

Gateway Sports Complex a community and economic development success story

Background

The development of the Gateway in Downtown Cleveland is a community and economic development story that begins in the early 1990s. This story is built upon several key factors that have led to sustained incremental success.

The City of Cleveland made several clear and prudent urban planning and design moves. The sports complex was located at the southern end of downtown that architecturally created a visual gateway to downtown. On the interior of the project, there was a conscious decision to limit the number of parking spaces built around the sports complex. Additionally, there was a strategic gesture made to preserve north-south pedestrian connections along E 4th Street, E 6th/Colonial and Euclid Arcades, and E 9th Street. These urban design decisions together created an economic viability condition that encouraged visitors to move through the district before and after events.

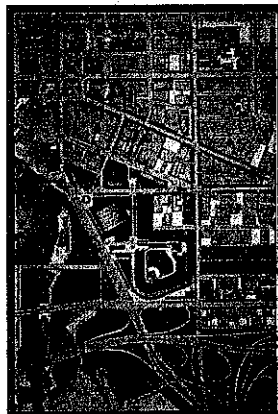
Historic preservation financing strategies played an important role in leveraging the investment in the Gateway Sports Complex. By this time, development in the Historic Warehouse District had proven the use of Historic Tax Credits in creating mixed-use housing projects. With this, a historic structures study was performed as a part of the planning for Gateway.

Over the years in the Gateway Issue passed in 1990, it has become overwhelmingly evident how the urban planning and economic development strategies have fostered sustained growth in the creation of a dynamic mixed use neighborhood.

Sustained Incremental Success

Prior to the establishment of the Historic Gateway Neighborhood Corporation (HGN), the Gateway area could be described as a neighborhood of disinvestment and abandonment. In 1990, there were no housing units, no hotel rooms and just six full-service restaurants. Since that time, development and planning efforts focused on financing strategies and merchandising opportunities. With this, two new National Register Historic Districts were established – Euclid Avenue and East 4th Street – in addition to the Lower Prospect Avenue Historic District. Additionally, HGN partnered with 5 major property owners on the Lower Euclid Avenue/East 4th Street Plan, which laid out street design and retail plan.

Today, the Gateway District consists of 18 residential properties, five hotels, and over 60 full-service restaurants and eateries that service the nearly 1,500 residents who live here and the 5 million visitors each year. This represents over \$700 million in investment surrounding the Gateway Sports Complex.



Downtown Cleveland now boasts the most historic preservation projects in State. With the new State Historic Preservation Tax Credit, Downtown has 25 projects funded that have the potential investment of \$455 million. The total amount of development investment in the Downtown districts – Warehouse District, Gateway District and PlayhouseSquare has surpassed \$1 billion.

Holding Momentum to the Future

Below is a snapshot of the momentum in development and investment occurring in Downtown Cleveland.

- Housing has taken on a full resurgence in Downtown Cleveland with an occupancy rate of over 95%. On opening of the Residences at 668 with 236 units only 5 units were rented by persons already living downtown. Current projections show more that 1,200 new residential units to be available by 2015.
- The Gateway District experienced significant investment in hotel operations leveraged by the Gateway Sports Complex. Five hotels were developed creating nearly 1,000 rooms. Of these developments, three were historic preservation adaptive reuse projects. With the major investments in the Horseshoe Casino, the Medical Mart and Convention Center, Downtown is again seeing a push for more hotel rooms. There are currently four hotels in various stages of development – three of which are historic preservation adaptive reuse projects. Leveraging the initial hotel and restaurant/entertainment investment in the Gateway District, Euclid Avenue is emerging as a hospitality corridor between Public Square and PlayhouseSquare.
- With the restaurant/entertainment sector well established, Downtown Cleveland Alliance and it's Neighborhood Based Partners in the Gateway District, Warehouse District and PlayhouseSquare are now focused on reestablishing retail Downtown. The recent sale of The Arcade and the rebranding of the Colonial and Euclid Arcades as the 5th Street Arcades present an excellent opportunity to jump start small retail businesses. The downtown organizations provide proactive business technical assistance to these businesses. Additionally, Charter One Foundation's Growing Communities program recently announced a program to fund retail businesses in the 5th Street Arcades through a competition style request for proposals.
- Historic preservation continues to be an effective tool for the redevelopment. Through the development success in the Gateway District and Warehouse District, the downtown organization have worked to create additional districts - Superior Avenue; Old River Road and planned for around Canal Basin Park. These areas of downtown where historic revitalization has proven the market will work to set the tone for new construction on surface parking lots. The Warehouse District has played that role in part with the Flats East Bank development. This is especially relevant when the Casino, Medical Mart and Convention Center developments are factored into development feasibility.



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Gateway District Timeline

- 1990: Gateway Issue Passes
Area of disinvestment
- 1994: Jacobs Field opens in April; Gund Arena opens in October
Prospect Avenue Streetscape
- 1998: First hotel opens – Radisson Hotel
- 1995: Buckeye Building opens with first residential units
- 2001: Pickwick and Frolic
- 2002: The Arcade redevelopment National Award Winner from the National Trust for Historic Preservation
- 2004: E 4th Street opens with new streetscape.
- 2008: Euclid Corridor Open
- 2011: Two planning studies approved by Cleveland Planning Commission – Gateway District Master Plan and Re-Imagining the Public Realm
The Bike Rack opens – Downtown bike commuter station
- 2012: Horseshoe Casino opens
- 2013: Global Center for Health Innovation opens
Innerbelt Bridge 1 opens
- 2014: Projected opening of the new County Administration Building
Projected opening of The 9 including the Metropolitan hotel, housing and Heinen's Grocery Store

Gateway District Statistics

Housing:

- 1990: Zero housing
2014: 955 units
Projected: 184 units planned for The 9; 80 units planned for Truman and Schofield Buildings

Downtown-wide, there are 4,000 existing units and a projected 565 additional units of housing in Hanna Annex, Reserve Square (new units in the Embassy Suites building) and the East Ohio Building

Hotels:

- 1990: Zero Hotel rooms
2014: 1,000 rooms
Projected: 656 new units (Metropolitan at The 9, John Harkness Brown; Schofield Building, CAC)

Downtown-wide, 3,876 existing hotel rooms, with the Westin adding 481 new hotel rooms; and the Aloft Hotel adding 150

Restaurants:

- 1990: 6 restaurants
2013: 38 full service restaurants and 31 eateries
Projected: unknown, but there is new capacity for restaurants, entertainment and retail with the opening of the Casino, Global Center for Health Innovation and Convention Center