & Swasey
 - White Motor Company
 - TRW, and many others
- Major National Manufacturing Center
- Vibrant Ethnic Neighborhoods

1. 1960 Census
2. Largest Cities in U.S. by Decade, Wikipedia



VISIONARY VAN SWERINGEN brothers built this baronial mansion. Born penniless, the two Cleveland brothers,

before they were thirty, ran up vast real estate and railroad fortune from paper route and butter-and-egg business.

The Good Life in Shaker Heights

The wealthiest city in the United States boasts practically no unemployment, no slums. Back-yard swimming pools are commonplace, nearly everyone belongs to a country club and most kids have new cars. Here is the inside story of an American dream town come true.

BY THOMAS MEEHAN

In many ways, Shaker Heights, Ohio, a gold-plated suburban residential city some six miles east of downtown Cleveland, resembles a number of other such upper-class suburban American communities, like Grosse Pointe, Michigan, or Wilmette, Illinois, or Greenwich, Connecticut. Yet Shaker Heights is unique in one highly significant way—it is, according to the latest United States Bureau of Census figures, the wealthiest city in America. That is, people in Shaker Heights annually earn more money than people in any other American city, with a median family annual income of \$13,933, the highest in the country.

The visitor's first impression of America's wealthiest city is of quiet streets lined with elms and Norway maples, of immaculately landscaped lawns and of an astonishing number of expensive, nonmodern homes built on relatively small—half-acre and one-acre—plots of ground. On street after street, one sees

close-packed rows of fifteen- and twenty-room houses, mainly colonial or Tudor in style, each of which is unquestionably worth sixty to eighty thousand dollars; yet, unlike what one is apt to encounter in such enclaves of wealth as Oyster Bay or Tuxedo Park, one finds in Shaker Heights few million-dollar mansions and no large estates with cottages for the servants, outsize kennels and stables.

No Polo Ponies; Just Money

With a population of 36,460, the entire city covers only six and a half square miles, so that, in fact, there's literally no room in Shaker Heights for the multimillionaire with his string of polo ponies, hunting preserve and private landing strip. "We have a smattering of millionaires in Shaker Heights," said one old-time resident recently, "but most of the well-to-do people here live on their incomes, which for a good number range from fifty thousand a year on up to a

hundred thousand or more. Of course, there are lots of sons and daughters of millionaires living here—this is mainly a second-generation-rich community."

Shaker Heights money comes principally from corporation salaries. The Cleveland area is heavily industrialized, with Republic Steel, Westinghouse, General Electric and Chevrolet, to mention just a few of the major companies with plants in the vicinity, employing thousands of workers. The area is also filled with hundreds of smaller industrial concerns, with names like Motch & Merryweather Machinery and The Commercial Forgings Company, and a good percentage of the top executives in these corporations live in Shaker Heights. Thomas F. Patton, for instance, who's chairman of the board of Republic Steel, lives in Shaker Heights, and so does Samuel Littlejohn, a retired vice-president of General Electric. In addition to corporation executives, many of Cleveland's

1967 Shaker Heights

- Population 36,461 ¹
- Most affluent City in United States²
- Median Family Income: \$111,185 *in 2014 dollars*³
- Millage Rate – 46.1 mills
- Estate Tax existed
- No Income Tax
- All Neighborhoods Strong
- Vibrant Retail Districts

1. 1960 Census

2. Cosmopolitan Magazine, March 1963

3. $\$13,993 \times 7.61 = \$111,185$ (see 1 & 2 above, and Federal Reserve Bank of Minnesota Inflation Calculator (FRBMIC))

Shaker Heights 1967 cont'd

- High Housing Values
- 50-year old Infrastructure
- No Poverty
- City of Choice for Cleveland Business & Professional Leaders
- Tax Base more than adequate to meet Educational, Infrastructure and Service needs

2017 Cleveland

- Population 396,815
- Not on any National Corporation Headquarters List
- Loss of Major Corporations and Manufacturing
- Deeply Troubled Neighborhoods with Blight and Vacancies
- Leading Health Care Center

2017

Shaker Heights

- Population 28, 448¹
- Median Family Income \$ 82,594 *in 2014 dollars*²
- Millage Rate 221.56 (effective rate 129.08)
- No Estate Tax
- Income Tax 2.25%
- Neighborhoods with Vacancy, Blight
- Lower Housing Values
- 100 year-old Infrastructure
- Poverty Rate of 8.6%³
- Competing with other Cities for Business Leaders, Professionals
- Tax Base not Adequate to meet All Needs
- Need to Revitalize Retail Districts

1. 2010 Census
2. 2010 Census \$76,476 x 1.08 = \$82,594 (FRBMIC)
3. 2010 Census

Economic Forces Impacting Our Region

- 1.Automation
- 2.Globalization
- 3.Technology

Loss of Population and Taxpayers

a) US Population	1970	203,302,031
	2010	308,745,538
b) Cuyahoga County	1970	1,721,300
	2010	1,280,122
c) Cleveland	1970	750,903
	2010	396,815
d) Shaker Heights	1970	36,305
	2010	28,448

Loss of Population and Taxpayers to Outer Ring Suburbs

Population Statistics	1960	1970	2010	% Change 1970-2010
Pepper Pike	3,217	5,382	5,979	11.09%
Solon	6,333	11,519	23,348	102.69%
Beachwood	6,089	9,631	11,953	24.11%
Westlake	12,906	15,689	32,729	108.61%
Chardon	3,154	3,991	5,148	28.99%
Medina	8,235	10,913	26,678	144.46%
Mentor	4,354	36,912	47,159	27.76%
Moreland Hills	2,188	2,952	3,320	12.47%
Hudson	2,438	3,933	22,262	466.03%

Ascendancy of Anti-Urban Political Leadership in State and Nation

1. Repeal of Estate Tax
2. Loss of 60% of the Local Government Fund
3. Threatened Loss of Tax Collection Authority
4. Threatened Loss of Tax Exemption for Municipal Bonds
5. More to Come

II. Where Are We Now?

The State of the
Community is strong but
challenges must be
overcome to achieve
future growth.

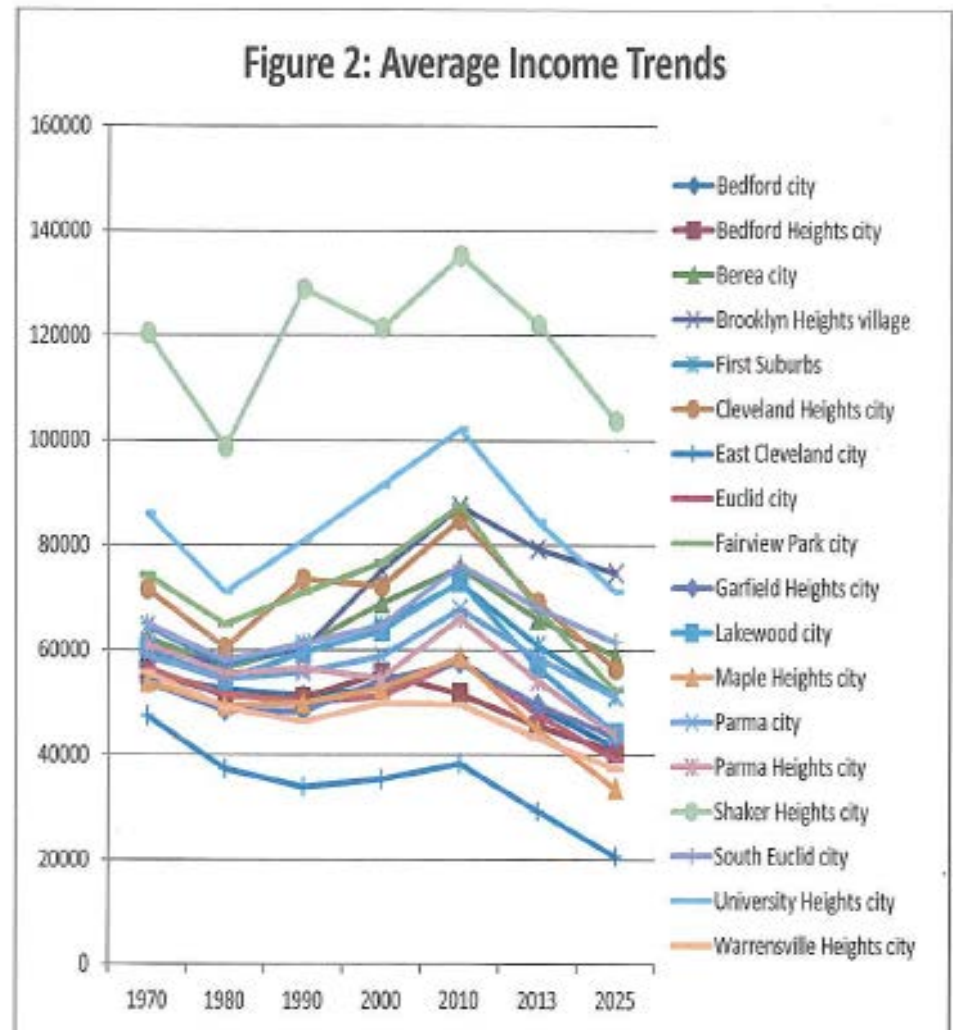
Population Change: 2000 Census vs 2010 Census

	2000	2010	# change 2000-2010	% change 2000-2010
Solon	21,802	23,348	1,546	7.1%
Beachwood	12,186	11,953	(233)	-1.9%
Shaker Heights	29,405	28,448	(957)	-3.3%
Brooklyn	11,586	11,169	(417)	-3.6%
University Heights	14,138	13,539	(599)	-4.2%
Fairview Park	17,572	16,826	(746)	-4.2%
Parma	85,665	81,601	(4,064)	-4.7%
South Euclid	23,516	22,295	(1,221)	-5.2%
Garfield Heights	30,734	28,849	(1,885)	-6.1%
Euclid	52,711	48,920	(3,791)	-7.2%
Lakewood	56,647	52,131	(4,516)	-8.0%
Cleveland Heights	50,771	46,121	(4,650)	-9.2%
Brook Park	21,214	19,212	(2,002)	-9.4%
Warrensville Heights	15,108	13,542	(1,566)	-10.4%
Maple Heights	26,156	23,138	(3,018)	-11.5%
East Cleveland	27,218	17,843	(9,375)	-34.4%
Cuyahoga County	1,393,978	1,280,122	(113,856)	-8.2%
Cleveland	477,463	396,815	(80,648)	-16.9%

Median Housing Prices 2015-2016

Sales		2016	2015	Price Change %
Beachwood	168	\$280,000	\$ 259,500	7.9%
Solon	387	\$250,000	\$ 255,000	-2%
Shaker Heights	422	\$225,000	\$ 225,000	0.0%
Bay Village	347	\$209,500	\$ 204,450	2.5%
Lakewood	655	\$149,500	\$ 133,500	12.0%
University Hts.	326	\$129,950	\$ 130,000	0.0%
Brook Park	307	\$109,900	\$ 98,000	12.1%
Parma	1390	\$100,000	\$ 89,900	11.2%
Cleveland Hts	787	\$ 97,200	\$ 78,000	24.6%
Brooklyn	139	\$ 90,400	\$ 85,300	6.0%
South Euclid	481	\$ 78,900	\$ 70,000	12.7%
Euclid	736	\$ 55,000	\$ 46,000	19.6%
Garfield Hts	626	\$ 46,200	\$ 40,000	15.5%
Warrensville Hts	111	\$ 45,000	\$ 29,000	55.2%
Maple Heights	465	\$ 38,000	\$ 35,250	7.8%
Cleveland	4281	\$ 33,000	\$ 29,000	13.8%
E Cleveland	109	\$ 12,000	\$ 17,500	-31.4%

Average Income Trends



Retention of Wealth

979 Households with over
\$300,000 in income (in 2014)

AAA Bond Rating From Fitch

One of only 9 communities in Northeast Ohio with AAA rating:

- Aurora
- Beachwood
- Brecksville
- Hudson
- Pepper Pike
- Shaker Heights
- Solon
- Strongsville
- Westlake

The Most Educated Places in America

14

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Mic

SREEKAR JASTHI

August 3, 2015 • [Studies](#)

6.4%



15

Boulder,
Colorado

96.5%

73.6%

23.7%

9.6%

5.1%

16

North
Bethesda,
Maryland

95.3%

70.2%

21.6%

9.7%

8.3%

17

Shaker
Heights, Ohio

95.9%

65.4%

21.5%

7.3%

11.1%

18

Menlo Park,
California

92.6%

70.6%

26.3%

6.8%

7.7%

19

Northbrook,
Illinois

97.4%

69.3%

18.1%

3.1%

10.9%

20

Berkeley,
California

95.2%

69.2%

22.2%

8.7%

5.7%



Shaker Heights Schools

EXCELLENCE • EQUITY • EXPLORATION

**Council – Management Team
Retreat**

January 28, 2017



Shaker Heights Schools

Public School Environment; Private School Experience

- One of only eight districts in North America to offer IB at all grade levels
- 2016 graduates accepted at ALL Ivy League colleges
- ALL students take Mandarin Chinese in grades 1-5
- ALL students learn to swim
- ALL students in grades 5-6 learn a musical instrument
- Largest selection of advanced classes (AP and IB) in NE Ohio
- SAT & ACT scores rank significantly above state & national averages
- Hundreds of students travel, study and perform across the globe
- Unparalleled music, drama and art programs
- 99% of faculty ranked skilled or accomplished by state
- 99% of third-graders read at grade level
- Shaker's First Class, only preschool program in the state with IB
- Students excel in Shakespeare, Latin and playwriting competitions

Shaker Heights Schools

It Just Adds Up: Comparing the High Schools

	Shaker	Beachwood	Chagrin Falls	Orange	Solon
Economically Disadvantaged Students	42%	12%	5%	12%	16%
Teacher Holding Advanced Degrees	100%	84%	87%	NA	NA
AP Scholars with Distinction	84	39	NA	62	NA
AP Scholars with Honor	37	12	NA	20	NA
Presidential Scholars 2016	1	0	0	0	0
National Merit Winners 2016	3	0	0	0	2
National Merit Winners 2015	6	0	1	0	1
Gates Millennium Scholars 2016	1	0	0	0	0
Coca-Cola Scholarship Winners 2016	1	0	0	0	0
Number of Athletic Teams	29	23	22	22	27
SAT Average Class of 2015	1804	NA	1762	1788	1791
IB Diploma Offered?	Yes	No	No	No	No
Number of AP & IB Courses Combined	66	27	23	22	23

Strengths

- Beautifully Planned Community
- Attractive, Well-designed Housing Stock
- Strong Community Identity
- Excellent Public Schools
- Good Government
- Strong Neighborhoods
- Healthy Economic and Social Diversity
- Supportive Citizens

III. Where Are We Going?

Goals

Shaker will be a strong 21st Century Community with:

- A. High Quality, High Functioning Neighborhoods
- B. Attractive Desirable Quality of Life
- C. Vibrant Commercial and Retail Development
- D. Effective Cost-Efficient Government

A. High Quality, High Functioning Neighborhoods



Shaker Heights

Housing and Neighborhood Plan



January 2015 Presentation to NRC

Housing Plan Goals

1. **Attract New Residents to Shaker, Increase Demand for Houses and Increase Property Values**
2. **Preserve Existing High Quality Housing Stock**
3. **Increase Cohesiveness, Desirability, Attractiveness & Stability in the Neighborhoods**



Investment in Housing & Neighborhoods (2012-2016)

Grant funds

- Federal housing funds: \$ 2,759,000
- County Demolition funds: \$ 1,405,000

Private Funds

- Point of Sale escrow: \$11,135,248
- Shaker Renovator rehabs: \$ 5,789,559
- Heritage Loan Program: \$ 3,416,937

City funds

- Ext maintenance programs: \$ 189,763
- Vacant lot fencing
& landscaping \$ 309,626
- Moreland Rising \$ 150,000

TOTAL: \$25,155,133

Transit Village



Townhomes of Van Aken

- 33 townhomes
- Vintage development/Marous Builders
- Phase One under construction – 12 units starting at \$334,000.
- Ten Year 100% Tax Abatement.
- Marketing Campaign ready, starting soon.

Model Block Grant Program

- Exterior Maintenance Grants – up to \$2,500 to correct outstanding city code violations (exterior) and to prevent future violations
- Curb Appeal Grants – up to \$500 to complete curb appeal enhancements
- 24 grant applications totaling \$31,520 approved in 2016; 18 projects complete, 6 ongoing

Transit Village

- Public Works will pave Sutton Road and Sutton Place in 2017
- Applied for \$150,000 CDBG Municipal Grant for streetscape improvements to leverage the street paving

Avalon Station II



- 70 for sale townhomes, price range anticipated: \$250,000
- Development agreement/Knez Builders as Developers
- Ryan Homes will be the builder
- Present Phase: Due Diligence – preparing for Site Plan Review and/or Architectural Review

Infill/Design Competition

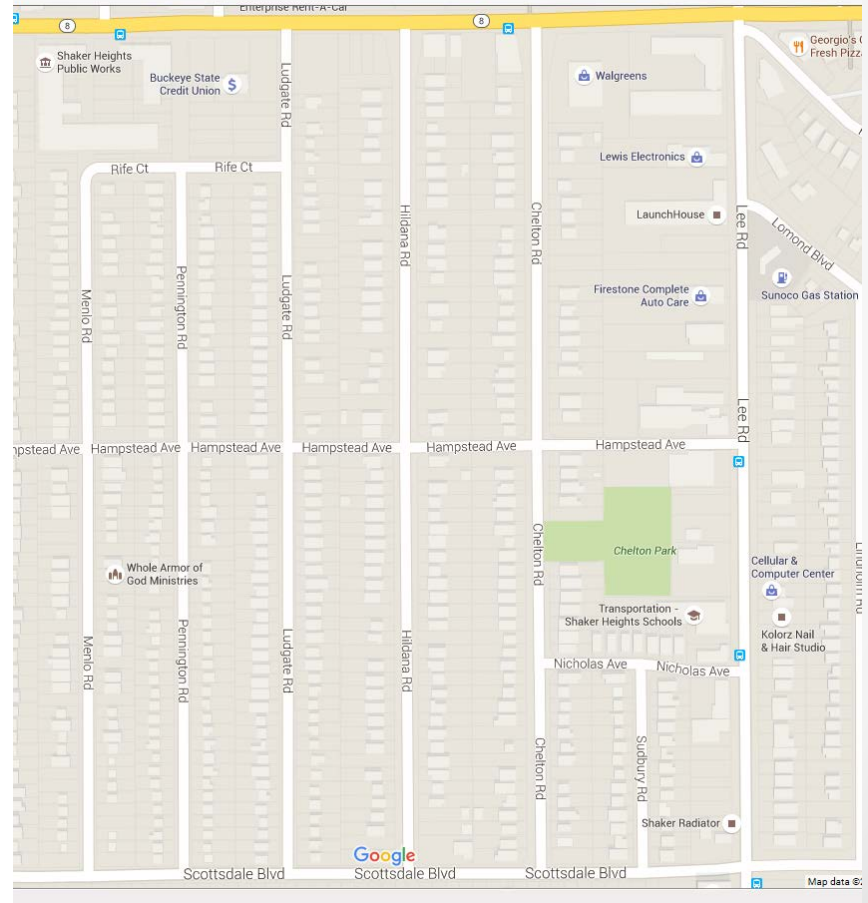
- Highly energy efficient home designs
- Goal is to construct on vacant city lots



Lee Road
Momentum
Community
The Dealership
Engagement
Moreland
Rising
Innovation
Shaker Heights
Vision
Partnership
Creative
Technology
Open
Dream
Inspire
Communicate
Connections
Opportunity
Future
Art
Transformative
Empower
Reimagine
Energy
Collaborative
Network
Design
Build
Active

MORELAND RISING

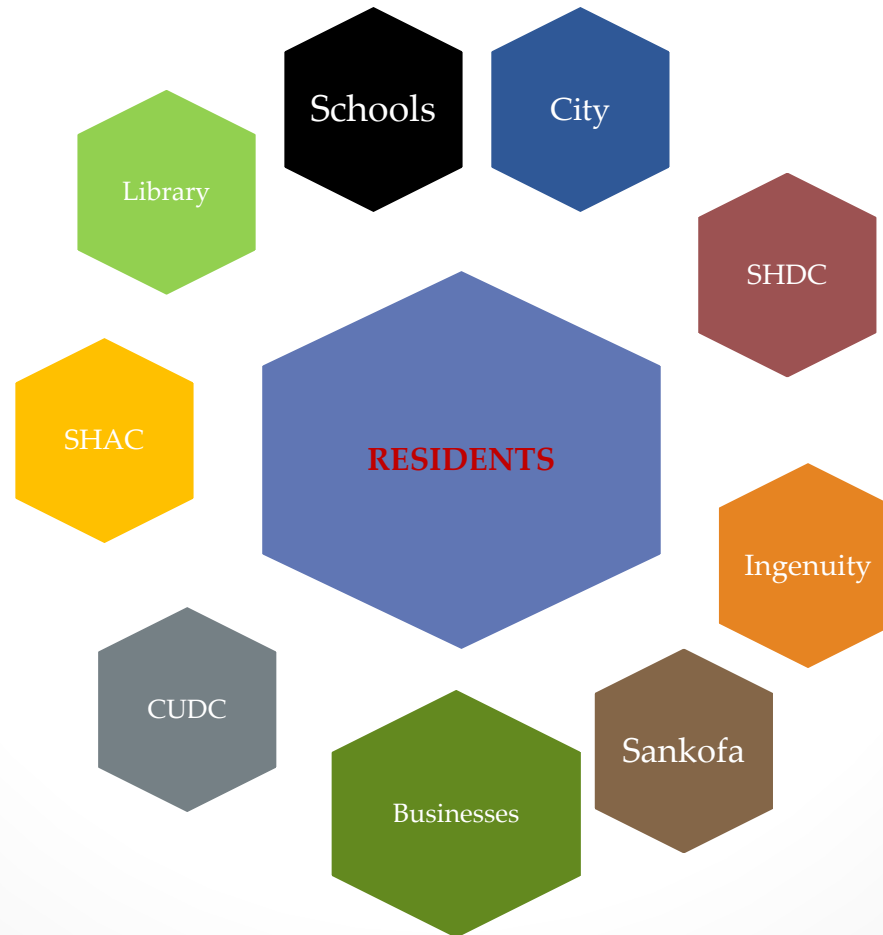
- Neighborhood hardest hit by housing crisis
- Population turnover
- Adjacent to commercial district targeted for change
- 50+ vacant lots



A Grass Roots Movement: Year 1 (2016) Goals Achieved

- ✓ Better connection between City and Moreland residents
 - ✓ Better connection among Moreland residents
 - ✓ Explore what kind of neighborhood residents want
 - ✓ Build on the neighborhood's strengths/assets
 - ✓ Familiarize others with what the neighborhood has to offer
 - ✓ Foster partnerships to create the change we foresee
 - ✓ Lay the groundwork for infill housing
-

Our Main Partners



Neighbor Nights

- Neighbor Nights: once every month since Sept. 2015
- Attended by 70+ different individuals Sept '15 - Aug '16
- Average attendance: 25 per night



- Conversations included:
- How can we engage our youth positively with the criminal justice system?
- How can we assist our neighbors from becoming tax delinquent?
- How would we like to see vacant lots reintegrated into the neighborhood?
- What matters to you with regard to public art in your neighborhood?

Neighbors Connecting with Neighbors



Block Party July 2016

- Organized by group of 10
- Attended by 250

Chelton Park Mural



Inspiring Creativity in Young Residents



Making Our Own
Spaces (MOOS)



Enhancing The Moreland Parks

1. Security cameras & lighting(84.6%)



2. Youth arts activities/programs (73.1%)



3. Adult arts activities/programs (69.2%)



4. Summer arts & crafts programs (69.2%)



Neighbors Connecting with Neighbors



"Our Town" Play August 2016

- Utilized Neighborhood Grant
- Led by 5 residents
- Involved 30+ as cast & crew
- Attended by 240!

Conclusion

The State of the City is strong and Shaker Heights will have a bright future if we continue to move forward in our goals to best position our community for the 21st Century.

Thank you.