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# Center for Economic Development Welcomes the White House Opportunity and Revitalization Council and U.S. EDA

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# CLEVELAND STATE UNIVERSITY

CENTER FOR ECONOMIC DEVELOPMENT

U.S. EDA UNIVERSITY CENTER

WELCOMES

## THE WHITE HOUSE OPPORTUNITY AND REVITALIZATION COUNCIL & U.S. EDA

August 2, 2019 | Cleveland, Ohio

Dr. Iryna V. Lendel



**Levin.**

The Maxine Goodman Levin  
College of Urban Affairs



U.S. ECONOMIC DEVELOPMENT ADMINISTRATION

# CLEVELAND STATE UNIVERSITY AND THE CENTER FOR ECONOMIC DEVELOPMENT

- EDA University Center serving Northeast Ohio and the State
- Conducting research and technical assistance across 4 main themes:

-  ENTREPRENEURSHIP
-  INNOVATION AND ADVANCED MANUFACTURING
-  ECONOMIC INCLUSION
-  TECHNICAL ASSISTANCE



# SERVING THE REGION - IMPACT

**ideastream**

Can Shale Gas Rebuild The Region's Manufacturing Base?




Construction is well underway on Shell's \$5 billion ethane cracker plant along the Ohio River. (Governor Tom Wolf's office via Flickr)

**FreshWater**  
Giving everyone a drink

PUBLISHED November 14, 2018  
Julie Grant, The Allegheny Post-Gazette

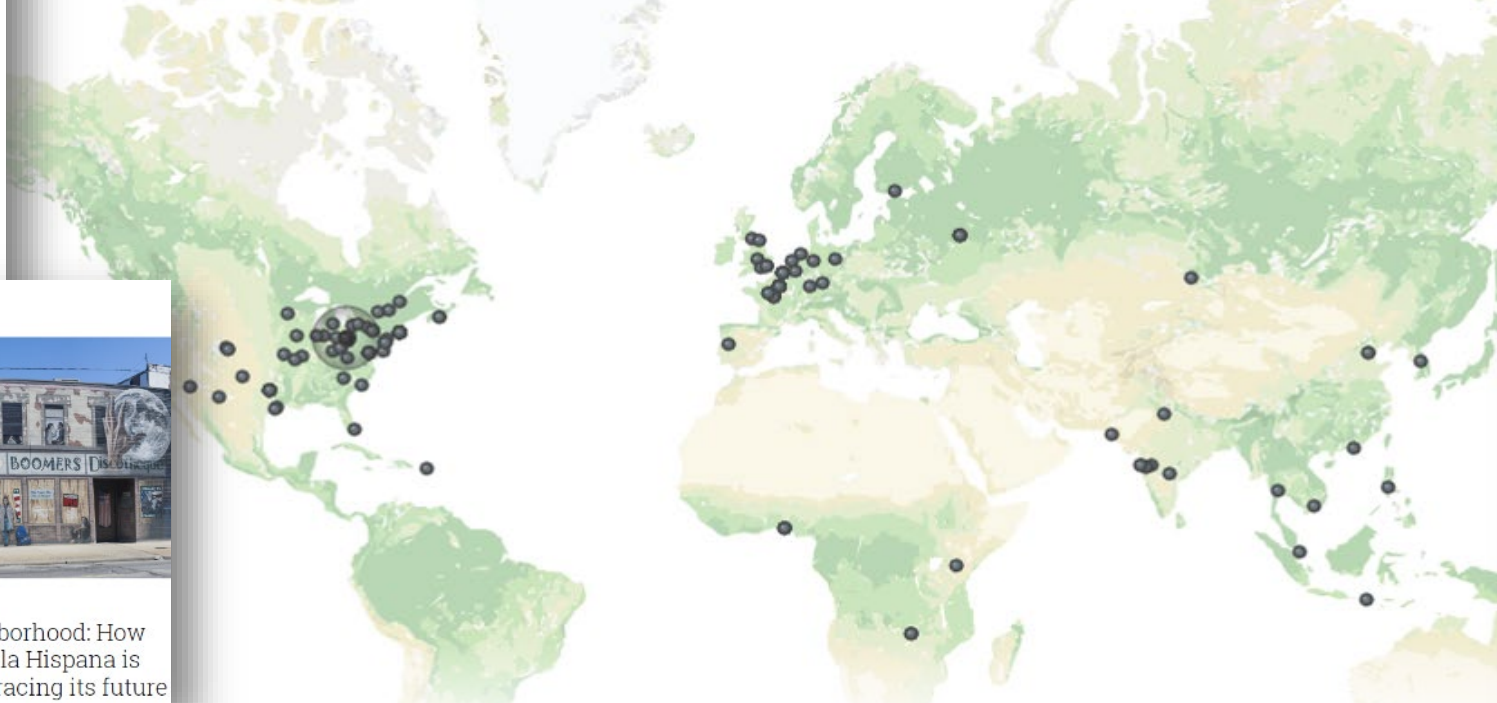
Along the Ohio River, anticipation for a gas industry, beyond cheap energy, is building. Beyond cheap energy, the industry is rebuilding its manufacturing base.



The 'Boomers' mural on Clark and W25th

MARK OPREA | THURSDAY, MAY 16, 2019

Portrait of a neighborhood: How cultural hub La Villa Hispana is evolving and embracing its future



**DATA BRIEF**  
**dance IN CLEVELAND**

**INDUSTRY BREAKDOWN**

Cleveland's dance industry, including both creative and non-creative jobs, increased to 302 jobs in 2018, which was the most recent year of available data at the time of analysis.

The dance industry is made up of dance companies and promoters as well as fine arts schools.

Fine arts schools (dance studios) are a significant driver in the industry, responsible for over 80% of dance payroll and employment.

This shows that Cuyahoga County is a strong asset to the dance industry pipeline with a high quantity of options for specialized training during childhood and adolescence.

**GROWTH**

Cleveland's dance industry has grown at a faster rate than all other local industries since 2010.

	total	% increase	job total	% increase
Employment	302	10.2%	302	10.2%
Payroll	\$4.0M	22.4%	302	10.2%
Average Wage	\$13,309	18.3%	1,000	7.5%
Establishments	42	11%	6,000	7.0%

Cleveland's dance industry also grew faster than Ohio and the rest of the state.

Cleveland's dance industry also grew faster than Ohio and the rest of the state.

**REGIONAL SPECIALIZATION**

The location of jobs in Cleveland's industry is a key factor in its growth. An industry's percentage of total employment located in a region is a key indicator of regional specialization. A larger percentage of the total employment in the region indicates a larger percentage of the total employment in the region. This indicates that Cleveland's dance industry is a key asset to the region's economic future.

Cleveland's dance industry's location quotient was 1.68, indicating a regional specialization in dance.

**CRAIN'S CLEVELAND BUSINESS**

Study: Without public transit, jobs would be in jeopardy

MARK OPREA | THURSDAY, MAY 16, 2019



All Reports Published (2012 to Present)	Count of All Reports	Downloads of All Reports from 10/01/18 - 6/24/19
Entrepreneurship	82	1,659
Innovation Ecology & Advanced Manufacturing	93	3,745
Economic Inclusion	11	757
Service and Technical Assistance for EDDs, Government, & RDOs	95	2,904
<b>Total Downloads from Oct 1, 2018 to Jun 24, 2019 (All Reports published)</b>	<b>281</b>	<b>9,065</b>

# SERVING THE REGION

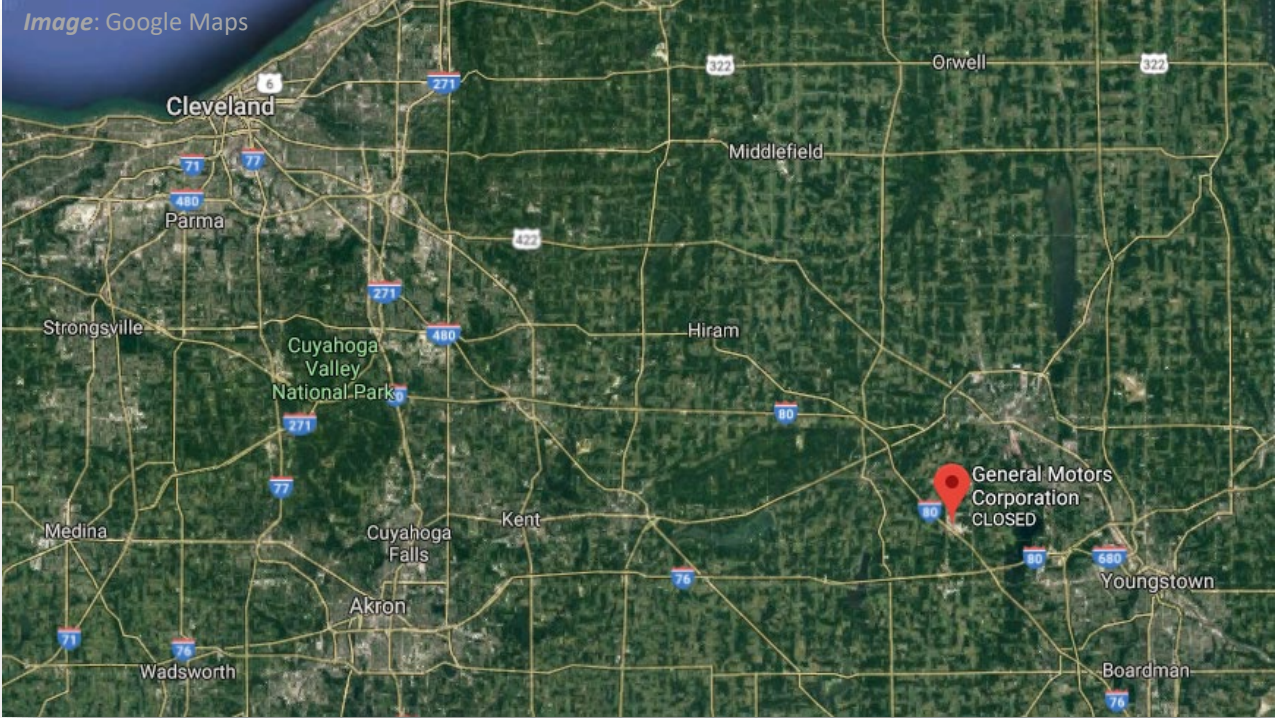
Lordstown GM and Youngstown MSA

# LORDSTOWN GM ASSEMBLY CLOSURE – YOUNGSTOWN MSA



Feb 2017: 3<sup>rd</sup> Shift

1,245  
jobs



Jul 2018: 2<sup>nd</sup> Shift

1,500  
jobs

Mar 2019: Closure

1,607  
jobs

Sources: ODJFS WARN Notices filed by Lordstown GM; Youngstown Vindicator

# LORDSTOWN GM ASSEMBLY CLOSURE - TOTAL ESTIMATED ECONOMIC IMPACT ON THE REGION

(TERMINATION OF 3RD & 2ND SHIFTS, AND CLOSURE OF THE PLANT)

All monetary values in 2019 millions of dollars

	Employment	Labor Income	Value Added	Output	State & Local Tax
<b>Direct</b>	4,352	\$513.8M	\$1,173.3M	\$6,518.2M	\$7.8M
<b>Indirect</b>	2,306	\$173.0M	\$383.9M	\$1,562.0M	\$18.7M
<b>Induced</b>	1,053	\$38.4M	\$70.6M	\$124.2M	\$8.0M
<b>Total</b>	<b>7,711</b>	<b>\$725.3M</b>	<b>\$1,627.8M</b>	<b>\$8,204.5M</b>	<b>\$34.5M</b>

- Since 2000, the Youngstown MSA’s
  - Employment has declined by 15.6% (40,998 jobs)



Compare to Youngstown MSA’s GRP of **\$16,363 Million**



# LORDSTOWN GM ASSEMBLY CLOSURE



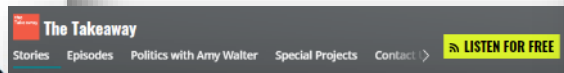
## Study: Economic impact of GM-Lordstown's idling to be in the billions

Posted: 5:30 PM, Mar 06, 2019 Updated: 5:30 PM, Mar 06, 2019

By: Jordan Vandenberge



LORDSTOWN, Ohio – The human impact of the Lordstown General Motors plant going idle cannot be understated, and neither can the impact on the



## General Motors Plant Closure Will Have Ripple Effects Across Community

▶ LISTEN Download <> Embed

March 13, 2019

Share



A "Save Me" sign rests against the Lordstown Complex sign, Wednesday, March 6, 2019, in Lordstown, Ohio. (Tony Dejak / AP Photo)

When the last Chevy Cruze rolled off the line in Lordstown, Ohio, last week, it was draped in an American flag. For many in the community, the closure of a sprawling GM auto manufacturing plant feels like a funeral because it touched so many lives.

According to a study from Cleveland State University, the plant closure will result in 7,700 job losses in the region including supply chain and consumer services jobs tied to Lordstown plant. Their cumulative earnings total is \$1.6 billion dollars, or 10 percent of the gross regional



## Factory workers at GM see layoffs, not benefits, after tax cuts

In the short run, the tax law coupled with federal spending acted as a stimulus, a "sugar rush," but there are indicators the economy may slow this year.



GM Lordstown workers rally outside the GM Lordstown plant on March 6, 2019 in Lordstown, Ohio. Jeff Swensen / Getty Images File

March 22, 2019, 6:00 AM EDT

By Kathryn Kranhold

This story was originally published by The Center for Public Integrity, a nonprofit investigative news organization in Washington, D.C.

LORDSTOWN, Ohio – Cheryl Jonesco had a plum job installing backup cameras in the Cruze compact car at the storied General Motors plant here. Her work on the assembly line last decade provided the financial means to buy a home while raising her now-teenage son. But now, at 40, Jonesco's life has been upended. On the Monday after Thanksgiving, GM was ending current production at the plant here and at four others in the United States.


## The New York Times



This is the story of what happens to a factory town when the factory shuts down.



# LORDSTOWN - NEXT STEPS

 \$600K federal grant from EDA awarded to Eastgate and CSU for disaster recovery coordination

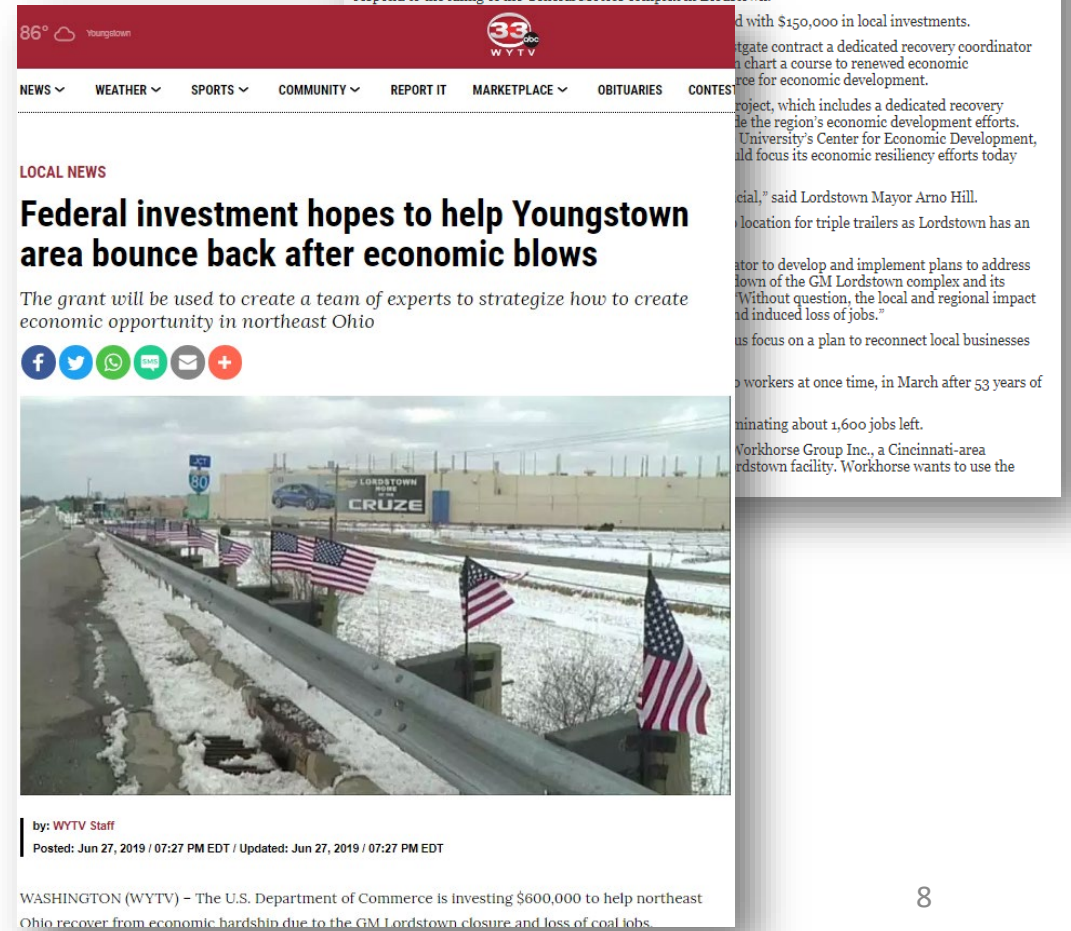
## CLEVELAND STATE UNIVERSITY CENTER FOR ECONOMIC DEVELOPMENT



U.S. ECONOMIC DEVELOPMENT ADMINISTRATION



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# SERVING THE REGION

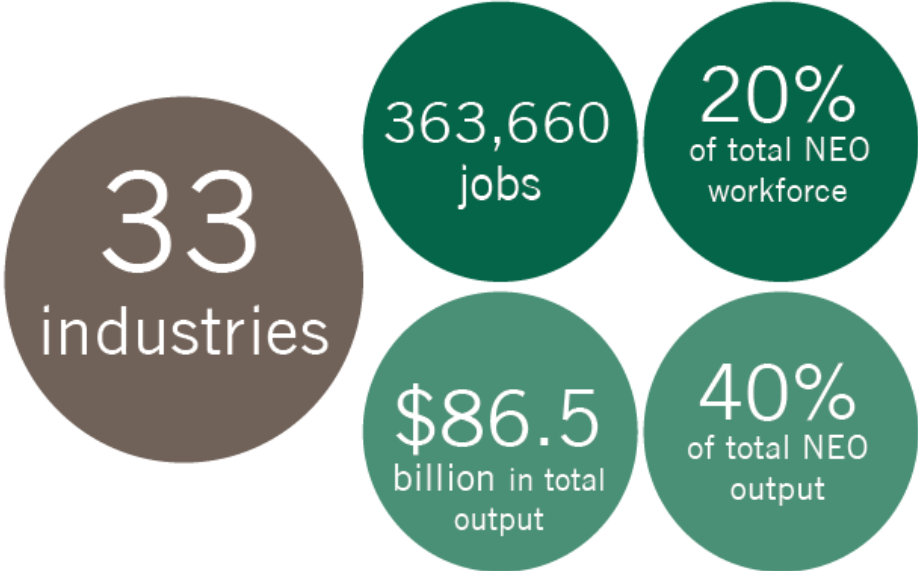
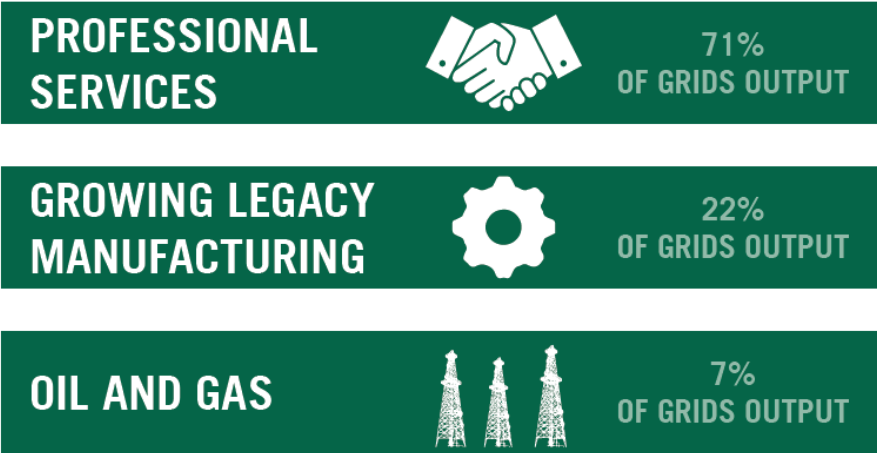
Groups of Regional Industry Drivers (GRIDs)

# GROUPS OF REGIONAL INDUSTRY DRIVERS (GRIDS)

## Northeast Ohio Front Runners: Groups of Regional Industry Drivers (GRIDs)

Regional benchmarking initiative to identify growing and competitive industry groups in Northeast Ohio 18-Counties

### NEO GROUPS OF REGIONAL INDUSTRY DRIVERS (GRIDs)



Full Report - [https://engagedscholarship.csuohio.edu/urban\\_facpub/1585/](https://engagedscholarship.csuohio.edu/urban_facpub/1585/)  
Research Brief- [https://engagedscholarship.csuohio.edu/urban\\_facpub/1594/](https://engagedscholarship.csuohio.edu/urban_facpub/1594/)

# Northeast Ohio Front Runners: GRIDs

## Professional Services GRID



Real Estate Lessors and Agencies



Insurance Carriers and Agencies



Medical and Surgical Hospitals



Central Banks and Credit Intermediaries

## Oil and Gas GRID



Oil and Gas Extraction



Petroleum and Coal Products Manufacturing



Pipeline Transportation

# Northeast Ohio Front Runners: GRIDs

## Growing Legacy Manufacturing GRID



Iron, Steel, and Aluminum



Chemicals and Resins



Paint and Coatings



Metalworking,  
Machine Shops,  
Forging, and Hand  
tools

## Non-Restructured Manufacturing Industries



Motor Vehicles



Lighting and  
Electrical Equipment



Household  
Appliances

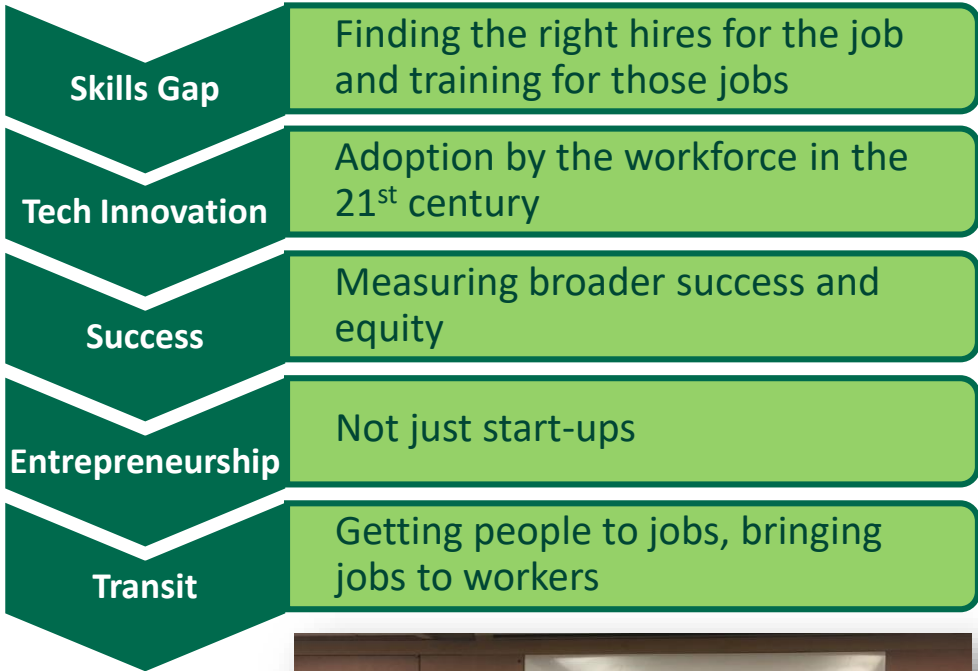


Rubber Products



# WHO'S IN THE DRIVER'S SEAT? INCLUSION AND NEO ECONOMIC DRIVERS

April 4, 2019 Roundtable, Cleveland



**Cleveland MSA**  **59% of NEO Output**

**Professional Services GRID**  **32.8% of MSA Output**

**Growing Legacy Mfg GRID**  **7.9% of MSA Output**

**Oil and Gas GRID**  **1.4% of MSA Output**



# THE FUTURE OF **YOUNGSTOWN**: LORDSTOWN AND GRIDS



Image: Wikimedia



# **AKRON'S** DYNAMIC AND INCLUSIVE ECONOMY



Image: Flickr



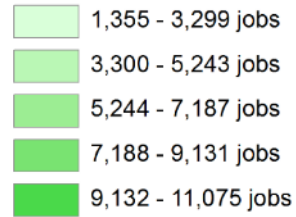
# SERVING THE REGION

Greater Cleveland Regional Transit Authority



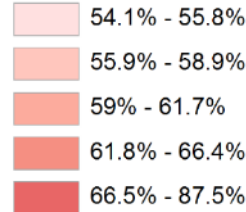
# GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY: SPATIAL MISMATCH

**Top 20 Census Tracts: Most Entry-Level Jobs (< \$15k annual), 2015**

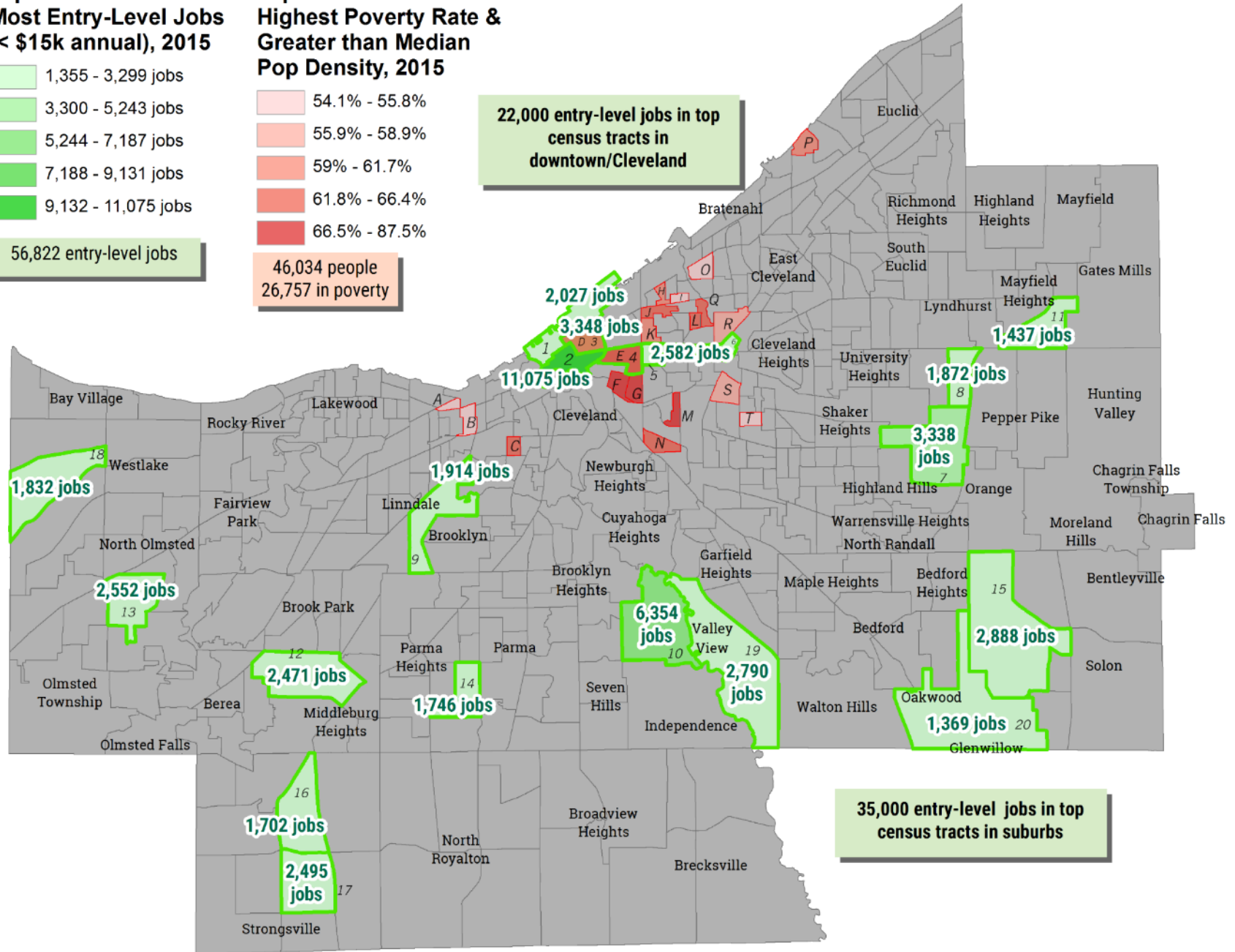


**56,822 entry-level jobs**

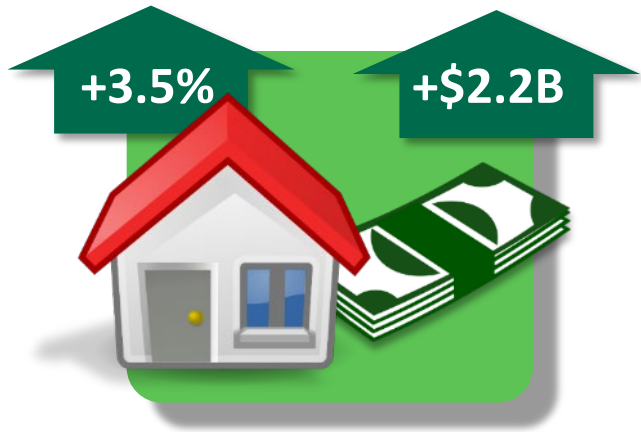
**Top 20 Census Tracts: Highest Poverty Rate & Greater than Median Pop Density, 2015**



**46,034 people  
26,757 in poverty**



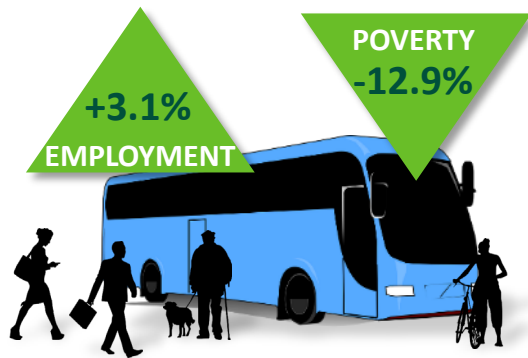
# GREATER CLEVELAND REGIONAL TRANSIT AUTHORITY: ECONOMIC AND COMMUNITY IMPACT



- Property values increased by **3.5%** within a decade for previously unserved 429 census tracts which received some transit service
- The derived property value increase attributed to transit access is **\$2.2B**

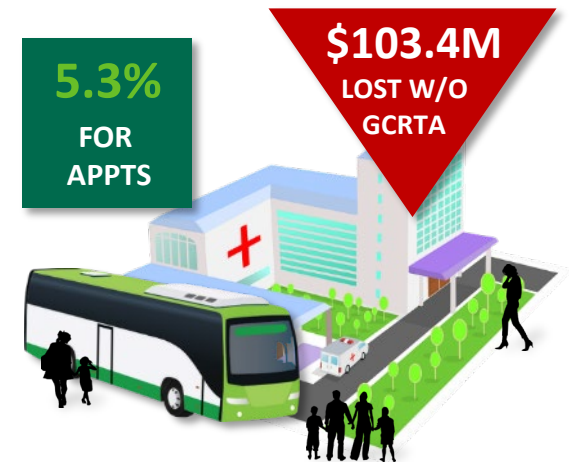
Within a decade, for previously unserved areas that gained transit access:

- Employment increased by **3.1%**
- Poverty decreased by **12.9%**



- An estimated **\$485.8M** of annual earnings is brought home by those who depend on GCRTA transit services to get to work
- Direct annual transportation savings for GCRTA passengers is **\$51.9M**
- Cleveland Metropolitan School District saves **\$28.7M** annually through ridership of 6,000 middle-schoolers

- About 5.3% of commuters use GCRTA to get to their medical appointments; **89%** of them depend on RTA
- Healthcare institutions in the regions **may lose \$103.4 M annually** when patients dependent on transit miss or cancel appointments



# OPPORTUNITY ZONES

# UNDERSTANDING OPPORTUNITY ZONES

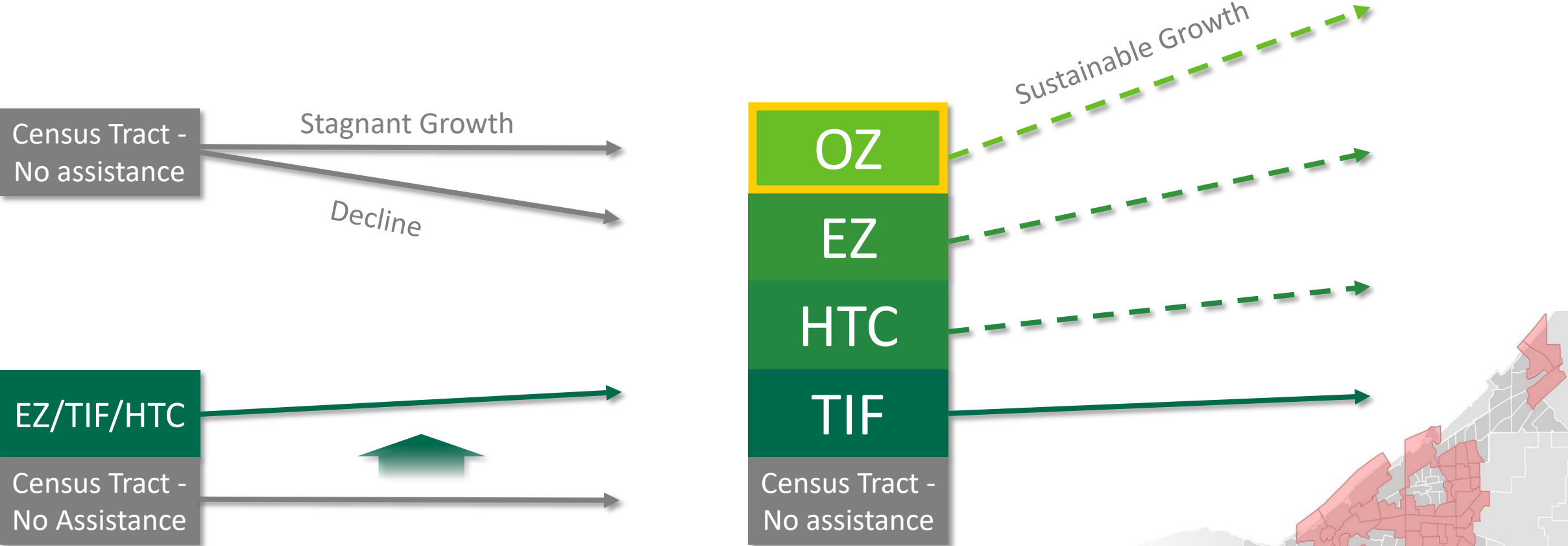
- Attended OZ workshops in Columbus and Akron
- Discussions with ED stakeholders on OZ research needs:
  - City of Cleveland
  - Cuyahoga County
  - Fund for Our Economic Future
  - The George Gund Foundation

## FY2019 Research

- Leverage EDA and foundation funding to examine best-use scenario for social and economic benefits:
  -  Real Estate
  -  Business Expansion
  -  Startups
  -  Potential economic impact of OZs



# UNDERSTANDING OPPORTUNITY ZONES



# CLIENTS AND PARTNERS – PROVIDING TECHNICAL ASSISTANCE



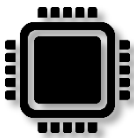
Economic data



Evaluation of economic initiatives



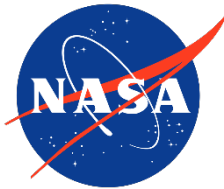
Economic impact and supply chain analysis



Innovation and entrepreneurship as ED strategy



Economic inclusion



**EASTGATE**  
Regional Council of Governments



Downtown  
Cleveland  
Alliance



COMMISSION  
ON ECONOMIC INCLUSION



**MANUFACTURING  
WORKS**



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# TRAINING FUTURE ECONOMIC DEVELOPMENT LEADERS



**Sydney Martis**  
Manager, Research  
Team Northeast Ohio (Team NEO)



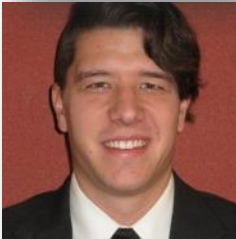
**Matt Hrubey**  
Performance Consultant  
Cuyahoga County - Office of  
Innovation & Performance



**Elorm Tsegah**  
Senior Specialist, Retirement  
Charles Schwab



**Nick Zingale**  
Development Finance Analyst  
City of Cleveland Department of  
Economic Development



**Dan Petrelli**  
Community Development Manager  
City of Euclid



**Maria Spangler**  
Director, Community Engagement  
Sherwin Williams



**Renee Raffalli**  
Operations Performance Leader  
Greater Cleveland Regional  
Transit Authority



**Simon Husted**  
General Manager  
Buffalo Brixx, LLC



**Dro Sohrabian**  
Management Development Intern  
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**Marcus Notaro**  
Associate Attorney  
Cavitch, Familo, & Durkin, LPA



**Bryan Townley**  
Transportation Manager II  
Parametrix, Seattle, WA



**Eli Auerbach**  
Sales Manager  
Chmura Economics and Analytics

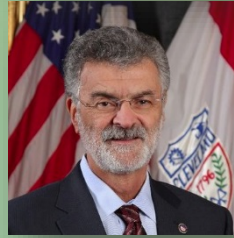


**Minkyu Yeom**  
Instructor  
Cleveland State University



**Heather Smith**  
Student Affairs Coordinator  
Case Western Reserve University

**[University President] Harlan Sands** has big plans for Cleveland State University. He wants to see the university grow and strengthen its relationships with businesses and organizations in the city. [...] “The unique mission of the institution is inextricably tied to the success of the city,” Sands said.



As an urban university, Cleveland State has an "urban perspective" and a strong urban studies department, **[Cleveland Mayor Frank] Jackson said**. And the university primarily serves students from the urban center, many of whom have gone on to become public, private and philanthropic leaders.

*Source: Crain's Cleveland Business, July 21, 2019*

# CLEVELAND STATE UNIVERSITY

## CENTER FOR ECONOMIC DEVELOPMENT

### U.S. EDA UNIVERSITY CENTER



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