

SmartBusiness

THE MANAGEMENT JOURNAL FOR CORPORATE GROWTH

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Constructing a solution

Several area developers believe they hold the key to revitalizing Cleveland.

By Anne-Margaret Sobota

The city of Cleveland, while once a thriving metropolis, is now struggling to attract new people and businesses. In the past few decades, most of its residents have migrated to the suburbs, leaving businesses in downtown to languish.

It has become a paradox, really. Without a core population, there was no reason to build new housing, and downtown businesses closed and moved to the suburbs like most of the city's inhabitants. But now, without inviting housing and retail, the city is having trouble drawing people back to its core.

It's a problem city officials and area real estate developers are determined to fix.

Critical mass

"If you listen to what everyone is talking about and read between the lines, it's a vision of an active, more metropolitan central city than what we're experiencing today," says Mitchell Schneider, president of First Interstate Properties Ltd. in Beachwood. "Whether it's 24/7 or not a 24/7 city, it certainly has a lot of room to grow in the direction toward a core, urban, metropolitan, inviting city."

Schneider, who developed Avon Commons and Legacy Village, and who is developing Steelyard Commons, a large, multitenant shopping center in West Tremont, says the key to revitalization lies in getting a critical mass of occupants in the core city through residential development.

"I think that without a critical mass of residents—I'm talking more than 20,000, and it perhaps might need to be 30,000 as a foundation to grow from—that it will be very unlikely that the core city will have an opportunity to flourish beyond what it is today," he says.

With a firm inner-city population in place, Schneider believes the retail side of the core downtown will be able to prosper again.

"It creates opportunities for different kinds of retail to take place at the first floor level, at the street level," he says. "I think that it then allows for the creation of small businesses that would have an office in the core city as opposed to in the suburbs, and that it really allows for all the components of our overall daily activities to come together so that we might envision a city where you don't have to leave the city in order to have all of your basic goods and services."

It's an idea echoed by other Cleveland developers, including Developers Diversified Realty Corp. CEO Scott Wolstein, who has a \$240-million plan to revitalize the Flats.

"In order to bring back the streetscapes with vibrant retail, you have to have enough population that lives in the city to supplement the commuter population," says Wolstein. "It's very difficult to support retail with just people who come and go to work every day. I think if we had a more significant urban populace, there's no question that you could see the same kind of retail return to the city that you now only find in the suburban malls."

If you build it

While bringing a critical mass of people back to the city is necessary to draw businesses downtown, Schneider and several other developers realize it's also necessary to create and build new retail to draw

those people back to the city in the first place

"When coming into an area ... everybody looks at the schools, but almost second, everybody wants to know where there's convenient shopping," says Schneider "How far do I have to drive to get the stuff that I want or need? I think [what] Steelyard Commons does for downtown is that it really helps to support a decision to move downtown. It removes one of the barriers, because for all of your basic goods and needs right now, those Cleveland residents, by and large, need to drive out of the city to go to a shopping center. Now, literally, within a five-minute ride from their home — closer than most suburbanites have it — you can be at the Target, you can be at the Wal-Mart ... and all of those things that are so convenient to do in suburban life will now be very easy to do if you want to make the choice to live downtown "

But even more important than new retail is the need for new, attractive housing, says Gordon Priemer, president and founder of Heartland Developers

"You've got to have housing," Priemer says "You have to have all kinds of housing, whether it's loft, single-family or townhomes. You're not going to get jobs unless you have places that are fun and exciting for people to live "

Priemer's company is working on several developments in Warrensville Heights, Ohio City and Slavic Village that it hopes will attract young professionals to Greater Cleveland. Heartland's developments are planned to offer people what Priemer has learned homebuyers want: green areas and landscaping, easy access, closeness of shopping, newness and bright, open spaces

With Priemer's newest project, the Lofts of Avalon Station, he hopes to stress the importance of transit-oriented development — development that is planned around public transportation hubs to provide quick, easy access to other parts of the city — and he expects that idea to rub off on the Euclid Corridor project.

The 200-loft unit in Shaker Heights will be within walking distance of the Avalon Station RTA stop. The \$60-million project is also within walking distance of popular retail spots and will have all the quality and amenities that today's young homebuyers are looking for

"People want nice surroundings. One of the things that I see happening more and more [is] people want quality," Priemer says "And they're willing to pay ... They want that quality of life

"We need to keep young people, and that's how we do it. We have nice housing, nice quality of life. If it's a dismal place to live, you're not going to work here. You'll go find some other place."

And as Wolstein points out, it's an opportune time to create this type of housing

"Demographically in the United States today, most new household formation is couples without children — it's either baby boomers who have become empty nesters or it's echo boomers who are having their children later in life and don't have children yet of school age," says Wolstein "So the traditional impediment to living in the city, which has been a general feeling that the suburban school systems provided a better education, is no longer an issue for most people looking for a new home

"And that gives cities like Cleveland — and really, all cities in the United States — an opportunity to really attract people to live in the city without having to worry about things like that "

Loose ends

While attracting people, and thus businesses, to downtown is the central component to a rebirth of Cleveland, there are other issues that remain critical to building a positive image of the city and strong self-esteem

Bob Stark, CEO of Stark Enterprises, sees a need to rethink and redevelop the port of entry into the community — Cleveland Hopkins Airport

"One of the things that is obviously missing in that regard is a terminal experience," says Stark "I think part of that went away when the security issues separated what was once considered the terminal portion of the airport from most of the public. But I think we must build a new terminal experience that you enter when you are arriving from out of state or when you are leaving the area that reinforces a very strong image and identity of Cleveland.

"I'd like to see a terminal [like] the type that you walk into when you go to places like Denver or a million

great cities, where there's a large, open space with great architecture and lots of retail — almost like a mall environment — that's active and forward-thinking. It makes an impression. It's designed to create a strong identity statement.”

Although Stark believes the progress made by other developers is a step in the right direction, he sees the need for something on a much larger scale. Instead of rebuilding an old city, he believes in creating a completely new one and would like to build on the success of his Crocker Park and Eton Chagrin Boulevard projects.

“The experience of doing mixed-use (development) . . . has proven that there is a demand for mixed-use density lifestyle that is much greater than the supply, and that no suburban location could ever satisfy it either in quantity or quality,” he says. “The only answer to satisfying that demand lies in the urban center. And now that we have an example, a model, a laboratory experiment if you will . . . we can take those truths that have been uncovered there, those principles, and we can apply them in much bigger scale and build a new downtown.”

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