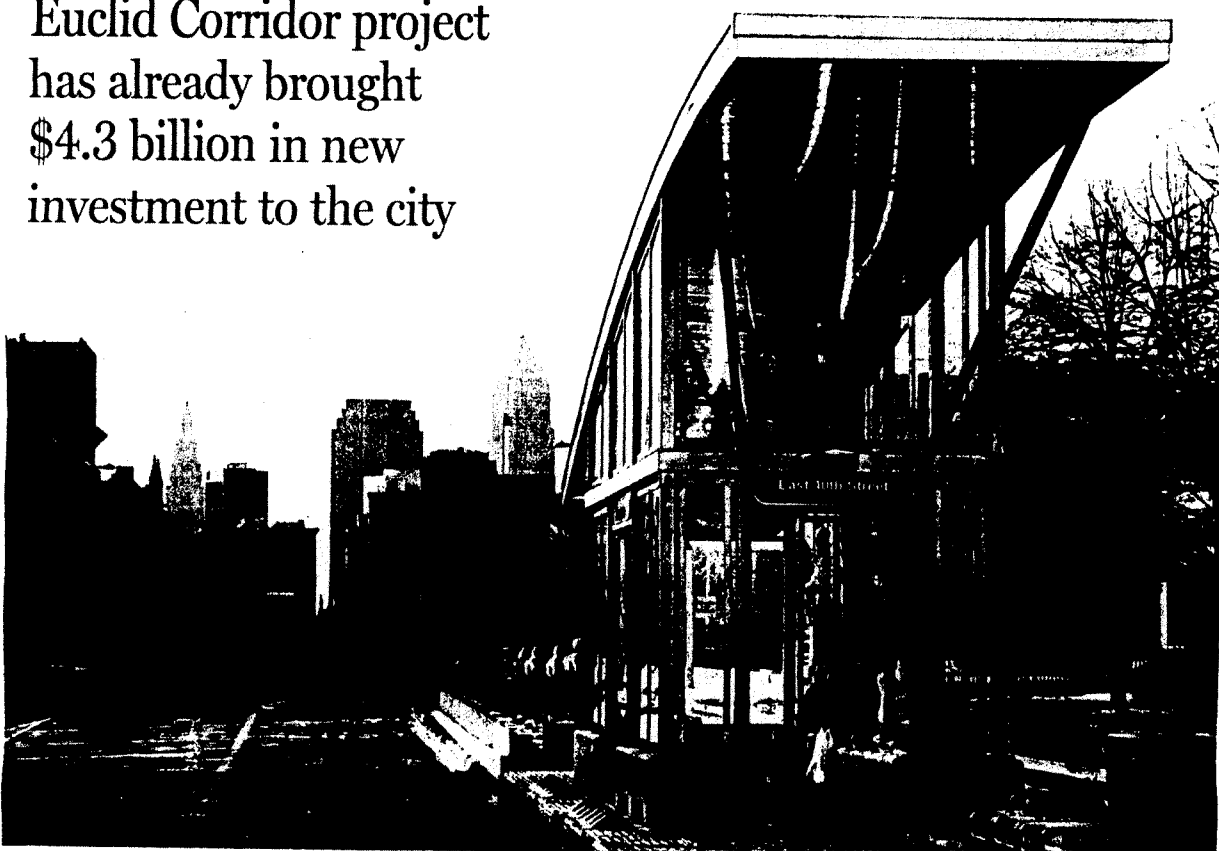


# The rebirth

Euclid Corridor project has already brought \$4.3 billion in new investment to the city

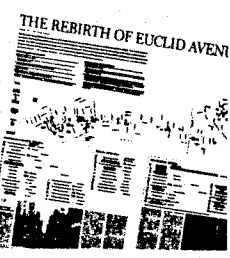


Bus stops designed by Robert P. Madison International are a signature feature of the Greater Cleveland Regional Transit Authority's Silver Line on Euclid Avenue. JOHN KUNTZ | THE PLAIN DEALER

**Inside**  
See where the more than \$4 billion in investment is along the Euclid Corridor. **A8**

STEVEN LITT | PLAIN DEALER ARCHITECTURE CRITIC

AMID ALL THE BAD NEWS ABOUT CLEVELAND'S ECONOMY, one big, positive number is sure to impress all but the most hardened cynics: \$4.3 billion. ¶ That's how much fresh investment — conservatively speaking — is being poured into the four-mile-long strip of land flanking Euclid Avenue, the city's Main Street, between Public Square and University Circle. ¶ The spending, which encompasses everything from museums and hospitals to housing and educational institutions, includes projects completed since 2000, those now under way and those scheduled for completion within five or six years.



**ANALYSIS** Private developers with proven records as doers, not speculators, are gearing up to start projects worth more than \$1 billion along the corridor in the next five years or so. They include Douglas Price III, Nathan Zaremba, Ari and Richard Maron, and Gordon Priemer. The amounts they and nonprofit institutions are investing will easily dwarf the money spent

by government and partners in the 1990s on sports stadiums and the Rock and Roll Hall of Fame and Museum. One big reason for the energy is the Greater Cleveland Regional Transit Authority's \$200 million Euclid Corridor project, which is reshaping Euclid Avenue around a bus rapid transit line. Pundits have long derided the project, funded primarily by federal money, as a boon-

doggie. Media coverage has focused primarily on businesses that failed during construction, along with the hassle of negotiating a sea of orange traffic cones. The mortgage-foreclosure crisis, which has left as many as 12,000 homes vacant in Cleveland neighborhoods, has also obscured the impending rebirth of Euclid Avenue. **SEE EUCLID | A8**

[cleveland.com/news](http://cleveland.com/news)

See graphics, maps and extra photos and take a walk along Euclid Avenue in a video by The Plain Dealer's Lonnie Timmons III.

# THE REBIRTH OF EUCLID AVENUE

STEVEN LITT | THE PLAIN DEALER

Over the past century, Euclid Avenue has gone from being Cleveland's most prestigious address to a Main Street riddled by blight. Now, thanks in part to the Greater Cleveland Regional Transit Authority's Euclid Corridor bus rapid transit project, the avenue is rebounding as the backbone of the city's new economy. But while a transformation is in the works, nothing is guaranteed. The national economy, the location of the much-discussed Medical Mart and disruptive highway work by the Ohio Department of Transportation could blunt the multibillion-dollar reinvestment now gathering momentum. Shown below is an overview — by no means exhaustive — of construction projects in the Euclid Corridor zone.

### What's driving the development?

Observers say Euclid Avenue and adjacent blocks are benefiting from a "perfect storm" of positive factors including:

- The rising price of gasoline, which is encouraging dense, pedestrian-oriented development around the RTA bus line.
- Federal and state historic-preservation tax credits have made it viable for developers to renovate dozens of early 20th-century buildings downtown.
- Continued growth at the city's big medical centers and at Cleveland State and Case Western Reserve universities.
- The bottoming-out of local real estate prices, now viewed by lenders and developers as a bargain in comparison with prices in more expensive cities.
- Demand for new, in-town housing, driven by the steady influx of hospital employees and non-off industries, plus the growing back-to-the-city movement among retirees and empty-nesters.

### What are the possible roadblocks?

Despite the proven investments under way, the rebirth of Euclid Avenue could be hampered by other factors:

- A looming recession and tightening of credit among lenders could slow the recovery along Euclid, but won't stop it, developers say. Housing developers say they're optimistic they will find the capital they need.
- The Ohio Department of Transportation's \$1.5-billion reconstruction of the downtown Inner Belt could snooker a 15-year journey on the city's main traffic artery and strangle property values. Developers say there's a critical need to maintain the flow of traffic. "Our politicians have to be all over this," said Doug Price III, chief executive of the K&D Group.
- The proposed Medical Mart and new convention center could damage the city for decades if located in Midtown near the Cleveland Clinic. The projects would bleed energy from the existing business district and undercut decades of investment there, developers and planners say.



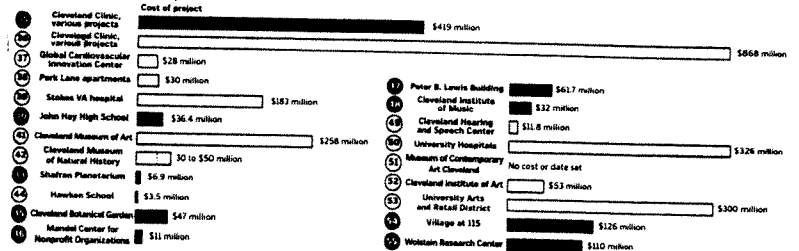
### Public Square to Inner Belt (\$1.3 billion)

- 1 Aradine/Hyatt Residency hotel \$60 million
- 2 \$15 Euclid Ave. terrace \$22 million

### Midtown (\$87.3 million)

- 3 Myers University Club \$10 million
- 4 Northeast Ohio Regional Sewer District headquarters \$22.1 million

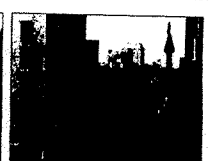
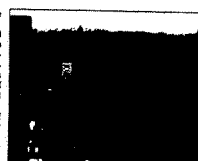
### University Circle (\$3 billion)



MAP 15: Historic Gateway Neighborhoods: Cleveland State University, Midtown Cleveland III, Cleveland Clinic, University Circle neighborhoods.

It will be populated by students and medical workers, artists and empty-nesters, who will be happy to ride the bus and save thousands of dollars a year by living without a second car. Developers want to provide buildings with cars for short-term rentals, or include RTA bus passes with leases. They say it will be far quicker to go from a downtown apartment to the Clinic on the bus than to drive and hunt for a parking space. Trends contribute to the re-

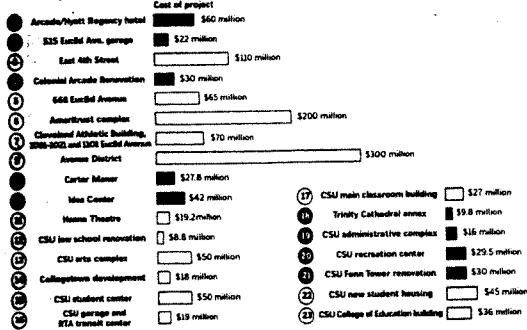
vision from East 17th Street to the Inner Belt. In Midtown, Harvard prepared our growth by leading the creation of a new zoning code, which allows stand-alone fast-food restaurants and requires new buildings to devote at least 60 percent of their ground floor area to retail or other active uses. At the Cleveland Clinic, Chief Executive Officer Dr. Delos "Bobby" Gosrow recruited Berkeley, Calif., landscape architect Peter Walker to design parklike outdoor space



the surrounding Hough, Frick and Central neighborhoods north and south of the Badli Avenue area. Already, there are signs of that happening. The Frick Group of Boca Raton, Fla., and Highland Developers of Cleveland are planning a large residential development in Hough called Upper Chester, north of the Cleveland Clinic and west of East 105th Street. The Clinic is collaborating with the nonprofit Fairfax Renaissance Development Corp. on a \$28 million biomedical research

MAP BY BOB BROWN | THE PLAIN DEALER

### Public Square to Inner Belt (\$1.3 billion)



### EUCLID

**row A1**  
Project has brought \$4.3 billion in investment

But the developers say they are about done. With the RTA project set for a ribbon-cutting in October, they're looking to renovate empty buildings and fix recent lags.

"This is a living example of it," says developer Dick Fox, who has spent \$7 million over the past two years to save a 1,210-sq-ft abandoned at One First Street and Euclid Avenue law firm and offices for sign-out, utilities, mechanical renovations and security improvements.

"The Euclid Corridor, I don't feel it was a good investment," he said. Now his project is so successful, he said, he's looking for other buildings along the street to buy and renovate.

Fox and others say that by connecting downtown and University Circle, the city's new bus rapid transit line, Euclid Corridor is adding value and potential to empty buildings that have been abandoned.

Midtown getting an upturn too

In fact, the price of an acre in the long-abandoned Midtown area has doubled in the past five years from \$600,000 to \$1,200,000, and Fox

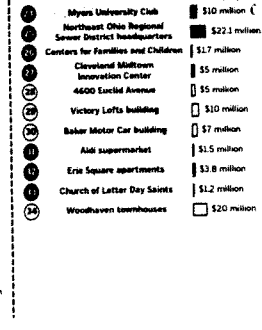


The downtown stretch of Euclid Avenue resumed with activity in the early 1980s. Developers hope to restore vitality by the area by renovated vacant buildings with apartments, retail and offices.

Harold, executive director of the nonprofit Midtown Inc., which has acquired 15 acres along Euclid Avenue for redevelopment.

Aside from the anticipated loans for riders, the RTA project is changing the mood on the avenue by developing a major piece of public infrastructure with new

### Midtowns (\$87.3 million)



Urban Affairs at Cleveland State University. "I look at Euclid Corridor and, to me, as the single most exciting thing since the opening of Jacobs Field — and it has much more economic meaning."

If the momentum continues, blighted sections of Euclid Avenue could fill up with renovated apartments, retail shops, research labs and medical and cultural facilities. Many projects are to break ground late this year or in 2009, just after the city's going to be a visual delight, and everybody's going to be shocked," said David Goldberg, co-chairman of Architect Bank and an investor along the avenue. "I would be shocked, because I know what's happening now. The city is at a tipping point."

This is still hard to imagine downtown, where many buildings along Euclid Avenue stand vacant. But East Fourth Street, where the Maroons have invested \$110 million, a building with high-tech, apartments and restaurants.

Developers including Price and his firm are banking to join the Maroons. Price wants to fill the vacant former William Taylor & Son department store at 600 Euclid Ave. with townhouses. He also wants to renovate and expand the east Ameritrust bank complex at East Ninth Street and Euclid Avenue with apartments, a hotel and offices.

Price brought his steady stream

of buildings between East Ninth and East 12th streets, including the Cleveland Athletic Club building, and plans to go from \$70 million to \$100 million with apartments and retail. Man's architect, Jonathan Sandvo, wants to part of plan and material to reveal early 20th-century brick and terra cotta facades.

Further up the avenue, CSU has started spending \$300 million on academic buildings, offices and housing.

In University Circle, the Cleveland Museum of Art is nearly halfway through a six-year, \$250 million expansion and renovation. The Cleveland Clinic is building \$448 million worth of projects, including a giant new heart center. University Hospitals has \$326 million worth of investments on tap.

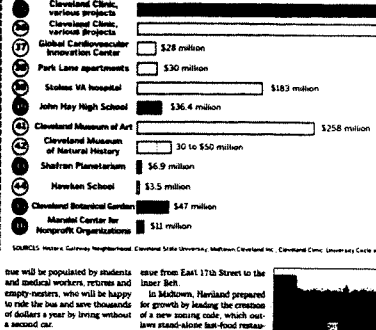
Even Midtown, where development has lagged, is showing signs of vitality.

"I see it every day," said Scott Carson, senior vice president of HAI Design, who is spending \$10 million to turn the vacant Victory Building warehouse at Euclid Avenue and East 70th Street into 102 townhomes.

City is looking forward, not backward

The new Euclid Avenue won't resemble earlier, grand photographs of the 19th century, when the massive of Millbourne's Row lined the street. Instead, the area

### University Circle (\$3 billion)



will be populated by students and medical workers, returns and empty-nesters, who will be happy to ride the bus and save thousands of dollars a year by living without a second car.

Developers want to provide buildings with cars for short-term rental, or include RTA bus passes with leases. They say it will be far quicker to go from a downtown apartment to the Clinic on the bus than to drive and hunt for a parking space.

Trends contributing to the rebirth on Euclid Avenue include the rising price of gas, which encourages transit use. Federal and state tax credits for historic preservation have tipped the balance in favor of renovating older buildings downtown. Growth in the medical sector is attracting research grants, venture capital and workers. A back-to-the-city movement among young professionals and returnees is also helping growth.

Leadership is another key factor. Top positions at major institutions along Euclid Avenue are held by advocates of New Urbanism, a type of city planning that calls for pedestrian and mass transit, rather than the automobile.

At CSU, President Michael Schwartz set up a master plan building warehouse at Euclid Avenue and East 70th Street into 102 townhomes.

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A completed section of the Greater Cleveland Regional Transit Authority's \$300 million Euclid Corridor, looking east, left, shows how the street — once dilapidated — has been significantly freshened. Looking west, right, talltale orange barrels show work still continues.

The Backland neighborhood.

What's different here is that the catalyst in Cleveland is bus rapid transit, a relatively new idea in the United States. On RTA's "Silver Line," it's \$1.5 billion. Street-level transit will come quickly along Euclid Avenue with conventional light rail structures.

The Euclid Corridor was one of 10 Rapid Transit demonstration projects launched by the Federal Transit Administration in 1999 in Boston, Charlotte, N.C., Miami, Las Vegas, Honolulu and other cities. It also is a vastly scaled-down

version of what planners envisioned decades ago as the "Dual Hub," a light rail line connecting downtown to University Circle.

Planning errors are packed with proof that downtown and light rail are "transit-oriented development."

So far, it seems, has rapid transit is doing the same in Cleveland.

The \$4.3 billion figure cited above is based on news stories and interviews with developers. It doesn't include the \$200 million Euclid Corridor project itself. Nor does it include projects such

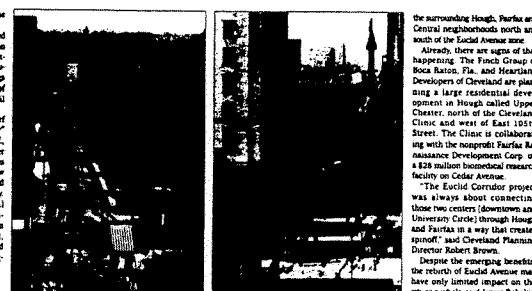
as developer Scott Wolstein's estimated \$400 million redevelopment on the east bank of the Flats, or Robert Starb's proposed \$1.5 billion development in the Warehouse District.

Nevertheless, the numbers are adding up quickly as momentum builds.

"They do some projects on a long period," Goldberg said. "As a result, you reach a critical mass and it becomes self-sustaining."

City planners and foundation of

to reach this Pointe Reuter reporter: shid@case.com, 216-999-4116



SOURCES: Moore, Curvey, Neighborhood Cleveland State University, Midtown Cleveland Inc., Cleveland Clinic, University Circle, Midtown Inc.

MAP BY PAUL BROWN; THE FLAIN DEALER