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Transit as Transformation

The Euclid Corridor in Cleveland

Background

Public and private investments catalyzed a striking transformation along Euclid Avenue in Cleveland, generated in part by the construction of a new bus rapid transit (BRT) system known as the HealthLine. Euclid Avenue's strategic location stretches from Cleveland's Central Business District (CBD) and continues nine miles past prominent institutions such as Cleveland State University (CSU) and the Cleveland Clinic. The HealthLine is a result of a decades-long commitment by city leaders and residents to re-establish Euclid Avenue's historic status as a key transportation and economic development corridor for the entire region.

The high-profile HealthLine is only one key to the Euclid Avenue Corridor's rising prospects, but has served as a central anchor to attract further funds from the Environmental Protection Agency (EPA) and the Department of Housing and Urban Development (HUD). Further, sustained attention from City of Cleveland and community leaders has been critical to help revitalize the corridor to suit a 21st century economy. The HealthLine's role in Euclid Avenue's renewed life was clear when within the first year of its opening, ridership increased 46 percent over the previous year's bus service, moving 3.8 million people.[1] Ridership has consistently increased ever since. Even before starting operations, the HealthLine helped spur $4.3 billion in development projects in the corridor. Key accomplishments include the following:

- The **$200 million** invested in the HealthLine BRT project **attracted at least $4.3 billion in development investment**.
- Development activity along Euclid Avenue resulted in the **clean-up and redevelopment of numerous vacant and abandoned properties and infrastructure**.
- The Institute for Transportation and Development Policy rated the HealthLine as the **best BRT line in the country** based on service planning, infrastructure, station design, quality of service, and access.[2]
- Between 2002 and 2009, $1.9 billion in development occurred in the University Circle district on Euclid Avenue, including the addition of 22,000[3] square feet of retail space and the creation of **5,000 jobs since 2005**.[4]

Cleveland's Euclid Avenue demonstrates the positive outcomes that can result from coordinating and leveraging multiple programs and funding to build a common vision. To replicate this type of success throughout the nation, HUD, the U.S. Department of Transportation (DOT), and EPA joined together in June 2009 to help communities nationwide improve access to affordable housing, increase transportation options, and lower transportation costs while protecting the environment. The Partnership for Sustainable Communities works to coordinate Federal housing, transportation, water, and other infrastructure investments to make neighborhoods more prosperous, allow people to live closer to jobs, save households time and money, and reduce pollution. The Partnership agencies incorporate six principles of livability into Federal funding programs,

The Partnership agencies incorporate six principles of livability into Federal funding programs, policies, and future legislative proposals to support locally developed projects:

- **Provide more transportation choices;**
- **Promote equitable, affordable housing;**
- **Enhance economic competitiveness;**
- **Support existing communities;**
- **Coordinate policies and leverage investment; and**
- **Value communities and neighborhoods.**

policies, and legislative proposals to support locally developed projects.

Greater Cleveland Regional Transit Authority's "HealthLine"

Once a showcase for opulent mansions and estates in the late 19th and early 20th centuries, Euclid Avenue eventually grew into one of the central commercial corridors in Cleveland during the 1930s and 1940s. As Cleveland's industrial base declined in later decades, vacant properties increased and investment in transit and infrastructure stagnated. Nevertheless, the corridor remained one of the main thoroughfares in the city and sustained very high bus ridership; in 2003, 60 percent of all city-wide transit rides took place along Euclid Avenue.[5] Much of this activity was generated by two of the region's largest job centers, Cleveland's CBD and University Circle, which are located three miles apart along Euclid Avenue. In 2003, 100,000 jobs were located in the CBD and 40,000 jobs were located in University Circle.

As Cleveland's economy transitioned away from its industrial legacy toward the health and technology sectors, institutions along Euclid Avenue such as the Cleveland Clinic, University Hospital, and CSU grew in prominence and size. Recognizing that growth could not be sustained with the existing transit service, the Northeast Ohio Areawide Coordinating Agency (NOACA) designated Euclid Avenue as a "priority corridor for transit investment" in the 1980s. In addition to transit service upgrades, infrastructure improvements were necessary to upgrade the vacant lots, treeless streetscapes, decaying sidewalks, and broken water lines that were common sights along the corridor.

The confluence of Euclid's extensive transportation and infrastructure needs, as well as technical and financial considerations, led the city and stakeholders to support the concept of a BRT system along Euclid Avenue. Diesel/electric buses would provide transit service with qualities similar to rail, including permanent shelters and a dedicated lane. The Greater Cleveland Regional Transit Authority (GCRTA), in partnership with Cleveland's DOT and NOACA, applied for Federal Transit Administration "New Starts" funding in 1997. Before the application, 80 stakeholders from civic, university, business, social, and government organizations participated in the Euclid Corridor Transportation Project Committee. The strong local support and comprehensive vision greatly strengthened GCRTA's application to the program.[6]

As a result, the future HealthLine received $82.2 million in New Starts funding in 2002, and is the first Federally funded BRT system in the country. The Federal commitment attracted $85.6 million in local and State funds for the project.[7]

The largest employers on the route, particularly the Cleveland Clinic and University Hospitals, demonstrated the importance of the transit line to their businesses by purchasing naming rights for $6.5 million in 2008. GCRTA CEO Joe Calabrese remarked in *The Plain Dealer* at the time that "HealthLine" was an appropriate name because "[m]any people associate this project with the health of the city, the economy and the environment."[8] Local officials and plans made clear that this transit investment was also designed to boost the local economy.

In addition to separating buses from regular traffic, other infrastructure associated with the HealthLine enables the BRT line to support redevelopment along Euclid Avenue.[9] The city prepared for incoming development with $10 million in infrastructure improvements as part of the BRT

Figure 1: GCRTA map of the HealthLine and its 30 stops along Euclid Avenue. [Source: www.urbanohio.com/forum2/index.php?topic=2840.30]

project, including new sidewalks, bike lanes, and fiber optic lines. The BRT infrastructure also includes waiting areas along 6.6 miles of transit service (Figure 1) and 30 permanent shelters (Figure 2) equipped with fare machines. An economic development analysis completed in 2003 concluded that on top of the corridor's existing long-term development potential, the BRT line could directly lead to the development of an additional 3,300 to 6,500 new jobs and 1,700 to 3,500 new residents over 25 years.[10] These new workers and residents, in turn, are important to establishing the HealthLine's future ridership.

Development

Figure 2: The HealthLine's 30 stations are designed to convey a sense of permanence of the same order as rail stations. [Source: Sasaki Associates. www.sasaki.com/project/105/brt-sparks-billions-in-reinvestment/]

Even before the HealthLine began operating, development interest along Euclid Avenue increased substantially. Between 2003 and 2008, an acre of land in the MidTown district along Euclid Avenue increased from $200,000 to $400,000 in value.[11] In addition, several nonprofit community development, economic development, and community service organizations representing districts along the corridor began to market their neighborhoods and attract developers with incentives from Federal, State, and local sources. A total of 2,000 community meetings were held by GCRTA and the nonprofits, and many businesses were encouraged to provide kiosks with information to explain the purpose of the BRT line to their customers. Since the HealthLine project began, there has been $4.3 billion in proposed, new, or finished development projects in the six development districts along the corridor (Figure 3).

Longer-term changes facilitated by the Euclid-area organizations and other institutions in response to the HealthLine project will be significant. These include new "complete street"[12] design policies for all future projects along Euclid Avenue, as well as policies to increase development density in the MidTown district.

District	$ (M) Under Construction / Completed BEFORE HealthLine Opening (2008)	$ (M) Under Construction / Completed AFTER HealthLine Opening (2008)	Total $(M) Under Construction / Completed AFTER HealthLine Opening	$ Planned (M), 2001-2011
Downtown	$551	$976	$1,527	$930
Cleveland State University	$248	$72	$320	NA
MidTown	$50	$69	$119	$35
Fairfax / Cleveland Clinic	$699	$105	$804	$25
University Circle	$619	$877	$1,496	$519
East Cleveland	NA	$25	$25	NA
Total	$2,167	$2,123	**$4,291**	$1,509

Figure 3: Development Investment along Euclid Corridor. [Source: GCRTA. Figures updated as of May 18, 2011.]

CSU also changed the configuration of its master plan to turn the entrances of an education building, student housing, and new student center towards Euclid Avenue and to further re-connect the campus to the corridor through a reconfigured sidewalk.

Similar realignment occurred at the Uptown project, a $150 million mixed-use development in the center of University Circle. Euclid Avenue's new configuration was also integrated in the Cleveland Clinic's master and landscaping plans. These coordinated design changes serve as a framework for future development, providing cohesive direction that may not have occurred without the HealthLine project.

Coordinated Investment

The city pursued assistance from the Partnership agencies to leverage the transit investment and spur economic growth and development. Environmental contaminants challenge redevelopment and revitalization efforts along Euclid Avenue, particularly in the MidTown and East Cleveland districts. Without additional Federal and local investment to decontaminate and prepare properties for development, urban sites along Euclid Avenue would not be competitive with uncontaminated and lower-cost farmland in outlying areas.[13] Clean-up is complicated and expensive, and typically requires multiple levels of government assistance and cooperation. EPA brownfield assessment grants supplemented city and State funds to address the demolition, asbestos, and soil remediation problems commonly found in properties along Euclid Avenue. In 2010 and 2011, the Cuyahoga County Brownfield Redevelopment Fund provided $486,577 in EPA funding for brownfield assessments in the Euclid Corridor.

The regional HUD office views housing as an economic engine and has sought to catalyze other development along the Euclid Avenue Corridor through its investments.[14] HUD's administration of $60 million to $80 million in Federal Housing Administration (FHA) mortgage insurance was crucial to continuing development along Euclid Avenue during the economic crisis, as it was one of the few sources of financing for developers during this time.[15]

HUD is also supporting redevelopment in Cleveland through its popular "First Look" program with the Cuyahoga Land Bank, which sells FHA-backed foreclosed property to the city for $100. In 2010, HUD awarded a $4.25 million Sustainable Communities Regional Planning Grant to the Northeast Ohio Sustainable Communities Consortium to develop a regional sustainability plan for Northeast Ohio, which will try to integrate projects like the HealthLine into a regional transportation system.

In 2011, HUD became the lead Federal agency for the "Strong Cities, Strong Communities" pilot program in Northeast Ohio.[16]

"Cleveland's Euclid Corridor serves as valuable example of how investment from various Federal agencies can work together to support local efforts to revitalize cities and towns," HUD's Office of Sustainable Housing and Communities remarked.[17] "As part of the Partnership agencies' regional staff in Ohio, HUD is working in new ways to help replicate the success on Euclid Avenue by coordinating its programs and initiatives with EPA and DOT to build more connected, sustainable, and vibrant places to live and work."

Figure 4: Rendering of a revitalized Warner-Swasey Building. Image by Geiss Companies. [Source: http://media.cleveland.com/business_impact/photo/warnernewjpg-9ac72d9bb1bb6e90.jpg]

Partnership investment has been critical to clean-up and redevelopment efforts in the corridor:

- MidTown Tech Park Project
  HUD's Section 108 program, which enables local governments to use Community Development Block Grant funding to issue low-interest economic development loans, was a large component of the successful MidTown Tech Park project at 6700 Euclid Avenue. The 128,000-square-foot office building required $25 million in renovations. These were supported by a $10.7 million Section 108 loan and $4 million in New Market Tax Credits. The tax credits are part of a U.S. Department of the Treasury program that provides tax credit incentives to organizations that invest in low-income communities. Hemingway Properties contributed $2.9 million to the MidTown Tech Park project with the intent of leasing the space at suburban prices to incubator businesses. In September 2011, a rapidly growing biomedical lab signed a 10-year lease for

the first floor of the building. Jake Oreville, CEO of HeartLab, said to *The Plain Dealer*, "Only because of the success of the MidTown Tech Park did that confirm our ability to stay, not just in the region, but in the city."[18] HeartLab grew from 8 to 20 employees in two years and is approaching $20 million in annual revenues.

- Warner-Swasey Building
  The Warner-Swasey Building (Figure 4) received $1.1 million[19] from the EPA Brownfield Revolving Loan Fund Program for asbestos abatement, as part of supplemental funding provided through the American Recovery and Reinvestment Act (ARRA). The building is a 160,000-square-foot former tool factory that the city has possessed since 1991. HUD also provided a $3 million Brownfield Economic Development Initiative grant and a $10 million HUD Section 108 loan to support the redevelopment. Hemingway Development is working with the city on the project, and intends to build office, lab, and warehouse space that will house up to 360 jobs.

- Hartshorn Road
  HUD funding was critical to local efforts to assemble and prepare three contiguous sites into one parcel for redevelopment near Hartshorn Road, just off Euclid Avenue in East Cleveland. At least two dozen century-old apartment buildings and 31 single-family homes (Figure 5) on the site were demolished by the Cuyahoga County Land Bank in September 2011, using $900,000 received from the HUD Neighborhood Stabilization Program (NSP), a HUD component of ARRA. Long abandoned, these buildings deterred investment despite their proximity to the booming University Circle area just one mile away. Local officials maximized Federal funding by choosing a local construction team, which hired eight East Cleveland residents to salvage reusable bricks and vintage wood from the buildings.[20] As a positive reinforcement to the project, a 39-unit senior citizen complex will be built nearby using $5.3 million in HUD NSP funding.[21]

Relation to Partnership Principles

The projects along the Euclid Avenue Corridor demonstrate how targeted Federal resources can be leveraged to attract other State, local, and private support for revitalization. These efforts offer a range of benefits directly related to the Partnership's six principles, as outlined below:

Figure 5: Abandoned properties on Hartshorn Road, off Euclid Avenue in East Cleveland, attracted crime and deterred investment before their demolition. [Source: Google Maps.]

Provide More Transportation Choices

- The HealthLine immediately exceeded ridership expectations in its first year. In 2011, it recorded approximately 4.5 million riders.
- Along Euclid Avenue, 518 of the 726 curb parking spaces were relocated to more strategic locations, freeing up room for the first dedicated bike lanes in the city and making the corridor more pedestrian-friendly.[22] The five-foot-wide bike lanes extend between CSU and Case Western University. "For the first time in Cleveland's history, residents have a safe route to bicycle between our two largest centers of employment and education," said Mayor Jackson at the time of their opening in 2008.[23] The new bike lanes are well used, and bicycle counts at the Euclid and Chester Avenue intersection in the

University Circle area increased by 90 percent between 2006 to 2010. Counts tripled at Euclid Avenue and East 40th Street in MidTown during the same period.[24]

- "Complete street" design policies mean that Euclid Avenue can accommodate a wider range of users and lifestyles, which also supports multi-generational residential living (i.e., "aging-in-place"). The HealthLine also meets stringent rail standards for accessibility for people with disabilities.

Promote Equitable, Affordable Housing

- In downtown Cleveland, housing construction and development continued despite the recession; $911 million in development has broken ground since the 2008 downturn.[25]

- Cleveland has had particular success meeting the pent-up demand for downtown rental apartments. Many of these apartments were fully leased before their construction was completed and 96 percent of downtown apartments are now leased. High downtown apartment occupancy as well as CSU's effort to transform itself from a commuter to a residential campus indicate residents' strong interest in living along the corridor.

- Several senior housing developments have broken ground along Euclid Avenue in MidTown and East Cleveland.

Enhance Economic Competitiveness

- The HealthLine improved transit service along the corridor, providing an economic engine to attract development and support key employment centers along Euclid.

- The HealthLine motivated the city to invest $10 million in infrastructure improvements in a long-neglected corridor, making further development possible.

- Coordinated investments by the Partnership agencies focused on maintaining employment and business activity along Euclid Avenue and within the city core rather than in undeveloped, outlying areas.

Supporting Existing Communities

- City-led efforts to attract residents have primarily focused on removing obstacles to commercial development.[26] Nonprofit organizations such as MidTown Cleveland, Inc. are also working to encourage a range of housing investments so that neighborhoods will grow into diverse and lively places.[27]

- As part of the HealthLine construction, GCRTA planted 1,500 trees along Euclid to improve the appearance of the corridor. Crosswalks, berms, and a landscaped median also ensure the safety of HealthLine users.

Coordinate Policies and Leverage Investment

- The $200 million initial BRT investment attracted at least $4.3 billion in development investment and generated $25 million in BRT operations revenue from private sources for naming rights.

- Private development interest due to the new transit line has made EPA investment in brownfields and HUD investment in economic development and housing more successful. Public and private development has also attracted a large ridership base for the HealthLine.

Summary

Though reversing 50 years of decline along Euclid Avenue is a challenging endeavor, initial Federal investment in the HealthLine has helped focus investments on community development and environmental improvements in one of Cleveland's central corridors. Federal investment enabled redevelopment efforts to build off one another, leading to transformative outcomes in terms of livability and economic development. The Partnership aims to emulate Cleveland's success elsewhere by leveraging multiple funding streams to support locally driven economic development and revitalization. In the meantime, Euclid has become a showcase avenue once again, representing the city's and the community's vision of a vibrant and competitive location for high-tech innovation and a high quality of life.

All images included in this document were drawn from publicly accessible sources, which are fully referenced below.

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