



Expand Your Mind & Better Projects Will Follow

**Cleveland's Neighborhood
Transformation Initiative
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Problem Statement

- Population Loss- Suburban Outmigration
- Foreclosure Crisis hit lower income neighborhoods- still have not recovered
- Resulting Appraisal gap means developers can't sell houses for what they are worth
- People want to move into the City, but desirable neighborhoods have no vacancy and prices are high
- Millennial needs are driving business location decisions



Opportunity

- What if we focus on “Edge” neighborhoods
- Cities like Washington DC have seen a wave of investment when they start on the edge of a successful neighborhood
 - These neighborhoods have vacant land, building and businesses



“Edge” Neighborhood Concept



Beyond the “Edge”



What a difference a few blocks make! How do we restore a Sense of Place?



Wait- Isn't this *Community Development*?

The lines have become blurred:

- Millennials want to live and work in “walkable” connected communities- not suburban office parks
- Walkability needs a sense of place- housing, shopping, dining and entertainment all close by
- Workforce is one of the largest issues for businesses
- For a City like Cleveland to be successful, we need to attract new residents



Place Making in Economic Development

- Using a Community's public amenities to make economic progress...
 - It involves residents and local businesses
 - It brings educational institutions and Foundations to the table
 - It helps bring wealth building and equity to people and places that may have been left behind
 - It attracts investment



Who Doesn't Love a Party?

- Strategy- Bring together multiple partners to address a neighborhood with a goal of creating a mixed income community with opportunities for all
- Convene banks, non-profits, foundations, institutions and businesses
 - Created a \$44 m loan fund for smaller mixed use buildings
 - Created an \$850,000 fund for down payments
 - To overcome appraisal gaps, banks have agreed to do a few High LTV mortgages to push comps in the area
 - Developers are building mixed income, mixed use projects



Small Business Development

- Non-profit is master leasing space for a retail and restaurant incubator
 - Despite population loss, 10,000 people go to church here every Sunday
 - University Circle is just a few blocks away- with residents and thousands of employees
 - After 2 years, incubated companies will be moved to other new expansion locations
- Developer is bringing a *We Work* incubator
- As developers begin to invest, they are creating space for new businesses



IEDC Publication

- Members can download the EDRP Report on Placemaking for Free
- “Place Matters: The Role of Placemaking in Economic Development”
 - To explain how placemaking is increasingly relevant to the field of economic development
 - To identify the role of the economic developer in placemaking activities
 - To share examples of how creative, successful, and cutting edge placemaking initiatives are used to enhance traditional economic development efforts



Thank You



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