

Greater Cleveland's First Suburbs Consortium: Fighting Sprawl and Suburban Decline

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Abstract

This article addresses the problems of older suburbs bordering central cities; these suburbs are now experiencing many of the same symptoms of decline as the central cities themselves. We analyze this issue by recounting the experience of the inner (or first) suburbs of Cleveland and the First Suburbs Consortium (FSC), which was formed in 1997 to counteract sprawl in the metropolitan region. We analyze the impact of FSC both on its suburban members and also on state policies affecting older suburbs.

FSC can point to several programs that it has developed to improve housing and commercial development among its 16 members. It also has joined with other similar Ohio suburbs to advocate and to lobby for changes in state policies (so far unsuccessfully) to provide more assistance to older suburbs. Nevertheless, FSC has been recognized as a national role model.

Keywords: Development/revitalization; Smart growth; Sprawl

Introduction

On April 23, 1996, representatives of three of Cleveland's oldest suburbs—Cleveland Heights, Shaker Heights, and Lakewood—met to discuss their common problems; this meeting led to the formation of the First Suburbs Consortium (FSC). This article will discuss the evolution and impact of FSC during its first decade. The reason for choosing FSC and Greater Cleveland's older suburbs as a case study is that FSC has been recognized as “the leading case example—not necessarily in terms of chronology, but in its accomplishments and the role it plays as a model” among coalitions in the Midwest (Puentes 2006, 58). It was featured as a model in meetings of suburban leaders, mostly from the Midwest, that were convened by the Brookings Institution in 2000 and 2002 (Puentes and Orfield 2002; Puentes 2006). FSC has now been in existence for more than a decade, so it is useful

to assess how much progress it has made in addressing the issues that originally led to its creation (Northeast Ohio FSC 2001; Ott 2006d). As David Rusk (1999) has suggested for central cities, this includes both programs aimed at directly benefiting member cities and external organizing and advocacy activities in the state. The FSC experience can provide lessons for other similar first suburban coalitions in the Midwest. Puentes (2006) notes that such organizations are more prevalent in metropolitan areas there than in other regions because of fragmented governance structures and first suburbs that are under more stress.

That first meeting focused on sprawl in a metropolitan region where Cleveland, the central city, and increasingly its inner-ring suburbs have experienced long-term losses of population and jobs. The meeting was triggered by the realization on the part of Cleveland Heights City Councilmember Ken Montlack that the Ohio Department of Transportation's construction of express lanes on the interstate highway in the eastern suburbs of Cleveland was yet another catalyst for development beyond cities like his. Even in a region that was not growing overall, sprawling development in northeast Ohio was fueled by new roads, which helped more residents and employers move outward. The mayors of the three inner-ring suburbs and some civic activists concerned about symptoms of suburban decline believed that state transit and tax policies were not treating older suburbs fairly. One of FSC's major goals was to influence the state to change this pattern.

Symptoms of decline in the city of Cleveland Heights and in many of its neighboring suburbs included a loss in population as more affluent residents moved to newer, outer suburbs; problems in the public schools; signs of deterioration in the aging housing stock; the decline of older retail strips and shopping malls; the loss of businesses; and a rise in lower-income households. This pattern, long associated with central cities such as Cleveland, has been recognized nationally (Hudnut 2003; Lucy and Phillips 2000; Puentes and Orfield 2002). In September, 2003, former Indianapolis mayor (and minister) William Hudnut III spoke about these problems to members of Future Heights, a Cleveland Heights civic group working to support efforts by the city to revitalize its commercial districts: "I'm trying to preach a believable hope here that, through policy changes and intervention, the flight of blight from urban neighborhoods into these first-tier suburbs can be stemmed" (Ott 2003, B7).

Cleveland's inner suburbs: Growth and decline

According to historian James Borchert (1987), the history of Cleveland's Cuyahoga County suburbs has five overlapping periods:

1. The urban ring, 1850–1900
2. Electrified streetcars and the first suburban rings, 1890–1930
3. Urban decentralization and the first automobile suburbs, 1920–1950
4. Automobile suburbs and suburban supremacy, 1950–1980
5. Freeway construction and in/out county developments, 1970s–1990s

During its growth as an industrial city from just after the Civil War to just before World War I, the city of Cleveland annexed some adjacent villages and townships. But for various reasons, East Cleveland and Lakewood (incorporated in 1911), Shaker Heights (incorporated in 1912), and Cleveland Heights (incorporated in 1921) all rejected annexation, which contributed to making Cleveland landlocked. These suburban cities saw their greatest growth during the two decades from 1910 to 1930. In 1930, Cleveland had 75 percent of the population of Cuyahoga County; in 1950, just before post–World II suburbanization, it had 65 percent. Aided by federal support for highways and new housing subdivisions and the restrictive insurance policies the Federal Housing Administration imposed on housing in city neighborhoods like those in Cleveland, the suburbs grew rapidly, fueled by out-migration. By 1970, a majority (62 percent) of the county population resided in the suburbs rather than in Cleveland for the first time.

The city's share of the county population continued to decline steadily, dropping to 34 percent in 2000. However, Cuyahoga County's total population eventually declined as well, from a peak of 1,721,300 in 1970 to 1,393,978 in 2000—a drop of 19 percent.

Northeast Ohio FSC grew from its original three founders to 16 member cities in 2005 (figure 1). Between 1980 and 2000, these cities cumulatively lost 11 percent of their total population, with East Cleveland suffering the highest loss (26 percent). (Tables 1 and 2 show the changes experienced by these and other regional cities.)

Racial segregation, which was characteristic of Cleveland and many other older industrial cities of the Midwest and Northeast, carried over into the suburbs as blacks began to break the suburban color barrier, largely in Cuyahoga County's eastern inner suburbs. For example, the cities of East Cleveland and Warrensville Heights resegregated as whites fled in large numbers. By contrast, the cities of Cleveland Heights and Shaker Heights become national models of racial integration and diversity (Keating 1994).

Figure 1. FSC, Cuyahoga County

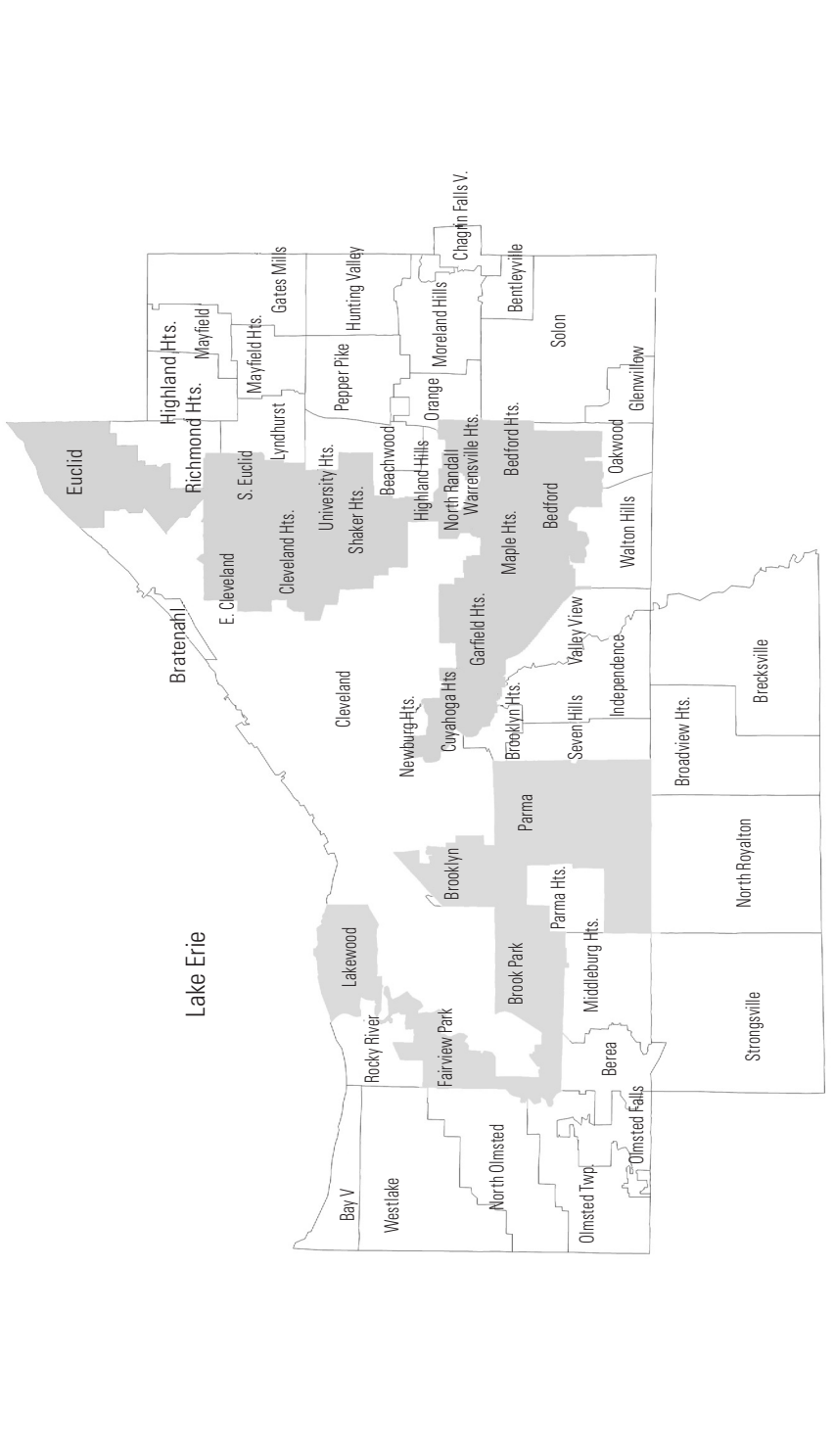


Table 1. Change in Population, Poverty Rate, and Number of Households for First Suburbs and Selected Cities, 1980 to 2000

	Population in 2000	Percent Change, 1980 to 2000	Percent Black in 2000	Percent Point Change, 1980 to 2000	Percentage of the Population below Poverty in 2000	Percent Point Change, 1980 to 2000	Household in 2000	Percent Change, 1980 to 2000
First suburbs								
Bedford	14,214	-5.6	17.6	17.4	7.6	4.1	6,659	15.2
Bedford Heights	11,375	-13.9	67.4	40.8	7.6	2.5	5,119	-6.6
Brook Park	21,218	-19.0	2.0	0.9	4.6	1.2	8,193	5.8
Cleveland Heights	49,958	-11.5	41.8	16.9	10.6	3.1	20,913	0.1
Cuyahoga Heights	599	-18.9	0.0	0.0	5.7	2.0	261	-3.3
East Cleveland	27,217	-26.4	93.4	6.9	32.0	9.4	11,210	-24.5
Euclid	52,717	-12.1	30.6	23.0	9.7	3.7	24,353	-4.5
Fairview Park	17,572	-9.0	0.6	0.6	4.1	0.4	7,856	2.2
Garfield Heights	30,734	-12.0	16.8	2.6	8.5	2.6	12,452	-1.4
Lakewood	56,646	-8.6	2.0	1.7	8.9	2.6	26,693	-1.3
Maple Heights	26,156	-12.0	44.3	41.1	5.9	1.1	10,489	-2.6
Parma	85,655	-7.4	1.1	0.7	4.9	1.9	35,126	5.1
Shaker Heights	29,405	-9.5	34.1	9.7	6.9	3.5	12,220	-4.2
South Euclid	23,537	-8.5	21.4	19.2	4.5	1.3	9,542	1.4
University Heights	14,146	-8.1	20.6	11.0	5.8	1.7	5,163	-0.7
Warrensville Heights	15,109	-8.8	90.4	15.5	11.4	5.4	6,325	-5.3
Total	476,258	-11.4	25.9	10.4	8.8	2.7	202,574	-1.7
Balance of the Cuyahoga suburbs	439,317	13.4	3.5	1.8	3.6	0.4	178,245	28.2
Selected regional cities								
Mentor (Lake County)	50,278	19.5	0.6	0.5	2.7	-0.1	18,797	37.7
Avon (Lorain County)	11,446	58.1	0.7	0.6	1.9	-2.1	4,088	92.5
North Ridgeville (Lorain County)	22,338	3.8	0.9	0.4	3.2	-0.4	8,356	30.2
Brunswick (Medina County)	33,388	18.8	0.7	0.4	4.6	1.7	11,883	46.0
Medina (Medina County)	25,139	64.7	2.8	-0.1	5.7	0.1	9,467	70.5
Twinsburg (Summit County)	17,006	122.8	8.7	7.5	2.1	0.1	6,641	168.2
Total	159,595	31.0	1.9	1.2	3.5	0.1	59,232	54.4

Sources: U.S. Bureau of the Census 1980a, 1980b, 2000a, 2000b.

Table 2. Change in Household and Housing Characteristics, 1980 to 2000

	Median Household Income in 1999	Percent Change, 1980 to 2000	Housing, Median Year Built ^a	Housing Percent Owner-Occupied	Housing, Median Value in 2000	Percent Change, 1980 to 2000
First suburbs						
Bedford	\$36,943	80.6	1951	60.1	\$92,400	89.0
Bedford Heights	\$37,861	94.6	1962	53.1	\$109,800	88.3
Brook Park	\$46,333	89.6	1959	83.6	\$112,400	88.9
Cleveland Heights	\$46,731	125.1	1926	62.1	\$109,500	112.6
Cuyahoga Heights	\$40,625	101.5	1949	74.7	\$115,400	113.3
East Cleveland	\$20,542	72.4	1915	35.5	\$67,700	154.5
Euclid	\$35,151	95.3	1948	59.5	\$90,800	74.6
Fairview Park	\$50,487	135.2	1950	73.2	\$136,000	108.3
Garfield Heights	\$39,278	100.8	1951	79.9	\$87,900	96.2
Lakewood	\$40,527	135.6	1918	45.2	\$117,900	113.6
Maple Heights	\$40,414	102.4	1951	83.8	\$85,000	86.8
Parma	\$43,920	101.5	1954	77.5	\$113,500	90.1
Shaker Heights	\$63,983	125.8	1936	64.9	\$201,600	130.1
South Euclid	\$48,346	115.8	1950	83.9	\$106,600	79.2
University Heights	\$61,635	143.4	1941	75.1	\$136,400	106.0
Warrensville Heights	\$37,204	92.0	1952	48.0	\$87,100	85.7
Total	\$41,602	107.1	1950	65.1	\$105,230	90.4
Balance of Cuyahoga suburbs	\$55,607	126.1	1967	76.6	\$162,618	124.7
Selected regional cities						
Mentor (Lake County)	\$57,230	126.0	1972	87.5	\$147,400	120.0
Avon (Lorain County)	\$66,747	187.4	1982	88.3	\$178,700	181.9
North Ridgeville (Lorain County)	\$54,482	117.5	1973	88.8	\$129,500	105.9
Brunswick (Medina County)	\$56,288	122.4	1975	80.6	\$136,000	110.5
Medina (Medina County)	\$50,226	154.0	1977	66.3	\$141,900	114.4
Twinsburg (Summit County)	\$61,638	156.9	1988	77.3	\$170,100	169.6
Total	\$56,587	131.7	1975	81.8	\$142,956	119.9

Sources: U.S. Bureau of the Census 1980a, 1980b, 2000a, 2000b.

^a Values for first suburbs were calculated from county auditor records.

In 1974, Cleveland Heights and Shaker Heights were leaders in the formation of the Cuyahoga Plan, which was intended to promote fair housing and racial diversity throughout the suburbs (Keating 1994). Upon the plan's demise three decades later (2004), most of the county's predominantly white suburbs remained racially segregated. There were exceptions among FSC member cities in the eastern suburbs, where the black population was as follows: Bedford, 18 percent; Bedford Heights, 67 percent; Euclid, 31 percent; Garfield Heights, 17 percent; Maple Heights, 44 percent; South Euclid, 21 percent; and University Heights, 21 percent. Cleveland Heights and Shaker Heights saw their black populations increase to 42 percent and 34 percent, respectively, in 2000 (see table 1). In that same year, a total of 137,708 blacks comprised 15 percent of the county's suburban population, mostly concentrated in the eastern suburbs (Northern Ohio Data & Information Service n.d.).

Government fragmentation has been a hallmark of Cuyahoga County, which has 58 suburban cities, villages, and townships; numerous school districts, courts, and library districts; and several single-purpose authorities. County voters have rejected several past attempts to enact a Cleveland–Cuyahoga County government consolidation.

Because the population of many of the first suburbs has fallen (in part due to smaller households) (Mikelbank 2006), so too has public school enrollment. This has led to school reorganizations and closings. Ohio's school financing system relies heavily on local property taxes, which are capped to prevent automatic inflation adjustments, so school districts must regularly seek voter approval for operating and capital expense increases. Despite several Ohio Supreme Court rulings that the system is inadequate, unfair, and unconstitutional, repeated efforts at major fiscal reform have been thwarted by the state legislature. Between 1980 and 2000, many of the school districts in the first suburbs (Euclid, Fairview Park, Garfield Heights, Maple Heights, Parma, and South Euclid–Lyndhurst) had more than half of their school tax levies rejected by voters. This pattern continued through 2005.

In some of the first suburbs, many parents send their children to private schools. Also, the population has aged considerably. These factors, combined with high local property and income taxes, have contributed to rejection of school levies by the voters. This has been exacerbated by the state's establishment of mandatory student proficiency tests in 1999. According to these test scores, the school districts in the first suburbs have fared poorly compared with those in newer and more affluent suburban school districts. The First Ring Superintendents Collaborative, representing the school districts in 13 FSC suburbs, has protested the rating criteria used by the federal No Child

Left Behind program, asserting that it treats them unfairly (O'Donnell 2006). The school districts in the first suburbs also have had to address the problem of increasing numbers of disadvantaged students, as well as racial disparities in test scores, enrollment in advanced academic tracks, graduation rates, and disciplinary actions.

In "Rating the Suburbs," *Cleveland Magazine's* 2006 Cuyahoga County suburban education rating, Shaker Heights was the highest rated of the FSC members—12th out of 48 districts (up from 14th in 2005). Except for Brook Park and Fairview Park, the school districts of the other FSC members were rated in the bottom 20. Because the reputation of the public schools is a key factor in attracting new residents and retaining households, and in gaining support for tax levies, the problems of the public schools are of great concern in the first suburbs.

Finally, most of the first suburbs have experienced the loss of businesses and jobs, with a corresponding weakening of their tax base. Manufacturing has relocated from some of these suburbs, and in others, older shopping malls and retail strips have declined in the face of competition from new malls featuring big box anchor stores. These changes have increased the already high property tax burden for residents (Shaker Heights has the highest tax rate in Ohio, followed closely by Cleveland Heights and Lakewood). For the first suburbs, declining tax revenues mean reduced public services, making these communities less attractive than the outer suburbs.

Evolution of the Northeast Ohio FSC

FSC's 16 members had a combined population of 476,000 in 2000 (52 percent of the county suburban total and 35 percent of the overall county total) (table 1). In the beginning, the original three FSC members secured funding from the George Gund Foundation to supplement member fees and support a part-time staffer. By the end of 1997, its membership had increased from 3 to 11 suburbs.

That year, FSC sounded themes and addressed issues that reflected its concerns about out-migration, aging real estate and infrastructure, and disinvestment. Two examples were opposition to the widening of the major highways that pass through Cuyahoga County and opposition to the use of state enterprise zone incentives to promote economic development in newer, as opposed to older, communities. In both cases, FSC argued that these policies disadvantaged its members without any offsetting benefits targeted to their needs. As of 2006, FSC was still trying to achieve these changes in state policy.

To limit sprawl, FSC advocated preserving farmland. While the state did enact legislation authorizing counties to institute such a policy, thus far it has had little impact on new development in outlying areas of the metropolitan region. In 2000, Ohio voters approved a statewide bond issue that provided funding for farmland preservation, park expansion, and brownfields clean-up and reuse. FSC endorsed this measure, but to date its members have seen almost no direct benefit from it. Nevertheless, it could be argued that FSC has helped raise public consciousness about the impact of sprawl on the older suburbs, even though its influence on the legislature has been limited by its modest visibility and representation.

Housing

In addition to advocacy, FSC has instituted innovative programs to help its members. For example, in 1998, FSC received funding from the George Gund Foundation, in cooperation with the Cuyahoga County Treasurer, to support the creation of a “link-deposit” program with local banks to provide below-market financing of repairs and improvements for older homes in the county. As of August 2007, the Housing Enhancement Loan Program (or HELP) had facilitated 6,650 loans totaling more than \$86.5 million, with a significant proportion going to homeowners residing in FSC member communities. The Cuyahoga County Treasurer also created the Heritage Home Loan Program to support low-interest loans for the preservation of historic homes in 16 eligible communities. Through August 2007, a majority of these 300 loans were made in the three original FSC member cities (Cuyahoga County Treasurer’s Office n.d.).

In 2000, FSC launched an initiative aimed at modernizing the part of its housing stock that had diminishing appeal. Initially, this included bungalows but later shifted to the conversion of two-family rental properties into condominiums. Cleveland Heights and Lakewood are experimenting with this approach. The first suburbs have shown concern about the decline in the quality of their housing and the increasing number of lower-income residents, particularly tenants and home buyers with marginal incomes. Symptomatic of the decline have been an increase in the rental of private units by the Cuyahoga Metropolitan Housing Authority (CMHA) (Ott 2004f) and a marked increase in foreclosures and vacant houses (Ott 2004b). These patterns reflect a softening of the real estate market in parts of the first suburbs. Suburban mayors have demanded that CMHA ensure better maintenance of its units and better tenant behavior and quicker processing of foreclosures

to promote faster sales of vacant properties (Ott 2005a). An agreement to promote this end was signed by CMHA and 17 older suburbs in March 2006 (Ott 2006b).

The Cuyahoga County Development Department has initiated a mixed-use rental assistance program to provide low-interest loans to help landlords remodel apartment buildings in the first suburbs for moderate-income tenants (Ott 2004c).

Concern about appearances has led the first suburbs to take steps to prevent real estate blight. Cleveland Heights, for example, has strict housing code enforcement, including mandatory point-of-sale inspections and repair escrows. Its nonprofit Home Repair Resource Center (2008) has provided assistance to lower-income homeowners for more than 30 years. To abate a public nuisance, Cleveland Heights and some other first suburbs will make exterior repairs if owners fail to do so and then file a lien for repayment upon sale. Further, in 2006, Cuyahoga County provided financial assistance to Shaker Heights for its nuisance abatement program (Kurdziel 2006).

Some suburbs have considered the use of eminent domain to purchase abandoned homes, repair them, and then sell them (Ott 2004d). Parma is the latest FSC member to mount a major effort to fight blight, an effort combined with the development of new single-family homes (Ott 2005c). Several first suburbs provide financial assistance to first-time home buyers. All of these programs are designed to prevent the type of blight that has characterized numerous urban neighborhoods, including many in the city of Cleveland, and to encourage responsible homeownership.

Economic development

In 2001, FSC formed a First Suburbs Consortium Development Council (FSCDC) whose purpose is to enhance the economic development capacity of its members and to foster cooperation among members, regional agencies, county and state government, and financial institutions (2003). Start-up funding was provided by the Cleveland and George Gund Foundations and major banks and utilities. FSCDC maintains a one-stop shopping Web site that lists developable properties in the first suburbs (Ott 2006a) and is working on a regional purchasing network for products and services (Ott 2006c). FSCDC has spearheaded the adaptive reuse of the housing demonstration project mentioned earlier (the conversion of two-family rental properties into condominiums).

New housing

The first suburbs have been at a disadvantage compared with the outer suburbs in competing for people seeking new housing. The first suburbs are essentially built-out communities with little undeveloped land. Therefore, existing structures must be demolished so major new housing development projects can be built. This involves extra cost and may engender significant opposition if eminent domain is required. Nevertheless, the first suburbs know that they must increase market demand to remain competitive. This is particularly true of the bedroom suburbs.

Many of the first suburbs have been promoting new housing development in the form of mostly small-scale projects on vacant parcels. By 2005, for example, Cleveland Heights had 12 new residential projects—a total of 393 units, representing a total investment of more than \$110 million, either completed or under way. When all are completed and occupied, the city estimates a property tax gain of almost \$3 million annually, even though 6 projects have been granted property tax abatements of 50 to 80 percent for 7 to 11 years as an incentive (Cleveland Heights, Department of Planning and Development 2005). All of these projects except one involve a small number of units.

Not all new housing development projects in the first suburbs have been welcome, as is clear from the following two examples. The first was a combined 16-unit condominium town house and single-family housing project located on a vacant but wooded parcel in Shaker Heights and named South Park Row. This upscale housing fit in with the city's 2000 strategic investment plan to promote economic development. However, neighbors opposed the project, arguing that its negative effects (increased traffic congestion and noise and a drop in their property values) offset its positive assets. When the city approved the site plan in May 2002, the opponents organized a city-wide referendum to overturn the approval. This referendum was rejected in November 2002 by a 2-to-1 margin. Some of the neighboring residents then sued to halt construction in November 2003, arguing that the size of the project violated their deed restrictions (Santana 2003). They failed to win an injunction, and construction proceeded. This project can be considered a success. However, it illustrates the challenges that can face a developer when neighbors object on NIMBY ("not in my backyard") grounds, even though nobody was being displaced.

The second example involves the city of Euclid, which has for a long time seen factories close and industry leave. In 2003, the Providence Missionary Baptist Church of Cleveland proposed to build a new church and also sponsor a 110-unit housing development on a long-vacant parcel zoned for light

industry. This project was opposed by the newly formed Euclid Awareness Committee, which argued that the existing zoning should be maintained even though there were no prospects for industrial use. The committee opposed the tax-exempt church and questioned the likely market for the housing. In a city that has experienced a significant racial change, some claimed that the real basis for the opposition was the fact that the congregation was black.

After the Euclid City Council voted 5 to 4 to approve the necessary rezoning, the committee launched a referendum to overturn this approval, and in November 2004, Euclid voters narrowly rejected the rezoning for both proposed uses. The church sued the city, claiming that the zoning violated the federal Religious Land Use and Institutionalized Persons Act. Because the city could not afford to defend a losing case, a settlement that would allow the church to proceed was soon announced (Ott 2004g).

The settlement triggered a recall effort by the committee, first against the entire city council, but later restricted to the incumbent mayor, who defeated the recall in July 2005 (Wagner 2005). This saga, involving a referendum, a federal lawsuit, a political campaign to recall a mayor who supported a major development project that would displace nobody, and charges of racism illustrate the type of divisive controversy that can split a community and jeopardize the political future of elected officials who support new large-scale development.

Commercial development

Cleveland's inner-ring suburbs are primarily bedroom communities. Only a few FSC member cities (Brook Park, Euclid, and Parma) have or have had major industrial plants. Instead, the first suburbs have sought offices and medical and educational facilities, in addition to the customary retail strips (that typically date back to the streetcar era). As Cleveland's population moved outward to the suburbs after World War II, shopping centers began to develop.

Decades after their construction, many of the shopping centers/malls in Cleveland's older suburbs are facing challenges as they struggle to adapt to changing demographics and retail patterns and competition from newer malls. With the population declining in the older suburbs, more online shopping, and the rise of freestanding big box stores, they have had to adjust. Several have seen the decline of major department stores and the departure or merger of older national retailers that served as anchor stores. According to Sobel et al. (2002), there are increasing numbers of underperforming "greyfield" malls.

Examples of the decline of older malls in FSC member cities include the Euclid Square Mall (Euclid), Severance Town Center (Cleveland Heights), Shaker Town Centre (Shaker Heights), and Westgate Mall (Fairview Park). All have undergone or are undergoing renovation. Euclid Square, at one point virtually empty, has been converted for use by small vendors (Ott 2004a). Severance Town Center, once a premier covered mall adjacent to the Cleveland Heights City Hall, post office, housing projects (including two under construction), and other facilities, was converted in 1998–1999 to a “power center” featuring a Wal-Mart and a Home Depot. While this conversion has proved successful, Severance Town Center has since been sold twice (Thomas 2004).

Shaker Heights has underwritten improvements to help the owner of Shaker Town Centre (located near its city hall and library) reconfigure. The anchor grocery store has also undergone a major renovation. In addition, the city purchased and demolished an older housing project next to the mall and is providing assistance to the developers of a new housing project (a mixture of condominiums, town houses, and a high-rise for senior citizens) on the site. In Fairview Park, the Westgate Mall is also being reconfigured. These examples underscore the importance of the malls to their cities, which can ill afford to see them decline.

Mixed-use redevelopment

Perhaps the best-known example of the attempt by an FSC member city to promote redevelopment was the West End project in Lakewood, an early streetcar suburb of Cleveland. Facing the prospect of continuing to lose population and business to newer western suburbs, the mayor proposed a new mixed-use project bordering one of region’s metroparks in the west end. The aim was to increase the city’s tax base to maintain services and the public schools through new, more expensive housing and upscale retail. The project was inspired partly by an FSC study of commercial and retail conditions within its member cities. The city of Lakewood agreed to pay for necessary infrastructure improvements through tax increment financing.

To proceed with the project, the developer needed to purchase the 700 apartment units and 54 single-family homes on the 20-acre site. While the landlords and most homeowners agreed to sell voluntarily, 13 homeowners refused and organized a campaign to stop the development. When the city invoked eminent domain to force these holdouts to move, they argued that their homes were not “blighted,” as a study by the city claimed, and that the

benefits of the proposed development would not be as positive as claimed. Aided by lawyers from the Institute for Justice, a national organization opposed to the use of eminent domain for economic development (Sartin 2003), and a CBS *60 Minutes* report by Mike Wallace favoring the holdouts and injurious to the mayor's position (Trickey 2004), the holdouts mounted a referendum campaign to overturn the city's authorization for the project. In November 2003, the referendum passed by only 47 votes, defeating the West End project and ousting the incumbent mayor.

Ironically, in the summer of 2003, the same mayor had announced another project named Rockport Square, which has proceeded without the controversy surrounding the West End proposal. However, in this case, the mixed-use condominium, shop, and office project was developed on a vacant site involving no relocation and no opposition from neighboring residents and businesses. The city is providing infrastructure improvements through tax increment financing, as well as property tax abatements for condominium purchasers (Sartin 2004).

Lakewood's experience in mixed-use redevelopment provided a warning to elected officials in other first suburbs. The use or threat of eminent domain for economic development that would result in the relocation of homeowners, while upheld by the U.S. Supreme Court in June 2005 (in a challenge to a New London, CT, redevelopment project argued by the Institute for Justice),¹ can result in very divisive politics and possibly jeopardize the political future of those in local government who support it, no matter how persuasive the fiscal arguments may be.

Despite this example, the FSC member suburbs of South Euclid and University Heights are supporting the reconfiguration by private developers of adjoining 50-year-old strip retail centers into a mixed-use project, with the aim of making them more competitive and increasing the tax revenue they generate. In the case of South Euclid, the mayor announced that, if necessary, the city would invoke eminent domain, in this instance affecting commercial owners and tenants (Ott 2005b). However, this proved to be unnecessary.

¹Kelo v. City of New London, 126 U.S. 2655 (2005).

Central-city–suburban politics in Cuyahoga County

While an FSC goal is to influence state policies to benefit Ohio's older suburbs, there are issues close to home that also affect their future, namely, their influence on the county and their relations with the city of Cleveland. A notable example of their position came in the 1990 countywide referendum that enacted "sin taxes" to pay for the Gateway project—a new baseball stadium and basketball arena for the area's professional franchises in downtown Cleveland. Although suburban voters approved the taxes, Cleveland voters rejected them. Cuyahoga County also helped fund the Gateway project (Keating 1997). In the political campaign aimed at providing the necessary funding, the mayor of Cleveland and the Cuyahoga County commissioners were much more prominent than suburban mayors. Gateway has provided no direct benefit to the suburban residents of the county. Instead, any fiscal benefits go to the city of Cleveland, despite the opposition of its voters.

A notable change occurred in 2003, when discussions concerning the financing of a new convention center to be located in downtown Cleveland were under way. Unlike the Gateway case, the suburban mayors banded together as discussions about the financing and location of a new facility or the modernization of the existing center progressed amid great controversy. When a county tax that was proposed to finance a convention center was broadened to include funding for neighborhood redevelopment in Cleveland (at the behest of the then city council president, now mayor), the suburban mayors, in return for their endorsement, demanded and eventually won inclusion of county economic development funding so their constituents would receive tangible benefits. When the mayor of Cleveland withdrew her support for the proposed ballot measure in late summer 2003, the entire proposal collapsed. In 2006, the county increased its sales tax solely to finance a convention center and medical mart.

What is significant about this episode is that the suburban mayors became major players. Their demands have made it likely that a county economic development fund will eventually become a reality. This idea was supported by the mayor of Cleveland, together with 28 suburban mayors and two suburban city managers, in January 2006 (Breckenridge 2006).

A statewide FSC and smart growth in Ohio

FSC's main advocacy goal is to influence state policy. Realizing in 1998 that it could not do this alone, FSC invited officials from the older suburbs in the Columbus, Cincinnati, Dayton, and Toledo areas to meet in Shaker Heights to determine whether a statewide coalition was in order. Those

attending agreed that they had similar problems and that the state was a key factor. The meeting sparked the formation of the First Suburbs of Central Ohio and the First Suburbs of Southwest Ohio. The three groups work together on issues of common interest (First Suburbs Consortium 2001). In 2002, the FSCs of Northeast Ohio and Central Ohio jointly published *Ohio's Aging Communities: A Call for State Attention*, which stated: "Aging inner-ring suburbs have been overlooked in the State's efforts to revitalize cities.... Ohio's mature communities need help from the State. Policies in place in Ohio inadvertently contribute to the decline of aging suburbs" (Ohio First Suburbs Consortium, 1–2).

This report called for numerous changes in state policy to help older suburbs. In 2003, the Ohio FSCs encouraged the state to adopt the following policies:

1. Create a tax credit for the rehabilitation of homes more than 40 years old
2. Require state funding to focus specifically on maintaining the existing infrastructure
3. Replace the estate tax revenue local governments are losing as a result of federal and state tax reform legislation
4. Change the state's constitutional requirement that gas tax revenues be directed only toward highway spending
5. Revise the enterprise zone tax incentive program to restrict these zones to truly distressed areas

Although the FSC groups have advocated for these changes and lobbied the state legislature for the past several years, none has yet been adopted. However, it must be acknowledged that during this period, the Ohio governor's office and the legislative majority have represented conservative politics in which there has been little interest in addressing the problems of the central cities, dominated by liberal Democratic politicians, and their older suburbs. Therefore, the FSC failure to achieve these changes in state policies to date is hardly surprising.

In 2003, FSC supported the formation of Greater Ohio, a statewide initiative led by the creator of EcoCity Cleveland (and an original supporter of FSC) to "protect the countryside and Ohio's natural resources" and to "support the redevelopment of existing communities" (Greater Ohio 2006)—a smart growth policy patterned after efforts in other states. To the extent that Greater Ohio achieves policy successes, it will reinforce the efforts of the Ohio FSC groups as well.

Conclusion

Cleveland's older, inner suburbs are experiencing some of the same symptoms of decline that have long characterized the city and many other similar central cities. These include a decaying infrastructure; a declining population with out-migration of people and businesses to newer, outer-ring suburbs; struggling retail centers; less than excellent public schools (at least in the eyes of the residents who must vote for levies); and the appearance of deteriorated and vacant, abandoned housing. The inner suburbs usually lack the assets of central cities such as Cleveland, which are still centers of major corporate activity and which have hospitals and universities, and major cultural, entertainment, and sports attractions that generate revenue. Unlike unincorporated areas, the inner suburbs receive little assistance from the county. Unless they qualify directly for federal assistance (e.g., Community Development Block Grant funds), they receive only modest funding from the state through the Local Government fund.

The response of FSC member cities is unusual because despite a balkanized political climate, they have chosen to cooperate rather than continue to operate separately and compete. This has required leadership on the part of their mayors, as well as financial support from foundations, banks, and the county. Their efforts have been recognized as a national model by the Brookings Institution's Center on Urban and Metropolitan Policy (Ott 2004e). Their problems and responses led the National League of Cities to establish a First Tier Suburbs Council, which was chaired in 2006 by Daniel Pocek, mayor of the FSC member suburb of Bedford.

Rusk (1999) considers urban revitalization strategies in terms of an "inside game" and an "outside game." The inside game focuses on action within a local government's sphere of control, such as neighborhood redevelopment. He argues that the inside game alone is a losing strategy for declining cities. Success requires that it be matched with an outside game involving regional or metropolitan strategies to strengthen the urban core. The latter is a much more difficult undertaking because it involves cooperation among governments, particularly to help the central city. There are few successful, ongoing examples of regional governments or policies that have benefited declining central cities or inner suburbs.

During its first decade, FSC and its members have done much in terms of the inside game. Member suburbs have created and participated in programs to rehabilitate and better maintain existing housing, promote new housing, improve retail districts and reconfigure shopping malls, provide incentives

for economic development, and create joint purchasing procedures for commonly used products and services. Yet, despite these successful initiatives, the trend toward sprawl, out-migration, and disinvestment continues.

Thus, the first suburbs must play the outside game, mainly aimed at changing state policies that keep them at a disadvantage. While there has been little tangible change so far, the very existence of FSC and the presence of its representatives and those of other similar inner-ring suburbs in the state capital have raised awareness of their concerns and the hope that a more responsive state government will eventually act accordingly.

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