



## 62.4 Report: Profile on Urban Health and Competitiveness in Akron, Ohio

Greater Ohio Policy Center

January 2016

## **Acknowledgements**

This Study was made possible by support from the John S. and James L. Knight Foundation. This Study was primarily researched and written by Torey Hollingsworth, Researcher, and Alison Goebel, Deputy Director at Greater Ohio Policy Center.

Cover photo by Shane Wynn, courtesy of akronstock.com.

**Table of Contents**

Acknowledgements..... 1

Executive Summary..... 3

Introduction ..... 5

Methodology..... 7

    Comparison Cities ..... 7

    Quantitative Analysis and Interviews ..... 7

Findings ..... 8

    1. Shifting Economies..... 8

        Transitioning Industries and Employers..... 8

        Balancing Industry Retention and Growth..... 9

        Skills Gap and Workforce Development ..... 10

        Job Locations..... 11

    2. Economic Health of Residents ..... 12

        Trends and Indicators of Economic Health ..... 12

        Regional Context ..... 12

        Factors Contributing to Decline in Economic Health ..... 13

        Promising Initiatives..... 14

    3. Housing and Neighborhood Stability ..... 14

        Population Decline ..... 14

        Vacancy ..... 15

        Housing ..... 16

    4. Demographic Challenges ..... 17

    5. Leadership Changes and Fiscal Challenges ..... 18

        Leadership Transitions ..... 18

        Fiscal Challenges ..... 19

Recommendations ..... 20

Conclusion..... 24

Appendix ..... 25

    Data Tables..... 25

    List of Interviewees ..... 30

Notes ..... 31

## Executive Summary

Like many cities in the Midwest, Akron, Ohio has weathered a long-term decline in its traditional economic base and has had to reimagine its role in the twenty-first century economy. The city was long believed to have navigated this transition more successfully than many of its peers, but recent data analysis shows many troubling economic and demographic trends that could negatively affect the city's long-term trajectory.

Based on analysis of city-level data and interviews with local stakeholders, the "62.4 Report", titled to refer to the city's square mileage, details the city of Akron's current condition in terms of economic strength, individual and family economic health, neighborhood stability, and demographic trends. The Report focuses on Akron's assets and challenges to make recommendations for how the city can regain a competitive edge. The findings of the Report are summarized below.

**The City's Shifting Economy.** Although the decline in rubber manufacturing began decades ago, Akron is continuing to experience changes in the core industries that make up its workforce and economic base. A shift toward a health care- and education-based economy has meant that many workers who have little post-secondary education or workforce training are ill-equipped to participate in the local economy without additional training. Although promising initiatives are underway to address this skills gap, other challenges, such as regionally dispersed business locations and job opportunities, continue to make sustainable employment challenging for transit-dependent Akron residents.

**The Economic Health of Residents.** Data analysis looking at trends from 2000 to 2013 showed a troubling decline in the economic health of Akron residents across a number of indicators, including income, employment, poverty, and education attainment. The reasons for this decline are not within the scope of this Report, but continued flight of higher-income residents to the suburbs, national economic trends, and a limited community development infrastructure contribute to the challenges. Fortunately, these issues are well-known to regional leaders, and a number of promising programs are being put in place to address these challenges over the long term.

**Housing and Neighborhood Stability.** Like many cities in Ohio, Akron is still contending with the fallout from the double blow of declining population and the mortgage foreclosure crisis. Long-term housing vacancy has increased dramatically over the last decade, and a portion of the available housing stock is not in good condition or well-suited to the size and lifestyles of middle-class families. While there have been bright spots like downtown housing development and the resurgence of the Highland Square neighborhood, much work is still needed to ensure that the city's housing stock is aligned with demand.

**Demographic Challenges.** Compared to some cities of similar size and economic history, Akron has seen very little growth among young professionals and immigrants – two key demographics for the city's future trajectory. However, stakeholders are taking important steps to engage with members of those populations who are already living in the city. In particular, leadership among young professionals is one of the city's clearest assets in addressing this and other challenges.

**Leadership Changes and Fiscal Challenges.** After leading the city for nearly 30 years, Mayor Don Plusquellic resigned abruptly in early 2015. His resignation, along with the retirements of other major city leaders, signaled the end of a long-term tenure of political and civic leadership. This leadership

transition gives the city an important opportunity to consider what kind of civic leadership style is best for leading the city forward in the future. This decision will be very important in determining how well the city navigates its current challenges, including the city's difficult fiscal position.

## Introduction

In the 1990s and 2000s, Akron gained a reputation for holding a competitive edge over other legacy cities by more successfully weathering the decline of its core manufacturing economy and achieving an economic turnaround. A 2008 Brookings Institution report looked at Akron as a model of how cities could recover from the decline of their city's primary economic engine. It found that Akron's diversified economy and strong political leadership set the city apart from its peers and suggested Akron was on the road to a full turnaround from post-industrial decline.

However, Akron's comparatively strong reputation may no longer align with the situation on the ground. Recent data analysis indicates that Akron has lost its edge over cities that were similarly situated in the year 2000. Akron's challenges have not been as apparent as those in other legacy cities where, for instance, a major manufacturing plant closed or major corporate anchor moved. Instead, difficulties in Akron have emerged in a more subtle manner, leading one observer to call the city's recent trajectory "the smoothest downward escalator."

The imbalance between the overall economic success of the Akron region and the declining prospects of the city's residents and neighborhoods is the most important factor in the disjunction between the perception and reality of Akron's strength. The regional economy has continued to grow, but the picture of success is more complicated when focusing on the economic health of individuals, families, and neighborhoods in the city. A variety of indicators showing how well residents are faring economically worsened from 2000 to 2013, including unemployment, poverty, and income. While some of this decline tracks the national economic downturn over that time period—particularly following the Great Recession in 2008—Akron fared worse than the country as a whole and compared to many other legacy, or post-industrial, cities.

Akron's challenges are not limited to the economic health of its residents. The city's population continued to decline from 2000 and 2013, outpacing the rate of loss in similar cities in the Midwest and Northeast. Long-term housing vacancies grew as neighborhoods struggled to stabilize after the one-two punch of population loss and rising foreclosures. Infrastructure challenges, including a required upgrade of the city's combined sewer overflow system, threatened the city's financial health while major and abrupt changes in leadership added to a sense of political instability.

Yet as difficult as these challenges may be, they create important opportunities for the city to reexamine its course and forge a new path forward. Akron is well-positioned to confront these issues, particularly because recent changes in public sector leadership create opportunities to explore and adopt new ways of thinking and new collaborations. Existing support for young professionals and immigrants moving to the city, a growing regional economy, and new programs aiming to break the cycle of generational poverty are important bases from which the city can grow.

This Report examines the trends and conditions that impact Akron's urban health and competitiveness at this critical juncture. The Report assesses Akron's performance on a number of key indicators in the years 2000 and 2013, and compares the city's performance to that of five legacy cities that were similarly situated in the year 2000. Based on this data analysis and interviews with local leaders, the Report's findings give a sense of Akron's opportunities and challenges in regaining its competitive edge. Additionally, the Report includes preliminary strategies that the city might undertake to capitalize on its assets.

Akron is at a critical moment, and this period is an opportune time to act based on the findings detailed in this Report. Interviews with Akron leaders demonstrated that many are aware of the opportunity that this moment presents. Confronting the challenges detailed in this Report head-on can set the city on a strong course for the future.

## Methodology

### Comparison Cities

In order to assess Akron's urban health and competitiveness, the Greater Ohio Policy Center (GOPC) compared Akron's performance between 2000 and 2013 across a number of indicators to that of five other small- to medium-sized legacy cities.<sup>i</sup> The comparison cities are considered Akron's peers based on their size, similar histories of population and economic decline, and more recent trajectories of growth and regeneration. Legacy cities from a range of geographies and states were chosen to account for potential regional differences that may impact opportunities for growth and regeneration. The five comparison cities and their populations<sup>ii</sup> are:

- Erie, Pennsylvania, 101,324
- Fort Wayne, Indiana, 254,435
- Hamilton, Ohio, 62,350
- Syracuse, New York, 144,742
- Worcester, Massachusetts, 181,901.

All of these cities except for Fort Wayne, Indiana are also part of a larger, ongoing project by GOPC to assess policies, practices, and programs that have aided some small- and medium-sized legacy cities in returning to prosperity. The comparison cities in this Study have been identified as among the more successful smaller legacy cities in weathering the shift away from a manufacturing economy.

### Quantitative Analysis and Interviews

GOPC collected data to assess Akron and the comparison cities' urban health, focusing on four key sets of indicators:

- **City and regional economic strength**, including major employment sectors and important local industries
- **Individual and family economic health**, including poverty, income, employment, and educational attainment
- **Neighborhood stability**, including population loss and neighborhood vacancy, and
- **Demographic trends**, including the change in the foreign-born and young professional populations.

Quantitative data were collected from the 2000 U.S. Census and the 2013 American Community Survey Five-Year Estimates. Additional data on metropolitan area Gross Domestic Product in 2001 and 2013 were collected from the Bureau of Economic Analysis.

In the case of Akron, all data, except for metropolitan GDP, are for the city of Akron. Some additional data were collected for Summit County and the Akron Metropolitan Statistical Area (MSA) for comparison purposes. For full data tables and sources, please see Appendix A.

In addition to the quantitative analysis, GOPC conducted interviews with local leaders to help interpret the data and give greater context about Akron's trajectory. News stories and other reports gave further background as well. A full list of interviewees and sources can be found in the Appendix B.

Finally, GOPC's more extensive work on small- and medium-sized legacy cities provided case studies used in the recommendations section.<sup>iii</sup>



## Findings

Analyzing the four sets of indicators described above, GOPC’s assessment of Akron’s urban health and competitiveness focused on five key areas:

1. The city’s shifting economy
2. The economic health of residents
3. Housing and neighborhood stability
4. Demographic challenges
5. Leadership changes and fiscal challenges.

### 1. Shifting Economies

As with many other cities whose economies were built on manufacturing and technical innovation, Akron has seen major shifts in its economic structure over the past fifty years. The tire and rubber industries, which were long-time drivers of Akron’s economic success, went through a crisis and major reorganization in the 1980s. As detailed in the Brookings Institution’s 2008 report *Akron, Ohio: A Restoring Prosperity Case Study*, the rubber industry had mostly stabilized by the year 2000, but declined dramatically once again over the following seven years.<sup>iv</sup>

The legacy of this decline still impacts Akron’s economy today, as the city continues to forge a new economic identity out of its manufacturing past. While solid growth in the region’s Gross Domestic Product (GDP) is a positive sign for the city’s resurgence, changes in the core industries that are growing the economy have important implications for Akron’s workforce in terms of the skills needed to compete for jobs and the location of jobs within the region.

#### **Transitioning Industries and Employers:** *High-Wage Manufacturing Morphing into Low-Wage Service*

Akron and its five comparison cities—Erie, Pennsylvania; Fort Wayne, Indiana; Hamilton, Ohio; Syracuse, New York; and Worcester, Massachusetts—continued to see a decline in manufacturing both as an economic engine and a major employment sector from 2000 to 2013. All of these cities, including Akron, have seen health care, education, and social assistance organizations and professions grow in terms of employment and economic output.

**Top Industries by Percent of Workforce in Akron, 2000 and 2013 – US Census and American Community Survey**

2000 Top Industries by Percent of Workforce	Number of workers	Percent of workforce	2013 Top Industries by Percent of Workforce	Number of worker	Percent of workforce	Change in Workers	Percent Change
Educational, health and social services	20,030	20.2%	Educational services, and health care and social assistance	21,325	25.1%	1,295	24.26%
Manufacturing	18,482	18.6%	Manufacturing	11,771	13.9%	-6,711	-25.27%
Retail trade	12,106	12.2%	Retail trade	11,470	13.5%	-636	10.66%
Arts, entertainment, recreation, accommodation and food services	9,068	9.1%	Arts, entertainment, and recreation, and accommodation and food services	8,893	10.5%	-175	15.38%
Professional, scientific, management, administrative, and waste management services	8,094	8.2%	Professional, scientific, and management, and administrative and waste management services	7,989	9.4%	-105	14.63%

Although Akron's top industries for employment remained the same from 2000 to 2013, the share of the workforce falling into each of the categories has shifted, as demonstrated in the chart above. Education, health, and social services remained the largest employment sector from 2000 to 2013, and the share of the workforce in those industries rose by nearly 25 percent over that time. Manufacturing remained in the second spot, but saw a 25 percent reduction in the share of the workforce over that time. If the decline in the manufacturing share continues, it may soon be eclipsed by the retail trade for the second place spot, which had only 300 fewer workers than manufacturing in 2013.

Much of the drop in manufacturing employment occurred prior to 2000, but Sam DeShazor, the City's Deputy Mayor for Economic Development, emphasized that the industry was still an important economic player from 2000 to 2013. He believes that the decline in manufacturing jobs over that time period may have had more to do with increased mechanization than a reduction in the number of manufacturers located in Akron. Although production within the manufacturing industries remained steady or even grew, the number of employees required to produce that output declined.

Although manufacturing is still an important employment sector in Akron, big name global manufacturers are no longer the primary face of the industry locally. Goodyear Tire is the only major employer in the region whose primary business is tied to manufacturing, but the majority of its local workforce is engaged in research or management. The company's global, North American, and Latin American headquarters are all located in Akron, as is its Innovation Center. But the only Goodyear manufacturing still occurring in Akron is of its racing tires.

When looking to the future, manufacturing is not likely to be the primary growth industry for employment. In its Book of Facts, the Greater Akron Chamber of Commerce predicts that the largest growth industries over the next ten years will be primarily white collar: management, scientific and technical consulting services, computer systems design, and education.<sup>v</sup> The largest growth occupations, however, are predicted to be lower-skilled: personal care aides, home health aides, and construction workers. This disconnect between growth industries and occupations suggests that Akron may face greater economic inequality.

Changes in major industries are also reflected in the contributions by industry to annual metropolitan GDP growth. Professional services and retail were among the largest positive contributors to the change in GDP in 2013. Non-durable goods manufacturing, which includes rubber and tire production, had a small positive impact as well. Other manufacturing types, as well as sectors like construction and natural resource extraction, had a negative effect on the GDP, meaning that they held the regional economy back from achieving greater overall growth.

### **Balancing Industry Retention and Growth:** *Strong Business Retention, But Too Little Local Growth*

Akron's economy was long dominated by large corporate players that contributed to the region's growth through production and employment. With the decline of the local rubber industry, the city and other business-focused organizations have had to adjust their strategies to balance maintaining the remaining large corporate players and growing new, smaller businesses at home.

The City of Akron recognizes the value of maintaining "bedrock" corporations for their impact on employment and local morale. As a part of the "Look Ahead" program, city officials meet with companies to discuss issues they are having and what the government might be able to do to resolve

them. Through this strategy, the city hopes to be able to resolve issues before they become severe enough that a corporation might consider leaving the city.

Although important, these corporations are not the largest manufacturing employers in the city. The Deputy Mayor for Economic Development called manufacturers employing about twenty-nine people the city's "sweet spot," as they make up the majority of manufacturing jobs in Akron. Some of the decline in manufacturing jobs over the time period covered in this Report can be attributed to the difficulties these small and mid-sized firms faced during the Great Recession. Because many are suppliers to the auto industry, the auto manufacturers' financial woes and tightening credit standards were a double hit, making it hard for these small businesses to shift production in response to the crisis.

Akron is working to reclaim its heritage of innovation and the city has recognized the value in growing and retaining new businesses. There are a variety of programs to support and retain local entrepreneurs, but some interviewees expressed concerns about these programs, noting a perception that the former municipal administration was more concerned with attracting international businesses to the area than growing local entrepreneurship. There are questions about the effectiveness of these programs in supporting local business generation and in strategically ensuring that new businesses benefit the city.

### **Skills Gap and Workforce Development:** *Strong Partners and Promising Programs*

As low-skilled manufacturing job opportunities decline, workers need new or different skills to compete for jobs. A number of interviewees expressed concern about a "skills gap" in Akron – the gap between residents' current skill sets and those needed to compete in the new economy. Even in the traditional manufacturing sector, the bulk of the workforce is steadily moving toward retirement age, and few younger people are coming to the trade with the necessary skills.

There are promising efforts to combat this challenge, particularly at the county level under the leadership of County Executive Russell Pry. Summit County recently named workforce development as a priority issue and restructured its workforce strategy to better suit what local employers want and need. Summit Workforce Solutions, a nonprofit organization, has been retooled as the backbone agency for a collective impact strategy addressing workforce development needs, particularly in manufacturing and information technology. This collaborative effort at addressing the skills gap has engaged traditional and non-traditional partners, all of whom agree to share common goals and metrics for their skills development efforts.

The program goes beyond skills training by working to reframe the community's understanding of how students are best prepared for the new economy. In support of these efforts, Akron received a national designation as a "Tech Hire Community," which encourages students to gain information technology and coding skills through a variety of educational settings, from traditional four-year universities to coding boot camps. The tech hire program also helps students, particularly those from groups typically underrepresented in the tech industry, find local jobs.

There are other positive developments in workforce development in Akron. Stark State Community College, one of the major workforce training organizations in the broader region, is in discussions with Summit County about opening a local campus. Right now, the college does not have a campus in Summit County, making access to its workforce training programs difficult for Akron residents, particularly those reliant on public transportation.

**Job Locations:** *Sites on the Periphery Hard for Low-Wage Workers to Access*

Even with the right skills that match sustainable employment, workers may not be able to find opportunities within the city of Akron. Interviewees and other regional stakeholders expressed concern about the growing disconnect between the economic growth of the Akron region (broadly considered to be the three-county metropolitan statistical area) and the city itself.<sup>vi</sup> Data examining prospects for quality employment in Akron and Summit County back this up, indicating that opportunities for full-time work have grown stronger in the surrounding region than the central city. Full-time work is an important indicator of economic security, because full-time work is more likely to include long-term stability and benefits like health insurance or retirement savings. The gap between the city and Summit County in the percentage of workers who have full-time employment grew by 6 percentage points between 2000 and 2013. Although the jobless rate grew at a similar pace in both geographies during this time, the rate of full-time employment grew steadily in the county while declining in the city.

**Changes in Full Time Employment in Akron and Summit County, 2000 to 2013**– US Census and American Community Survey

	2000 % Adults Working Full Time	2013% Adults Working Full Time	Percent Change in Full Time Workers 2000 to 2013
Akron City	52.53	50.1	-4.63
Summit County	54.3	56.9	4.79
<b>Difference</b>	<b>-1.77</b>	<b>-6.8</b>	<b>-9.42</b>

The City of Akron, Summit County, and private and non-profit organizations have successfully attracted a number of new businesses to the area. A team approach to business recruitment and retention, led by former Mayor Plusquellic, has helped the region assemble a diverse toolbox to draw employers. Local leaders believe that this regional collaboration is important to employers, who want to know that there are good working relationships among governments and the public and private sectors in Akron. While these are positive and important pieces of Akron’s overall economic development strategy, the result has been that many of the new employers have chosen to locate outside of the downtown core or the city entirely. This spatially agnostic economic development strategy stems from a belief that any new business in the area is good for every part of the region, no matter the business’s location. In this view, all job locations are created equal for economic development purposes, whether in the city of Akron or in its suburbs.

This strategy creates particular challenges for low-skilled, low-income workers who may rely on public transportation to reach their jobs. The Akron region’s public transportation system is very limited beyond the central city, creating severe challenges for transit-dependent workers whose jobs are located in the suburbs. Local leaders acknowledge that this transportation gap is an important issue, but because both employees and employers are sprinkled throughout the broader region, it is difficult to create enough demand along particular routes to feasibly extend service. Fortunately, early conversations are underway between Metro Regional Transit Authority and community leaders about an upcoming redesign of the bus system that could help alleviate some of these challenges. Still, an economic development strategy that continues to encourage diffuse business siting will create ongoing challenges even as bus lines may shift.

## 2. Economic Health of Residents

While the economy of the Akron region grew from 2000 to 2013, that growth has not been reflected in indicators looking at the economic health of Akron residents. Akron ranks last among the comparison cities in all of the trends that look at individuals' and families' economic stability, including poverty rates, per capita and median household income, unemployment, and college degree attainment. Due to the Great Recession, nearly all cities nationwide saw some level of negative trend in many of these indicators over the time frame. But Akron and the comparison legacy cities all saw greater negative impacts than the country as a whole in poverty, income, and unemployment.

These negative economic trends are also reflected in the opinions of young people about the city. People who are more vulnerable to downturns in the economy are more likely to believe that things in Akron have taken a turn for the worse in recent years. The 2014 Center for Marketing & Opinion Research, LLC (CMOR) survey of young adults in Akron found that the people who believed that quality of life in the city had declined in the past five years are more likely to be female, non-white, less-educated, and make less than \$25,000 a year.<sup>vii</sup> Higher-income, white, male, and highly-educated residents were more likely to say that quality of life had improved.

### **Trends and Indicators of Economic Health:** *Troubling Trajectories for Akron Residents*

Compared to the peer cities, a number of troubling trends are particularly apparent in Akron.

- Between 2000 and 2013, the unemployment rate more than doubled, going from 4.7 percent to 9.8 percent.
- Compared to the other cities, Akron also saw a greater drop in the percentage of people working full time: Akron dropped from the third-highest percentage of people working full time out of the six comparison cities in 2000 to the fifth-highest in 2013.
- College degree attainment was also lower than in the comparison cities – only 20.2 percent of Akron residents had at least a bachelor's degree in 2013, the second-lowest percentage of any of the comparison cities.
- Akron's 16.12 percent decline in per capita income was nearly double the 8.98 percent decline in the national average per capita income.
- Akron saw the largest declines in both per capita and median household incomes among all of the comparison cities.
- Unsurprisingly, the increase in the unemployment rate and the decrease in income and full-time work have been mirrored by a rise in the poverty rate, which rose from 17.5 percent in 2000 to 27.5 percent in 2013. This growth in the poverty rate outpaces the other comparison cities except for Hamilton, Ohio; and the percentage of individuals living in poverty is greater only in Syracuse, New York.

### **Regional Context:** *Similar Trends in Summit County and Metro Area*

Although the above data is specific only to the city of Akron, similar trends play out on the county and metropolitan statistical area (MSA) levels as well. In both Summit County and the Akron MSA, the unemployment rate grew at similar levels as in the city proper, more than doubling in all three geographies from 2000 to 2013. Poverty rates have also grown at a similar pace, with the three-county Akron MSA actually seeing slightly greater growth in poverty than the city or Summit County alone. Long-term housing vacancy rose substantially in all three geographies, although the growth was slightly higher in the city than the county and MSA.

However, other indicators show greater disparities between the trajectories of the city and its surrounding region. While all three geographies saw declines in median household and per capita incomes, the city of Akron saw steeper declines than the county or MSA.

Population loss was an issue in the city and county, although the 0.2 percent loss in Summit County is negligible compared to the 8.3 percent loss in the city. The MSA, however, experienced a small gain in population over the 2000 to 2013 time frame.

**Factors Contributing to Decline in Economic Health:** *Middle-Class Flight, Skills Gap, Sparse Community Development Infrastructure, Lack of Coordinated Development*

Local stakeholders believe that a number of factors have contributed to the decline in the economic health of Akron's residents beyond the general economic downturn of the late 2000s and the continued decline of the local manufacturing industry. One of the important factors is the ongoing flight of wealthier, highly-educated people to the suburbs. Although many stakeholders believe that Akron has done a good job of attracting young professionals to the city, this group is not consistently being maintained as long-term city residents. As in many cities, struggling inner-city public school districts and a lack of appropriate housing stock lead young families with the resources to leave the city to do so.

While people with more resources leave the city, others left behind may struggle to find jobs that match their skills. The Summit County workforce program, detailed in the "Skills Gap and Workforce Development" section above, shows a great deal of promise for addressing gaps between available jobs and workers' skills. The full effects of this program will take time to bear fruit, as it was fully launched only in mid-2015. Summit Workforce Solutions has done careful organizing work to bring important stakeholders on board, but the program will need even greater levels of community visibility for long-term success.

The community development infrastructure, an important component of poverty-reduction strategies in many cities, is very sparse in Akron. East Akron Neighborhood Development Corporation (EANDC) is the only high-capacity community development corporation functioning in Akron at the moment. Because its work is focused on a particular neighborhood and the resources of all community development organizations are limited, there is a gap in the community development infrastructure throughout much of the city. Social service agencies are more plentiful, but much of the social safety net infrastructure is run through Summit County, which may, at times, detract needed attention from the city. A number of promising poverty-related programs are coming out of the county level, but these initiatives are too early into their lifespan to evaluate or bear fruit.

Stakeholders also expressed concern that the city's economic development strategies are not being leveraged strategically to maximize benefits. Multiple projects involving public spending could be better coordinated to maximize public investments. For instance, the East End project, an attractive redevelopment of the old Goodyear factory located on the edge of downtown, could have potentially catalyzed additional downtown investment if more intentionally tied to other downtown plans. While the site is not directly located in the central business district, more economic development opportunities could be generated by connecting it through a corridor or some other link to the rest of downtown.

### **Promising Initiatives:** *Collective Impact Programs Addressing Poverty and Workforce Development*

At the regional level in particular, there are a number of promising programs being put in place to address issues of poverty and economic opportunity that will take some time to bear fruit. Summit County is focused on social services and education and, as mentioned above, recently rethought its workforce development strategies. Many of the new investments are in early childhood education, public health, and cultural competencies, so the effects will take time to be apparent. Summit 2020, a comprehensive health, social service, and economic opportunity plan for the county, encompasses many promising initiatives. The county's First Things First program, which focuses on early childhood interventions, and programs by the Greater Akron Chamber of Commerce to invest in local middle schools are both developing long-term interventions for creating a stronger and healthier local workforce and citizenry.

The United Way of Summit County has recently shifted its model to focus on collective impact interventions.<sup>viii</sup> It is the fiscal sponsor and backbone organization for Bridges Summit County, a community-wide effort to address poverty. The program focuses on providing opportunities for people living in poverty and employers with a low-income workforce to better understand the impact of poverty on individuals, families, and communities. Two major employers, Akron Public Schools and Summit County government, have begun the process of putting all of their employees through Bridges' cultural competency training program, and Akron Children's Hospital has committed to doing so as well.

As with many of the Summit 2020 and education initiatives, Bridges Summit County is looking to break the cycle of generational poverty, and recognizes that the opportunities for moving families directly into the middle class have multiple challenges. Interviewees expressed a great deal of enthusiasm about the ability of all of these long-term interventions to create more opportunity for low-income people in Akron. These programs will require long-term, concentrated commitment and investments from the broader community to meet their goals.

### **3. Housing and Neighborhood Stability**

As in many legacy cities in the Midwest and Northeast, Akron's population declined dramatically between 1960 and 2000. Beyond the loss in tax revenue, declining populations create other challenges such as housing vacancy, compounding the challenges to long-term stabilization. Akron is facing three key issues that make it difficult for the city to stabilize: continued population decline, long-term housing and commercial vacancies, and a lack of available, quality housing stock. While the city and other partners have made important strides in rehabilitating downtown through catalytic investments and business retention, many neighborhoods are still in decline.

#### **Population Decline:** *Continued Loss of Residents*

Akron's rate of population loss between 2000 and 2013 is higher than in all of the comparison cities, even those that had similar rates of population decline between 1960 and 2000.

**Change in Population, 1960 to 2000 and 2000 to 2013.** - US Census and American Community Survey

	Year of Peak Population	Peak Population	1960 Population	2000 Population	2013 Population	Percent Change of Population 1960 - 2000	Percent Change of Population 2000 - 2013
Akron	1960	290,351	290,351	217,088	199,038	-25.2%	-8.3%
Erie	1960	138,440	138,440	103,725	101,324	-25.1%	-2.3%
Fort Wayne*	NA	NA	161,776	205,727	254,435	27.2%	23.7%
Hamilton	1960	72,345	72,345	60,662	62,350	-16.2%	2.8%
Syracuse	1950	220,583	216,038	147,326	144,742	-31.8%	-1.8%
Worcester	1950	203,486	186,587	172,648	181,901	-7.5%	5.4%

\* Fort Wayne has aggressively annexed surrounding areas, accounting for much of its population gain from 1960.

Although this analysis did not track the demographic make-up of the people who have left the city of Akron between 2000 and 2013, there was a perception among interviewees that many of those who left had higher incomes, creating the decline in the overall economic health of the city's residents. A few interviewees expressed concerns about how well the city of Akron had been branding itself as a good place to live. While the city has done a good job of building and marketing itself as a great place to work and play, it has done less to boost itself as a good place to live. The city has been successful in holding on to high-paying corporate jobs, but the people in those positions don't necessarily live in Akron.

On the neighborhood level, population loss is still an area of concern. According to data collected by the Greater Ohio Policy Center, the number of neighborhoods losing population faster than the city as a whole dropped slightly from thirteen out of twenty-one between 1990 and 2000 to eleven between 2000 and 2010. However, the total number of neighborhoods losing population at all rose from thirteen in 2000 to nineteen in 2010.<sup>ix</sup> Additionally, the number of neighborhoods with a higher rate of poverty than the city as a whole rose from nine in the year 2000 to thirteen in 2010. In seven of those neighborhoods, over a third of residents were living in poverty.

**Vacancy: Long-Term Vacancy Challenges**

The dramatic increase in long-term vacancies in Akron sets it apart from the comparison cities. The rate of "other vacancies," or properties that are not vacant due to regular turnover or their status as second homes, rose by 237 percent between 2000 and 2013. Notably, Akron had the lowest long-term vacancy rate among the comparison cities in 2000 but one of the highest rates in 2013.

**Long-Term Housing Vacancy Rate Change<sup>x</sup>, 2000 to 2013** - US Census and American Community Survey

	2000 "Other" Vacancy Rate	2013 "Other" Vacancy Rate	Change in "Other" Vacancy Rate	% Change in "Other" Vacancy Rate
<b>Akron</b>	<b>1.7%</b>	<b>5.7%</b>	<b>4.023</b>	<b>237.0%</b>
Syracuse	3.0%	4.4%	1.394	46.5%
Erie	2.4%	6.6%	4.249	178.4%
Hamilton	2.1%	7.6%	5.547	268.9%
Worcester	1.9%	2.1%	0.239	12.9%
Fort Wayne	2.2%	2.2%	0.018	81.9%



The state of Ohio was hit particularly hard by the national housing crisis, which began as early as 2004 in legacy cities around the state. The 2008 economic downturn exacerbated existing issues, creating a wave of vacancy and abandonment.

Despite these sobering numbers, a 2015 survey of properties in Akron by the Thriving Communities Institute (TCI) found that while 5 percent of parcels in the city were vacant structures, a much smaller portion—only 2 percent—were vacant and distressed structures.<sup>xi</sup> Compared to other cities in Northeast Ohio, TCI found that Akron had very few unsecured properties and even fewer that posed a health or safety risk. Additionally, the overall survey, which rated the condition of all properties in the city, found relatively few that warranted low grades.

The survey found a number of vacant lots, tangible evidence of the demolition program undertaken by Summit County. The county demolished almost 1,000 properties through the Moving Ohio Forward program (2012-2014), and received additional money for demolition from the Ohio Housing Finance Agency's Neighborhood Initiative Program (2014-present). It is possible that these demolition efforts are not reflected in the 2013 vacancy rate data (the most recent year available), so the current picture of long-term vacancy in the city may have changed.

Vacancy challenges are not limited to the city's residential housing stock. Suzie Graham, President and CEO of the Downtown Akron Partnership, reports that downtown office vacancy rates, which held steady through much of the Recession, have increased significantly in recent years. Some of these downtown vacancy challenges may be related to the economic development policies discussed above that do not currently have a "downtown first" policy in terms of new business siting. Spatially agnostic business siting policies can end up privileging suburban locations at the expense of existing office space downtown.

### **Housing:** *Few Options for the Middle Class*

Akron has relatively old housing stock that may create challenges for attracting and retaining residents in the city. According to the Thriving Communities Institute's report, about 35 percent of the city's housing stock is over 75 years old, and 75 percent of the housing stock was built prior to 1970. This age of housing is actually newer than in Cleveland and Youngstown, the other large cities in the region, but there is a perception that the existing stock is not keeping up with demand for what new and existing residents want.

According to Jason Segedy of the Akron Metropolitan Area Transit Study (AMATS), much of the housing stock is poised to soon hit the 100-year mark and needs significant work to remain viable. However, in many cases the value of the house is too low to justify rehabilitation. Over the time frame from 2000 to 2013, Segedy believes that the city "ran out" of well-maintained older homes that were drawing people to live in the city. Thus, Segedy notes, professionals moving to the city may be more likely to look in the suburbs for housing that suits their needs and young professionals living in the city may move to surrounding suburbs as they start families or look for larger homes.

Some new housing was built over the period 2000 to 2013, and a number of interviewees mentioned the reemergence of downtown as a residential area as one of the most hopeful and exciting trends in Akron. Still, housing built since 2000 makes up less than 5 percent of the total housing stock, and some stakeholders believe that even the new housing coming online does not really meet the desires of Akron's newer or younger residents. The highly walkable, dense neighborhood of Highland Square, a

neighborhood in the northwest part of Akron, was frequently cited as an example of what new development should strive to emulate, but so far, little of it has done so.

Urban, dense, and walkable development has proven attractive to millennials across the country, and some stakeholders believe that Akron has not done enough to create living options built on those principles. The CMOR Millennials study found that only 37 percent of millennials are “very satisfied” with their housing situation, while 50 percent are “somewhat satisfied.”<sup>xii</sup> Although the study does not ask respondents to explain the aspects of their housing situation that do not leave them fully satisfied, the survey demonstrates that there is room for improvement in meeting the desires of a key demographic.

In general, the interviewees who are focused on housing and community development believe that the city needs to refocus energy on development outside of just the downtown core. While downtown development is an important part of urban regeneration, some stakeholders believe that the previous administration’s focus on downtown housing has been at the expense of investments in neighborhoods. The relative lack of community development corporations and the city’s leadership role in development work meant that neighborhoods, with Highland Square as a notable exception, received little attention without the city pushing the agenda. One local developer noted that the city had not been proactive in using tools like tax abatements or tax increment financing to draw developers to housing development. With tools like this in place, more suburban developers experienced in building single-family homes for middle- and upper-income buyers might be attracted to opportunities in the city.

#### **4. Demographic Challenges**

Akron has seen little growth in two key demographics, young professionals and immigrants, as compared to the peer cities. Yet a number of promising efforts are underway to address these demographic challenges and insert new energy into the city through attracting and retaining new residents.

Young professionals are people aged 25 to 34 who have at least a bachelor’s degree. From 2000 to 2013, Akron saw no growth in the share of city residents who fit into this category, while comparison cities saw at least 10 percent growth in this category. Although not all millennials fit into this category, information from the CMOR Millennials survey is still useful in understanding why young professionals may or may not be attracted to Akron or choose to stay there. The survey found that 71 percent of millennials currently living in Akron had lived there their whole lives, and 68 percent of them planned to stay for at least the next two years. Only 29 percent of millennials living in the city came there from somewhere else, which helps explain the lack of growth in the overall share of the population that is made up of young professionals.

**Change in Percent of Cities' Total Populations Made Up by Young Professionals (People Aged 25-34 with At Least a Bachelor's Degree), 2000 to 2013.** - US Census and American Community Survey

	2000 Percent of Population that is a Young Professional	2013 Percent of Population that is a Young Professional	Change in Percent of Population that is a Young Professional	Percent Change in Percent of Population that is a Young Professional
Akron	3.3%	3.3%	0	0.0%
Syracuse	4.6%	5.5%	0.91	19.9%
Erie	3.2%	4.5%	1.3	41.0%
Hamilton	1.8%	2.4%	0.6	33.9%
Worcester	4.2%	5.8%	1.57	37.2%
Fort Wayne	3.3%	3.7%	0.36	10.8%

Although the share of the population made up by young professionals is relatively small, interviewees shared a perception that a growing number of young professionals are involved in leadership in the city. Torchbearers, a group connecting young professionals to leadership opportunities in Akron, has been very involved in efforts to attract and retain young people. The millennials study also found that young people feel that they can have an impact on the city, with 62.3 percent of respondents saying they felt like they could make a difference in Akron. Additionally, 41.7 percent said that they were either somewhat or very involved in the community.

The immigrant population in Akron has grown, although it still remains a relatively small portion of the city as a whole. Akron has the second lowest foreign-born population among the comparison cities, at 4.54 percent of the population. Akron also saw lower growth in the immigrant population compared to other places, with 41.9 percent growth between 2000 and 2013.

Still, the relatively small group of immigrants has had an outsized impact on the city. Much of the growth in the immigrant population has been through successful refugee resettlement programs that brought 5,000 Nepali-speaking Bhutanese people to Akron. North High School, near the North Hill neighborhood where many of the refugees have settled, is now the most diverse high school in the state of Ohio. The high school's soccer team, which includes players speaking at least five different languages, has received national attention for its diversity.<sup>xiii</sup> Akron positioned itself to build on this attention as a diverse and accepting city by passing a Welcoming City ordinance in 2015.

## 5. Leadership Changes and Fiscal Challenges

### Leadership Transitions: *Changes in Decision-makers and Leadership Culture*

The last decade, and particularly the last two years, has been tumultuous in Akron's political and fiscal history. Long time mayor Don Plusquellic resigned unexpectedly, creating a cascade of leadership changes and controversies. Luis Proenza, another high-profile community leader and the long-serving president of the University of Akron, stepped down in mid-2014. The new president has inherited a difficult financial situation at the University, and attempts to remedy it have been controversial on the campus and in the community. Other changes in corporate and community leadership have meant that Akron's long-time political and institutional establishment is transitioning out.

Most stakeholders interviewed talked about the major leadership changes that Akron has been experiencing, and many see this moment of transition as an opportunity. The change in leadership will necessarily require an honest and thorough assessment of the city's current position and its trajectory for the future. Beyond this opportunity to step back and reassess priorities and goals, some stakeholders believe that this moment of change allows for a necessary transition into a new kind of community leadership. Akron long existed under a kind of "command and control" style of leadership, exemplified by Mayor Plusquellic's singular influence over decision-making in the city. Some interviewees believe that the new generation and group of leaders waiting in the wings—made up of not just millennials but some older leaders as well—is more interested in working collaboratively to solve community problems through a networked leadership structure.

Christine Mayer, the President of the GAR Foundation, described how Akron is already working to "rebuild its community muscle." For example, young professionals programs like Torchbearers have been important in giving young leaders an opportunity to feel ownership over the trajectory of the city and find ways to make their impact. Other programs like the Knight Foundation's Arts Challenge, which is offering \$1 million annually through 2017 to promote arts programming in Akron, have been very successful in encouraging people who may not consider themselves to be community leaders to contribute ideas that can have a positive impact on the city's future. The Downtown Akron Partnership has also been intentional about engaging new leaders in a number of its projects, including the planning of a downtown public market. Additionally, collective impact projects like Summit Workforce Solutions and Bridges Summit County create important opportunities for a variety of stakeholders and community members to collaboratively address some of the biggest challenges facing the city.

While some stakeholders expressed optimism about the ability of new leaders to rise to the challenge, others were quick to note that the leadership transition will take time. As with any major transition, change can be uncomfortable and sometimes lead to tension. It will take time for trust in new leaders to be established, particularly among some long-time leaders who remain in their positions. Stakeholders working on projects to cultivate new leadership talked about focusing efforts on achieving small successes first to gain trust and prove that a new style of leadership is capable of guiding the city.

### **Fiscal Challenges:** *Reduced City Funding and Infrastructure Improvements*

The City of Akron has been facing significant financial challenges since the Great Recession. In 2009, the city was so financially strapped that it borrowed more than \$10 million to offer buyouts to about 125 employees and then laid off an additional 200 workers. The loss of state funding for local governments has compounded the city's revenue challenges, and a perceived lack of transparency in the past about the city's financial condition has led to greater concern about the city's financial health.

Like many other cities in Ohio, Akron is facing even greater fiscal challenges due to required renovation of its combined sewer line. Improvements required by the United States Environmental Protection Agency are estimated to cost \$1.4 billion, and the plan proposed so far requires ratepayers to carry the brunt of the cost even though rates have already gone up nearly 70 percent. The city has borrowed extensively to cover the costs of the project, with the city's overall debt nearing \$1 billion.

Dan Horrigan, the first new mayor of Akron elected in 28 years, has announced a commission that will look into a variety of city-related issues, including the city's financial condition.

## Recommendations

Despite the challenges outlined in this Report, Akron is uniquely well-positioned to build on the existing assets identified here and use them to correct course. Economic growth in the region, as well as new energy coming into the city through young leaders and immigrants, can be leveraged to ensure that Akron regains its mantle as a success story among cities that have faced decline. The recommendations below chart a path that Akron can follow to capitalize on these opportunities.

### **1. Strategically develop, attract, and retain local leadership**

Cities that have been successful in revitalizing after decline frequently credit savvy political, corporate, and institutional leaders in guiding the city into a new era. Often, in these cities, leaders have taken a more collaborative, networked approach to governance and have actively embraced new ideas and ways of doing things. Some cities have actively sought to attract outside candidates for important community and economic development roles, recognizing that the expertise required for some of these positions cannot always be homegrown. While these leadership transitions are not without challenges—particularly because old ways of doing things can be difficult to shed—many cities that have adopted these changes have seen positive results.

Major changes in Akron’s leadership have created an unusual opportunity for the city to invest in a new, more diverse set of leaders who can guide Akron in the coming years. Efforts like Torchbearers, the Knight Arts Challenge, and others are excellent platforms from which Akron can build an even more robust leadership development infrastructure.

#### ***Case Study: Worcester, Massachusetts***

Worcester, Massachusetts is among the highest-performing of the comparison cities on a number of indicators. Although geographic assets, like its proximity to Boston, play a role in its success, local stakeholders credit leadership changes over the past decade with much of its revival. Much like Akron today, a number of long-term community leaders retired around the same time. These changes left open an opportunity for a new set of leaders to step in, some of whom were from the community and others who were actively recruited from other cities. A number of key positions, including the mayor, city manager, and executive positions at major corporations, were filled with energetic leaders who were intentional about recruiting more talent to the city.

This new leadership shepherded the city through a decade-long process of reimagining the city’s downtown after the closure of a center-city mall—something that would have been very difficult to do under the previous leadership. Worcester stakeholders recognized that their efforts were successful due to having “the right people in the right position” who were willing to work together across sectors to focus on reinvigorating the downtown. The shift in leadership has not been without bumps, and some public sector employees in important roles have continued to focus on how the city used to operate rather than how it could function in the future. But overall, the city’s positive trajectory is tied to the willingness of new leaders to capitalize on the city’s assets and seek a new vision for Worcester’s future.

### **2. Increase coordination to maximize the benefits of public and private investments**

With limited resources, Akron must make sure that every dollar invested into the city has the maximum possible impact. This will require greater coordination among stakeholders from all parts of the city, county, and region who may be able to collaborate for greater impact. While development projects involving public funding are an important starting point, even private investments and programs that do not involve physical development should be a target for more collaborative efforts. Organizations and

entities engaged in physical, community, and economic development must coordinate not only to ensure that their efforts are not being duplicated, but also to find opportunities where they might collaborate to increase the value of their investments.

Coordination is critical in leveraging economic development and physical construction, but its value extends to other sectors as well. The Downtown Akron Partnership serves in an effective connector role for downtown, but other stakeholders are needed to serve a similar role for neighborhood and regional development efforts. Similarly, Summit County has played an important leadership role in beginning to address some of the region's challenges with respect to poverty and workforce development, but additional efforts are needed at the city level to pair these initiatives with more comprehensive community development opportunities.

***Case Study: Hamilton, Ohio***

Hamilton is one of the strongest-performing legacy cities in Ohio. One reason Hamilton is gaining population, stabilizing vacancy rates, and attracting new businesses is the coordinated efforts of the public, private, nonprofit and philanthropic sectors in the city and region. Starting in 2010, private sector leaders and philanthropic leaders became convinced that the "old ways" of investing in Hamilton were insufficient, and "riskier" investments would be needed if the city were to stabilize and turn around. Leadership within the city began operating in a cross-sector manner and became networked and collaborative, enabling this realization and providing a base from which to launch solutions.

For instance, in 2012, the city manager's office, community foundation, and local financial institutions established CORE—the Consortium for Ongoing Reinvestment. Through CORE, partners pool resources to provide gap financing, residential redevelopment grants, and strategic property acquisition. Additionally, CORE and the individual partners are seeding and stewarding programming to support CORE's investments, such as internship programs, business development support, and Main Street programming. In 2013, the small business incubator was rebranded and its mission focused to leverage one of Hamilton's unique assets, which is that the city owns its own utilities. Now the incubator, The Hamilton Mill, specializes in start-ups that provide services or support to green energy, and the city offers itself as a "testing ground" for products in development at the Hamilton Mill.

Pooling resources and talents around clear priorities and goals, creating channels of communication to ensure nimble responses, and accepting that no one entity has the resources to single-handedly revitalize Hamilton has generated new energy and commitment among Hamilton's residents and leaders.

**3. Focus on downtown and the city of Akron as the key sites for regional economic development**

Economic development strategies for the Akron region should reinforce downtown and the city of Akron's role as the economic heart of the region. Nationwide, communities are recognizing that strong downtowns are a path to success for a strong region. Preferences among young creative professionals are increasingly for downtown living and working options, and cities that provide those are better positioned to attract and retain this coveted demographic.

Downtown and central-city development make sense beyond attracting creative professionals, however. Economic development strategies that focus primarily on siting new projects in downtowns and central cities served by bus lines are friendlier to the low-income workforce who may not have access to a car.

When well-paying, lower-skilled jobs are located in outlying areas, access to transportation may be a prohibitive factor for some qualified workers to take those jobs. Even if a bus line does reach these employment locations, routes may be infrequent or unreliable in arriving on time. This is a particular challenge for Akron, where many economic development efforts are regional. There are still challenges associated with locating businesses downtown or in Akron proper, and without careful incentives and guidance from the city and other groups helping businesses find sites, outlying areas become the default option. While additional incentives for businesses to locate in the central city may be useful, a “downtown-first” and “Akron-first” attitude may be even more important in correcting this imbalance.

***Case Study: Syracuse, New York***

CenterState Corporation for Economic Opportunity (CEO) is the regional chamber of commerce and economic development organization that covers the city of Syracuse and the twelve-county surrounding region. Although focused on promoting development throughout the region, CenterState CEO and its business members have recognized that a vibrant downtown is critical to the success of the entire area. Companies have come to realize that they can better retain a strong workforce if they are located in interesting places where workers want to be, leading them to choose downtown office space over suburban office parks.

CenterState CEO, the state of New York, and other regional stakeholders have invested heavily in the downtown to attract and retain local businesses. The local utility company, National Grid, has even created a grant program focusing on downtown development. The center-city organization, the Downtown Committee of Syracuse, is a program of CenterState CEO, underscoring the organization’s commitment to building a strong downtown.

**4. Invest in Akron’s existing population, including low-income workers and families**

Akron’s future growth must come from both attracting new talent to the city and investing in the current population. The data presented in this Report show that many members of the existing population have suffered economically over the past decade, so future growth will require a course-correction for the economic trajectory of these citizens.

Fortunately, there are a number of promising programs seeking to bolster the prospects for the city’s low-income and low-skilled populations. Bridges Summit County and Summit Workforce Solutions are collective impact projects aimed at reducing poverty and connecting workers to jobs, respectively. These network-driven strategies show real promise in addressing some of the region’s most intractable problems. While the organizations shepherding them appear to be very capable stewards, the programs’ success will ultimately rely on the entire community’s support of their goals. Political leaders like Summit County Executive Russ Pry have been critical to their successes so far, but new leadership will need to continue to carry on this important work for years to come.

***Case Study: Syracuse, New York***

Syracuse, New York, one of the comparison cities, has demonstrated how urban revitalization and poverty reduction do not have to be at cross purposes. CenterState CEO, the regional chamber of commerce and economic development organization described above, created a workforce development program known as the Work Train Collaborative. The program has a “dual client” approach, in that it is trying to find good jobs for low-income workers and train good employees for local businesses.

Poverty came to be seen as a liability for the local business sector and government for a number of reasons: Syracuse's national reputation for poverty and inequality created a negative image of the city; the long-term costs of blight reduction and lost tax revenues were massive drags on the city's finances; and visible poverty in the city's urban core scared businesses away from locating downtown. As a business-focused organization, CenterState CEO saw value in investing in poverty reduction to help their members—local businesses—thrive. Through the leadership of CenterState CEO and grassroots organizing initiatives, a workforce development strategy was developed that tied a redevelopment project near a local hospital to high-paying jobs and skills training. Since that pilot project, the program has expanded from construction into health care jobs and has increased its geographic reach. As the program has grown, new employers have been added as CenterState engaged more of its members.

### **5. Encourage local housing development and redevelopment through strategic government intervention**

Many community development professionals in Akron expressed concern that Akron's available housing stock is not aligned with the preferences of buyers and renters. Particularly among middle- and upper-income buyers, the options for homes where they could raise a family are perceived to be very limited. Reinforced by the availability of affordable homes that fit these buyers' needs just over the border in the first-ring suburbs, Akron's housing stock is hindering its ability to keep middle-class families in the city as they move up from starter homes.

While there has been new housing built in the city over the past decade, much of it has been downtown and has targeted renters or buyers looking for smaller units. Additionally, the market for whatever units are available is so robust that units do not remain available for long. A handful of developers have been capitalizing on the hot market and continue to plan projects in the downtown core, but these new developments are unlikely to fulfill all of the demand.

Interviewees shared the perception that under the previous administration, the City of Akron had not focused on residential development, particularly in neighborhoods outside of downtown. Suburban developers, who may have more experience building the kind of homes that families hope to find, are still not entering the market and may need to be lured by incentives like tax abatements or tax increment financing. While the City of Akron will have to determine the appropriate intervention, it is clear that the city will need to take a more active role in encouraging the kind of housing development that will attract and retain middle- and upper-income families.



## **Conclusion**

Akron is facing substantial challenges that could impact the city's long-term trajectory and its ability to remain competitive. Yet the city also has important assets, including a new set of leaders looking to make an impact, that can help the city chart a new course and live up to its reputation of breaking the mold of recovering post-industrial cities. The city has an opportunity to invest in and build on these assets to come back stronger than before.

## Appendix A

### Data Tables

All data are from the 2000 U.S. Census or 2013 American Community Survey, unless otherwise noted.

Unemployment Rate				
	2000 Unemployment Rate	2013 Unemployment Rate	Change in Unemployment Rate	Percent Change in Unemployment Rate
<b>Akron</b>	<b>4.7%</b>	<b>9.8%</b>	<b>5.1</b>	<b>108.5%</b>
Syracuse	5.5%	7.1%	1.6	29.1%
Erie	4.9%	7.1%	2.2	44.9%
Hamilton	3.3%	8.4%	5.1	154.5%
Worcester	3.8%	7.0%	3.0	79.0%
Fort Wayne	4.3%	7.2%	2.9	67.4%
US	3.7%	6.2%	2.8	71.8%

Full Time Employment				
	2000 % Full Time Worker	2013% Full Time Worker	Change in Full Time Workers	Percent Change in Full Time Workers
<b>Akron</b>	<b>52.5%</b>	<b>50.1%</b>	<b>-2.4</b>	<b>-4.6%</b>
Syracuse	48.3%	45.6%	-2.7	-5.5%
Erie	49.1%	50.7%	1.6	3.2%
Hamilton	53.1%	55.4%	2.3	4.3%
Worcester	50.2%	52.7%	2.6	5.1%
Fort Wayne	57.3%	56.4%	-0.9	-1.6%

Poverty Rate				
	2000 Percent of Individuals in Poverty	2013 Percent of Individuals in Poverty	Change in Percent Individuals in Poverty	Percent Change of Individuals in Poverty
<b>Akron</b>	<b>17.5%</b>	<b>27.5%</b>	<b>10.00</b>	<b>57.1%</b>
Syracuse	27.3%	34.6%	7.30	26.7%
Erie	18.8%	27.8%	9.00	47.9%
Hamilton	13.4%	22.9%	9.50	70.9%
Worcester	17.9%	21.4%	3.50	19.6%
Fort Wayne	12.5%	18.7%	6.20	49.6%
US	12.4%	15.4%	3.00	24.2%

<b>Per Capita Income</b>				
	2000 Per Capita Income (2013 dollars)	2013 Per Capita Income	Change in Per Capita Income	Percent Change in Per Capita Income
<b>Akron</b>	<b>23,804</b>	<b>19,968</b>	<b>-3836</b>	<b>-16.1%</b>
Syracuse	20,520	19,121	-1399	-6.8%
Erie	20,255	18,907	-1348	-6.7%
Hamilton	23,665	20,283	-3382	-14.3%
Worcester	25,182	24,330	-852	-3.4%
Fort Wayne	25,050	23,400	-1650	-6.6%
US	29,204	28,155	-1049	-3.6%

<b>Median Household Income</b>				
	2000 Median Household Income (2013 dollars)	2013 Median Household Income	Change in Median Household Income	Percent Change in Median Household Income
<b>Akron</b>	<b>\$43,067</b>	<b>\$33,909</b>	<b>-\$9,158</b>	<b>-21.3%</b>
Syracuse	\$33,821	\$31,365	-\$2,456	-7.3%
Erie	\$38,403	\$33,049	-\$5,354	-13.9%
Hamilton	\$47,843	\$40,426	-\$7,417	-15.5%
Worcester	\$48,192	\$45,932	-\$2,260	-4.7%
Fort Wayne	\$49,403	\$43,969	-\$5,434	-11.0%
US	\$56,811	\$53,046	-\$3,765	-6.6%

<b>Metropolitan Area Gross Domestic Product (GDP)</b>				
	2001 Real GDP (in millions of 2009 chained dollars)	2013 Real GDP (in millions of 2009 chained dollars)	Change in Real GDP (in millions of 2009 chained dollars)	Percent Change in Real Metropolitan Area GDP
<b>Akron</b>	<b>\$26,585</b>	<b>\$29,432</b>	<b>\$2,847</b>	<b>10.7%</b>
Syracuse	\$25,662	\$28,696	\$3,034	11.8%
Erie	\$9,579	\$9,935	\$356	3.7%
Hamilton	NA	NA	NA	NA
Worcester	\$31,802	\$34,618	\$2,816	8.9%
Fort Wayne	\$16,609	\$18,571	\$1,962	11.8%
US	\$ 12,682,200.00	\$ 15,583,300.00	\$ 2,901,100.00	22.9%

Data from the Bureau of Economic Analysis, Regional Economic Accounts for 2001 and 2013. Data is not available for Hamilton because it is a part of the larger Cincinnati Metropolitan Statistical Area.

<b>Foreign-Born Residents</b>				
	Percent Foreign-Born Residents 2000	Percent Foreign-Born Residents 2013	Change in Percent Foreign-Born Residents	Percent Change in Foreign-Born Residents
<b>Akron</b>	<b>3.2%</b>	<b>4.5%</b>	<b>1.3</b>	<b>41.9%</b>
Syracuse	7.6%	11.1%	3.5	45.9%
Erie	4.2%	6.3%	2.1	49.5%
Hamilton	2.2%	3.8%	1.6	72.3%
Worcester	14.5%	20.9%	6.4	43.9%
Fort Wayne	4.9%	7.6%	2.7	55.1%
US	11.1%	13.0%	1.9	16.7%

<b>Young Professionals As Percent of Population</b>				
	2000 Percent of Population that is 25-34 with BA+	2013 Percent of Population that is 25-34 with BA+	Change in Percent of Population that is 25-34 with BA+	Percent Change in Percent of Population that is 25-34 with BA+
<b>Akron</b>	<b>3.3%</b>	<b>3.3%</b>	<b>0</b>	<b>0.0%</b>
Syracuse	4.6%	5.5%	0.91	19.9%
Erie	3.2%	4.5%	1.3	41.0%
Hamilton	1.8%	2.4%	0.6	33.9%
Worcester	4.2%	5.8%	1.57	37.2%
Fort Wayne	3.3%	3.7%	0.36	10.8%

<b>Long-Term Vacancy Rate</b>				
	2000 "Other" Vacancy Rate	2013 "Other" Vacancy Rate	Change in "Other" Vacancy Rate	% Change in "Other" Vacancy Rate
<b>Akron</b>	<b>1.7%</b>	<b>5.7%</b>	<b>4.023</b>	<b>237.0%</b>
Syracuse	3.0%	4.4%	1.394	46.5%
Erie	2.4%	6.6%	4.249	178.4%
Hamilton	2.1%	7.6%	5.547	268.9%
Worcester	1.9%	2.1%	0.239	12.9%
Fort Wayne	2.2%	2.2%	0.018	81.9%

<b>Number of Households</b>				
	2000 Households (Occupied Housing Units)	2013 Households (Occupied Housing Units)	Change in Households	Percent Change in Households
<b>Akron</b>	<b>90,092</b>	<b>83,326</b>	<b>-6,766</b>	<b>-7.5%</b>
Syracuse	59,486	55,429	-4,057	-6.8%
Erie	40,942	40,894	-48	-0.1%
Hamilton	24,199	24,192	-7	0.0%
Worcester	67,028	68,850	1,822	2.7%
Fort Wayne	83,337	100,903	17,566	21.1%

<b>Housing Units</b>				
	2000 Housing Units	2013 Housing Units	Change in Housing Units	Percent Change in Housing Units
<b>Akron</b>	<b>97,265</b>	<b>97,235</b>	<b>-30</b>	<b>-0.03</b>
Syracuse	68,196	64,722	-3,474	-5.09
Erie	44,973	45,264	291	0.65
Hamilton	25,932	27,865	1,933	7.45
Worcester	70,723	76,723	6,000	8.48
Fort Wayne	90,909	113,145	22,236	24.46

Industries by Contribution to Metropolitan Gross Domestic Product			
2013 Industries by Greatest Positive Effect on GDP Change	Percentage Point Contribution of GDP Change	2013 Industries by Greatest Negative Effect on GDP Change	Percentage Point Contribution of GDP Change
<b>Akron</b>			
Trade	0.37	Construction	-0.33
Educational services, health care, and social assistance	0.13	Transportation and utilities	-0.31
Finance, insurance, real estate, rental, and leasing	0.1	Government	-0.13
Nondurable-goods manufacturing	0.1	Durable-goods manufacturing	-0.09
Information	0.05	Natural resources and mining	-0.09
<b>Erie</b>			
Finance, insurance, real estate, rental, and leasing	1.02	Durable-goods manufacturing	-0.7
Natural resources and mining	0.25	Professional and business services	-0.17
Transportation and utilities	0.2	Construction	-0.16
Government	0.04	Information	-0.16
Arts, entertainment, recreation, accommodation, and food services	0.03	Trade	-0.11
<b>Syracuse</b>			
Natural resources and mining	0.25	Durable-goods manufacturing	-0.69
Transportation and utilities	0.21	Finance, insurance, real estate, rental	-0.37
Trade	0.2	Government	-0.19
Information	0.14	Construction	-0.13
Educational services, health care, and social assistance	0.12	Other services, except government	-0.08
<b>Worcester</b>			
Trade	0.98	Other services, except government	-0.11
Educational services, health care, and social assistance	0.58	Professional and business services	-0.06
Transportation and utilities	0.3	Non-durable goods manufacturing	-0.05
Finance, insurance, real estate, rental, and leasing	0.26		
Government	0.17		
<b>Fort Wayne</b>			
Finance, insurance, real estate, rental, and leasing	0.89	Professional and business services	-0.24
Durable-goods manufacturing	0.66	Construction	-0.18
Nondurable-goods manufacturing	0.33	Government	-0.13
Educational services, health care, and social assistance	0.26	Other services, except government	-0.06
Trade	0.12		

## Appendix B

### List of Akron Interviewees

Grady Appleton  
East Akron Neighborhood Development Corporation  
October 15, 2015

Nichole Booker  
United Way of Summit County  
November 23, 2015

Samuel D. DeShazior  
City of Akron  
October 21, 2015

Megann Eberhart  
Greater Akron Chamber  
October 19, 2015

Suzie Graham  
President and CEO  
Downtown Akron Partnership  
November 6 and 23, 2015

Kyle Julien  
East Akron Neighborhood Development Corporation  
October 28, 2015

Sue Lacy  
Summit Workforce Solutions  
December 9, 2015

Christine Amer Mayer  
GAR Foundation  
November 4, 2015

Russell Pry  
Summit County  
November 9, 2015

Jason Segedy  
Akron Metropolitan Area Regional Transit Study  
October 2, 2015

Chris Thompson  
The Fund for Our Economic Future  
October 21, 2015

Tony Troppe  
The Everett Group  
November 25, 2015

### List of Outside Interviewees

Timothy McGourthy, Executive Director  
The Research Bureau  
Worcester, Massachusetts  
October 21, 2015

Jonathan Logan, Program Manager, Place Making & Business  
CenterState Corporation for Economic Opportunity  
Merike Treier, Executive Director  
Downtown Syracuse  
Syracuse, New York  
October 30, 2015

Dominic Robinson, Vice President of Economic Inclusion; Director, Work Train; Director, Northside  
Urban Partnership  
CenterState Corporation for Economic Opportunity  
Syracuse, New York  
November 18, 2015

### Notes

---

<sup>i</sup> Cities with an industrial past that had between 30,000 and 200,000 residents as of 2013.

<sup>ii</sup> All population figures are for 2013.

<sup>iii</sup> Greater Ohio Policy Center is conducting research with the support of the Lincoln Institute for Land Policy on small- and medium-sized legacy cities to understand the current conditions in these cities and what factors have contributed to revitalization in some of them. A full report on this topic will be released in late 2016.

<sup>iv</sup> Larry Ledebur and Jill Taylor, "Akron, Ohio: A Restoring Prosperity Case Study." Brookings Institution, 2008.

<sup>v</sup> Greater Akron Chamber, "[2013-2014 Book of Facts](#)."

<sup>vi</sup> For more on this issue, see "[The Geography of Jobs](#)," a report by Fund for Our Economic Future.

<sup>vii</sup> Center for Marketing and Opinion Research (CMOR). "2015 Millennials in Akron Study." Prepared for the Knight Foundation. 2015.

<sup>viii</sup> Collective Impact strategies focus on collaborative efforts to tackle a community-wide problem. These strategies are focused on using common goals, efforts, and metrics among public, private, and nonprofit stakeholders to address societal challenges.

<sup>ix</sup> Greater Ohio Policy Center. "Meeting the Financing Needs of Opportunity Neighborhoods in Ohio: The credit gaps landscape and the role of Community Development Financial Institutions." 2016.

<sup>x</sup> Comparing long-term vacancy rates between the Decennial Census and the American Community Survey requires adjustment because the methods of data collection on vacant properties vary between the two data sources. In this case, differences in "other" vacancy rates were calculated between the



---

2010 Decennial Census and 2010 1-Year American Community Survey (2010 5-year estimates were used in the case of Hamilton, OH, which is under the population threshold for 1-year estimates) estimates for each city. These differences were then used to correct the 2013 5-year American Community Survey estimates.

<sup>xi</sup> Western Land Conservancy's Thriving Communities Institute. "Akron Property Inventory Report." 2015.

<sup>xii</sup> 2015 Millennials in Akron Study.

<sup>xiii</sup> NPR News, "[Ohio Town Welcomes Refugees, Puts Together A Good Soccer Team.](#)" 2015.