

9 Economic Development

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9.1 Introduction

The economy of Painesville Township has changed dramatically in the past four decades. Much of the heavy manufacturing and chemical-based industry that drove the economic engine of the township – and much of the region – is now gone. Today, Painesville Township is a predominantly residential community, with a small industrial tax base, and limited commercial development. One major challenge the township will face is finding its new economic role.

The Economic Development element identifies goals and objectives that will address the well being of Painesville Township – its communities, businesses and residents – in a local and regional economic context. It includes analysis of the local economy assessing its strengths and weaknesses in terms of the scope and character of the local employment base, the relationship between the local labor force and local opportunities for employment, and an assessment of current and future needs of the community.

The 1996 Painesville Township Comprehensive Plan did not address economic development. The intent of the Economic Development element in this plan is to promote a sustainable economy that would increase the employment and tax base, and the diversity and quality of retail services and districts, with the intent of using those features to further define the identity and “sense of place” of the township.

9.2 Economic influences

The Cleveland area maintained its industrial passion through the Depression, and was not severely affected. World War II became a catalyst for a wide upswing in employment, and an increase in the presence of heavy industry in Painesville Township. The area along the Lake Erie shoreline from Fairport / Painesville Twp. border to Conneaut became industrialized with chemical manufacturers, and would come to be known as the “Chemical Shore.” In 1954, durable goods production, such as machinery, primary metals, and transportation were at their peak. The 1960 Lake County Comprehensive Plan anticipated an industrial boom, designating large portions of land near the Lake Erie shoreline, I-90 and the Lakeland Freeway for future industrial development. In the 1960s, Lake County’s leading industries included machinery, rubber, fabricated metals, and printing and publishing.

At its peak, 3,000 workers were employed at Diamond Alkali facilities in the township; when it closed on 31 December 1976, 1,200 employees were affected. Many other heavy manufacturing operations shut down in the 1970s and 1980s, cutting the township tax base and leaving brownfields behind. Many other factories would close in the following years. Uniroyal Chemical ceased operations in June 1999. A few heavy industrial operations, such as Lubrizol, continue to prosper to this day. However, industrial uses no longer dominate the township economy.

Beginning after WWII up until the 1960’s, Painesville Township began to function as a suburb to the City of Painesville. Small houses were built to house returning veterans and growing baby boomer families. Township residents usually worked in downtown Painesville, or in one of the many factories or plants in the city or township. As was the case with larger cities, new shopping plazas along Mentor Avenue in Painesville Township drew attention – and shoppers – away from downtown Painesville.

In 1961, Great Lakes Mall opened in the City of Mentor. Other retailers were drawn to the Great lakes Mall area, and the US 20 corridor in the city. Good accessibility and a convenient location in a then-rapidly developing area ensured that the US 20 commercial corridor in Mentor would be a prime location for retailers. Unfortunately, retail development in Mentor helped play a role in the decline of the City of Painesville and Painesville Township as retail destinations.

With residential subdivisions spreading further east into Lake County, and small manufacturing operations building facilities along the Lakeland Freeway corridor (SR 2), Painesville Township began to function not just as a suburb of Painesville city, but as a suburb of Cleveland.

9.3 Desired types of businesses

In the resident survey that was conducted by Lake County Planning Commission staff, written comments related to retail uses and shopping in the township were almost entirely negative. There is some irony reflected in the survey responses; many comments stated that “Painesville Township shouldn’t become another Mentor”, yet that city is the major destination for consumers in the township. Residents want to spend their retail dollars in the township, but some may be wary of the effects that come with retail development, mainly increased traffic and noise. Residents are generally not asking to see Painesville Township become a major retail destination; they are looking for quality stores and restaurants in an attractive, convenient setting in the township; something that isn’t there now.

Ohio Senate Bill 18, passed in 2004, is seen as stripping the authority of townships to zone for the purposes of “comfort, convenience, prosperity and general welfare,” which may opens the door to development that exceeds the ability of available infrastructure and natural resources to support it. However, it gives townships the right to adopt architectural regulations. Specific building materials cannot be regulated, but any other aspect of building and site design and aesthetics can be controlled. Architectural standards, if adopted, will require high quality building design that offers a positive impression of the township and its businesses, and help reinforce a “sense of place.”

9.4 Retail leakage

Retail leakage is the difference between actual and potential retail sales in a community, or the amount of retail sales lost to other communities. A smaller area of retail floor space per Painesville Township resident, versus Lake County as a whole, is evidence of some retail leakage, although the exact amount cannot be determined without a detailed retail study.

Table 9.1
Retail space (ft²) 2000 - food and other consumable products
Painesville Township and nearby communities

Community	Supermarkets	Other food	Food service	Drugs	Other convenience goods	Total square feet	Square feet/resident
Concord Township	0	13,290	56,500	8,600	8100	86,490	5.66
Fairport Harbor	0	11,035	20,236	0	12,264	43,535	13.69
Grand River Village	0	2,800	23,356	0	0	26,156	75.81
Madison Township	44,300	7,902	108,035	19,482	72,554	252,273	16.28
Madison Village	0	16,898	26,622	0	7,941	51,461	17.62
Mentor-on-the-Lake	62,506	9,668	36,642	8,960	10,342	128,118	15.76
Mentor	137,775	163,295	386,374	77,396	672,757	1,437,597	28.59
Painesville	0	45,066	67,430	18,462	90,725	221,683	12.67
Painesville Twp	115,556	16,390	91,334	18,320	64,892	306,492	20.38
Perry Village	0	3,575	2,430	0	10,357	16,362	13.69
Perry Township	18,716	7,280	6,342	0	29,369	61,707	9.92
Lake County ft²/res	n/a	n/a	n/a	n/a	n/a	n/a	18.31

(Lake County Retail Survey)

In 2000, the Lake County Planning Commission, in conjunction with other county planning agencies in the Cleveland area, prepared an inventory of local retail patterns for the region’s metropolitan transportation planning organization, the Northeast Ohio Areawide Coordinating Agency (NOACA).

Painesville Township has a slightly larger amount of retail space per person devoted to food, convenience products and other consumable goods, likely making up for the lack of supermarkets in the City of

Painesville; 20.38 square feet for every township resident versus 18.31 square feet for every county resident (Table 9.1) .

Painesville Township has only 9.05 square feet of retail space per person devoted to durable goods – department stores, appliance stores, furniture stores and the like – compared to 19.44 square feet of such retail space per county resident (Table 9.2).

Table 9.2
Retail space (ft²) 2000 - shopping goods and durable consumer products
Painesville Township and nearby communities

<i>Community</i>	<i>Department stores</i>	<i>Other general merchandise</i>	<i>Clothing and shoes</i>	<i>Other shopping goods</i>	<i>Furniture</i>	<i>Total square feet</i>	<i>Square feet/resident</i>
Concord Township	0	0	0	75,400	0	75,400	4.93
Fairport Harbor	0	0	2,668	0	3,000	5,668	1.78
Grand River Village	0	0	0	2,500	0	2,500	7.25
Madison Township	19,105	81,941	6,690	18,732	35,456	161,924	10.45
Madison Village	0	1,000	750	7,594	954	10,298	3.53
Mentor-on-the-Lake	0	0	0	10,393	0	10,393	1.28
Mentor	1,043,856	198,031	334,146	254,492	563,003	2,393,528	47.61
Painesville	0	29,702	3,600	16,438	50,361	100,101	5.72
Painesville Twp	0	39,324	6,580	53,320	36,912	136,136	9.05
Perry Village	0	0	0	5,546	0	5,546	4.64
Perry Township	0	0	0	5,337	7,200	12,537	2.02
Lake County ft²/res	n/a	n/a	n/a	n/a	n/a	n/a	19.44

(Lake County Retail Survey)

The township has more than twice the amount of retail space per person devoted to motor vehicle related uses than the county as a whole; 15.44 square feet for every township resident versus 7.52 square feet for every county resident (Table 9.3).

Table 9.3
Retail space (ft²) 2000 - motor vehicle related uses
Painesville Township and nearby communities

<i>Community</i>	<i>New auto sales</i>	<i>Used auto sales</i>	<i>Auto parts sales</i>	<i>Auto repair</i>	<i>Gas stations</i>	<i>Total square feet</i>	<i>Square feet/resident</i>
Concord Township	1250	0	8639	26880	3959	40728	2.67
Fairport Harbor	0	0	0	6218	0	6218	1.96
Grand River Village	0	0	0	0	0	0	0.00
Madison Township	22670	14136	24216	7292	17838	86152	5.56
Madison Village	0	0	8750	2300	4925	15975	5.47
Mentor-on-the-Lake	6600	0	7828	3176	1192	18796	2.31
Mentor	268509	5378	48645	64312	41257	428101	8.51
Painesville	28319	0	31043	24266	3989	87617	5.01
Painesville Twp	86059	64750	23410	50750	7243	232212	15.44
Perry Village	0	0	0	1500	0	1500	1.26
Perry Township	3800	4751	1600	11820	4368	26339	4.23
Lake County ft²/res	n/a	n/a	n/a	n/a	n/a	n/a	7.52

(Lake County Retail Survey)

The township has just 1.66 square feet of retail space per person devoted to indoor recreation compared to four square feet per county resident (Table 9.4).

Table 9.4
Retail space (ft²) 2000 - indoor recreation
Painesville Township and nearby communities

Community	Enclosed amuse-ments	Social halls	Total square feet	Square feet / resident
Concord Township	5,400	0	5,400	0.35
Fairport Harbor	0	4,664	4,664	1.47
Grand River Village	0	0	0	0.00
Madison Township	13,511	3,800	17,311	1.12
Madison Village	0	4,138	4,138	1.42
Mentor-on-the-Lake	15,742	4,160	19,902	2.45
Mentor	178,347	104,800	283,147	5.63
Painesville	16,447	5,616	22,063	1.26
Painesville Twp	21,197	3,720	24,917	1.66
Perry Village	0	0	0	0.00
Perry Township	0	0	0	0.00
Lake County ft²/res	n/a	n/a	n/a	4.00

(Lake County Retail Survey)

The township has less than half the amount of space per person devoted to miscellaneous retail uses than the county as a whole; 2.84 square feet for every township resident versus 6.35 square feet for every county resident (Table 9.5).

Table 9.5
Retail space (ft²) 2000 - miscellaneous uses
Painesville Township and nearby communities

Community	Lodging	Funeral homes	Animal hospitals	Training schools	Business services	Unidentified	Total square feet	Square feet / resident
Concord Township	899	0	2,800	2,040	0	6,379	12,118	0.79
Fairport Harbor	0	3,845	0	5,235	0	4,675	13,755	4.33
Grand River Village	0	0	0	1,400	2,772	3,660	7,832	22.70
Madison Township	4,748	3,548	936	0	962	6,906	17,100	1.10
Madison Village	0	4,762	5,312	6,540	2,112	0	18,726	6.41
Mentor-on-the-Lake	0	0	0	0	2,880	13,892	16,772	2.06
Mentor	208,509	11,915	9,778	39,318	146,231	36,320	452,071	8.99
Painesville	0	10,743	0	10,053	5,628	15,304	41,728	2.38
Painesville Twp	11,480	0	6,400	7,500	800	16,454	42,634	2.84
Perry Village	0	0	0	0	0	0	0	0.00
Perry Township	8,200	0	0	0	2,347	3,000	13,547	2.18
Lake County ft²/res								6.35

(Lake County Retail Survey)

The City of Mentor, the sixth largest retail center in Ohio, is just west of Painesville Township. Retailers in Mentor that offer products not available in Painesville Township, or in a more attractive setting, draw shoppers from Painesville Township and the surrounding area.

As Mentor pulls in retail dollars from Painesville Township residents, conditions along the US 20 (Mentor Avenue) retail strip in the township could actually be pushing shoppers away. Most retail centers and buildings along US 20 were built before 1980, potentially lacking aesthetic amenities found in newer developments in other communities.



Fig. 9.1: Mentor Ave. Commercial Development

The US 20 redevelopment project, renovations to the County Fairgrounds, storefront renovations, the new Giant Eagle shopping center east of Fairgrounds Road, and a new shopping plaza at US 20 and Wellesly Boulevard, east of the Mentor City line are leading the charge to reinvent the image of the corridor within Painesville Township.

In the east side of Painesville Township, light industrial uses and mechanical commercial uses hug North Ridge Road (US 20) just east of the Grand River. Retail space once occupied by a Giant Eagle supermarket, in a shopping plaza on the northwest corner of the Bacon/US 20 intersection, is now filled by an antique market. There is no supermarket that serves the fastest-growing, most affluent and most family-oriented part of the township. The closest supermarket is an IGA store in Perry Township, about two miles (3 kilometers) east of the North Ridge/Bacon/Bowhall intersection. The township has been and will continue to be aggressive in promoting this area for a grocery store.



Fig. 9.2: Mentor Ave. Commercial Development

Major barriers to retail development in Painesville Township include:

- *Mentor* – One of the largest retail centers in Ohio is next door, and retail businesses tend to agglomerate, working together to capture a potentially large customer base.
- *Madison* – The presence of a Wal-Mart Supercenter will attract other national retailers to that township. As in Mentor, retail uses tend to group.
- *Lack of land* – most commercial zoned land along Mentor Avenue inside the township is developed. Examine rezoning some industrial land to planned office/commercial zones.
- *Minimum parking requirements* - small, shallow commercial parcels along Mentor Avenue are difficult to develop or redevelop if a large number of parking spaces are required for a use. The potential buildable area (building envelope) of a lot may be very small, and development or redevelopment becomes unfeasible.
- *Return on investment* - clearing and redeveloping a retail site, or retrofitting an existing obsolete shopping center, may not be as lucrative as building new on a greenfield beyond the township.

These challenges will be very difficult to overcome, unless there is the will to reinvent commercial areas in the township. A major commitment to make commercial districts in the township attractive and unique must be made, to create a retail environment that will not only curb retail leakage and draw customers from beyond the community, but also create a unique identity for the township. Actions can include, but not be limited to:

- *Creating a pedestrian-oriented environment for Mentor Avenue.* Amend the zoning resolution, to require commercial buildings along Mentor Avenue to be placed on the sidewalk by the street, rather than placed behind a large parking lot. The commercial area of Mentor Avenue through the township should be more than just an extension of the commercial strip from the City of Mentor. The US 20 redevelopment program will help to achieve this goal.

- *Making small parcels more attractive for development and redevelopment.* Reduce parking requirements for commercial uses on existing smaller parcels, and provide for a minimum building envelope that will make developing a small property economically feasible.
- *Beautifying commercial districts in the township.* Implement strict sign and architectural design regulations. Ban billboards. Implement a five to ten year amortization period, allowing billboard and business owners to amortize and replace their older nonconforming signs. Prohibit fluorescent, garish, excessively dark, or excessively vivid or bright primary colors on building walls. Place public art installations at highly visible locations.
- *Re-evaluating minimum parking requirements.* Lowering minimum parking space requirements may make outparcel development more feasible at older shopping centers. Land now occupied by unused, potholed parking lots could be developed and occupied by new retail uses. Parking lot reuse is occurring at the Great Lakes Mall and Shoregate Shopping Center.
- *Promoting a lively streetscape in the Lakeview Bluffs project.* Amend the zoning resolution to only retail and commercial uses that generate a high level of customer traffic throughout the day to occupy pedestrian-friendly areas.

These concepts are discussed further in the land use element.

9.5 Economic development incentives

Retailers establish a business at a location because a market exists for a product or service they offer. Incentives are not required to lure a new retail business, and few government agencies in the United States offer direct incentives to retailers. However, they may fund general improvements such as streetscape beautification and new infrastructure, to create an environment that is more attractive to retail businesses. Tax increment financing (TIF) districts, where improvements are funded with bonds that are paid back from the revenue of increased property taxes directly resulting from those improvements, are also used to fund improvements that will attract retail development. A TIF district should be considered for the Mentor Avenue area and the proposed Lakeview Bluffs development, funding improvements such as landscaping, sidewalks, improved access management, and acquisition of underutilized and decrepit commercial properties.

Use of incentives and other government assistance, such as property acquisition through eminent domain, should not be directed at specific retail businesses. Such incentives amount to a local government subsidy of a retailer that will compete with established merchants, giving it an unfair advantage in the marketplace. Incentives should not be offered to national retailers that would probably be established in the community even if such a benefit were not offered. Incentives should also not be offered for retail projects that may hurt shopping districts in surrounding communities.

Economic development funds should be used to make an area more attractive to retail businesses through infrastructure or streetscape improvements, nonconforming sign removal, façade restoration in older pedestrian-oriented business districts, or retrofitting a vacant or dying retail center into a more pedestrian-oriented urban village or upscale lifestyle center.

If offered, industry recruitment and incentive efforts should be concentrated in the skilled manufacturing sector – especially business sectors that are growing, and which have an established agglomeration in the area; for example, aircraft parts, medical equipment, and precision machinery. These types of businesses, which usually offer high salaries to their workers, may be attracted to the region where there is an agglomeration of like manufacturers, and an available pool of skilled workers. Incentives for low-end and/or relocation-prone businesses, such as call centers, should be strongly discouraged.

Incentives should only be considered when a business offers jobs with an average salary at or above the median per-capita income, the business does not potentially harm the environment or quality of life for residents, outstanding architectural and site design are used, and property owners would not be burdened

with a tax increase or reduction in services resulting from the incentive. Incentives used to lure industrial and professional employers from other communities in the region, with a zero-sum gain outcome for the area, is strongly discouraged. Luring employers from other communities in the region should only be considered when it would be impossible for them to expand at their existing location, and a new site in Painesville Township would allow the business to grow and increase their workforce.

9.7 Smart growth and economic development

Recognizing the importance of economic development issues and their role in smart growth, in 1997 the Local Government Commission developed a set of 14 principles specifically focused on economic development. The Ahwahnee Principles for Economic Development promote the following.

1. **Integrated approach.**
2. **Vision and inclusion.**
3. **Poverty reduction.**
4. **Local focus.**
5. **Industry clusters.**
6. **Wired communities.**
7. **Long-term investment**
8. **Human investment.**
9. **Environmental responsibility.**
10. **Corporate responsibility.**
11. **Compact development**
12. **Livable communities.**
13. **Distinctive communities.**
14. **Regional collaboration.**

9.7 Goals and objectives

Each primary paragraph (in bold type) is a statement of a goal. The subparagraphs are objectives for implementing the goal. Some of these goals and policies are duplicated in the Land Use element.

ED-1 Smart growth principles will be part of the foundation for economic development in Painesville Township.

- ED-1-01 Sound long-term planning principles, including the concepts embodied in the Ahwahnee Economic Development Principles, will guide economic development in Lake County.
- ED-1-02 Seek a long-term investment strategy that builds on local competitive advantages, protects the natural environment, increases social equity, and is capable of succeeding in the global marketplace.
- ED-1-03 Take part in a larger, regionally coordinated economic development planning strategy, which includes businesses, officials and residents from the township and surrounding areas.
- ED-1-04 Work to reduce poverty by supporting regional economic development efforts towards worker training and recruitment of businesses that offer employees the opportunity to be elevated into the middle class, rather than low-skill, low-wage jobs that perpetuate poverty.

- ED-1-05 Encourage businesses that draw on local advantages to serve local and national markets.
- ED-1-06 Evaluate publicly supported economic development programs, and incentives on their long-term benefits and impacts, rather than on short-term job or revenue increases.
- ED-1-07 Ensure equitable public economic development investments, which prioritize infrastructure and supportive services that promote the vitality of all local businesses or an industry sector, rather than individual businesses.
- ED-1-08 Direct economic development investments towards non-polluting or green industries that maintain or improve, not harm, the environmental and public health of the township.
- ED-1-09 Both locally-owned and out-of-town businesses should participate in the stewardship of the community, by respecting and protecting the built and natural environment; providing workers with good pay and benefits, and a good work environment; and promoting local culture.
- ED-1-010 Ensure economic development incentives and investment are directed towards projects that practice outstanding site and architectural design, which do not exacerbate urban sprawl or the deterioration of the semi-rural character of the township.

ED-2 High-quality commercial development will be encouraged to serve the needs of local residents and create a balanced tax base.

- ED-2-01 Discourage lowest-common-denominator development – poorly designed commercial buildings and sites, and low-end commercial uses. Avoid a mindset of “any development is better than no development at all.”
- ED-2-02 Encourage the redevelopment and/or retrofitting of underutilized but otherwise ideally located shopping centers into new village centers.
- ED-2-03 Consider the use of tax increment financing (TIF zones) to fund improvements to the Mentor Avenue/US 20 commercial corridor that will increase property value and market desirability, such as utility line burial, identity and public art programs, access management improvements, sidewalks, sign removal, and landscaping improvements.
- ED-2-04 Work to make smaller parcels more attractive for development and redevelopment. Reduce parking requirements for commercial uses on existing smaller parcels, and provide for a minimum building envelope that will make developing a small property economically feasible.
- ED-2-05 Beautify commercial districts in the township. Implement strict sign and architectural design regulations. Ban billboards. Implement a five to ten year amortization period, allowing billboard and business owners to amortize and replace their older nonconforming signs. Strengthen and enforce property maintenance standards. Prohibit fluorescent, garish, excessively dark, or excessively vivid or bright primary colors on building walls. Place public art installations at highly visible locations.
- ED-2-06 Work to provide a wide range of goods and services to residents and businesses throughout the township by encouraging appropriate retail development in areas where demand warrants it, infrastructure supports it, and it will not hurt adjacent residential areas. Consider rezoning an appropriate site in the eastern end of the township for a new, high-quality supermarket.

ED-3-07 Use financial incentives and government programs only to help revitalize existing but threatened retail districts, or pursue opportunities for development in new pedestrian-oriented urban villages. Do not use incentives and programs for individual retailers or to promote conventional auto-oriented retail development that would normally occur without such incentives.