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# **Chapter 1**

## **INTRODUCTION**

## OVERVIEW

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The retail sector is a major focal point of any community. First, it is the most visible land use; its physical configuration and condition are critical in projecting a city's image. Second, the economic health of a city is often associated with the ability of its business districts to thrive and remain prosperous. Finally, retail stores serve the important function of maintaining the social character of a community by creating a sense of place where residents can satisfy their consumer needs and encounter other neighborhood residents. This so-called "marketplace" function is critically important to community vitality.

The dynamic nature of retailing in Northeast Ohio is evidenced by frequent announcements of store closings, new construction, and concerns about the impact of both. Although retail development projects are generated by the private sector, public officials are often requested to provide assistance in the form of rezonings, transportation and infrastructure enhancements, or financial assistance such as tax abatement.

The changing nature of the retail industry is having profound implications on the land use patterns of Northeast Ohio. Older communities are experiencing under-utilization and vacancies in storefronts along major retail corridors, thereby resulting in loss of local retail services, decreasing tax revenues and urban blight. At the same time, newer suburban and outlying areas continue to encounter retail development which has often led to substantial traffic congestion, the need for costly infrastructure improvements and degradation of land, air and water quality.

## PROJECT BACKGROUND

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Traditionally, shopping in urban America occurred in central business districts and secondary urban commercial and rural town center districts. The first major change was the development of the community shopping center. Later, regional malls evolved which were located outside the downtown and secondary commercial districts. These changes were part of the migration of consumers from the central city to the suburbs.

Recently, new types of retail enterprises have significantly accelerated the pace of change in retail patterns. These new types are larger stores with more diverse merchandise lines, including "category killers", warehouse clubs and supercenters. These retailing forms require larger tracts of land for both store structures and parking.

These newer retailers, which have taken market share from smaller traditional retailers by building in fragmented markets, are predicted to keep increasing their market shares and are now invading the grocery store and department store markets. While some smaller stores are responding by increasing their inventories, offering a range of goods and higher levels of personal services, others are not surviving. Communities are then left with storefronts which are less marketable, resulting in lower rents, marginal uses and increased vacancies.

The mobility of shoppers has also dramatically lessened the need for communities to be self sufficient in retail activity. The region's interstate highway network allows the residents of most of the municipalities of the study area easy access to numerous shopping opportunities. The evolution of the Internet has provided

an even easier venue to purchase a wide array of products. In the upcoming decade, technology will provide retailers with other options which could change commercial land use patterns in the region.

As a result of these concerns, the Cuyahoga County Planning Commission, in conjunction with the Planning Commissions of Geauga, Lake, Lorain, Medina and Portage Counties and the City of Cleveland, has prepared this assessment of northeast Ohio retail patterns for the region's metropolitan transportation planning organization, the Northeast Ohio Areawide Coordinating Agency. The study provides the information, tools and strategies that public officials, private citizens and retail developers can use to enhance the viability of older retail districts, mitigate the effects of new retail development, intelligently manage land development, protect environmental values and maximize the limited public resources available for infrastructure investment.

## STUDY AREA

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Throughout the course of the study, the terms "Northeast Ohio" and the "Greater Cleveland area" are used interchangeably. The study area is comprised of 195 communities in Cuyahoga, Geauga, Lake, Lorain, Medina and Portage Counties. Although Summit County initially indicated an interest in the project, officials ultimately chose not to participate. Nevertheless, the northern portion of Summit County, encompassing an additional 16 communities, was included due to its relevance to the Greater Cleveland retail market. *Map. 1.1* illustrates the study area as well as the municipalities included in the inventory and analysis.

## PROJECT GOALS

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The goals of this project are to assess the dynamics of retailing in the Northeast Ohio region and to determine the linkages among retail development, land use, transportation, tax base and the environment. Specifically, the study examines:

### Land Use

- Inventories retail establishments, by type and size, in the entire region;
- Assesses national retail trends which may impact local communities;
- Determines the supply and demand for retail uses by trade area;
- Analyzes the impact of new and proposed retail projects with respect to demand; and
- Recommends guidelines for municipalities to use for managing retail development issues.

### Transportation

- Provides information regarding transportation improvements often required as a result of new retail development;
- Analyzes accessibility to major retail nodes;
- Assesses traffic generation and parking demand as a result of retail development; and
- Addresses adequacy of public transit routes with respect to existing and proposed retail development.

### Tax Base

- Examines the economic importance of retail to the tax base of various levels of government;
- Compares the economic impacts of retail development to other land uses;
- Compares employment generation of retail centers; and
- Determines the amount of city services and personnel required as a result of new retail development.

### Environment

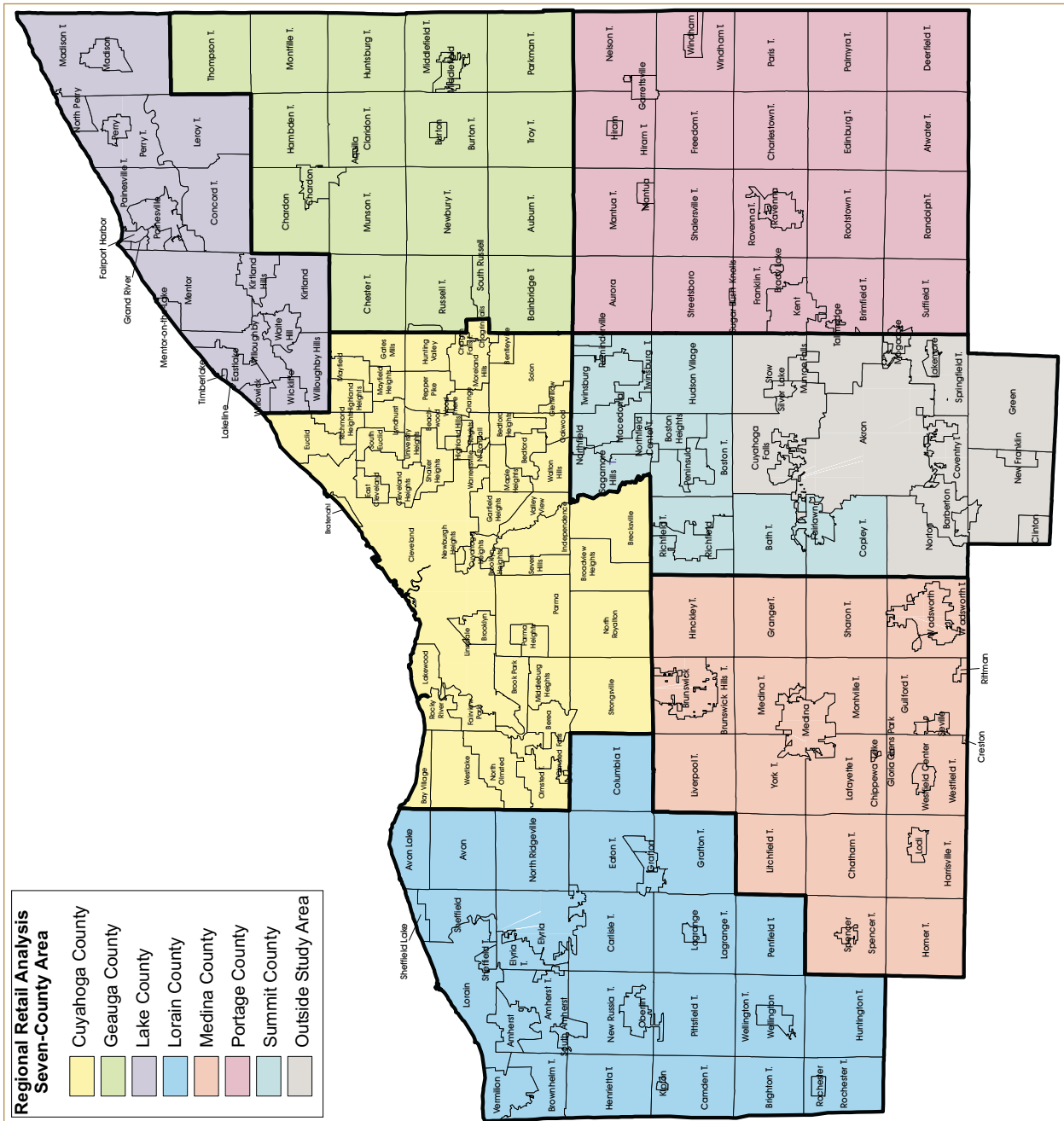
- Projects the amount of build-out if all vacant land in the region already zoned for retail was developed;
- Quantifies the impacts of auto-dependent retail development on air and water quality;
- Examines the amount of stormwater runoff generated by both existing and proposed retail development, by watershed; and
- Analyzes the impact of retail homogenization trends on community character and appearance.

## FUTURE ACTIONS

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**T**his report is not intended to serve as a retail development plan for the region. Recognizing that zoning decisions are made at the local level, the material in this report should be used by officials as a framework to assess the merits and drawbacks of retail projects. Moreover, it should also be noted that since retail development often has major ramifications which extend beyond community borders, careful assessment of potential transportation and environmental impacts by regional infrastructure agencies should be part of the development approval process.

The data compiled during this study should be used as a tool to assess the needs of specific geographic areas. Analyzed further, the data could be used to pinpoint specific types of businesses or even specific retailers which could fill a need in a particular area and to help pinpoint new opportunities for private sector investment.■



**Map 1.1. Regional Retail Analysis, Seven-County Area**

SOURCE: Cuyahoga County Planning Commission