JFK & Gracemount Sites
Market Analysis
March 19, 2024

ECONOMIC AND REAL ESTATE ANALYSIS FOR SUSTAINABLE LAND USE OUTCOMES™

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Project Overview: Scope

The city of Cleveland's Southeast Side neighborhoods of Union-Miles, Mount Pleasant, and Lee-Harvard have experienced historic, concentrated disinvestment through redlining and structural racism. As part of an overall strategy to reinvest in the Lee-Harvard neighborhood, the City has identified the 14-acre JFK site at 17100 & 17300 Harvard Avenue (previous site of the John F. Kennedy High School) and the platted 3.1-acre Gracemount site located at 16200 Glendale Avenue (previous site of the Gracemount Elementary School) as two potential development sites for creating jobs and/or affordable housing. As illustrated below, 4ward Planning Inc. is providing comprehensive market, financial feasibility, and fiscal impact analyses services in support of the Lee-Harvard Community Plan and efforts to attract private redevelopment activity to the JFK and Gracemount sites (mapped in more detail on the following page).

Background Review
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- Study Area Tour

Comprehensive Market Analysis
- Socio-Economic Trends Analysis
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- Real Estate Trends Analysis

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- Real Estate Brokers, Developers & Related Interviews

Financial Feasibility & Fiscal Impact Analyses
- Financial Feasibility Analysis
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Project Overview: Project Sites

Gracemount

Lee-Harvard Shopping Plaza

Former JFK High School
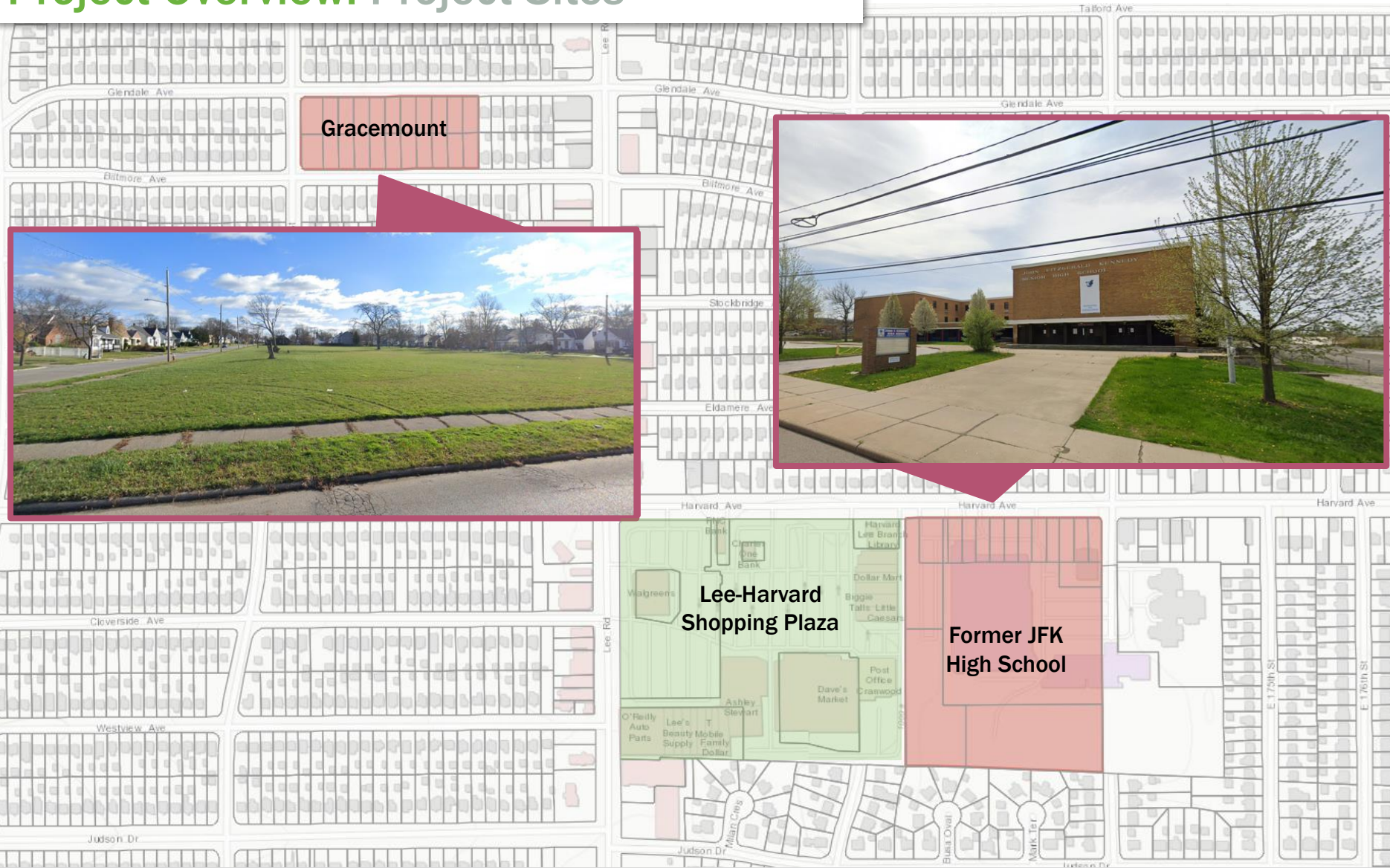
Project Overview: Market Areas

To better understand key market drivers in the primary and secondary market areas, socio-economic and labor and industry data are presented for the Lee-Harvard neighborhood (the base area), a 15-minute drive-time contour from Harvard Avenue and Lee Road (an approximate center point of the JFK and Gracemount sites) - serving as a primary market area (PMA), the city of Cleveland, and Cuyahoga County, for comparison purposes. PMA's, typically, represent approximately 70 percent of live-work-play activity and provides for a realistic market area from which to draw residents and workers to the subject study sites.
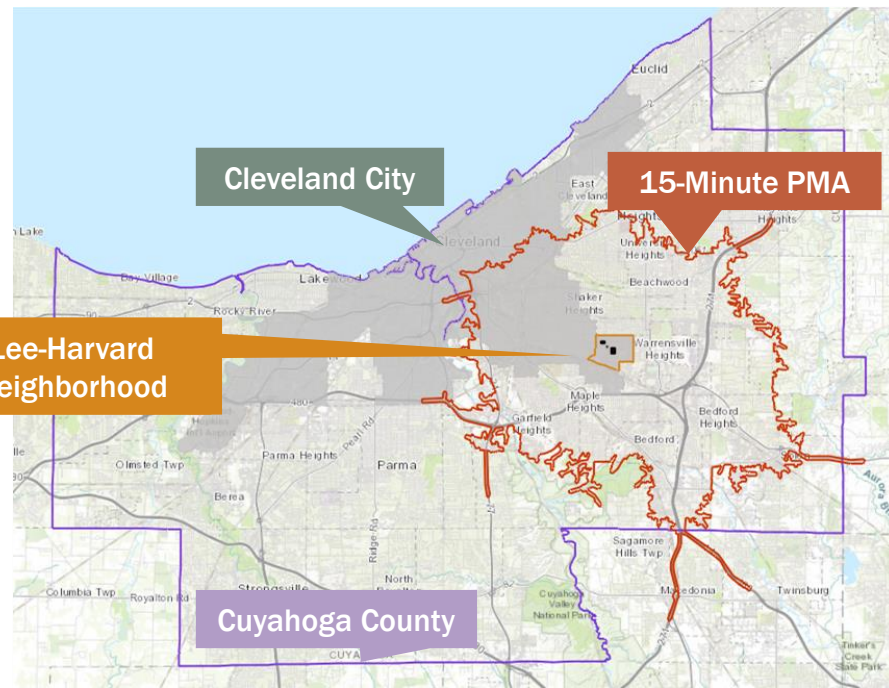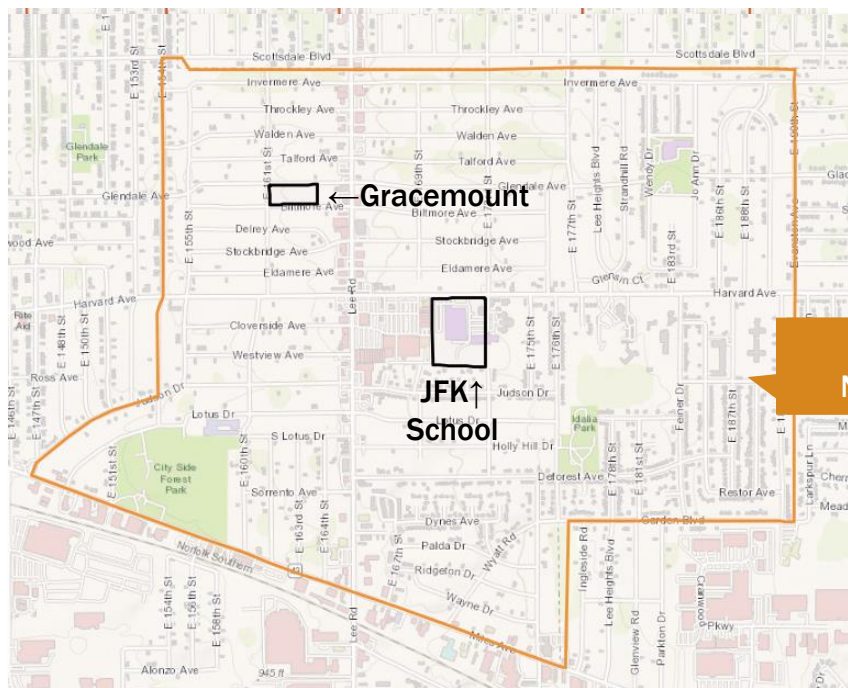
Source: Esri, 2023

Takeaways: Socio-Economic Trends

- The median age in the Lee-Harvard neighborhood (51 years) is relatively elevated, with persons 65 and older representing 30 percent of neighborhood occupants. Some of these older residents, many of whom raised families in the neighborhood, may prefer to downsize into lower maintenance housing targeted to seniors.

- Nearly all housing in the neighborhood is characteristic of single-family housing (97 percent) and a relatively large share of housing is owner-occupied (77 percent). A greater diversity of housing choice (type and tenure) in the neighborhood could help better accommodate smaller households at different life stages (aging residents looking to downsize or younger persons looking to rent while saving to purchase a home).

- Approximately 170,750 primary job workers commuted into the 15-minute PMA for work in 2021, with 44,320 workers commuting over 25 miles to work. These longer commuting workers represent pent-up housing demand as some of them might choose to trade a long commute to live closer to their places of employment if quality housing were available and affordable to their incomes.

- A third of all households within the PMA (45,680) have median incomes $75,000 and greater - presenting potential opportunities for market-rate rental and for-sale housing at the JFK and Gracemount sites.

- According to the residential supply/demand analysis performed for this study, there will be an estimated net housing demand for 7,190 residential units in the 15-Minute PMA by 2028. Assuming between three- and five-percent of this demand could be met within the Lee-Harvard neighborhood, the JFK and Gracemount sites, combined, could potentially support between 220 and 360 rental- and for-sale housing units.

Takeaways: Market-Viable Land Uses

- **Residential Uses at JFK:** In terms of housing, the 14-acre JFK site could support up to 200 multi-family units (likely a mixture of one- and two-bedroom units) in three- to four-story apartment buildings with ground-floor retail being accommodated in some of these buildings; up to 90 townhome units (two- and three-bedroom). It is expected that market-rate apartments at the site would command rents between $1,400 for one-bedroom units and up to $1,800 for two-bedroom units. For-sale townhomes would be affordable to households with annual incomes between $60,000 and $75,000.

- **Commercial Uses at JFK:** The JFK site could support between 20,000 and 25,0000 square feet of ground-floor and free-standing commercial space, including boutique retail, sit-down dining space, and professional/medial office space. Given the site's street frontage along Harvard Avenue, new ground-level retail space at the JFK site could help meet demand for goods and services not currently offered in the neighborhood or at the adjacent Lee-Harvard Shopping Plaza.

- **Low-Density Residential at Gracemount:** Low-density, bungalow-style, market-rate housing (1,000 to 1,400 square feet) is most appropriate for this site given the site is surrounded by small, single-family detached housing. This 3.1-acre site could support up to 20 to 25 units (some of which could be available as rental units) and still preserve at least a half-acre of green space for neighborhood enjoyment.

Socio-Economic Trends Analysis

Key Findings: Socio-Economic Trends Analysis

Absent investment, relatively flat growth

While Cleveland's Lee-Harvard neighborhood experienced negative population growth from 2000 to 2010 (-1.1 percent per year), the rate of population decline has slowed in recent years (to as little as -0.5 percent per year from 2020 to 2023). Absent significant investment, Esri (a socio-economic analysis data purveyor) expects the population living in the Lee-Harvard neighborhood will continue to shrink, though at a relatively slow pace over the near term (declining by just 0.4 percent per year through 2028).

Large share of residents ages 65 and older

The median age in the Lee-Harvard neighborhood (51 years) is elevated, compared to that in the city of Cleveland (38 years). This is likely due to the relatively large share of those ages 65 and older, representing 30 percent of neighborhood residents (compared to just 16 percent in the city). The large share of retirees suggests there will likely be increasing demand for housing targeted to seniors looking to downsize or in need of supportive services.

Slightly more than a third of PMA households earn at least $75,000

Analysis of the PMA indicates slightly more than a third of PMA households (45,680) boast incomes of $75,000 or greater. A new, town-center-style development, with upscale, multi-family rental apartments and townhouses would likely appeal to a segment of this demographic group.

Methodology: Socio-Economic Trends Analysis

Using a combination of published government data (U.S. Census, Bureau of Labor Statistics, and the Ohio Development Services Agency) and proprietary analysis software (Esri Community Analyst), 4ward Planning prepared a series of data tables comparatively illustrating demographic trends for the Lee-Harvard neighborhood, a 15-minute drive-time contour from Harvard Avenue and Lee Road (an approximate center point of the JFK and Gracemount sites) - serving as the primary market area (PMA), the city of Cleveland, and Cuyahoga County, for comparison purposes.

Specifically, demographic trends associated with population, households, age cohorts, and population density are analyzed. Additionally, we analyzed household income distribution, housing tenure, and consumer expenditure estimates (including restaurant, arts and entertainment expenditures). Demographic data are displayed for 2010, 2023 (estimated), and 2028 (projected).

Near-Term Population Change

According to Esri, approximately 9,610 people live in Cleveland's Lee-Harvard neighborhood (representing three percent of the city's total population). While the neighborhood experienced relatively strong negative population growth from 2000 to 2010 (shrinking by 1.1 percent per year), the rate of population decline has slowed in recent years (to as little as -0.5 percent per year from 2020 to 2023). Absent significant investment, Esri expects the population living in the Lee-Harvard neighborhood will continue to shrink, albeit at a relatively slow pace over the near term (declining by just 0.4 percent per year through 2028).

Annualized Percentage Change, Total Population
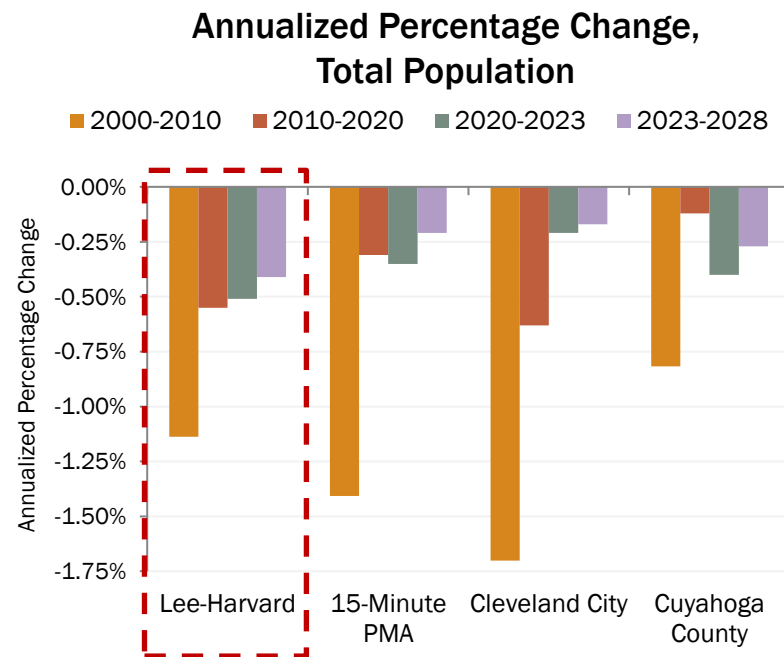
Population by Geography

	2010	2020	2023	2028	Net Change (2023-2028)
Lee-Harvard	10,320	9,770	9,608	9,413	-162
15-Minute PMA	319,973	310,173	306,615	303,434	-3,558
Cleveland City	397,082	372,624	370,098	367,003	-2,526
Cuyahoga County	1,280,122	1,264,817	1,248,604	1,232,121	-16,213

Source: U.S. Census Bureau; Esri; 4ward Planning Inc., 2023

Annualized Percentage Population Change (2023-2028)

As illustrated in the map below, the block groups located to the east and northeast of the Lee-Harvard neighborhood are expected to experience population growth through 2028. This is likely due to new housing projects in the development pipeline (shown in more detail in the residential real estate section).
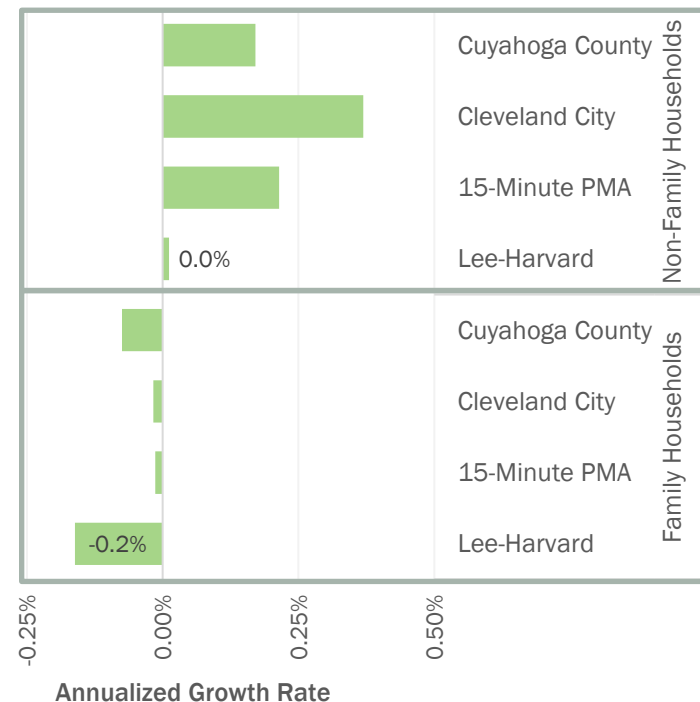

15-Minute PMA

Lee-Harvard

Cuyahoga County

2023-2028 Growth Rate: Population by Census Tract

-1.58%   6.71%
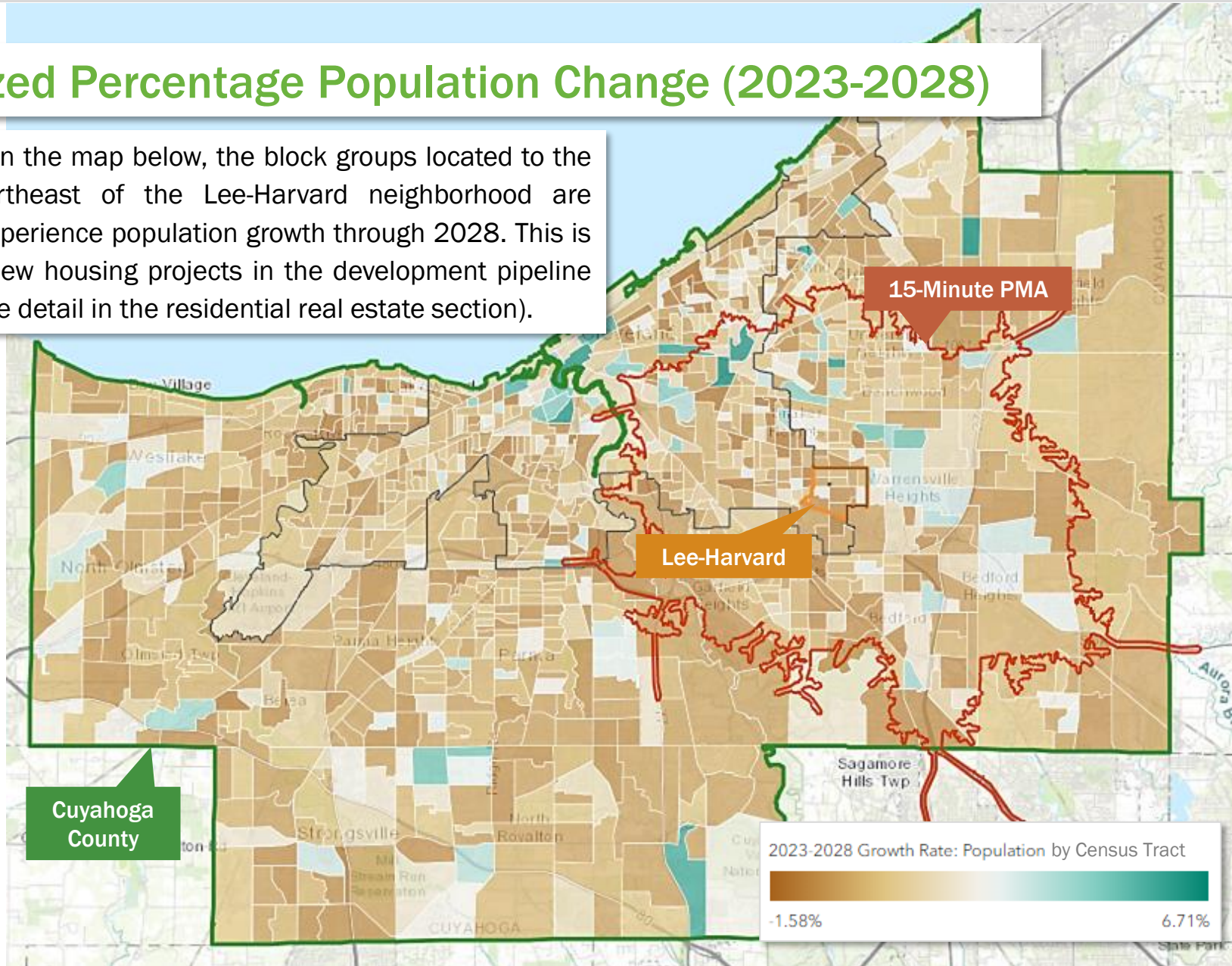
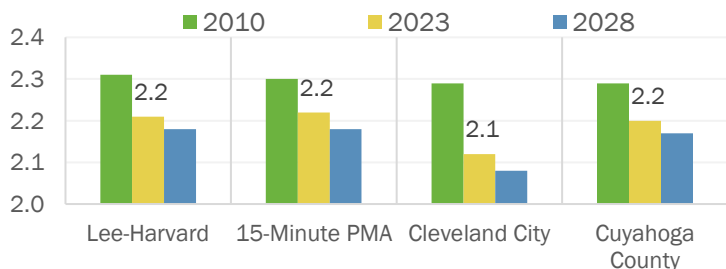Source: Esri; 4ward Planning Inc., 2023

Household Formation

Esri expects that all geographies will continue to experience relatively flat household growth in the near term. For example, the PMA is expected to change by just 0.1 percent per year through 2028 or by approximately 590 households. As shown in the chart to the right, the rate of non-family household formation (top right) is expected to be slightly positive through 2028, while the rate of family household growth is expected to be slightly negative. Likely driven by stronger non-family household growth, the average household size has also been decreasing over the past two decades in all geographies. The increase in non-family households (typically one- and two-person in size) should continue to increase demand for small housing units, all other factors remaining constant. This suggests new multi-family units could be well received in the Lee-Harvard neighborhood.

Household Formation Trends ■2023-2028

Non-Family Households
- Cuyahoga County
- Cleveland City
- 15-Minute PMA
- Lee-Harvard — 0.0%

Family Households
- Cuyahoga County
- Cleveland City
- 15-Minute PMA
- Lee-Harvard — -0.2%

Annualized Growth Rate
-0.25%   0.00%   0.25%   0.50%

Household Size Trends

■2010 ■2023 ■2028

	Lee-Harvard	15-Minute PMA	Cleveland City	Cuyahoga County
2023	2.2	2.2	2.1	2.2

Household Trends & Projections

|	2000	2010	2023	2028	Net Change (2023-2028)
Lee-Harvard	4,394	4,337	4,300	4,280	-20
15-Minute PMA	135,610	135,399	135,077	135,666	589
Cleveland City	167,609	167,681	168,705	170,213	1,508
Cuyahoga County	545,056	555,988	554,144	555,100	956

Sources: U.S. Census Bureau; Esri

Age Distribution

Despite relatively flat projected household growth, near-term housing demand will come from shifts in housing needs and preferences as people age. This is due to various factors such as lifestyle changes, healthcare considerations, and financial situations.

As illustrated in the chart to the right, both the Lee-Harvard neighborhood (green) and the 15-minute PMA (blue) are expected to see increases among those ages 70 and over, largely representing mostly retired persons. The neighborhood is also expected to see some population growth among residents ages 30 to 44, mostly representing young workforce and grads, and early-stage families.

New investment in housing - targeted to both seniors and young adults - will help the neighborhood retain two population segments expected to increase in the near term.

Age Distibution Comparison, 2023-2028

Legend: □ PMA (2028) ■ PMA (2023) □ Lee-Harvard (2028) ■ Lee-Harvard (2023)

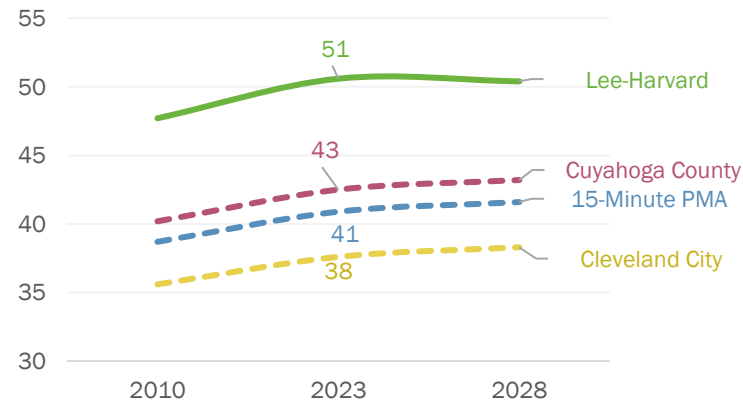15-Minute PMA   Lee-Harvard
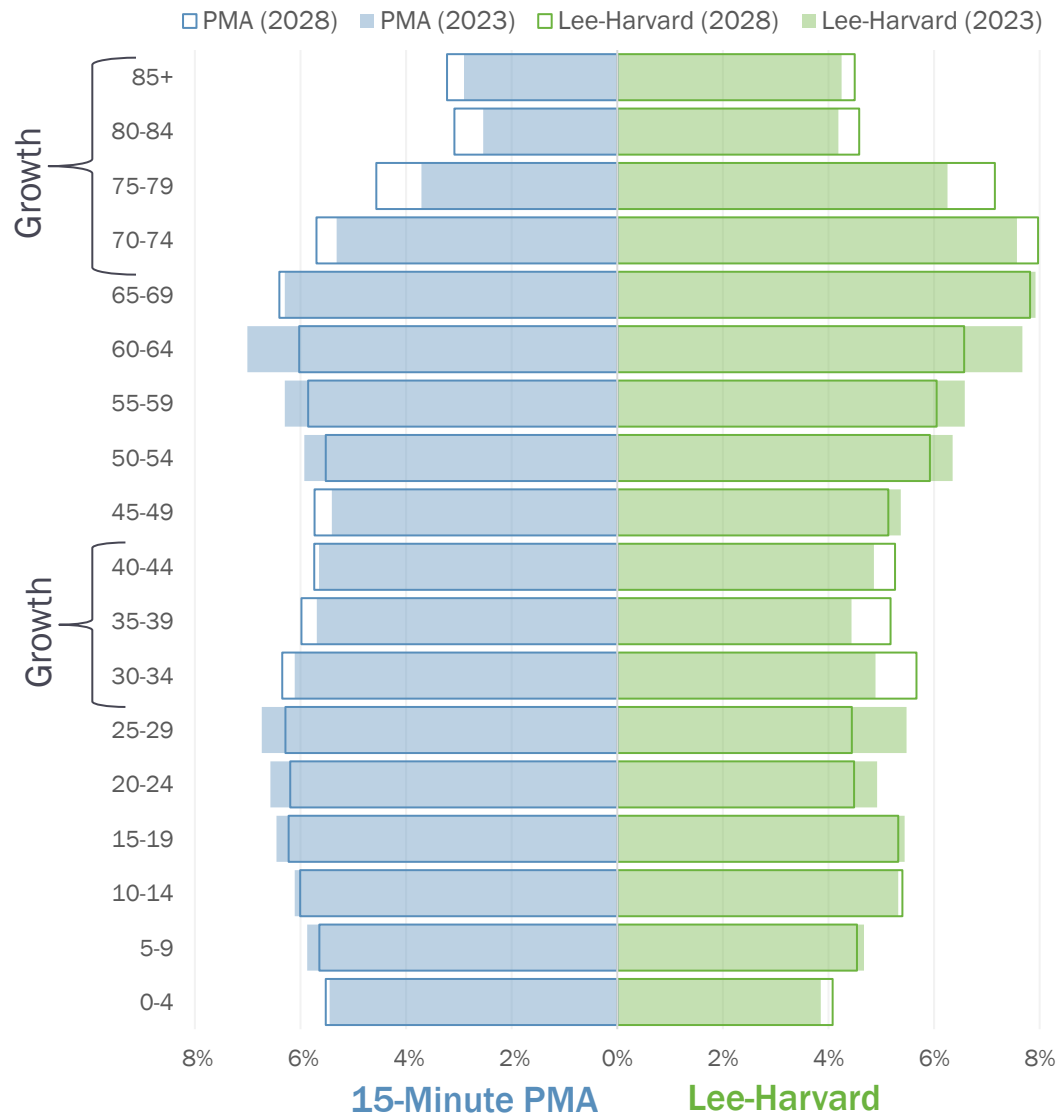
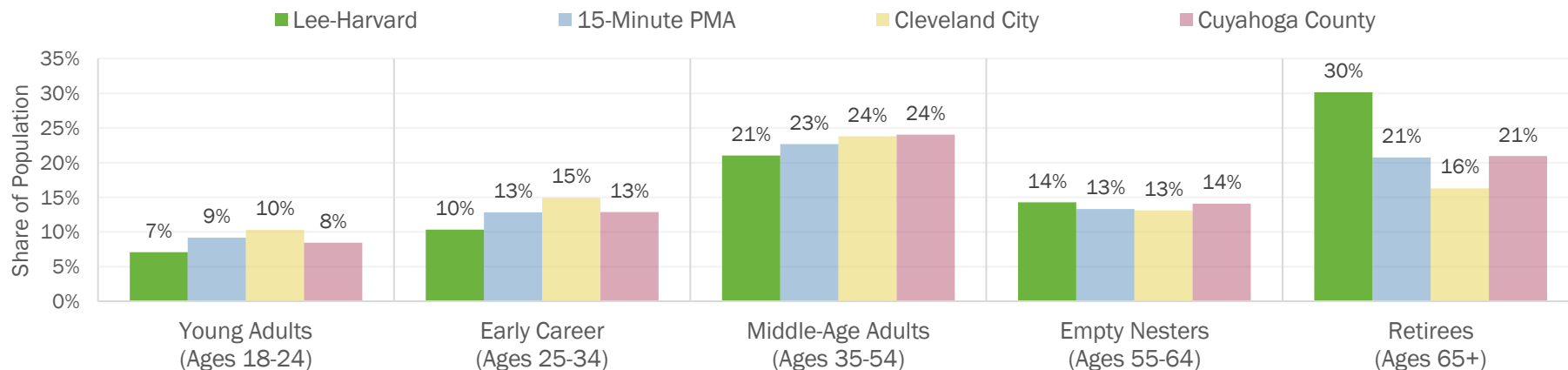Source: Esri; 4ward Planning Inc., 2023

Age & Life Stage

The median age in the Lee-Harvard neighborhood (51 years) is slightly elevated, compared to that in the city of Cleveland (38 years). This is likely due to the relatively large share of residents of retirement age, with those 65 and older representing 30 percent of neighborhood occupants. As presented on the following page in more detail, near-term housing preferences can vary by life stage, with some retirees preferring to age in place and others preferring to downsize into housing targeted to seniors and offering additional amenities and support services (presented in more detail in the residential real estate section).

Median Age Trends

Lee-Harvard — 51
Cuyahoga County — 43
15-Minute PMA — 41
Cleveland City — 38

(axis: 30, 35, 40, 45, 50, 55; years: 2010, 2023, 2028)

Population Distribution by Age & Life Stage, 2023

Legend: Lee-Harvard ■ 15-Minute PMA ■ Cleveland City ■ Cuyahoga County

Share of Population (axis: 0% to 35%)

Age Group	Lee-Harvard	15-Minute PMA	Cleveland City	Cuyahoga County
Young Adults (Ages 18-24)	7%	9%	10%	8%
Early Career (Ages 25-34)	10%	13%	15%	13%
Middle-Age Adults (Ages 35-54)	21%	23%	24%	24%
Empty Nesters (Ages 55-64)	14%	13%	13%	14%
Retirees (Ages 65+)	30%	21%	16%	21%

Sources: U.S. Census Bureau; Esri; 4ward Planning Inc., 2023

General Housing Preferences by Life Stage

The table below illustrates how housing preferences and choice may change across age and life stage.

	Young Adults (Ages 18-24):	Early Career (Ages 25-34):	Middle-Aged Adults (Ages 35-54):	Empty Nesters (Ages 55-64):	Retirees (Ages 65+):
Housing Preferences	• **Rental Market**: For those not still living at home with their parents, many young adults in this age group prefer renting over buying, as they may not have the financial stability or desire for long-term commitments associated with homeownership. • **Urban Living:** Young adults often prefer to live in urban areas or close to township centers, valuing proximity to work, entertainment, and social activities.	• **Transition to Ownership**: As individuals in this age group advance in their careers and achieve greater financial stability, there's often a shift towards considering homeownership as a viable option.	• **Homeownership**: This group is generally more likely to own their homes, as they have typically established stable careers and may be raising families. • **Suburban Living**: Many middle-aged adults prefer suburban or exurban areas due to the appeal of larger homes, good schools, and a quieter lifestyle. • **Family-Oriented Amenities**: Proximity to schools, parks, and family-friendly amenities becomes increasingly important.	• **Downsizing**: As children move out of the house, empty nesters may look to downsize, either by selling their family homes and purchasing smaller ones or by moving to retirement or active adult communities. • **Accessibility & Convenience**: Access to health care, proximity to shopping centers, and ease of transportation become significant considerations.	• **Aging in Place vs. Retirement Communities**: Some retirees prefer to age in place, staying in their own homes with necessary modifications for accessibility. Others may opt for retirement communities that offer amenities and support services. • **Climate & Lifestyle Preferences**: Many retirees consider factors like climate, recreational activities, and cultural amenities when choosing where to live.
Housing Types	• Apartment rentals and condos • Shared housing	• Single-family or townhome starter homes	• Single-family homes • Townhomes	• Single-family homes • Condos or townhomes • Active adult communities	• Single-family homes • Senior communities • Senior and assisted living units

Senior Population (65+ Years)

This map illustrates the share of residents ages 65 and older by block group within Cuyahoga County. Notably, there are higher shares of this age cohort located to the east of the Lee-Harvard neighborhood, just west of Interstate 271.
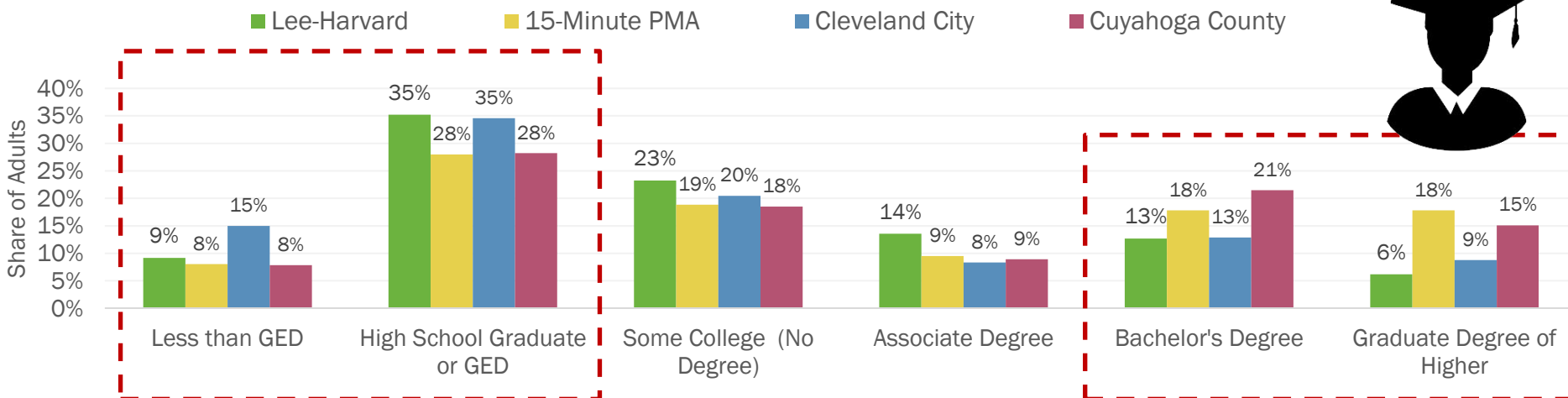
15-Minute PMA

Lee-Harvard

Cuyahoga County

Legend

2023 Senior Population (%) by Block Group

0%   100%
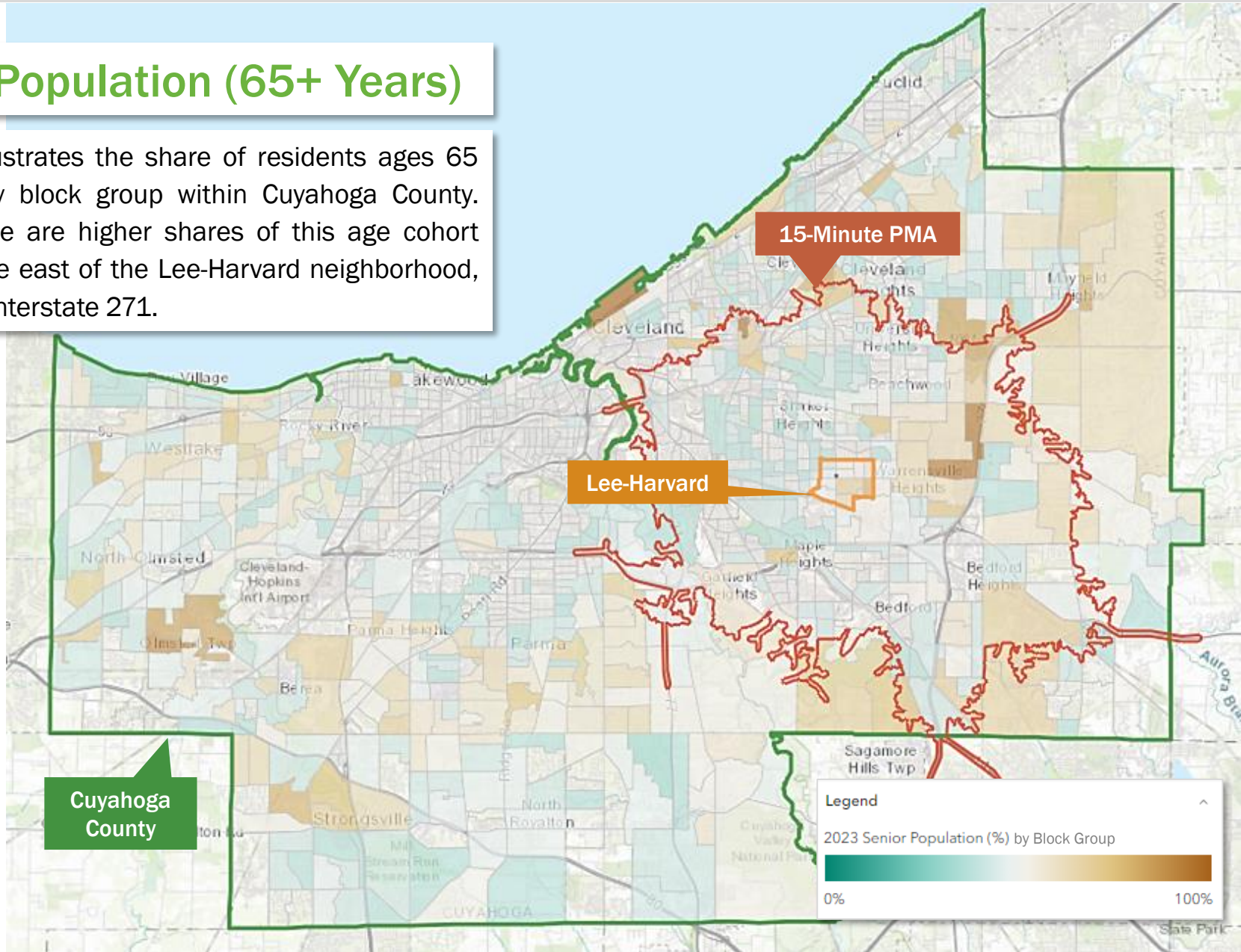
Source: Esri; 4ward Planning Inc., 2023

Educational Attainment

As illustrated in the chart below, educational attainment levels in the Lee-Harvard neighborhood are lower than those in the PMA, particularly as it relates to residents ages 25 and older holding a bachelor's degree or higher.

However, the share of adult PMA residents (25 and older) possessing a bachelor's degree or higher (18 percent each) is markedly higher than the share of residents similarly educated at the city level, according to census data. This fact suggests there are likely high-wage employment opportunities within and near to PMA. College-educated workers have been shown to spend a greater share of their incomes on discretionary items (including dining out, entertainment, and non-essential apparel) than less educated workers – a favorable indicator for attracting restaurants, entertainment, and retail establishments to the JFK site.

Educational Attainment by Geography, 2023

Legend: Lee-Harvard, 15-Minute PMA, Cleveland City, Cuyahoga County

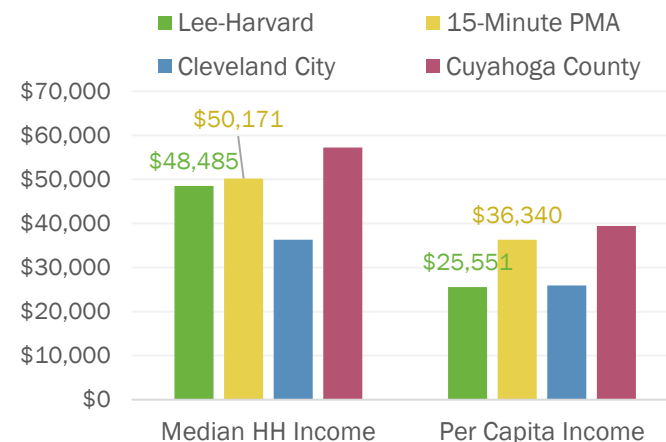|	Lee-Harvard	15-Minute PMA	Cleveland City	Cuyahoga County
Less than GED	9%	8%	15%	8%
High School Graduate or GED	35%	28%	35%	28%
Some College (No Degree)	23%	19%	20%	18%
Associate Degree	14%	9%	8%	9%
Bachelor's Degree	13%	18%	13%	21%
Graduate Degree of Higher	6%	18%	9%	15%

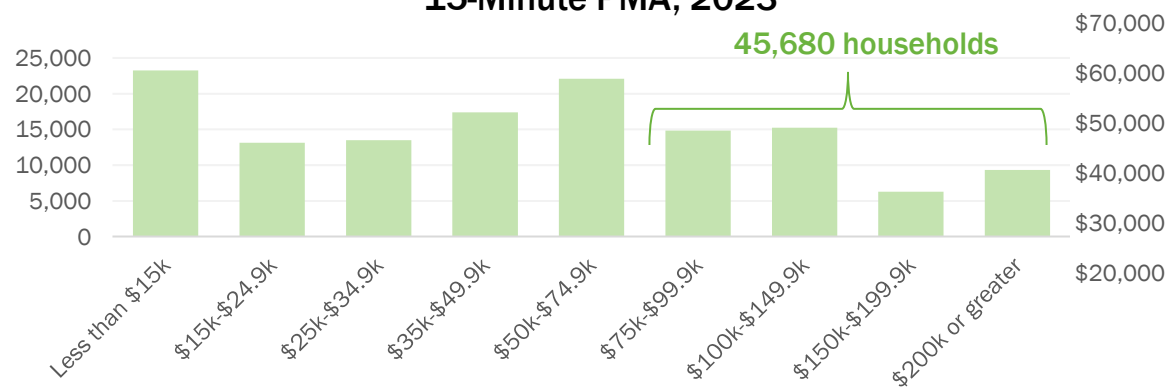Source: Esri; 4ward Planning Inc., 2023

Income Metrics

As illustrated to the right, household income levels in the PMA are slightly higher than those in the Lee-Harvard neighborhood. For example, the 2023 median household income in the PMA ($50,170) is $1,690 higher than that in the Lee-Harvard neighborhood ($48,490). As illustrated below, there are 45,680 households in the PMA (a little more than a third of all PMA households) with annual incomes of $75,000 and higher - presenting potential opportunities for market-rate housing at the JFK and Gracemount sites.

Further, median household income is highest within the 35- to 54-year-old age cohort (nearly $64,000 annually), making it a target audience for new, market-rate rental housing at the JFK redevelopment site.
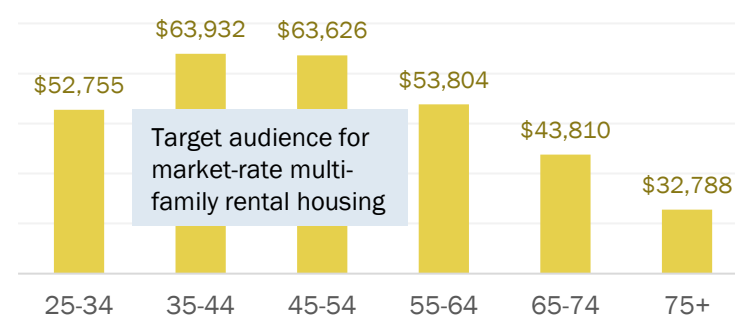
Income Metrics, 2023

Legend: Lee-Harvard, 15-Minute PMA, Cleveland City, Cuyahoga County

Median HH Income: Lee-Harvard $48,485; 15-Minute PMA $50,171

Per Capita Income: Lee-Harvard $25,551; 15-Minute PMA $36,340

Total Households by Income Brackets: 15-Minute PMA, 2023

45,680 households

Income brackets: Less than $15k, $15k-$24.9k, $25k-$34.9k, $35k-$49.9k, $50k-$74.9k, $75k-$99.9k, $100k-$149.9k, $150k-$199.9k, $200k or greater

Median Household Income by Age of Householder: 15-Minute PMA, 2028

25-34: $52,755
35-44: $63,932
45-54: $63,626
55-64: $53,804
65-74: $43,810
75+: $32,788

Target audience for market-rate multi-family rental housing

Source: Esri; 4ward Planning Inc., 2023

Labor & Industry Trends Analysis

4WARD PLANNING

Key Findings: Labor & Industry Trends Analysis

44,320 workers commuting over 25 miles

According to the U.S. Census Bureau, in 2021 (the latest year available), approximately 170,750 workers commuted into the 15-minute PMA for work, with 44,320 workers commuting over 25 miles to work. Since some of these workers might choose to trade a long commute to live closer to work if quality housing were available and affordable, these workers represent pent-up housing demand.

Health care sector jobs clustered in the north

According to 2021 data provided by the U.S. Census Bureau, the number of health care and social assistance sector jobs in the PMA has more than doubled over the past two decades (increasing by 47,150 primary jobs from 2002 to 2021). Many of these relatively mid- to high-wage job opportunities (average wage of $72,900 in the county) are clustered on the northern edge of the PMA (Cleveland Clinic and University Hospitals) and under five miles from the JFK and Gracemount sites.

Top three sectors in Lee-Harvard with wages between $25,060 and $49,350

In 2021, the educational services, retail trade, and accommodation and food services sectors were the neighborhood's top three sectors by total primary jobs, providing relatively low- to mid-wage job opportunities (with average annual wages ranging from $25,060 to $49,350 in the county).

Methodology: Labor & Industry Trends Analysis

To better understand potential market drivers from the local workforce in the 15-minute PMA and larger region, the labor and industry trends analysis identifies labor force and unemployment trends for the city of Cleveland, top six employers by industry for the PMA, day-time worker population estimates within the PMA, and a commuter travel shed analysis using the On-the-Map data tool. Labor data are assembled from the latest U.S. Department of Labor and Ohio Industry figures.

We closely examined current labor market and industry trends within Cuyahoga County and the six-county Cleveland, Ohio Metropolitan Statistical Area (MSA) (consists of Cuyahoga, Ashtabula, Geauga, Lake, Lorain, and Medina Counties), including current and projected industry and occupational (BLS Data) employment. The examination of projected industry and occupational employment data provides necessary insight into the types and quantity of commercial uses that might be in demand over the coming years, some portion of which, possibly, captured within the Lee-Harvard neighborhood.

4ward Planning analyzed and presented key industry metric projections (e.g., employment and wage growth) through 2028 for the county and, for comparative purposes, the MSA. The industry trends analysis also includes the following metrics for the county and MSA, down to the three-digit NAICS level:

- Top six industry sectors by employment (absolute and percentage) (2022)
- Top six sectors by average number of new jobs created (2017 – 2022)
- Top six sectors by average monthly earnings (2017 – 2022)

Top Employers: City of Cleveland

According to the City of Cleveland Department of Economic Development, Cleveland Clinic, University Hospitals, and Metro Health System are three of the city's top employers, supporting approximately 55,750 health care sector jobs, combined. The U.S. Office of Personnel Management, Cuyahoga County, and the City of Cleveland are some of the city's other top employers supporting 26,000 government sector jobs, combined. The Cleveland Metropolitan School District and Case Western Reserve University are also included among top employers, supporting nearly 10,900 education sector jobs, combined. Other top employers include KeyCorp (4,840 finance jobs) and Sherwin-Williams Company (4,190 retail jobs), two companies headquartered in the city. Many of these jobs are within a 20-minute drive from the JFK and Gracemount redevelopment sites.

Name	HQ	Sector	Employees
Cleveland Clinic		Health Care	32,772
University Hospitals		Health Care	16,506
U.S. Office of Personnel Management		Government	12,045
Cuyahoga County		Government	7,397
City of Cleveland		Government	6,561
Metro Health System		Health Care	6,469
Cleveland Metropolitan School District		Educational Services	6,392
KeyCorp	Yes	Finance	4,841
Case Western Reserve University		Educational Services	4,501
Sherwin-Williams Co.	Yes	Retail	4,185

Source: City of Cleveland Department of Economic Development

Labor Force & Employment Trends

The U.S. Bureau of Labor Statistics (BLS) defines the labor force as all civilians classified as employed and unemployed. The employed are those who work for pay for themselves or someone else, or who work 15 hours or more as unpaid workers in a family-operated business. Also included among the employed are those who are temporarily absent from work for reasons such as illness and childcare obstacles. The unemployed include individuals who have no job but are available for work and looking for employment. According to BLS data, as of September 2023, there were 156,780 individuals in the city of Cleveland's labor force, with 149,217 of those actively employed - equivalent to an unemployment rate of 4.8 percent. Beyond the pandemic's impact, Cleveland's labor force has been declining over the past two decades.

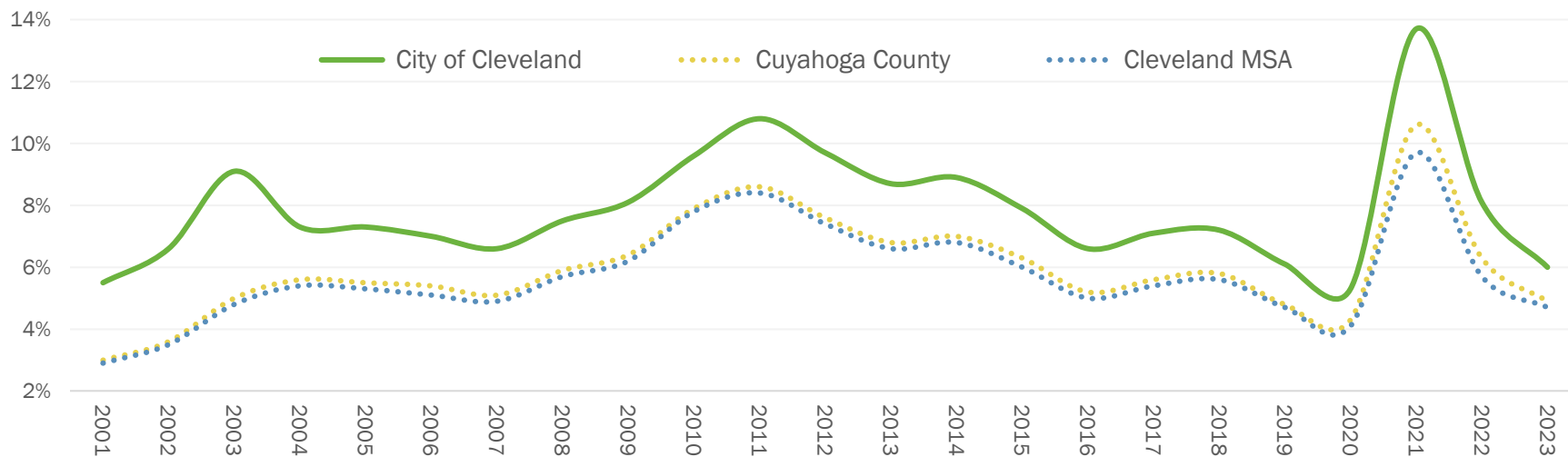**Labor Force & Employment Trends: City of Cleveland**
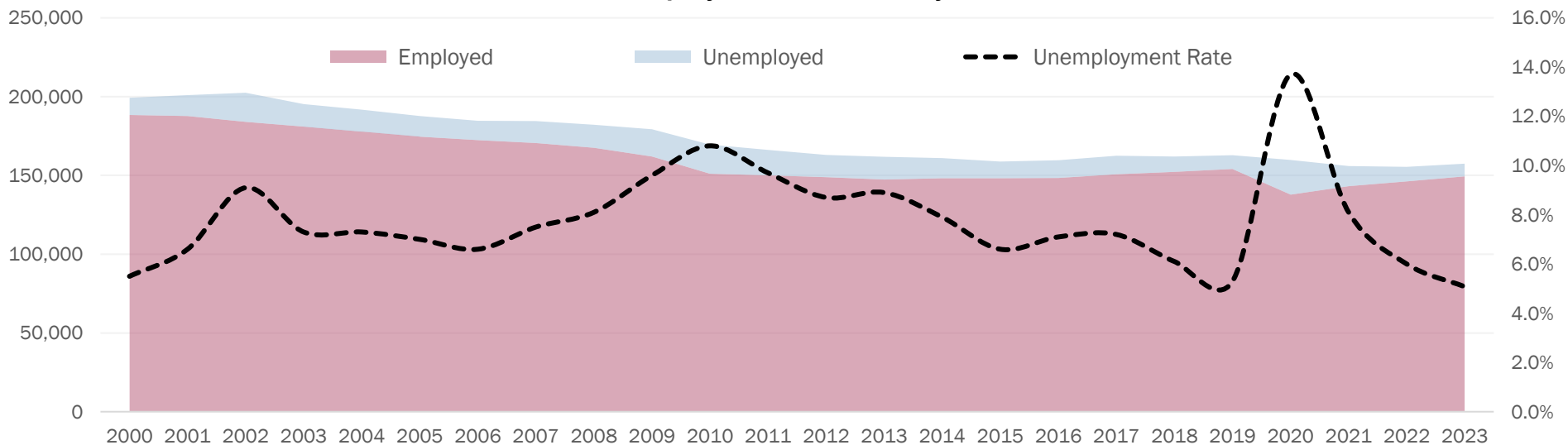
Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics (includes preliminary data as of September 2023)

Unemployment Rate Trends

An unemployment rate between four and five percent allows for economic flexibility, as workers transition between jobs, industries, and locations. According to data provided by BLS, while the city's unemployment rate steadily increased in 2020 following the onset of the Covid-19 pandemic, the city's current unemployment rate (4.8 percent as of September 2023) is back to pre-pandemic levels (4.8 percent in September 2019). Notably, the city's unemployment rate has been consistently higher than those in the county and MSA over the past three decades, suggesting there are likely specific economic challenges or structural issues affecting the city's economy (e.g., dependency on a declining industry, aging local workforce, skill-mismatch, or transportation accessibility).
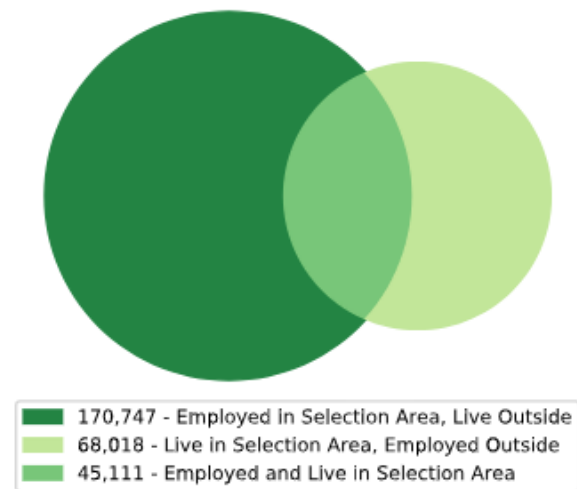
Unemployment Rate Trends

Note: Not seasonally adjusted.
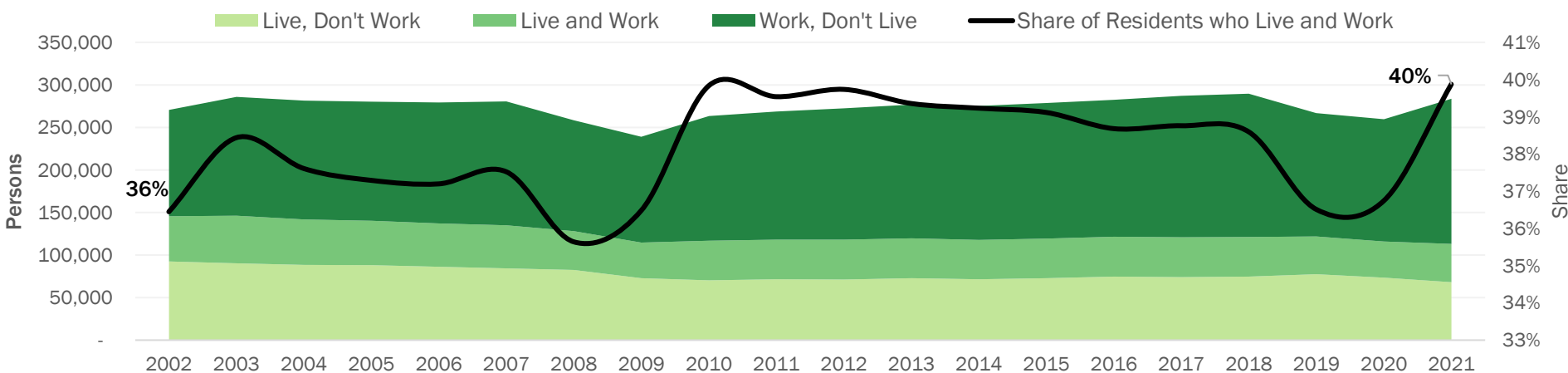Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics, data as of September 2023

Travel Shed Analysis: 15-Minute PMA

According to the U.S. Census Bureau, a primary job is the highest paying job for an individual worker for the year. The count of primary jobs is the same as the count of workers. In 2021 (the latest year available), approximately 170,750 workers commuted into the PMA for work with 44,320 workers commuting over 25 miles to work. If housing developed at the JFK and Gracemount sites appealed to only two-percent of these long-distance commuters, that would represent approximately 1,330 households.

Inflow/Outflow Primary Jobs, 2021

- **170,747** - Employed in Selection Area, Live Outside
- **68,018** - Live in Selection Area, Employed Outside
- **45,111** - Employed and Live in Selection Area

Historical Worker Inflow/Outflow, 15-Minute PMA

Legend: Live, Don't Work | Live and Work | Work, Don't Live | Share of Residents who Live and Work

Source: U.S. Census Bureau, Quarterly Workforce Indicators (QWI)

Primary Job Clusters: 15-Minute PMA

This map illustrates 2021 primary job clusters within the 15-minute PMA. Cleveland Clinic and University Hospitals, the city's two top employers, are located on the edge of the PMA, approximately four and a half miles northwest of the JFK and Gracemount sites.

While smaller, there are notable employment centers within the PMA east and southeast of the Lee-Harvard Neighborhood. Based on analysis and field observations, many of the businesses in these employment clusters are white collar and healthcare related – suggesting above-average income occupations.
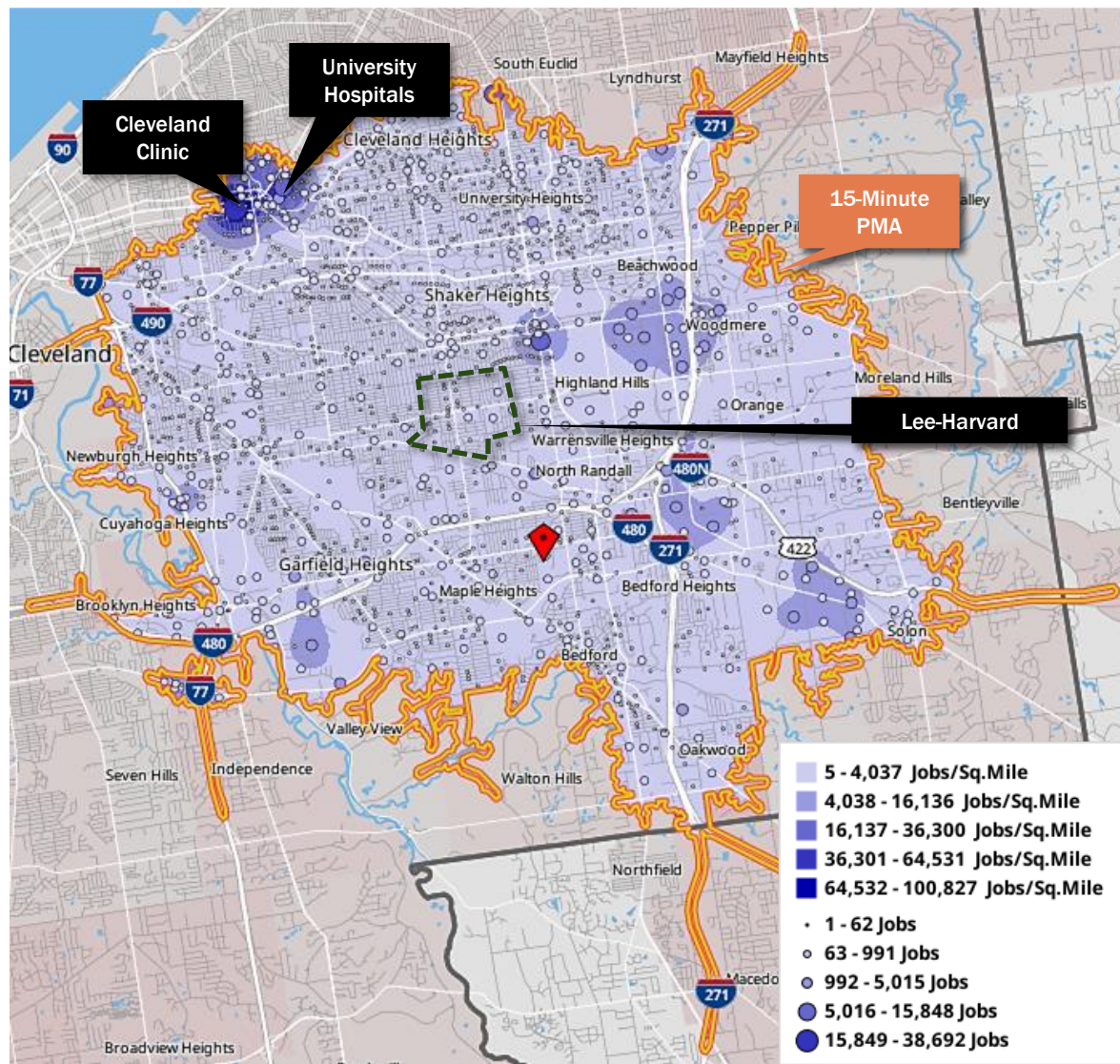
Source: U.S. Census Bureau, Center for Economic Studies, LEHD

Primary Job Clusters: Lee-Harvard Neighborhood

This map illustrates primary job clusters within the Lee-Harvard neighborhood based on 2021 data provided by the Census. The Lee-Harvard Plaza shopping center represents the largest job clusters. Schools represent the next largest job clusters (Whitney Young Leadership Academy, the Adlai Stevenson School, and the Citizens Academy Southeast Campus).
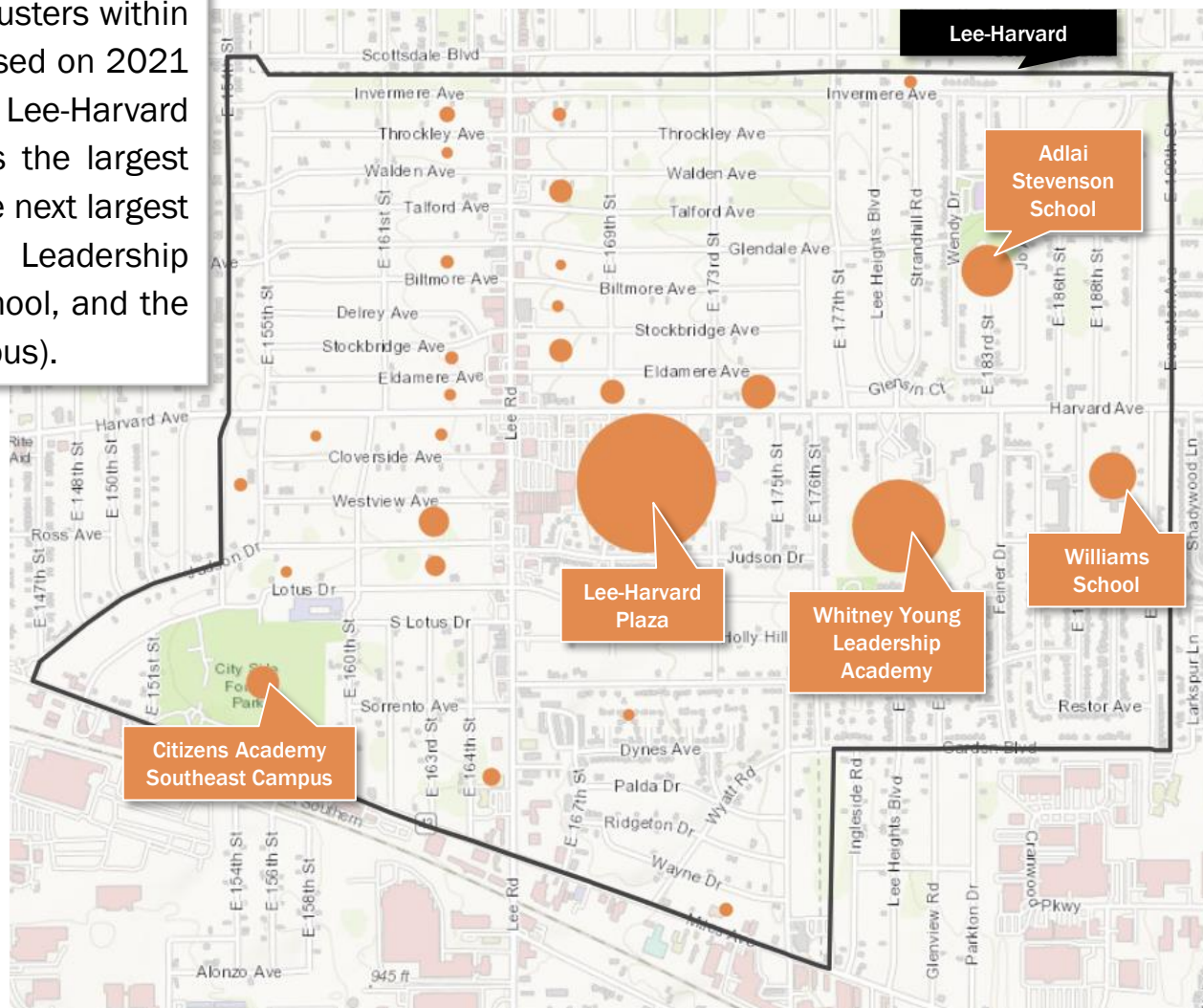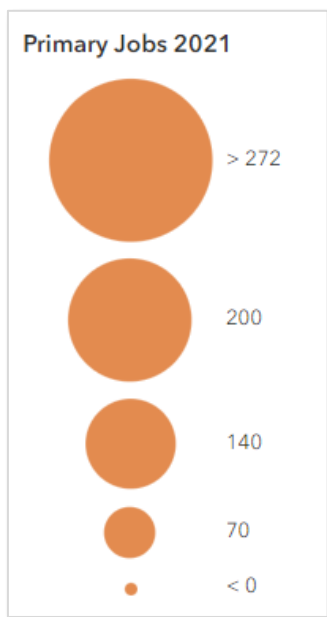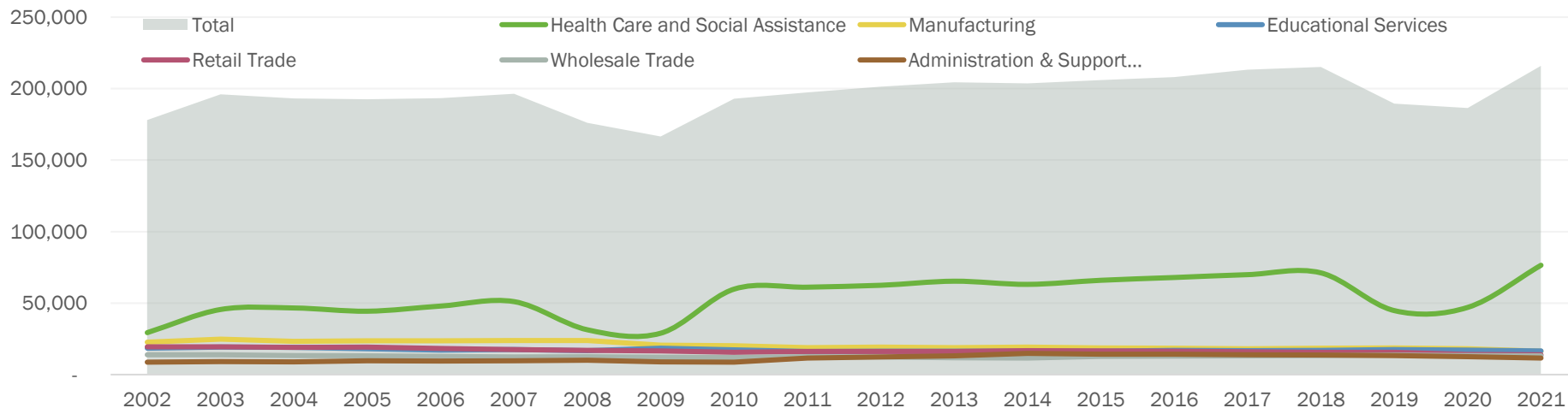

Source: U.S. Census Bureau, Center for Economic Studies, LEHD

Top Six Industries by Employment: 15-Minute PMA

The number of primary jobs workers in the PMA has increased over the past two decades, largely driven by growth in the health care and social assistance sector. According to primary job data provided by the U.S. Census Bureau, the number of total primary jobs in the PMA increased by 37,890 from 2002 to 2021. The health care and social assistance sector (the city's top sector by total employment) employs approximately 76,490 people in the PMA. While the number of primary workers employed in this sector has fluctuated, it has more than doubled over the past two decades (increasing by 47,150 primary jobs from 2002 to 2021). As illustrated below, total employment in the health care and social assistance sector declined after the Great Recession (from December 2007 to June 2009) and again in 2019. With an average wage of $72,900 in the county, this sector provides relatively mid- to high-wage job opportunities.

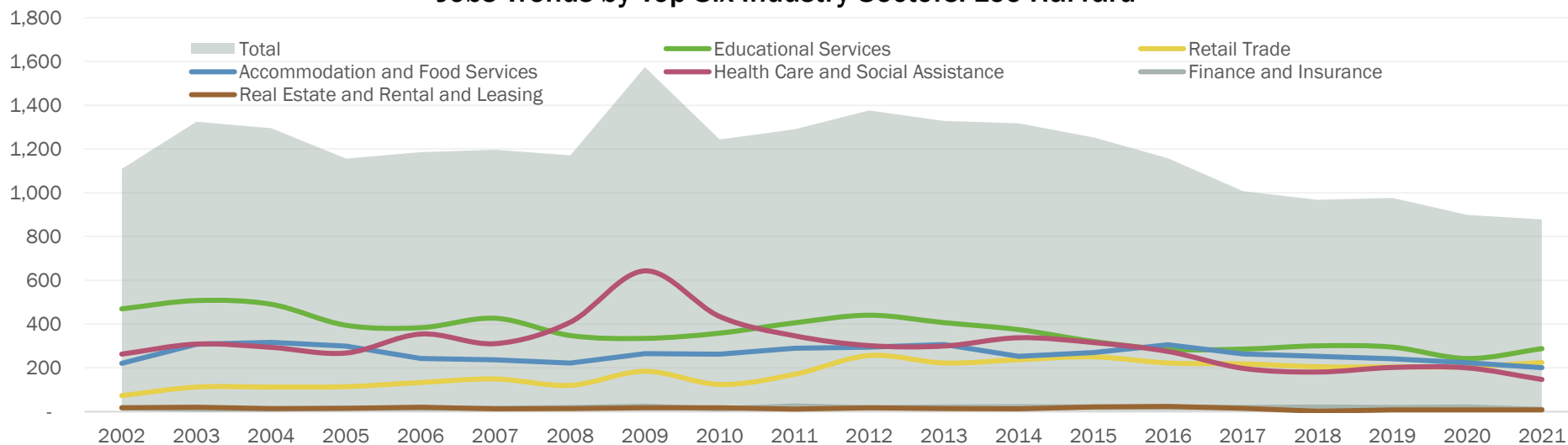**Jobs Trends by Top Six Industry Sectors: 15-Minute PMA**

Source: U.S. Census Bureau, Center for Economic Studies, LEHD

Top Six Industries by Employment: Lee-Harvard Neighborhood

In 2021, the educational services sector was the neighborhood's top sector by total primary jobs, employing approximately 290 people and providing relatively mid-wage job opportunities. The retail trade, and accommodation and food services sectors are the neighborhood's second and third top employers, both providing relatively low-wage job opportunities ($36,610 and $25,060, respectively). As illustrated below (and in the table on the following page), total health care and social assistance sector employment in the neighborhood declined after the Great Recession but did not increase again in 2021, as it did in the PMA.

Jobs Trends by Top Six Industry Sectors: Lee-Harvard

Legend:
- Total
- Educational Services
- Retail Trade
- Accommodation and Food Services
- Health Care and Social Assistance
- Finance and Insurance
- Real Estate and Rental and Leasing

Source: U.S. Census Bureau, Center for Economic Studies, LEHD

Comparison of Top Six Industries by Employment

Primary Job Trends by Top Six Industries: 15-Minute PMA

| Industry	Primary Jobs (2021)	Job Change (2002-2021)	Avg. Annual Wage (County, 1Q 2023)
Health Care and Social Assistance	76,489	47,151	$72,904
Manufacturing	16,456	(6,273)	$83,772
Educational Services	16,691	(1,794)	$49,348
Retail Trade	13,963	(5,552)	$36,608
Wholesale Trade	13,184	(732)	$94,952
Administration & Support...	11,709	2,976	$59,540
Total (All Industries)	215,858	37,893	

Primary Job Trends by Top Six Industries: Lee-Harvard

Industry	Primary Jobs (2021)	Job Change (2002-2021)	Avg. Annual Wage (County, 1Q 2023)
Educational Services	287	(182)	$49,348
Retail Trade	224	151	$36,608
Accommodation and Food Services	201	(19)	$25,064
Health Care and Social Assistance	146	(116)	$72,904
Finance and Insurance	10	(7)	$152,828
Real Estate and Rental and Leasing	7	(11)	$73,424
Total (All Industries)	878	(232)	

Source: U.S. Census Bureau, Center for Economic Studies, LEHD

Top Near-Term Growth Occupations: Cleveland MSA

The examination of projected industry and occupational employment data provides necessary insight into the types and quantity of commercial uses which might be in demand over the coming years, some portion of which, possibly, captured within the Lee-Harvard neighborhood. The chart below presents the top six projected growth occupations by total annual job openings in the Cleveland MSA, according to data provided by the Ohio Department of Job and Family Services, published in June 2023. Through 2030, food preparation and serving-related occupations are the top occupation by total annual openings through 2030 providing 15,190 total annual job openings in the MSA. With a full-time equivalent annual median wage of $23,280 in the MSA, as of May 2021, these occupations provide relatively low-wage job opportunities .

Top Occupations by Total Projected Annual Openings: Cleveland MSA, 2020-2030
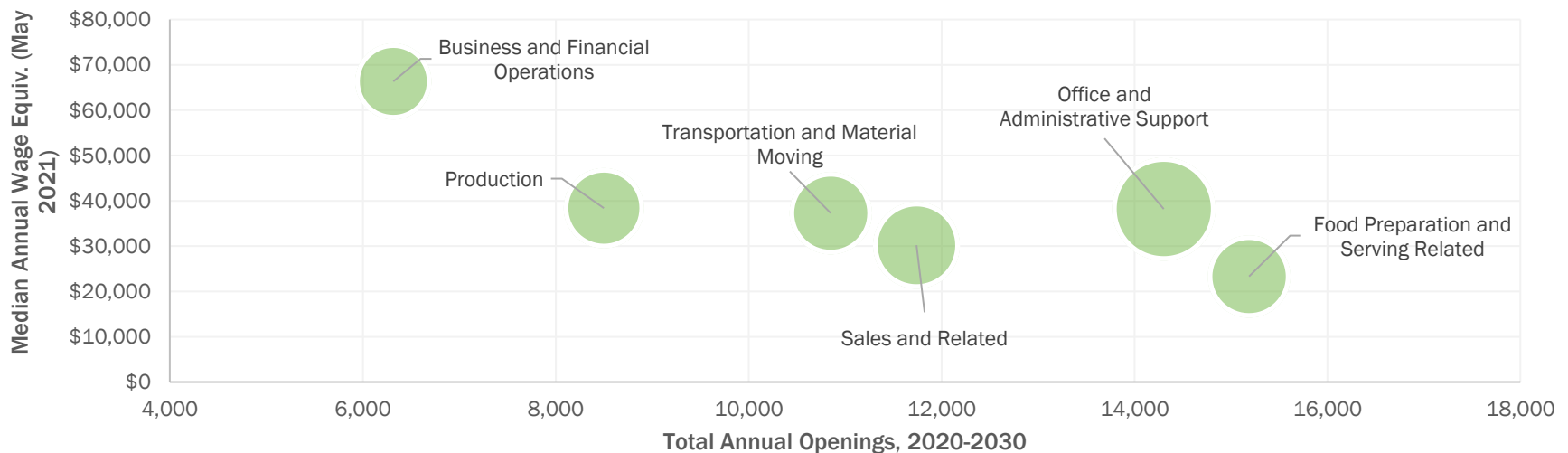
Note: Bubble size represents 2030 projected employment. Annual wage assumes full-time employment at 40 hours per week and 52 weeks per year.
Source: Ohio Department of Job and Family Services, Bureau of Labor Market Information, June 2023

Real Estate Trends Analysis

Methodology: Real Estate Trends Analysis

Our primary objective within this task is to gain an understanding of local supply, demand, occupancy, and pricing factors for a broad range of land uses within the primary market area (PMA), inclusive of residential (multi-family, townhomes, and condos) and locally serving retail. Using a variety of primary and secondary resources, 4ward Planning examined the competitive supply within the PMA (existing and proposed) for residential and retail, identifying prospective opportunities and challenges for these uses at the JFK and Gracemount sites. Some of the land-use metrics examined include (where available) the following: vacancy and absorption rates and trends, rental rates, and building permit activity. To "ground truth" data findings, quantitative analysis was supplemented with active broker and developer interviews.

Data for the Lee-Harvard neighborhood are presented where available. Data provided for 2021 are based on American Community Survey five-year statistics.

Next, 4ward Planning conducted a supply/demand analysis, identifying prospective areas of unmet demand for residential product within the PMA which could, potentially, be accommodated at the JFK and Gracemount sites. Unmet residential land-use demand estimates were projected out five years and presented as residential units prospectively captured within one or both sites over a five-year period.

Multi-Family Residential

Key Findings: Multi-Family Residential

Lee-Harvard neighborhood offers little housing diversity

Nearly all housing in the Lee-Harvard neighborhood is characteristic of traditional detached and attached single-family homes (97 percent). Furthermore, the neighborhood has a relatively high share of owner-occupied housing (77 percent) and a low share of renter-occupied housing (23 percent). Accommodating townhouses and multi-family housing at the JFK site could help the neighborhood serve a greater diversity of households.

A mismatch between household size and housing bedroom counts

The share of one-person households (46 percent) is more than twice that of the share of studio and one-bedroom units, combined (21 percent). In other words, there is a mismatch between housing unit size and household size among smaller households in the city. The development of more studios and one-bedroom units in the city could help relieve the existing shortage of smaller housing units, relative to household size.

Between 220 and 360 units

Largely due to existing pent-up demand from primary workers who commute into the PMA and replacement of physically obsolescent housing, there will be an estimated net housing demand for 7,190 residential units in the PMA by 2028. Assuming between three and five percent of this demand could be met within the Lee-Harvard neighborhood, the JFK and Gracemount sites, combined, could potentially support (via market demand, but not necessarily through land availability) between 220 and 360 units.

Housing Choice: Unit Type and Bedroom Size

Housing diversity plays a critical role in accommodating different household types by offering a range of housing options catering to varying household needs and preferences. Nearly all housing in the Lee-Harvard neighborhood is characteristic of traditional detached and attached single-family homes (97 percent), while the housing stock in the PMA, city, and county are much more varied in terms of building type. For example, just 63 percent of the PMA's housing stock is characteristic of single-family homes, while duplexes and multi-family housing units represent the remaining share of the PMAs housing stock. Accommodating townhouses and multi-family housing at the JFK site could help the neighborhood serve a greater diversity of households. For example, multi-family rental would likely be attractive to both younger households and retirees who either do not have the financial resources or desire to purchase a home.

Housing Units by Structure Type, 2021
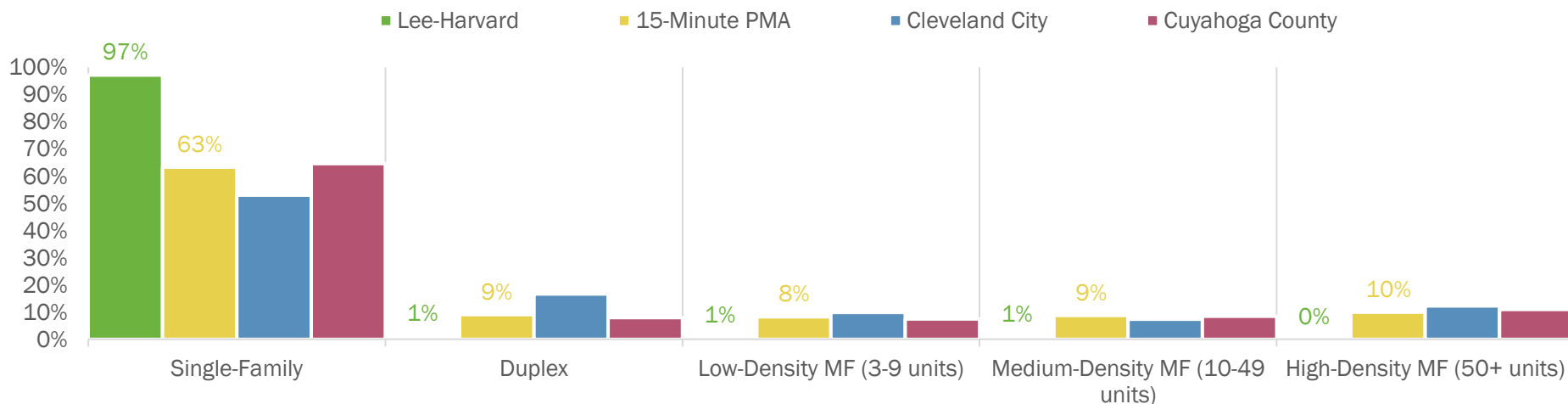
Source: 2021 ACS 5-Year Estimates, 4ward Planning Inc., 2023

Housing Choice:
Single-Family Detached Housing

As illustrated on the map at right, by block group, the Lee-Harvard Neighborhood features little housing diversity, with respect to single- and multi-family housing. The housing stock within the neighborhood is overwhelmingly single-family housing.

15-Minute PMA

Lee-Harvard

2021 Housing: 1 Detached Unit in Structure (ACS 5-Yr) (%) by Block Group

◄ > 94

◄ 62

◄ < 30
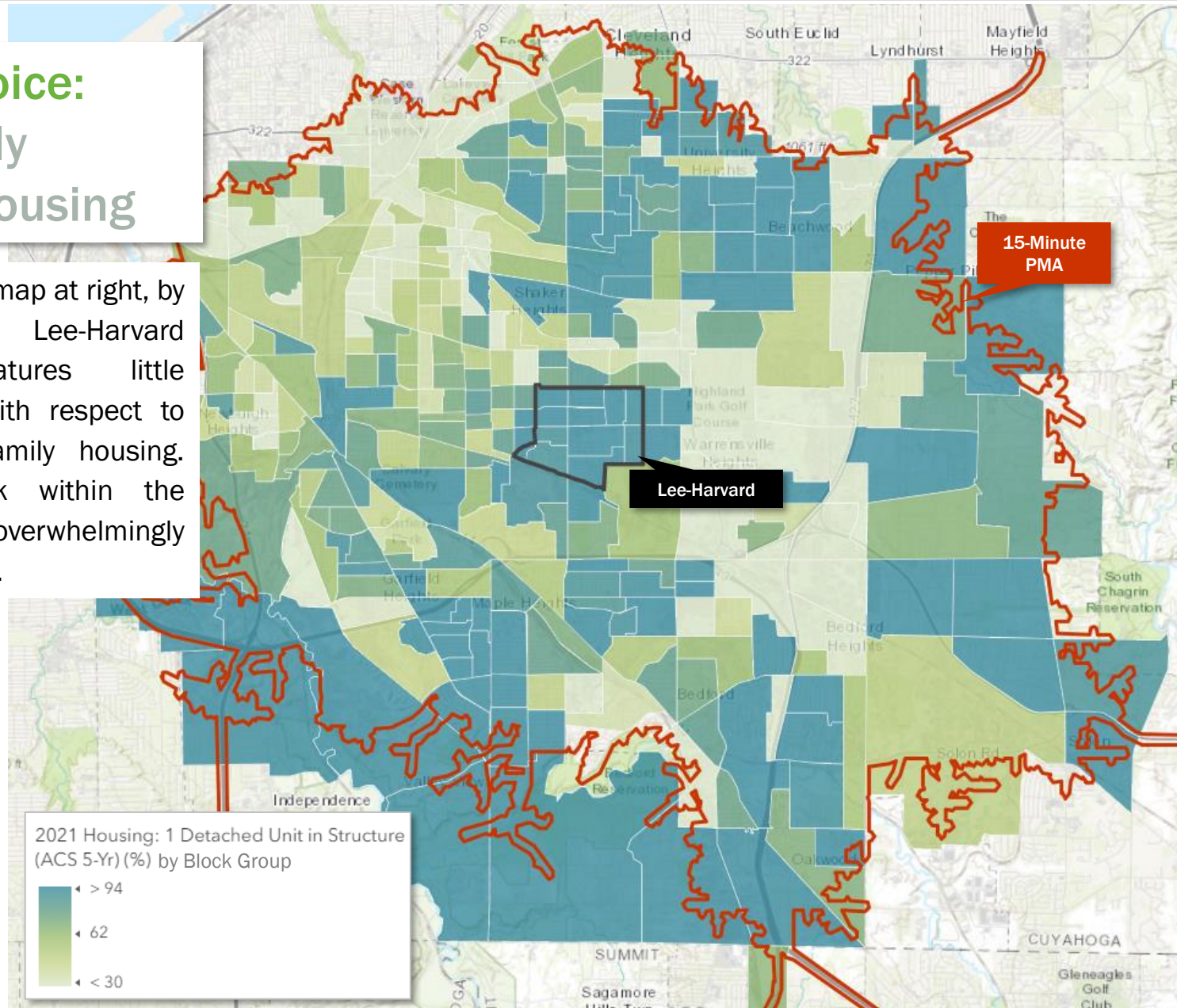
Source: 2021 ACS 5-Year Estimates, 4ward Planning Inc., 2023

Housing Pipeline: City of Cleveland

The charts below illustrate housing permit trends for the city of Cleveland based on data provided by the U.S. Census Bureau's Building Permits Survey. Approximately 70 percent of housing permitted in the city since 2001 is characteristic of single-family housing. Notably, the number of housing permits dipped after the previous economic recession (2007 to 2009), before increasing in 2012. As of September 2023, 455 multi-family units were permitted for development within the city of Cleveland.

Housing Permit Trends: City of Cleveland
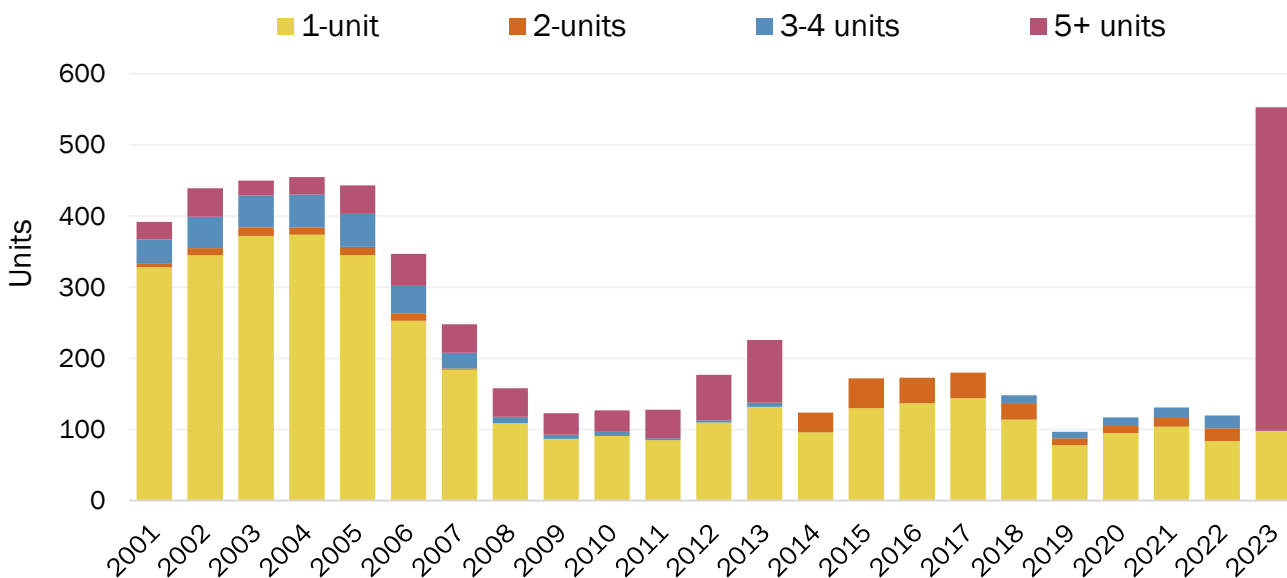
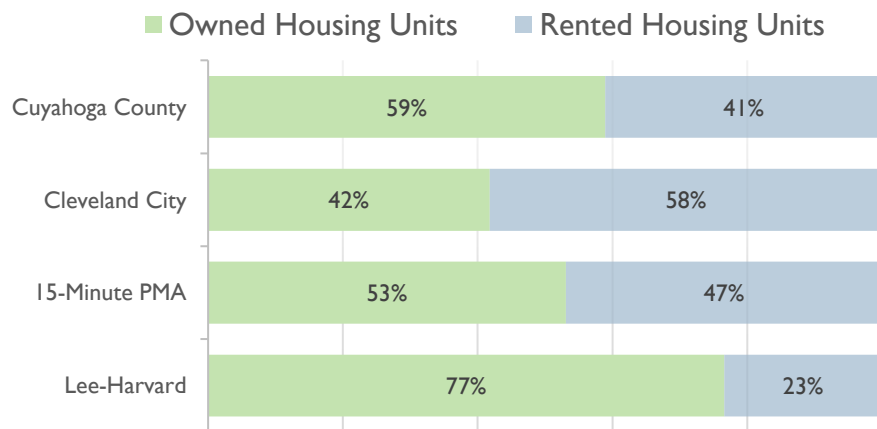**Total Housing Permits: City of Cleveland (2001-2023)**
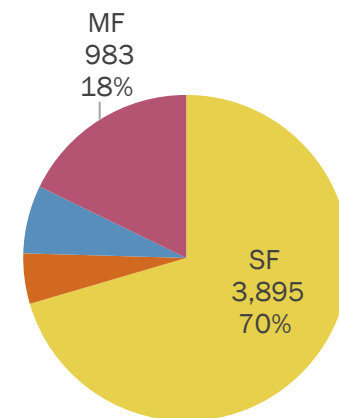
Source: U.S. Census Bureau's Building Permits Survey, 2023 data as of September
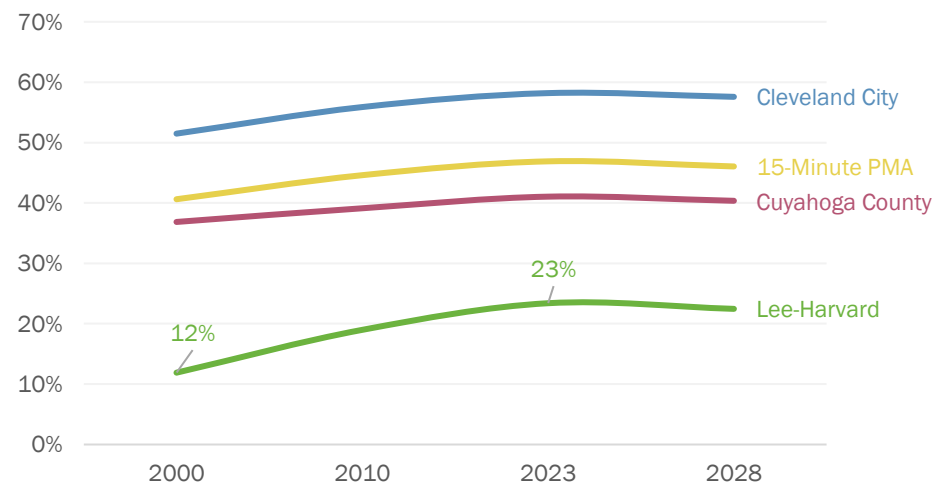
Housing Tenure

Housing tenure refers to whether a housing unit is owner- or renter-occupied. A healthy housing market is one that has a sufficient supply of units to satisfy the needs of households looking to own and rent. Although renting is most common among young adults, nearly everyone rents at some point in their lives - whether by choice or necessity. As illustrated below, in 2023, 77 percent of all occupied housing units in the Lee-Harvard neighborhood were owner-occupied, a share much higher than that found in the PMA (53 percent). While the share of renter-occupied housing units in all geographies increased from 2000 to 2023, they are expected to remain relatively flat through 2028. Our interviews with local residential real estate brokers and developers suggest there is demand for both owner-occupied and rental units in the neighborhood – particularly those offering modern amenities and convenience to services – an opportunity for the JFK and Gracemount sites.

Occupied Housing by Tenure, 2023

Geography	Owned Housing Units	Rented Housing Units
Cuyahoga County	59%	41%
Cleveland City	42%	58%
15-Minute PMA	53%	47%
Lee-Harvard	77%	23%

Share Renter-Occupied Housing

Cleveland City
15-Minute PMA
Cuyahoga County
23%
12%
Lee-Harvard

Source: Esri; 4ward Planning Inc., 2023

Household and Unit Size: City of Cleveland

One way to measure whether existing housing stock is suited to the local population is to compare household size to the number of bedrooms within dwelling units in the local inventory (unit size). The share of one-person households (46 percent) is more than twice that of the share of studio and one-bedroom units, combined (21 percent). In other words, there is a mismatch between housing unit size and household size among smaller households in the city. The development of more studios and one-bedroom units in the city could help relieve the existing shortage of smaller housing units, relative to household size. Our interviews with local real estate brokers and developers confirmed there is substantive demand for smaller housing units in the city - particularly for one- and two-bedroom rental units offering competitive amenities.
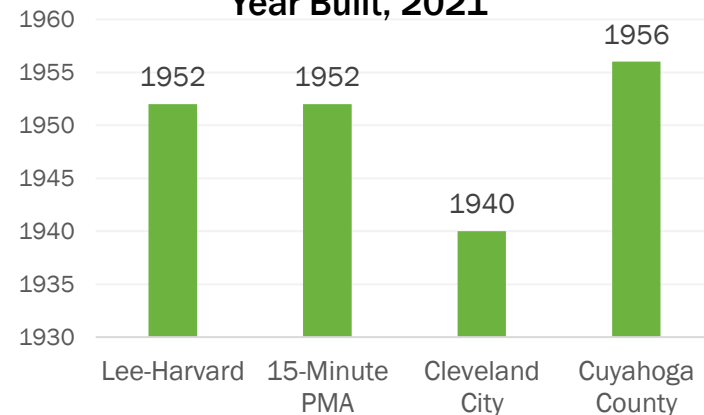
Household Size vs. Unit Size, 2021
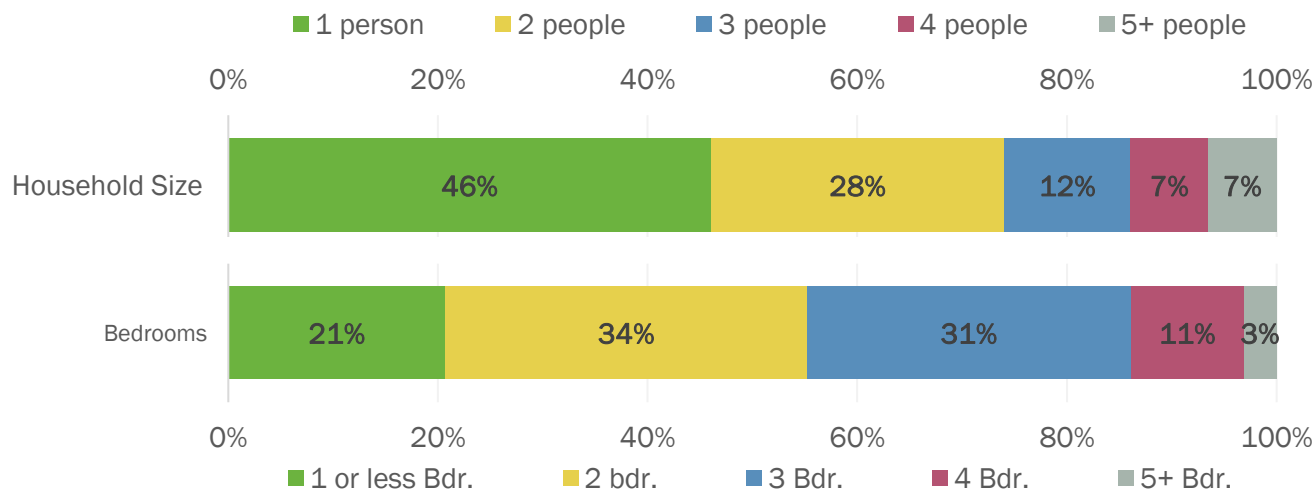
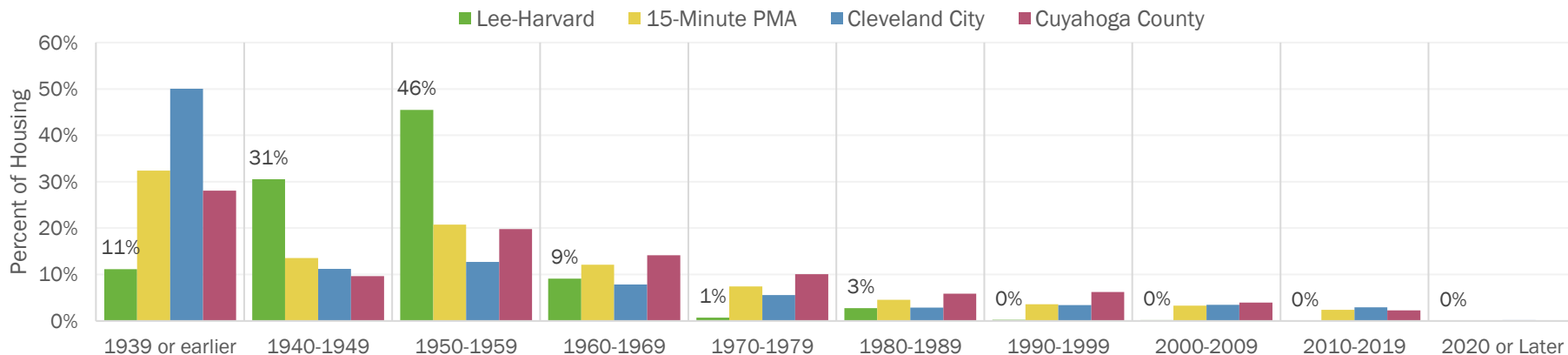Source: 2021 ACS 5-Year Estimates, B11016; DP04

Housing Age

The age of housing units is used to analyze the condition of housing stock in terms of physical needs and historical significance. While housing built before current building codes may present potential hazards from faulty wiring or lead-based paint, older homes can also indicate historical significance, which may lend to desirable community character.

Much of the Lee-Harvard neighborhood housing stock is characteristic of post-WWII suburban housing. For example, 76 percent of all housing in the neighborhood was built between 1940 and 1960.

Housing Units by Average Year Built, 2021

- Lee-Harvard: 1952
- 15-Minute PMA: 1952
- Cleveland City: 1940
- Cuyahoga County: 1956

Housing Units by Year Built, 2021

Legend: ■ Lee-Harvard ■ 15-Minute PMA ■ Cleveland City ■ Cuyahoga County

Y-axis: Percent of Housing

- 1939 or earlier: Lee-Harvard 11%, Cleveland City 50%
- 1940-1949: Lee-Harvard 31%
- 1950-1959: Lee-Harvard 46%
- 1960-1969: Lee-Harvard 9%
- 1970-1979: Lee-Harvard 1%
- 1980-1989: Lee-Harvard 3%
- 1990-1999: Lee-Harvard 0%
- 2000-2009: Lee-Harvard 0%
- 2010-2019: Lee-Harvard 0%
- 2020 or Later: Lee-Harvard 0%
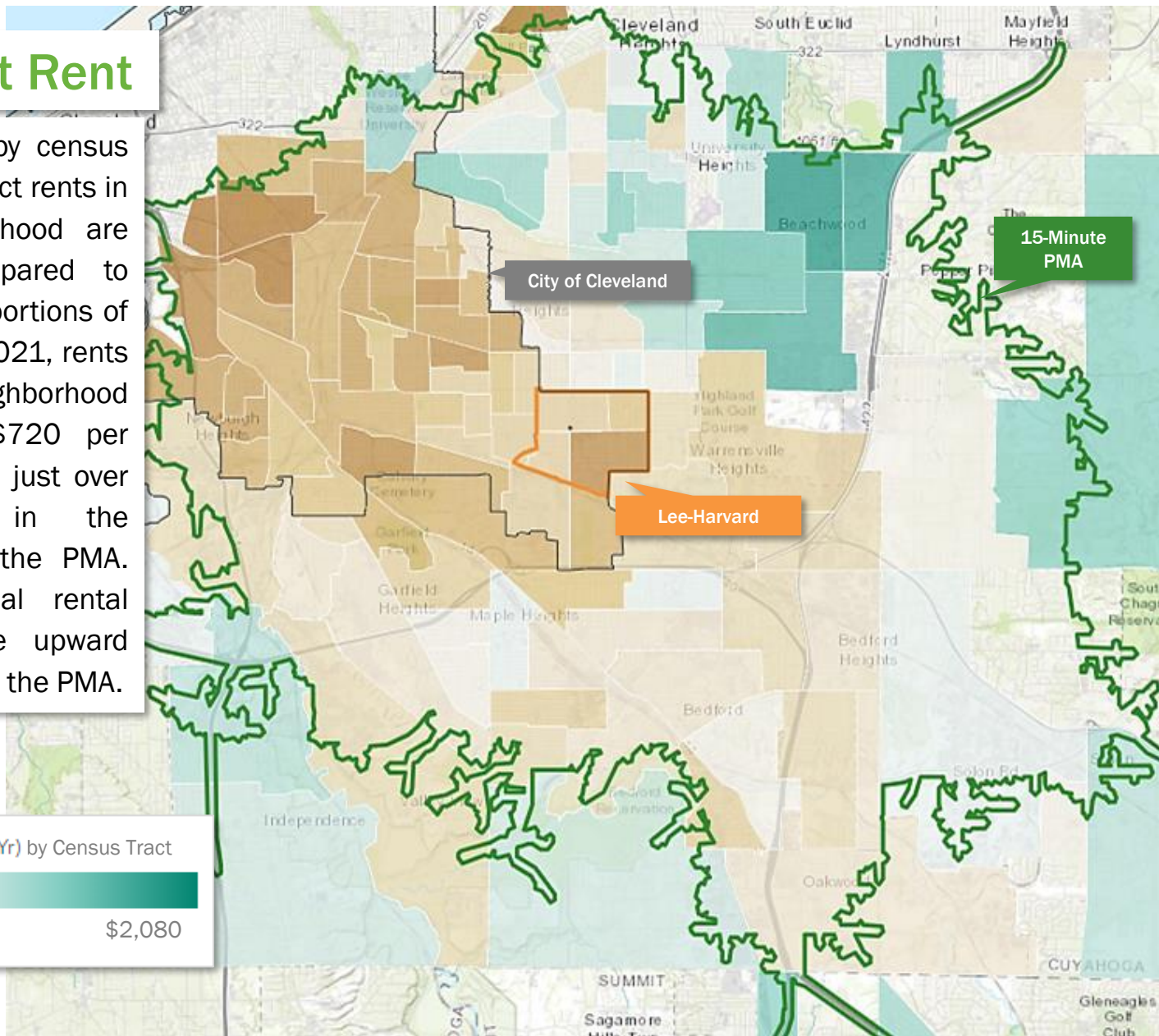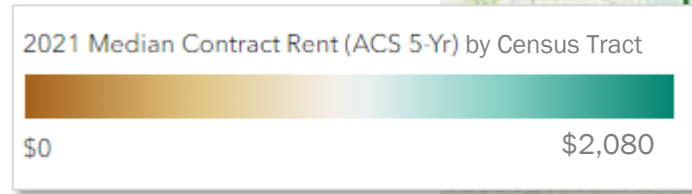
Source: Esri, 2023

Median Contract Rent

As depicted in this map by census tracts, 2021 median contract rents in the Lee-Harvard neighborhood are relatively affordable compared to those in the northeastern portions of the PMA. For example, in 2021, rents in the Lee-Harvard neighborhood ranged from $500 to $720 per month, while they reached just over $2,000 per month in the northeastern portions of the PMA. Development of additional rental stock would help relieve upward pressure on market rents in the PMA.

2021 Median Contract Rent (ACS 5-Yr) by Census Tract

$0 $2,080

15-Minute PMA

City of Cleveland

Lee-Harvard

Source: Esri; 4ward Planning Inc., 2023

Median Home Value

As depicted in this map, much of the higher-priced housing in the PMA is in its northeastern portions. For example, the 2023 median home value in the Lee-Harvard neighborhood ranges from $68,300 to $82,000 by census tract, while it reached just over $500,000 in some of the northeastern portions of the PMA. While new for-sale housing should be developed in the PMA, the amount and timing of such development will be dictated by future existing housing price trends and demand.
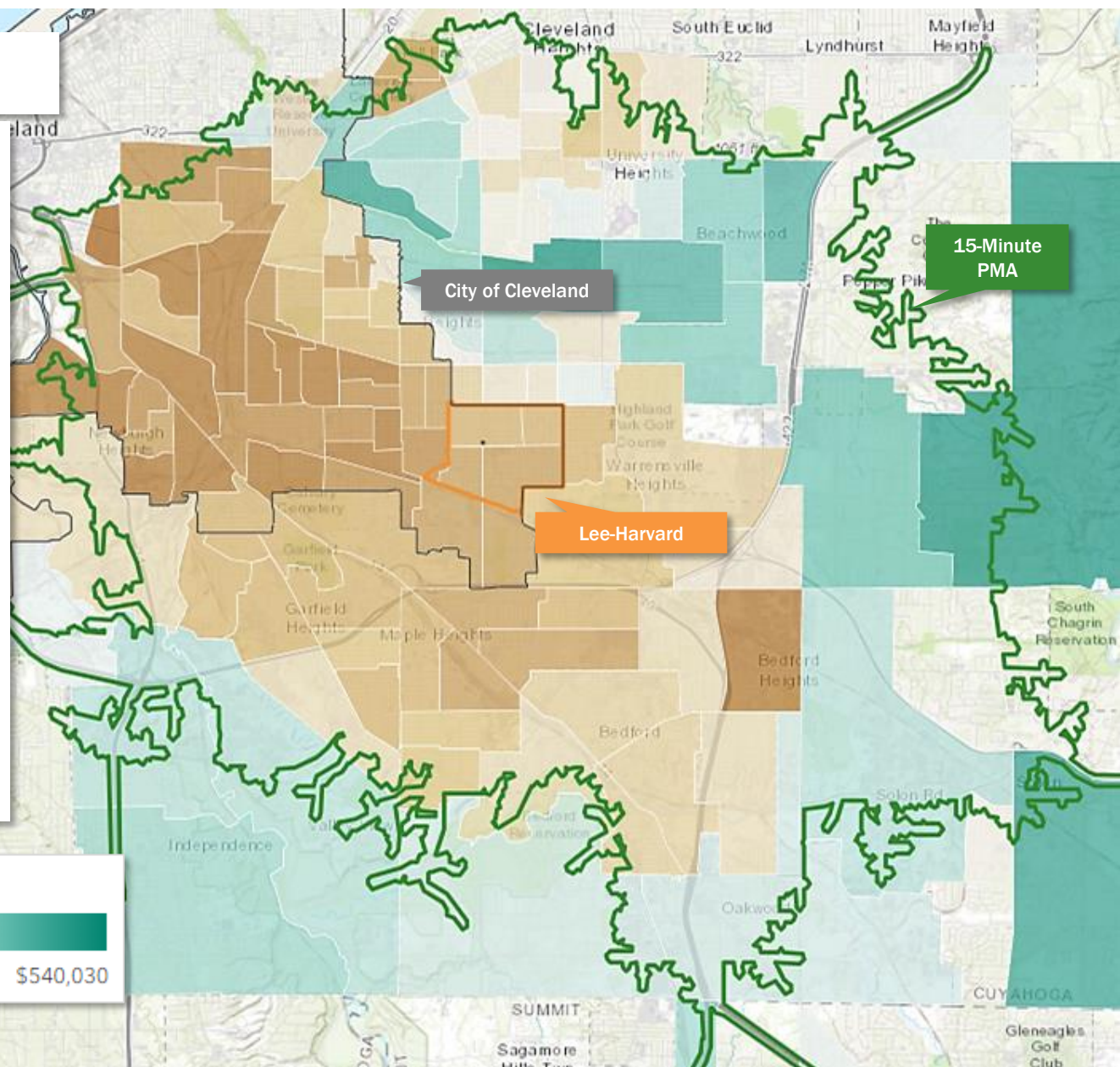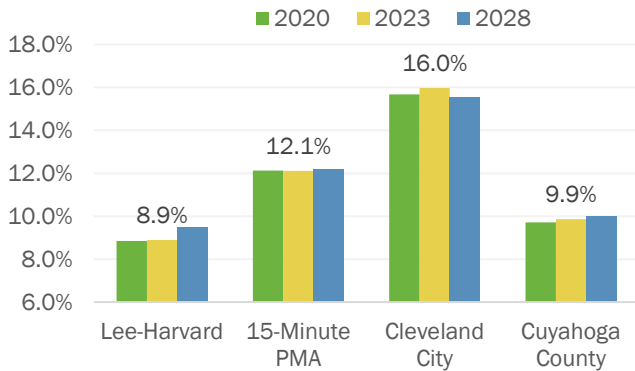
2023 Median Home Value by Census Tract

$0 — $540,030

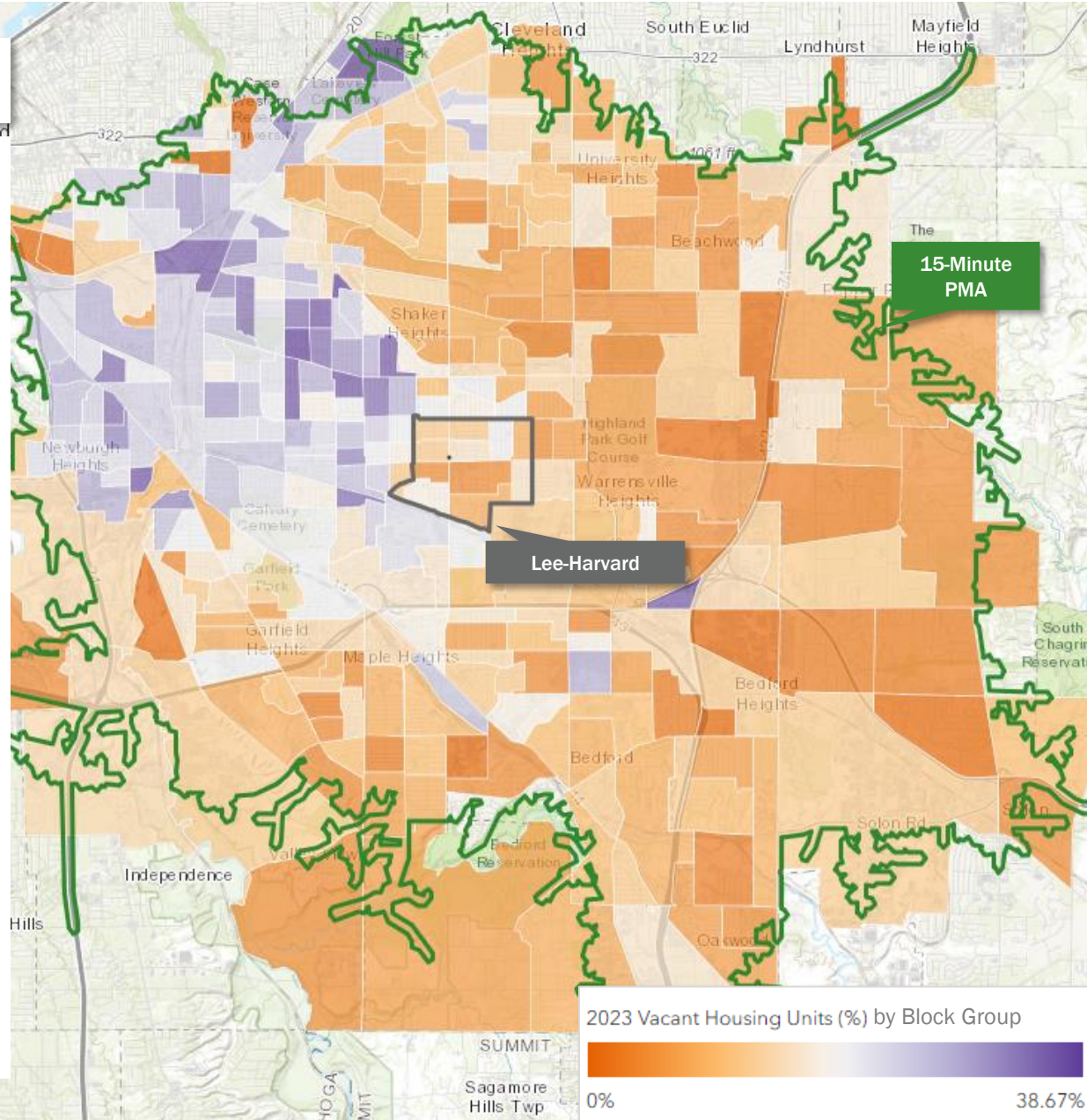Source: Esri; 4ward Planning Inc., 2023

Housing Vacancy Rate

As depicted in chart below, while the housing vacancy rate in city of Cleveland is relatively high (16 percent), the housing vacancy rate in the Lee-Harvard neighborhood is relatively low (8.9 percent) and suggests demand to live within the neighborhood remains strong. As housing becomes more expensive in the eastern half of the PMA, the Lee-Harvard neighborhood will see an increase in housing demand.

Housing Vacancy Rate Trends

Legend: 2020, 2023, 2028

Lee-Harvard	15-Minute PMA	Cleveland City	Cuyahoga County
8.9%	12.1%	16.0%	9.9%

Source: Esri; 4ward Planning Inc., 2023

15-Minute PMA

Lee-Harvard

2023 Vacant Housing Units (%) by Block Group

0%   38.67%

Housing Vacancy By Tenure

In general, a vacancy rate of between four and seven percent is an indicator of a relatively healthy housing market (the amount of available inventory averts putting either upward or downward pressure on rental rates or home prices, all other things being constant). Although the 2021 average overall housing vacancy rate was high in the city of Cleveland (17 percent), this vacancy rate includes seasonal and other vacant units (units which are vacant due to a sales or leasing transition, repairs being conducted, or for personal reasons of the owner). At 1.6 percent, the owner-occupied housing vacancy rate is extremely low (though higher than the county rate) and suggests strong demand for owner-occupied housing in the city. While the rental vacancy rate is on the higher end of what is considered healthy (5.8 percent), it, nonetheless, suggests there may be unmet demand for additional rental housing units in various neighborhoods of the city, including Lee-Harvard.

Vacancy Rate by Tenure, 2021
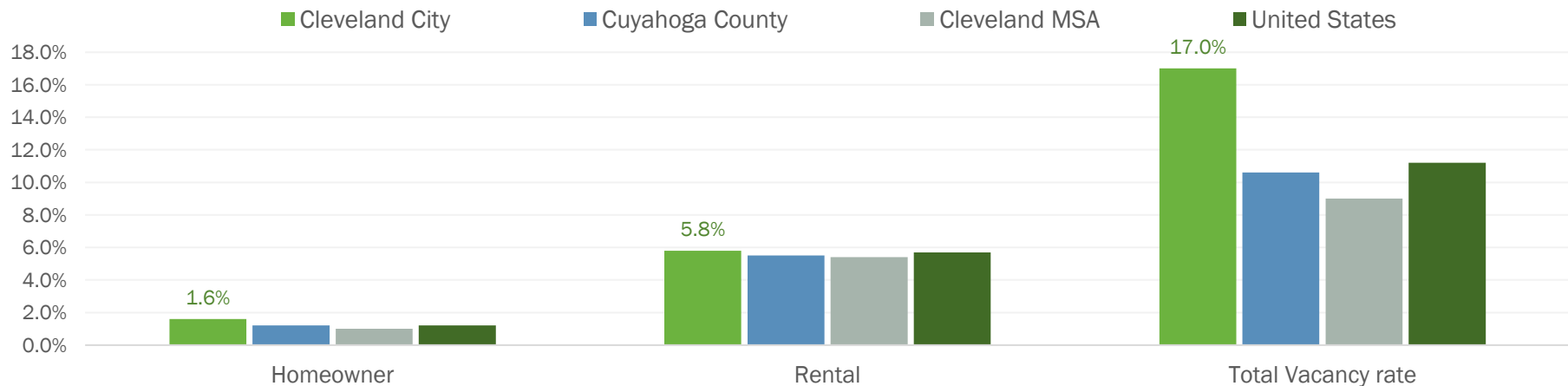
Note: Rental and homeowner vacancy rates do not include "other vacant" or "seasonal" units in the calculation of vacancy rates.
Source: 2019 ACS 5-Year Estimates; 4ward Planning Inc., 2023

Multi-Family Trends: Cleveland MSA

According to data provided by Marcus and Millichap, a leading commercial real estate investment sales brokerage, Cleveland's apartment inventory grew by 0.9 percent from June 2022 to June 2023, with Central Cleveland and areas proximate to Case Western Reserve University receiving the bulk of new units (1,506 rentals were completed). With the addition of over 400 units in the second quarter of 2023, vacancy ticked up to 4.7 percent overall, but remained lower for suburban assets at a 4.3 percent vacancy rate (the second lowest among major Midwest markets).

Although year-over-year rent gains slowed in the second quarter, the metro's average effective rent rose to $1,226 per month during the span - nearly 30 percent higher than the year-end 2019 mark. Rent gains have predominantly been driven by suburban properties, as lower suburban rents draw residents looking for more budget-friendly rental options.

Compared to other major U.S. markets, the average sale price per room in Cleveland has returned to a normalized growth pace, but assets are generally priced around 30 percent higher than in 2019. Cleveland is one of the only major national metros to keep sales prices below an average of $100,000 per room.

Sources: Marcus and Millichap, Multifamily Market Report, Cleveland Metro Area, 3Q 2023

Supply and Demand

Rent Trends

Sales Trends
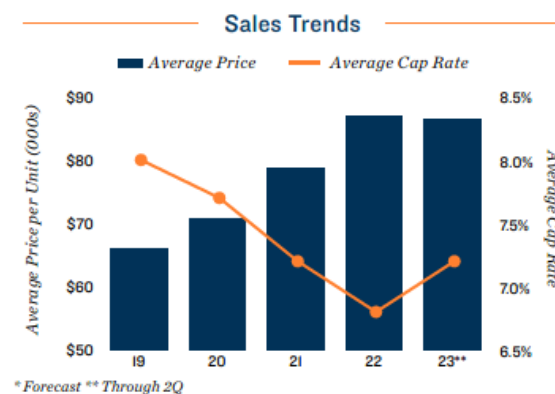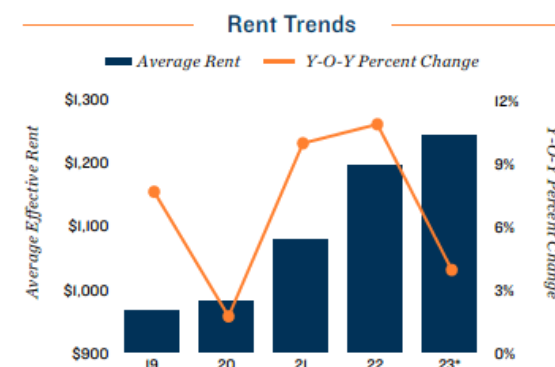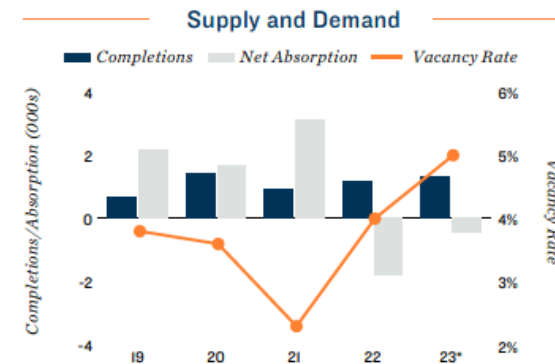
Housing Pipeline: Cuyahoga County

The map at right and table below present a multi-family housing profile for Cuyahoga County, according to third-quarter 2023 multi-family pipeline data published by Berkadia, a commercial real estate services provider. There are approximately 10,800 units in the pipeline, with 1,470 units being leased-up, 2,950 units under construction, and 6,370 units being planned. Just under half of these units (49 percent) are in the Lakewood/Linndale/Brooklyn submarket, and 30 percent are in the East Cleveland/Cleveland Heights submarket.
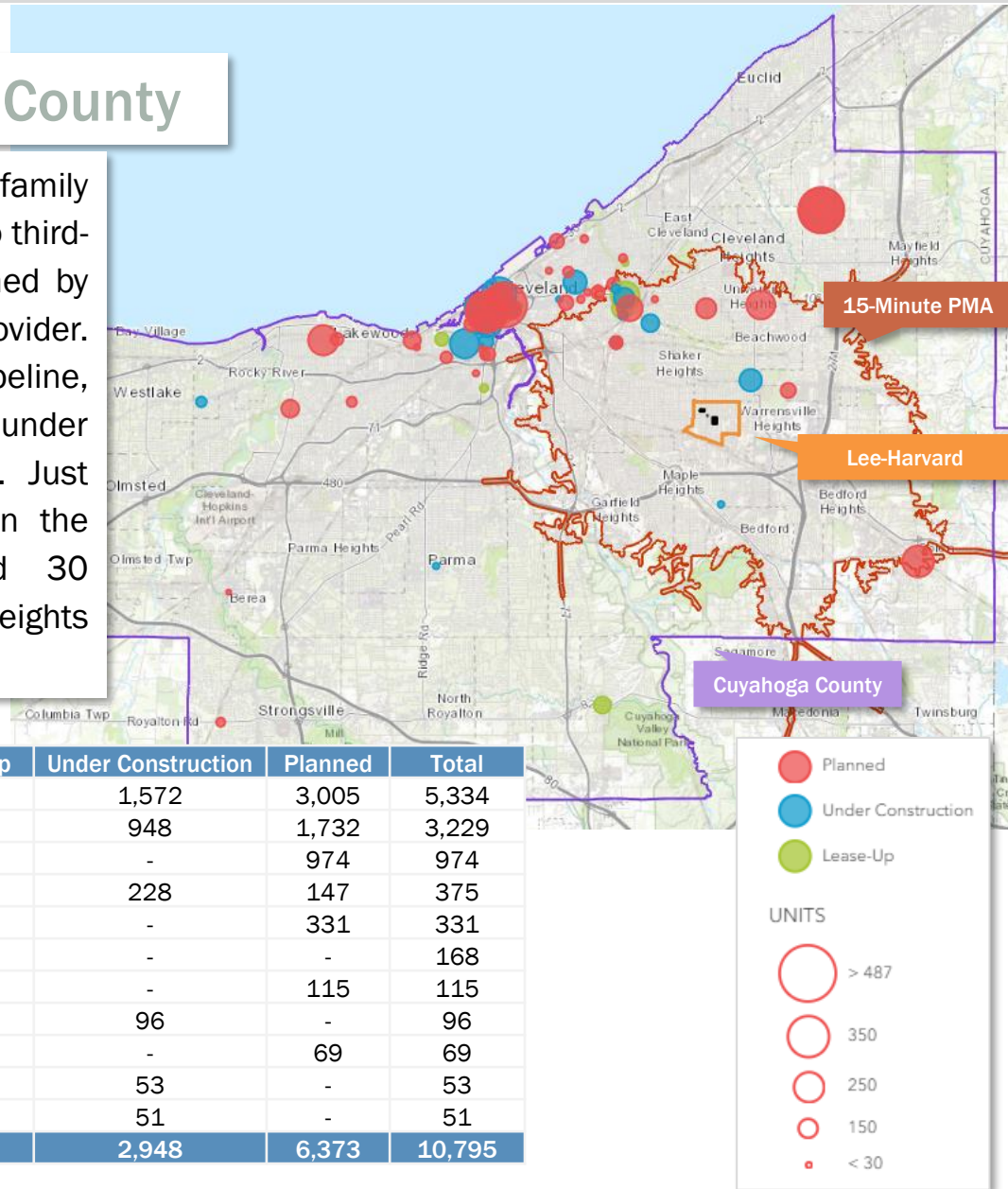
| Submarket	Lease-Up	Under Construction	Planned	Total
Lakewood / Linndale / Brooklyn	757	1,572	3,005	5,334
East Cleveland / Cleveland Heights	549	948	1,732	3,229
LyndhurSt./ Mayfield / Richmond Heights	-	-	974	974
Beachwood	-	228	147	375
Geauga County	-	-	331	331
North Royalton / Brecksville	168	-	-	168
Strongsville / Berea / Brook Park	-	-	115	115
North Olmsted / Fairview Park	-	96	-	96
Lorain County	-	-	69	69
Bedford / Garfield Heights / Bedford Heights	-	53	-	53
Parma / Independence	-	51	-	51
Total	**1,474**	**2,948**	**6,373**	**10,795**

Sources: Berkadia, Cleveland, Multifamily Quarterly Pipeline, 3Q23

Housing Pipeline: 15-Minute PMA

According to third-quarter 2023 multi-family pipeline data provided by Berkadia, there are just over 3,230 multi-family units in the development pipeline within the 15-minute PMA. The 228-unit luxury apartments at the Upstairs at Van Aken (Phase II), the 147-unit Icon, and the 53-unit Hazelwood Court are the three projects located closest to the Lee-Harvard neighborhood. However, it should be noted that neither Upstairs at Van Aken nor the Icon projects are competitive with what could be developed at the JFK site, given their scale (mid- to high-rise buildings). The Hazelwood Court project is an entirely senior subsidized development.

Housing Pipeline by Forecasted Completion Date: 15-Minute PMA

Name	City	Status	Units	Forecasted Completion Date
Upstairs at Van Aken Phase II	Shaker Heights	Under Construction	228	6/30/2025
The Marquee at Cedar Lee	Cleveland	Planned	204	2/1/2025
Library Lofts	Cleveland	Under Construction	207	8/31/2024
Park Lamont	Cleveland	Under Construction	77	6/30/2024
Skyview Terrace Redevelopment	Cleveland	Under Construction	177	4/30/2024
Medley	Cleveland	Lease-Up	199	3/31/2024
Woodhill Station	Cleveland	Under Construction	120	3/31/2024
Aura at Innovation Square	Cleveland	Under Construction	82	1/31/2024
Hazelwood Court	Maple Heights	Under Construction	53	12/31/2023
Artisan	Cleveland	Lease-Up	298	10/31/2023
VP Park at Geauga Lake	Solon	Planned	331	
University Square Redevelopment	Cleveland	Planned	300	
Stokes West	Cleveland	Planned	263	
Icon	Beachwood	Planned	147	
9410 Hough Avenue	Cleveland	Planned	129	
Chester 82	Cleveland	Planned	127	
Woodhill Station Phase III	Cleveland	Planned	120	
Woodhill Station Phase II	Cleveland	Planned	120	
Margaret Wagner Phase III	Cleveland	Planned	50	
Total			3,232	
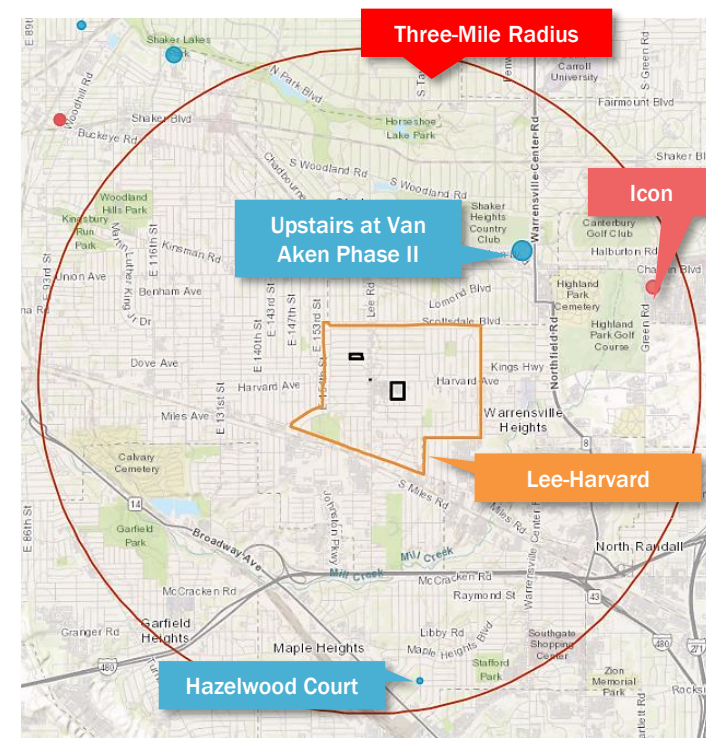
Sources: Cleveland, Multifamily Quarterly Pipeline, 3Q23

Housing Pipeline: 15-Minute PMA (continued)

Not Market-Competitive

Not Market-Competitive

Upstairs at Van Aken (Phase II)

- Shaker Heights
- Under Construction, to be completed June 2025
- 228-units, luxury apartments
- 1bdr., 2brs., 3brs. and penthouses
- Monthly Rents: $1,471 - $5,682
- Part of the 2008 Warrensville/ Van Aken TOD Plan
- RMS Investment Corp

Icon

- Beachwood
- Planned
- 147 units, apartment building over ground-floor retail (converted office building)
- Wangard Partners

Hazelwood Court

- Maple Heights
- Under Construction, to be completed Dec 2023
- 53 units, affordable apartment for older adults
- Average rents: $705 for 1bdr. and $855 for 2brs.
- Partnership between Jennings and PIRHL

Sources: Cleveland, Multifamily Quarterly Pipeline, 3Q23; Wangard Partners; City of Maple Heights; Apartments.com

New Apartment Metrics

The table to the right (and map on the following page) present key metrics for nine nearby apartment buildings in order of year built, according to data provided by RealPage Analytics. The well-amenitized buildings presented in the table below were built in the past decade (Phase I of Upstairs at Van Aken built in 2018 and The Vue built in 2015). Rental units in these two buildings are 93 percent occupied, with effective monthly rents (asking rent minus any discounts/concessions) starting at $1,697 for one-bedroom units and approximately $2,200 for two-bedroom units. Given the market dynamics of the Lee-Harvard neighborhood, as well as low-rise, stick-built construction for new multi-family development on the site, one- and two-bedroom rents would likely be 10 to 15 percent below the aforementioned rents.

Apartment Metrics, November 2023

Name	Occupancy	Year Built	Class
Upstairs at Van Aken	98.1%	2018	A+
The Vue	92.0%	2015	A
Newport Square	100.0%	2006	B-
Southgate Towers	99.7%	1968	B-
Ellacott Parkway	94.1%	1968	C+
Beachwood Apartments	95.9%	1967	B
Oliver House	100.0%	1965	C+
Randall Park Apartments	97.9%	1964	B-
Andover Arms	97.9%	1964	C+
Total/Average	96.6%	1982	

Detailed Apartment Metrics, November 2023

Unit Type	Units	Avg Sq Ft	Occupancy	Effective Rent	Effective RPSF	Annual Rent Change	Asking Rent	Concessions
Upstairs at Van Aken								
1 BR	67	697	97.0%	$2,005	$2.90	N/A	$2,005	N/A
2 BR	36	1,325	100.0%	$3,102	$2.35	N/A	$3,122	8.3%
Total/Average	**103**	**916**	**98.1%**	**$2,389**	**$2.60**	**0.6%**	**$2,396**	**8.3%**
The Vue								
1 BR	150	836	93.3%	$1,697	$2.03	N/A	$1,794	8.3%
2 BR	174	1,316	91.4%	$2,193	$1.68	N/A	$2,268	11.0%
3 BR	24	1,921	87.5%	$3,497	$1.82	N/A	$3,603	8.3%
Subtotal / Average	**348**	**1,151**	**92.0%**	**$2,069**	**$1.80**	**7.1%**	**$2,156**	**9.2%**
Total/Average	**451**	**1,097**	**93.4%**	**$2,142**	**$2.01**	**NA**	**$2,211**	**NA**

Source: RealPage Analytics, Esri

Nearby Apartment Metrics (cont.)

Source: RealPage Analytics, Esri
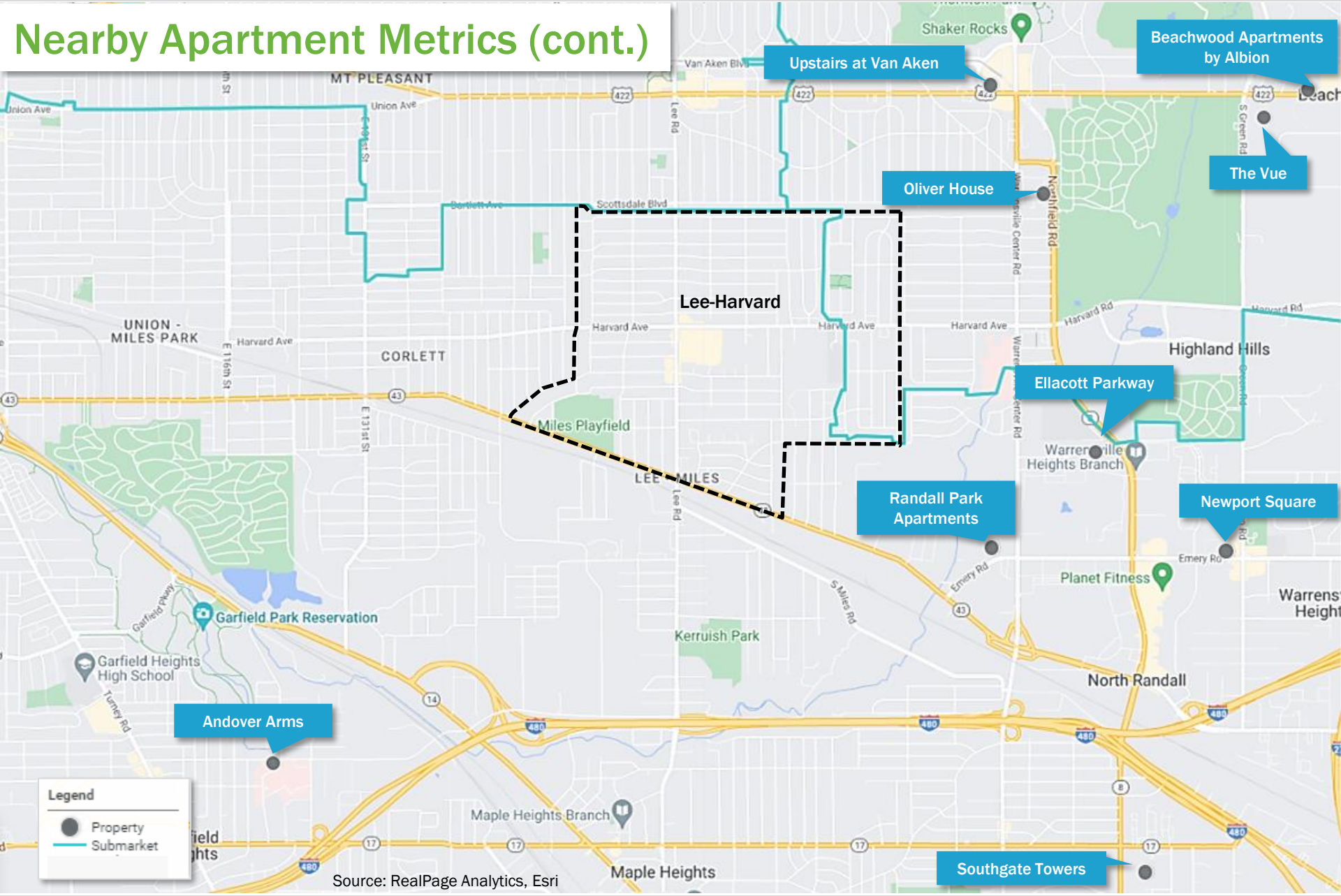
Senior Housing: Services & Target Renter Group

The table below presents the evolution of services provided across multi-family and senior housing products, according to the National Investment Center for Seniors Housing and Care (NIC). Active adult rental properties are essentially age-qualified, conventional multi-family housing that offers some activities or socialization programs, while independent living (IL) housing offers additional services such as transportation, laundry, and meals. Considering the lack of rental housing options in the neighborhood and the high share of PMA residents ages 65 and older, a mix of conventional multi-family, active adult, and IL housing at the JFK site could appeal to those looking to rent and seniors interested in downsizing into a community with some supportive services.

Senior Housing: Progression of Needs

	Shelter	Activities/ Recreation	Socialization	Transport/ Laundry	Meals Included	ADL Services*	Specialized Memory Care	Short-term Post-acute Care	Long-term Chronic Care
Conventional Multifamily	✓								
Active Adult	✓	✓	✓						
Independent Living	✓	✓	✓	✓	✓				
Assisted Living	✓	✓	✓	✓	✓	✓	✓		
Memory Care	✓	✓	✓	✓	✓	✓	✓		
Skilled Nursing	✓	✓	✓	✓	✓	✓	✓	✓	✓

*ADL (activities of daily living) services include medication management and assistance with bathing, dressing, and mobility.
Source: Berkadia, Seniors Housing Active Adult, 2022 Report; Active Adult Rental Properties, Defining the Emerging Property Type, October 2022

Active Adult: Market Trends

According to Berkadia, active adult residents generally have annual incomes of at least $50,000, with a minimum of $150,000 in non-housing assets. As of third-quarter 2022, the average active adult apartment complex in the nation was 96 percent occupied and asking a monthly $2,105 per unit. Active adult residents can typically spend up to 50 percent of their monthly incomes on rent. The average age for an active adult community is 73, compared to the mid-80s for an independent living community. Seventy percent of active adult community residents come from within a 10-mile radius or have relocated to be closer to family. Within active adult communities, 65 percent of residents are single women, while 25 percent are couples. Active adult residents rent for an average of seven years, compared to two years for traditional multi-family and one year for student housing.

## Active Adult Housing: Comparison Trends by Regional Market
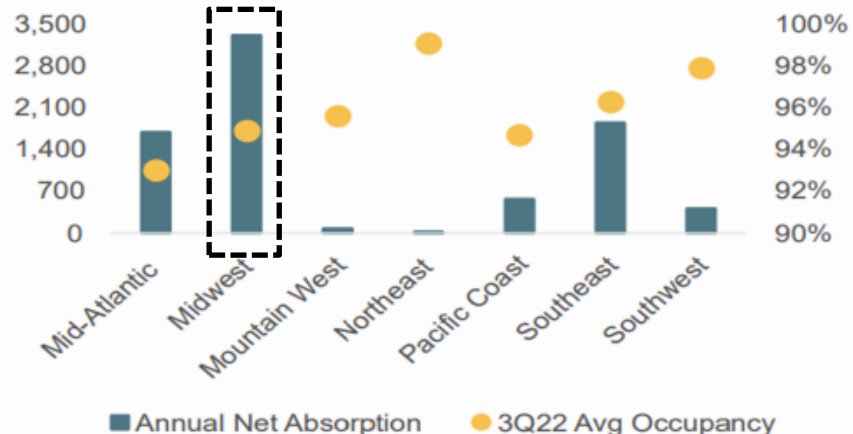
Source: Berkadia, Seniors Housing Active Adult, 2022 Report

Independent Living Facilities: Cuyahoga County

According to fall 2023 data provided by the Senior Living Guide (an online directory of senior housing facilities), while no active adult communities were identified in Cuyahoga County, the county has 21 independent living (IL) facilities (mapped on the following page). Just six of these IL facilities are in the PMA (highlighted in yellow in the table below). While some of these facilities are dedicated IL facilities, many provide an evolution of health care service offerings (e.g., Assisted Living, etc.). According to A Place for Mom's (an online provider of senior housing facilities), the average 2023 rent at an IL facility in Ohio is $2,870 per month, ranking 17 of the most affordable states in the nation (compared to $2,380 in Alabama and $5,030 in Hawaii).

Independent Living Facility	Area	Independent Living	Assisted Living
Altenheim Senior Living	Strongsville	X	X
Danbury Senior Living in Brunswick	Broadview Hts.	X	X
East Park Retirement Community	Brook Park	X	X
Emerald Village	North Olmsted	X	X
Generations Senior Living of Berea	Berea	X	X
Generations Senior Living of Strongsville	Strongsville	X	X
Hilltop Village	Cleveland	X	
Jennings at Garfield Hts.	Garfield Hts	X	X
Jennings at Brecksville	Brecksville	X	X
Judson Manor	Cleveland	X	X
Judson Park	Cleveland	X	X
Light of Hearts Villa	Bedford	X	X
Margaret Wagner Apartments	Cleveland Hts.	X	
McGregor	Cleveland	X	X
The Normandy Breakwater Apartments	Rocky River	X	
North Park Senior Living	Brook Park	X	X
Pearl Crossing	Strongsville	X	X
The R.H. Myers Apts. of Menorah Park	Beachwood	X	
Royalton Apartments	North Royalton	X	
Westwood Place	Strongsville	X	
The Winfield at Richmond Hts.	Richmond Heights	X	X

Ohio

Assisted Living
$4,800/mo

Memory Care
$5,908/mo

Independent Living
$2,872/mo
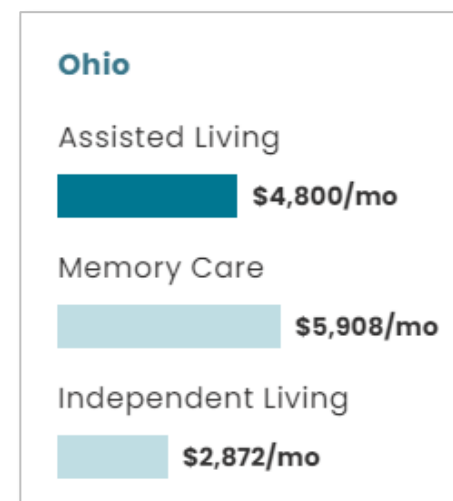
Source: Senior Living Guide, Serving Cleveland and Northeastern Ohio, Fall 2023; A Place for Mom

Independent Living Facilities: Cuyahoga County (cont.)

The three IL facilities located closest to the Lee-Harvard neighborhood are highlighted in the map below.

15-Minute PMA

The R.H. Myers Apts. of Menorah Park

Lee-Harvard

Jennings at Garfield Hts.

Light of Hearts Villa

Cuyahoga County
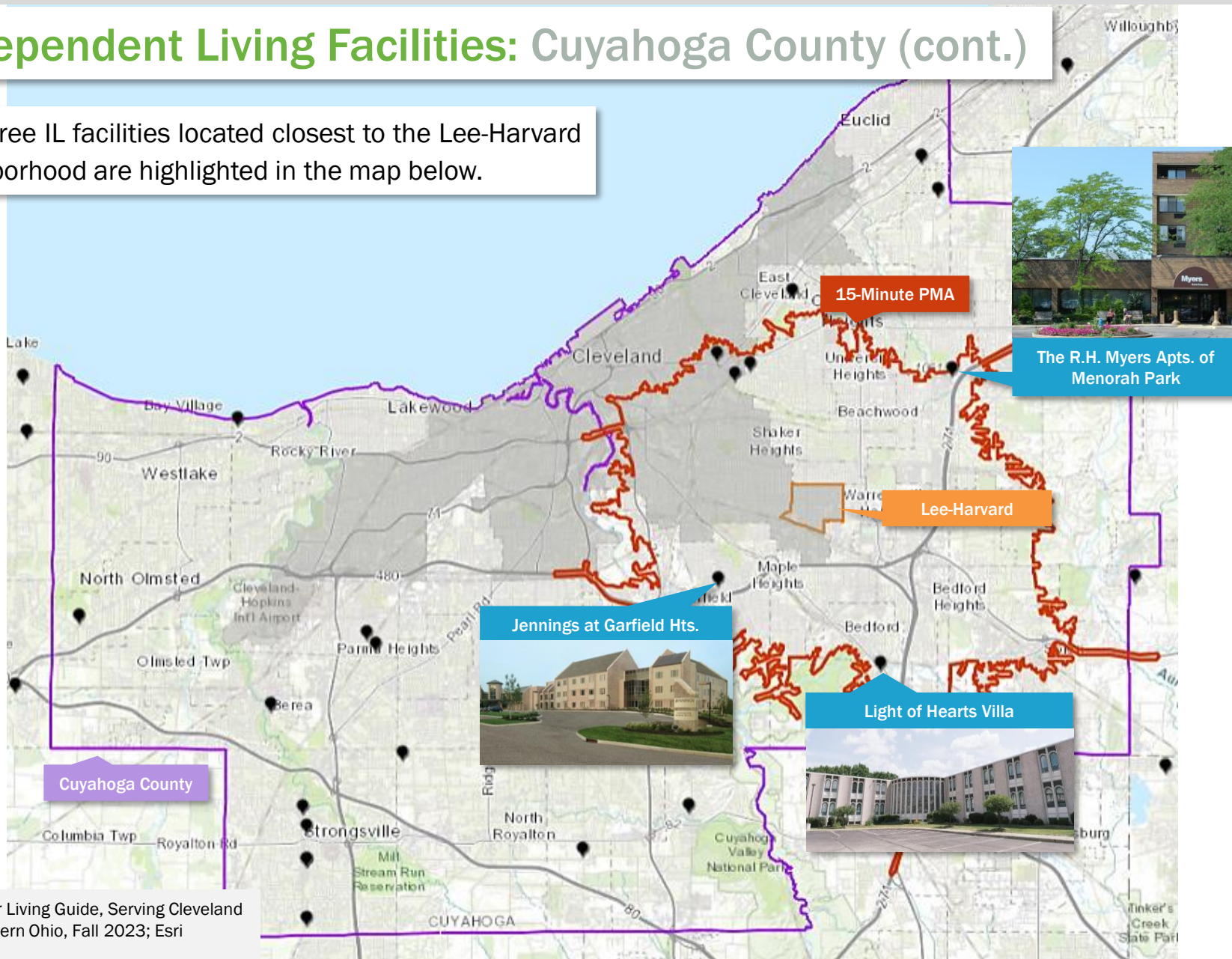
Source: Senior Living Guide, Serving Cleveland and Northeastern Ohio, Fall 2023; Esri

Supply/Demand Analysis: Key Demand Scenario Assumptions

Net Household Formation from 2023 to 2028 Based on Esri's Household Growth Forecasts
Households within the 15-minute PMA are projected to increase by 590 from 2023 to 2028 (by 0.1 percent per year).

Employment Growth Based on Average Annual Growth Rate of 0.7 Percent over 2021 Base Employment
Based on 2021 primary worker data provided by the U.S. Census Bureau and average 2020 to 2030 industry employment growth rate projections provided by the Ohio Department of Job and Family Services for the State, primary workers within the PMA are expected to increase by 7,760 from 2023 to 2028 (by 0.7 percent per year).

Five of Every 100 PMA Workers Would Trade Commute for Adequate Housing Choice
Currently, approximately 79 out of every 100 primary workers commute from outside the PMA. It is assumed that five out of every 100 of these workers would trade their commutes if adequate housing choice was available.

Housing Inventory Expected to Grow at 0.4 Percent per Year
Based on housing pipeline data, the number of housing units within the PMA is projected to increase by 3,230 units from 2023 to 2028 (by 0.4 percent per year).

PMA will Maintain a Natural Average Annual Housing Vacancy Rate of Five Percent
These units represent the supply of units in a given market that are not leased or occupied, allowing for housing turnover.

Remaining Vacant Housing within the PMA is Physically Obsolescent or Unmarketable
It is assumed 7.2 percent of housing stock within the PMA is not available for sale or for rent, but is vacant due to repairs, foreclosure, or other personal reasons.

1.0 Percent of the PMA's Remaining Housing Stock Becomes Obsolescent Annually
All housing stock gradually wears out over time, and, on average, one out of every 100 units becomes obsolescent, annually.

Supply/Demand Analysis: 15-Minute PMA

As exhibited in the below table, by 2028, there will be an estimated net housing demand for approximately 7,190 residential units in the PMA. Assuming between three and five percent of this demand could be met within the Lee-Harvard neighborhood, <u>by 2028, the JFK and Gracemount sites could potentially support between 220 and 360 units, assuming the land area could accommodate the buildings and associated parking. Given the lack of multi-family housing in the neighborhood, it is recommended that a minimum of 70 percent of new housing developed within the neighborhood by multi-family or single-family rental.</u>

Net Dwelling Unit (DU) Demand Through 2028

	2023	2028
Housing Demand Metrics		
Estimated Households in 15-Minute PMA (0.1% growth rate)	*135,077*	*135,666*
Estimated Primary Workers in 15-Minute PMA (0.7% growth rate)	218,850	226,610
Estimated Primary Workers Residing Outside 15-Minute PMA (79%)	173,110	179,260
Estimated Pent-Up Housing Unit Demand from Commuting Area Workers (5%)	*8,656*	*8,960*
Estimated Number of Naturally Occurring Vacant Housing Units (5%)	*7,685*	*7,850*
Estimated Aggregate Housing Unit Demand in 15-Minute PMA	*151,417*	*152,476*
Housing Supply Metrics		
Estimated Housing Units in 15-Minute PMA	153,690	156,920
Physically Obsolescent Units (7.2% of total units, 1% annual obsolescence rate)	*11,066*	*11,630*
New Units Added in 15-Minute PMA (0.1% growth rate)		3,230
Estimated Net Marketable Housing Units in 15-Minute PMA	*142,624*	*145,290*
Net Housing Demand/Supply Calculation		
Estimated Aggregate Housing Unit Demand in 15-Minute PMA	*151,417*	*152,476*
Subtract Estimated Net Marketable Housing Units in 15-Minute PMA	*142,624*	*145,290*
Net Housing Unit Demand/(Excess Units)	8,793	7,186
Neighborhood Unit Capture (3%)	264	216
Neighborhood Unit Capture (5%)	440	359

Source: 4ward Planning Inc. 2023

Restaurant & Boutique Retail

Key Findings: Restaurant & Boutique Retail

Large share of chain eating establishments

Currently, chain stores represent 65 percent of neighborhood eating establishments, a share much higher than that in the larger 15-minute PMA (40 percent). While chain retail establishments often offer customers predictability, independent, locally owned establishments often offer unique boutique retail or dining experiences which can add to a neighborhood's character and make it a more desirable place to live.
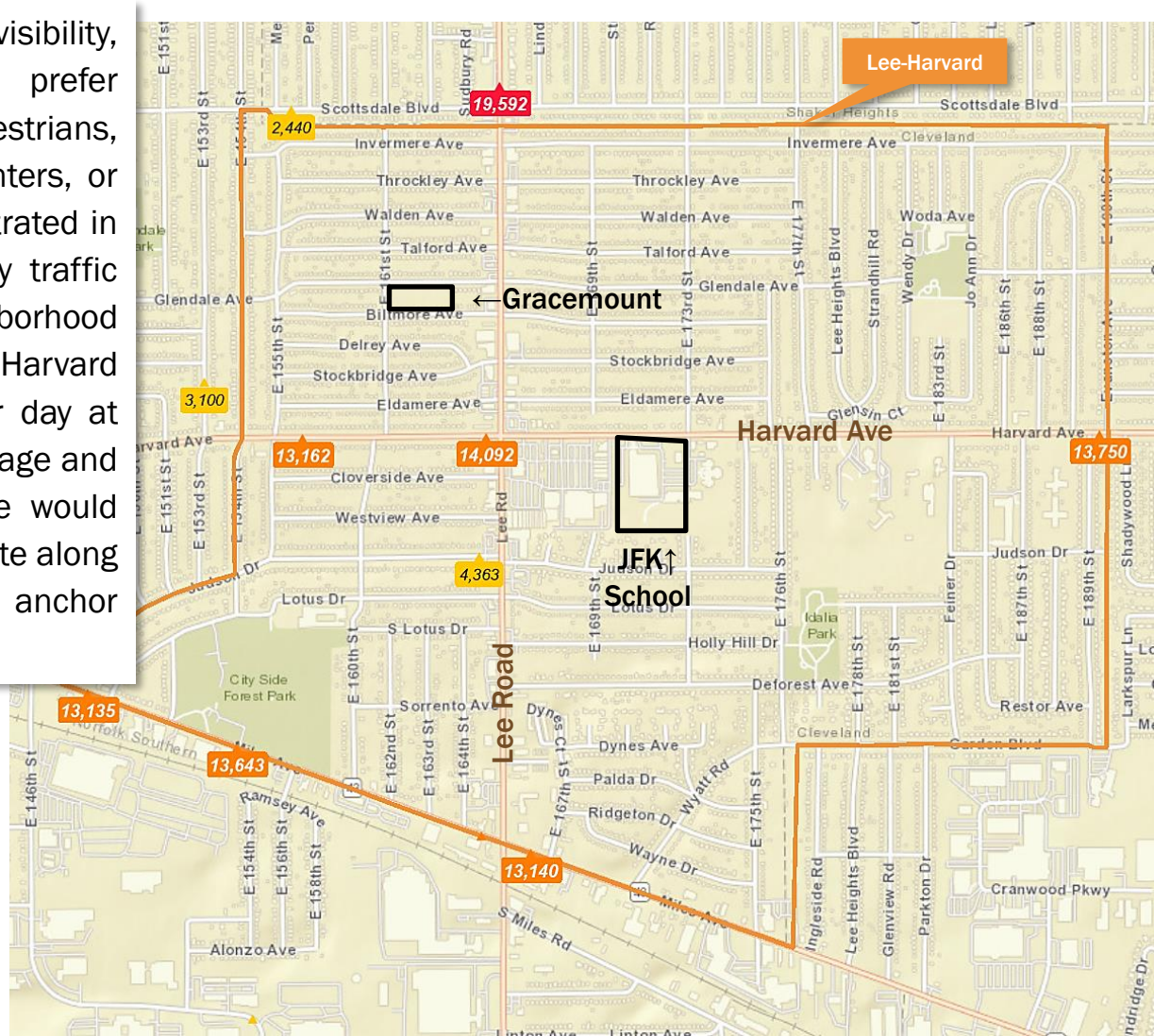
Limited sit-down dining opportunities

Restaurants can serve as meeting places for residents, providing spaces for social interaction and contributing to a neighborhood's overall vibrancy. Most existing eating establishments in the Lee-Harvard neighborhood are characteristic of limited-service fast-food establishments.

Opportunity to expand boutique retail and restaurant offerings

Average daily traffic volumes in the Lee-Harvard neighborhood reach up to 14,100 vehicles per day at the intersection of Lee Road and Harvard Avenue. New retail space at the JFK site would likely be attractive, given the site's street frontage and visibility from Harvard Avenue. This space could help meet demand for boutique retail goods and services not currently offered in the neighborhood or at the adjacent Lee-Harvard Shopping Center (e.g., coffee shop, full-service sit-down restaurant, etc.).

Traffic Counts: Lee-Harvard Neighborhood

To ensure accessibility and visibility, convenience retailers tend to prefer locations with a steady flow of pedestrians, such as busy streets, shopping centers, or nearby transportation hubs. As illustrated in the map to the right, average daily traffic volumes in the Lee-Harvard neighborhood are highest along Lee Road and Harvard Avenue (up to 14,100 vehicles per day at their intersection). Given street frontage and visibility, potential new retail space would likely be most attractive at the JFK site along Harvard Avenue with a prominent anchor tenant, such as a Starbucks.

Average Daily Traffic Volume
▲ Up to 6,000 vehicles per day
▲ 6,001 - 15,000
▲ 15,001 - 30,000
▲ 30,001 - 50,000
▲ 50,001 - 100,000
▲ More than 100,000 per day

Source: Esri, Kalibrate Technologies, Q3 2023

Convenience Retail Businesses: Lee-Harvard Neighborhood

According to data provided by Esri, presented below, there are 27 retail trade stores, 19 food service stores, and two other retail service stores in the Lee-Harvard neighborhood. These represent businesses offering convenience retail goods and services. Approximately 46 percent of these convenience retail stores are characteristic of chain businesses (22 stores). Chain stores represent 65 percent of neighborhood restaurants and other eating establishments - a share much higher than that in the larger 15-minute PMA (40 percent). As illustrated on the following page, most of the Lee-Harvard neighborhood's eating establishments are characteristic of limited-service fast-food businesses and few quality full-service restaurants.

Retail Stores and Services: Lee-Harvard Neighborhood

Store Category	Chain	Independent	Total
Retail Trade	**11**	**16**	**27**
Beer, Wine, and Liquor	-	1	1
Clothing and Clothing Accessories	2	1	3
Furniture and Home Furnishings	-	1	1
Gasoline Stations	2	1	3
Grocery and Convenience	1	5	6
Health and Personal Care	2	2	4
Jewelry, Luggage, and Leather Goods	-	1	1
Specialty Food	-	2	2
Sporting Goods, Hobby, and Musical Instrument	1	1	2
Used Merchandise	1	-	1
Warehouse Clubs, Supercenters, and Other General Merch.	2	1	3
Food Services	**11**	**8**	**19**
Drinking Places (Alcoholic Beverages)	-	1	1
Restaurants and Other Eating Places	11	6	17
Special Food Services	-	1	1
Other Services (except Public Administration)		**2**	**2**
Automotive Repair and Maintenance	-	1	1
Drycleaning and Laundry Services	-	1	1
Grand Total	**22**	**26**	**48**

Source: Esri, Data Axle, 2023
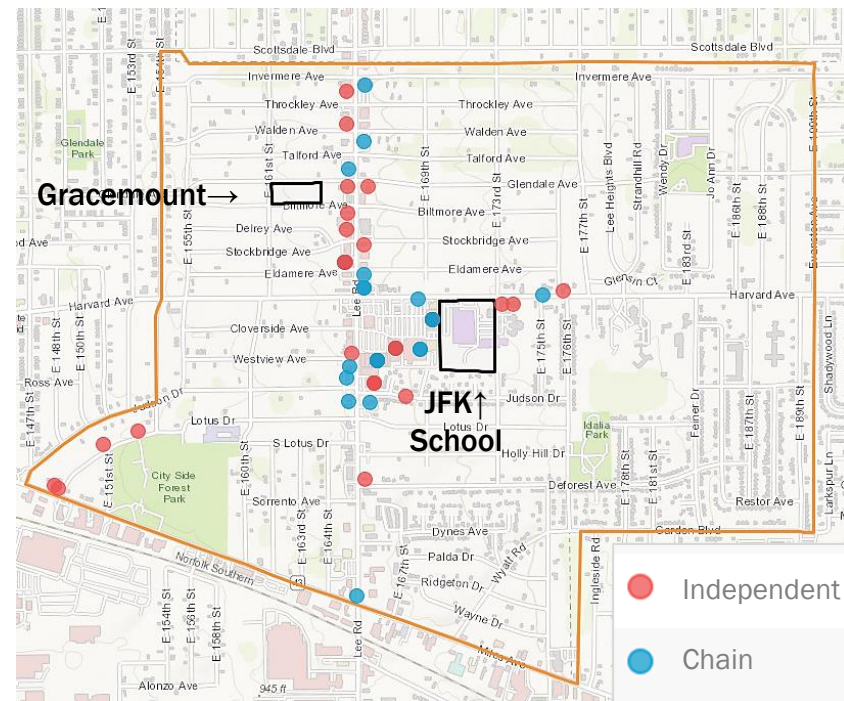
Restaurants & Other Eating Places: Lee-Harvard Neighborhood

Angie's Soul Cafe

Burger King

Charleys Philly Steaks

Dunkin'

Foundations Bar & Grill
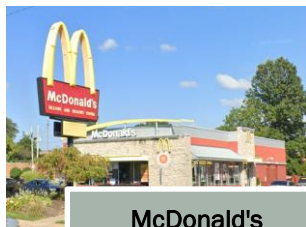

Fu Sheng

Gyro George
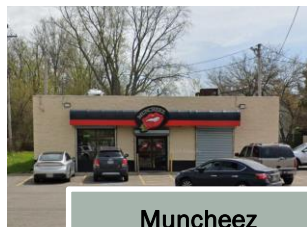

Happy's Pizza

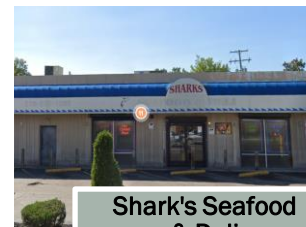KJ's Caribbean & Soul Food

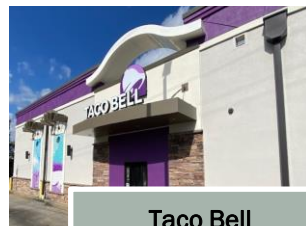Little Caesars

McDonald's

Muncheez

Rally's Hamburgers

Shark's Seafood & Deli

Subway

Taco Bell

Wingstop

Source: Esri, Data Axle, Google, 2023

# Existing Retail Inventory: Lee-Harvard Shopping Center

As illustrated below, many of the neighborhood's restaurants either in the Lee-Harvard Shopping Center (located immediately adjacent to the JFK site) or along Lee Road and Harvard Avenue. Anchored by Dave's Market, the Lee-Harvard Shopping Plaza contains approximately 205,570 square feet of retail space (8,300 currently available to rent (four-percent vacancy)). New retail and dining space at the JFK site could help meet demand for goods or services not currently offered in the neighborhood and also help attract residents to newly developed housing on the site.
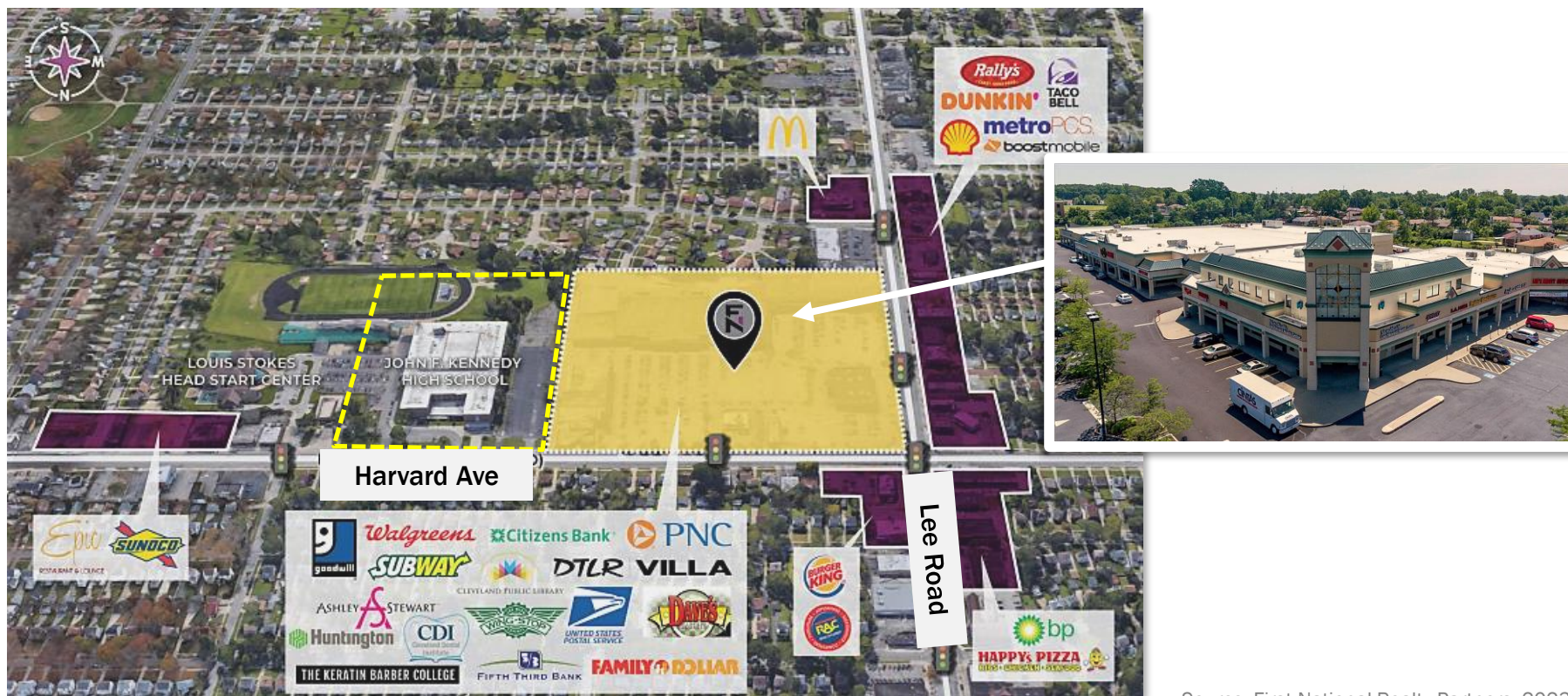
Source: First National Realty Partners, 2023

Coffee Shops: 15-Minute PMA

According to data provided by Esri, there are 13 dedicated coffee shops in the 15-minute PMA (excludes other eating establishments that also serve coffee). Starbucks and Rising Star Coffee Roasters are the two chain coffee shops located in the PMA. The closest Starbucks is located near the Cleveland Clinic.
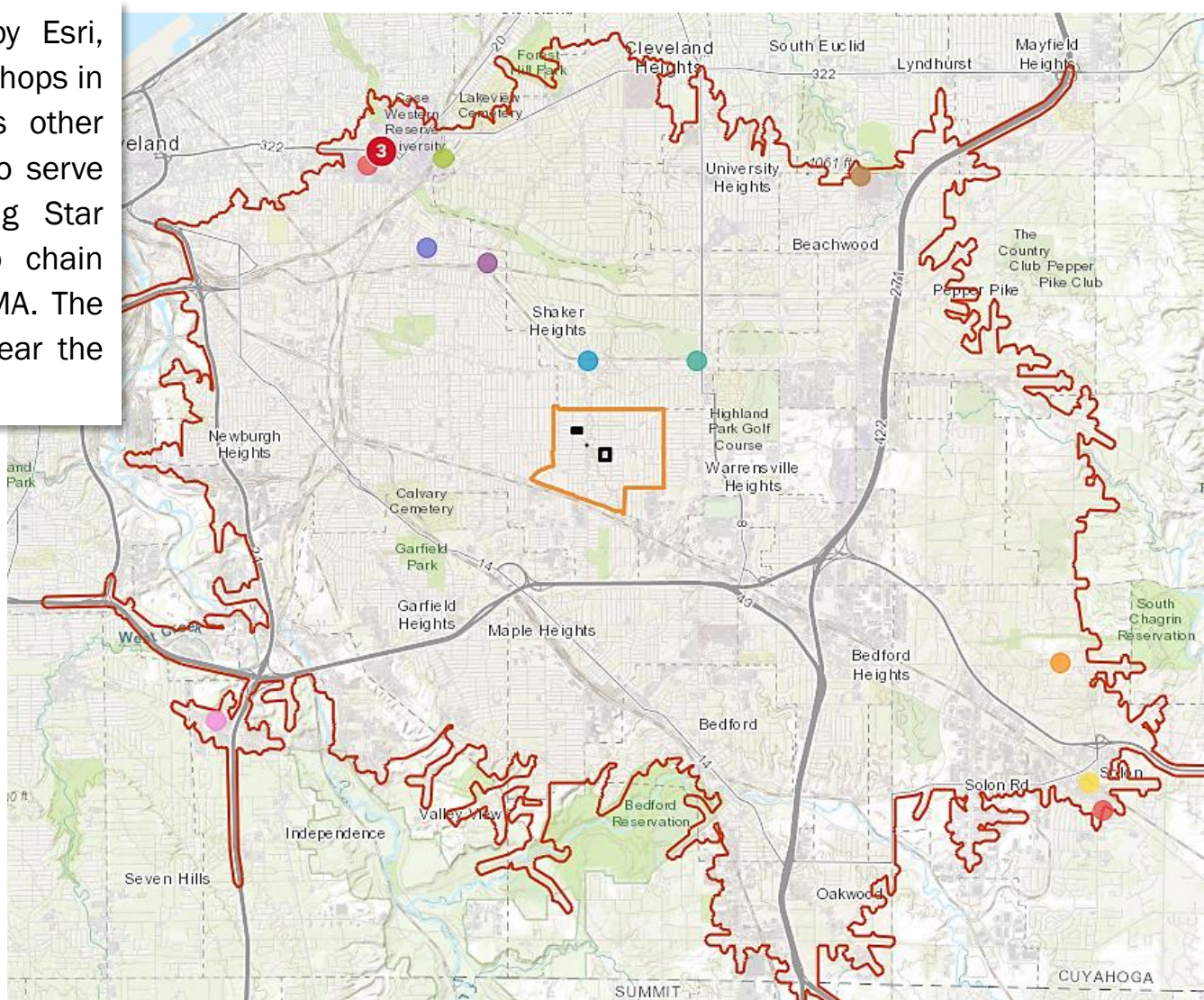
Legend:
- Starbucks
- 3-19 Coffee
- Blue Sky Brews
- Deweys Coffee House
- Do It With Coffee
- Heritage Coffee
- Java Joes Expresso to Go
- Nervous Dog Coffee Bar
- Rising Star Coffee Roasters
- Tavern Coffee House Inc

Source: Esri, Data Axle, 2023

APPENDIX

Interviews

Using a list of contacts provided by the City of Cleveland, as well as those found through online research, 4ward Planning conducted email and phone outreach to all prospective interviewees, requesting phone conversations in support of this study. The following individuals shared their unique perspectives of local and regional markets, as well as of the identified redevelopment sites, where appropriate. Their most salient input was incorporated into this analysis.

- Joe Duffy, Director, Planning & Development, City of Maple Heights
- Akil Hameed, Owner & Broker; FASS Real Estate Services, Shaker Heights
- Tony Love, Senior Vice President, Bellwether Enterprise Real Estate, Cleveland
- Molly Malloy, Agent & Ops Lead, Berkshire Hathaway Home Services Professional Realty, Cleveland
- Ari Maron, Partner, MRN Ltd., Cleveland
- Scott Skinner, Vice President of Development & Director of Public Policy, NRP Group, Cleveland
- Henry Stoudermire Jr., President & Broker, McMullan Realty, Cleveland
- Seth Task, Team Leader & Agent, Berkshire Hathaway HomeServices, Cleveland

Glossary of Terms: Socio Economic

Empty-Nester Household: A household in which one or more parents live after the children have left home, typically represented by ages 55 through 74.

Family: A family is a group of two or more people (one of whom is the householder) related by birth, marriage, or adoption and residing together; all such people are considered members of one family.

Growth Rates: The chart below outlines how 4ward Planning defines growth rates. For example, flat growth reflects an annualized rate of change between -0.75 and 0.75 percent.

Strong Positive Growth	Greater than	1.50%			annually
Modest Positive Growth	Between	1.50%	and	0.75%	annually
Flat Growth	Between	0.75%	and	-0.75%	annually
Modest Negative Growth	Between	-0.75%	and	-1.50%	annually
Strong Negative Growth	Less than	-1.50%			annually

Household: A household consists of all the people who occupy a housing unit. A house, apartment, or other group of rooms or a single room, is regarded as a housing unit when occupied or intended for occupancy as a separate living quarter. The count of households excludes group quarters and institutions.

Household Population: Household population, as compared to total population, excludes persons living in dormitories, penal facilities, hospitals, and other institutional settings.

NAICS (North American Industry Classification System): The standard used by federal statistical agencies in classifying business establishments according to type of economic activity and/or process of production

Non-Family Household: A non-family household consists of a householder living alone (a one-person household) or a householder sharing the home exclusively with people to whom he/she is not related.

Primary job: The highest paying job for an individual worker for the year. The count of primary jobs is the same as the count of workers.

Source: U.S. Census Bureau

For more information, please contact:

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267.480.7133
tpoole@landuseimpacts.com