

WHERE JOBS LOCATE MATTERS

Research Identifying Job Hubs in Northeast Ohio

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Executive Summary

Where jobs locate matters—for individuals, businesses, municipalities, the environment, and regional economies. Over the last several decades in Northeast Ohio, our industrial, commercial, and residential development has expanded outward, but our region’s employment and population have not exhibited the same growth. The result: Jobs are locating farther and farther away from where people live.

The spatial mismatch between people and jobs has real costs. People spend more time and money commuting; businesses struggle to fill open positions; municipalities spend more to support new development, while also maintaining the underutilized infrastructure left behind; and our environment suffers as air quality declines due to long, car-based commutes. Ultimately, our regional economy loses its competitive edge.

The reasons for the outward expansion are many, but cannot be chalked up to free market forces alone. Fragmented, unaligned and uncoordinated decisions about where to allocate public incentives, how to prioritize land aggregation, and what infrastructure upgrades to invest in have had a compounding impact over time. Just as past decisions led to our current situation, decisions our leaders make now can shape the development of the future.

Having a clear understanding of where job growth has occurred and a shared understanding of where existing jobs are located in Northeast Ohio is a powerful first step that will allow us to better focus our collective decision making and to raise the bar for sustainable, inclusive growth in our region.

This report presents a definition of our region’s job hubs and details how civic leaders might think differently about coordinated decision-making across Northeast Ohio to grow in a manner that works for everyone.

What Are Job Hubs?

Job hubs are specific places of concentrated economic activity in a region. They are defined and identified based on the extent to which they exhibit the following four characteristics:

- **High concentration of traded-sector jobs** – Job hub locations are based on the number of traded-sector jobs in a particular area. The minimum threshold of jobs needed to be considered a job hub varies depending on the local market in question. In Northeast Ohio, we focused on places with job density in the top 5 percent in the region. These places typically contain at least 1,500 traded-sector jobs.

The traded-sector includes manufacturing companies, consulting firms and other businesses that export (or trade) goods and services outside of the local market. By doing so, the limits of local market demand do not constrain the growth of companies in this sector. The traded-sector represents roughly three quarters of Northeast Ohio's regional gross domestic product (GDP), and companies in this sector tend to create indirect benefits in the local economy by supporting supply chain activity, and by creating wealth that supports other population-serving industries.^{1,2} Furthermore, jobs in the traded sector typically pay double the wages of local, population-serving jobs.³

The focus on the traded sector does not imply that population-serving businesses like restaurants and retail establishments are not important to the community (for more on this, see page 20). These types of businesses are a critical part of the sense of place in many of our cities and neighborhoods. However, identifying locations that are important to the traded sector of the economy narrows the focus on companies in industries that tend to pay family-sustaining wages and that help power the long-term vitality of the regional economy.

- **Multiple traded-sector employers** – Job hubs represent clusters of business activity (as opposed to locations with a single, large employer) and other assets like roads, highways, transit, and utilities.

¹ Cleveland MSA GDP by industry from Bureau of Economic Analysis 2015 figures.

² Economic spill-over for traded-sector and population-serving industries estimated from EMSI calculations of direct jobs added for every one job added in traded and population-serving industries.

³ Based on EMSI annual wages across 18 counties of Northeast Ohio.

Business clustering allows for efficient use of infrastructure and creates other spill-over benefits from the accumulation of human and physical capital. When identifying current job hubs, we looked specifically for places with traded-sector jobs spread across multiple employers, where the economic vibrancy resulting from idea exchange and the presence of human capital can be fully realized.

- **Alignment with local development patterns** – Job hub locations must be clearly defined and reflect local development patterns, including roads, current building and site inventory, and local infrastructure, such as utilities and sewers. While pre-defined boundaries such as cities, ZIP codes or census tracts help identify the rough outline of job hub locations, their final shapes are drawn in partnership with local planning and development agencies to accurately reflect the local built environment. Anchoring job hub locations with respect to current and future business, road and infrastructure locations across our community will help facilitate greater alignment in land use policy, transportation investment and business development planning in the future.
- **Alignment with civic priorities and economic development opportunities** – In addition to representing places of current business activity, many job hubs also contain high-quality sites with existing infrastructure or office inventory that, if occupied, could further add density and scale to the job hub.

Why Do Job Hubs Matter?

“The location of employment within a metro area intersects with a range of policy issues—from transportation to workforce development to regional innovation—that affect a region’s long-term health, prosperity and social inclusion.”

- Elizabeth Kneebone, Brookings Institution, “The Growing Distance Between People and Jobs in Metropolitan America”

“... commuting time has emerged as the single strongest factor in the odds of escaping poverty. The longer an average commute in a given county, the worse the chances of low-income families there moving up the ladder.”

- Mikayla Bouchard, *The New York Times*, “Transportation Emerges as Crucial to Escaping Poverty”

The location of jobs across our region directly impacts peoples’ ability to connect to the economy. Understanding the location of current job hubs enables leaders to think strategically about where and how our region grows and develops in the future.

Unfortunately, our historical and current development patterns have made our region *less* competitive, and diminished the economic health of our region. Over the last several decades in Northeast Ohio, our industrial, commercial and residential development has expanded outward, while the number of people living here and the number of jobs located here has remained relatively the same. (In Cuyahoga County alone, fewer people and jobs now occupy more than twice as much land as they did 50 years ago.⁴) The result: People are increasingly disconnected from jobs. Indeed, residents in the Cleveland, Akron and Youngstown areas saw huge drops in the number of nearby jobs from 2000 to 2012, according to a study from The Brookings Institution.⁵ This trend is even worse for residents of low-income neighborhoods.

The spatial mismatch between people and jobs has real consequences:

Higher costs for residents: Both unemployed and employed residents face increased costs of time and money from the longer commutes necessitated

⁴ Western Reserve Land Conservancy

⁵ Kneebone, Elizabeth, and Natalie Holmes. 2015. “The Growing Distance Between People and Jobs in Metropolitan America.” The Brookings Institution.

by regional development patterns. Research indicates that unemployed individuals find work faster the closer they live to jobs.⁶ The growing distance between people and jobs in Northeast Ohio very likely increases the amount of time it takes for disconnected workers to re-join the economy, further straining their wallets.

Meanwhile, employed residents spend a greater share of their income on transportation—including the cost of getting to and from work—than they do on housing.⁷ This transportation burden disproportionately impacts low-income workers who are forced to spend a significant share of their daily earnings on transportation instead of saving that income to build wealth or spending it on other needs, as well as a significant share of time in getting from point A to point B.

Consider Alton,⁸ who, every day for 10 weeks, took the bus from a transitional housing community on East 152nd Street in Cleveland to his phlebotomy class at NewBridge Cleveland Center for Arts and Technology in Midtown. The 51-year-old veteran doesn't have a driver's license or a vehicle, so it took him 50 minutes and two buses one way to get to class, versus 12 to 18 minutes it would take by car to make the nine-mile trek. (Alton has a truck, but it broke down and it needs a new engine—an expensive repair he couldn't afford. And in order to get his license back, he needs to finish community service and then re-test.) Starting wages for phlebotomists are around \$10 to \$12.50 an hour. Because of a prior felony, Alton was disqualified from an internship at the Cleveland Clinic or University Hospitals. But he is looking into other positions, which could require him to travel to outer suburbs.

Not all residents in our region are fortunate enough to have access to even public transit. Shara⁹ lives in Lorain County, where public transit is extremely limited. She doesn't own a car because she can't afford one; she is currently unemployed and looking for work (her total income for last year was under \$10,000). Shara is in her 20s and is a single mother. She says she walks 30 minutes to take her daughter to preschool every day. Shara is one of many in Northeast Ohio stuck in a cycle of no car no job, no job no car.

⁶ Holmes, Natalie, and Alan Berube. 2015 “[Close to Home: Social Mobility and the Growing Distance Between People and Jobs.](#)” The Brookings Institution memo.

⁷ According to our analysis using the [Center for Neighborhood Technology's Housing and Transportation Affordability Index tool](#).

⁸ The name of the individual has been changed to protect his privacy.

⁹ The name of the individual has been changed to protect her privacy.

Reduced access to workforce talent for businesses: The growing distance between people and jobs also negatively impacts growth prospects for our region’s businesses. Businesses face challenges filling open positions in part because available workers live farther and farther away from jobs. The distance between people and jobs also impacts the productivity of an employer’s current workforce. In a survey of more than 300 business owners conducted by Team NEO and Kent State University at Stark, respondents said “attendance” and “showing up ready to work on time” were the biggest challenges to making new employees successful.¹⁰ While there are many factors that could contribute to this challenge, a difficult commute, whether on public transit or by some other means, surely plays into this.

Highly strained municipal budgets: Across Northeast Ohio, core cities have lost population and jobs to the region’s suburbs and exurbs. Much of this new growth has meant the conversion of greenfields—farmland and other undeveloped space—into new housing, office space and industrial parks.¹¹

Why does this matter? It strains the fiscal health of municipalities that are required to spend increasing amounts of their tax revenue to not only expand the infrastructure base for new development, but also to maintain the vacant, underutilized infrastructure that has been left behind. Analysis by the Northeast Ohio Sustainable Communities Consortium, creator of the Vibrant NEO 2040 report, suggested that the continuation of current development trends would spell fiscal ruin for our region’s municipalities and counties.¹²

Environmental degradation: Declining air quality in our region negatively impacts all people who call Northeast Ohio home. More than 400 people die prematurely each year in the Cleveland area due to pollution from mobile emissions.¹³ Cleveland, Akron and Canton were collectively ranked 9th worst in annual particle pollution out of 184 metropolitan statistical areas (MSAs).¹⁴ Increasing the connection between people and jobs, and providing residents with transportation options beyond the one-person, one-vehicle commute, can help mitigate these troubling trends.

¹⁰ [Team NEO and Kent State University at Stark 2014 Survey of Businesses](#)

¹¹ Grabar, Henry. 2016. “[U.S. Cities Have Grown. Their Cores Have Not.](#)” Slate.

¹² [VibrantNEO 2040](#), Northeast Ohio Sustainable Communities Consortium

¹³ Crist, Ginger. 2017. “[Ditching the Car: NOACA Pushes for Greener Travel, Cleaner Air with New Commuting Tool.](#)” Cleveland.com.

¹⁴ CBS News. 2017. “[U.S. Cities with the Worst Air Pollution.](#)”

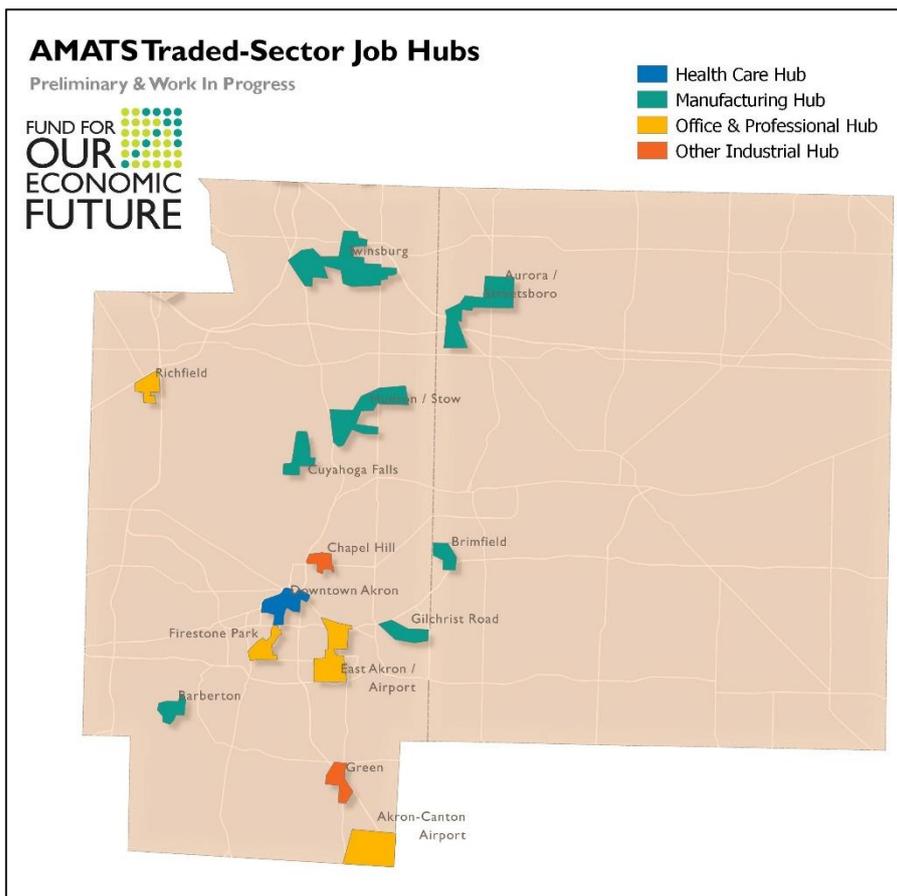
What can we do? Aligning strategies across economic development, transportation planning, workforce, and other organizations to support 21st century job hubs will enable us to raise the bar for sustainable, inclusive growth in our region and combat the aforementioned trends that challenge our residents, businesses and governments. Later in the report (page 15), we discuss how civic leaders across different sectors can incorporate a job hubs strategy into their work.

Where Are Northeast Ohio’s Traded-sector Job Hubs Today?

Regional traded-sector job hubs were identified in partnership with the four metropolitan planning organizations (MPOs) across Northeast Ohio: the Akron Metropolitan Area Transportation Study (AMATS), Eastgate Regional Council of Governments (Eastgate), Northeast Ohio Areawide Coordinating Agency (NOACA), and the Stark County Area Transportation Study (SCATS). We also partnered with Team NEO to identify job hubs in the five-county area covered by NOACA. Preliminary job hub analyses have also been completed in the counties within the 18-county Northeast Ohio region that fall outside of MPO boundaries, but are not discussed in detail in this section. We examine the job hubs in each MPO’s planning footprint in the sections that follow.

AMATS – Portage and Summit Counties

The AMATS footprint covers the Akron MSA (Portage and Summit counties) and

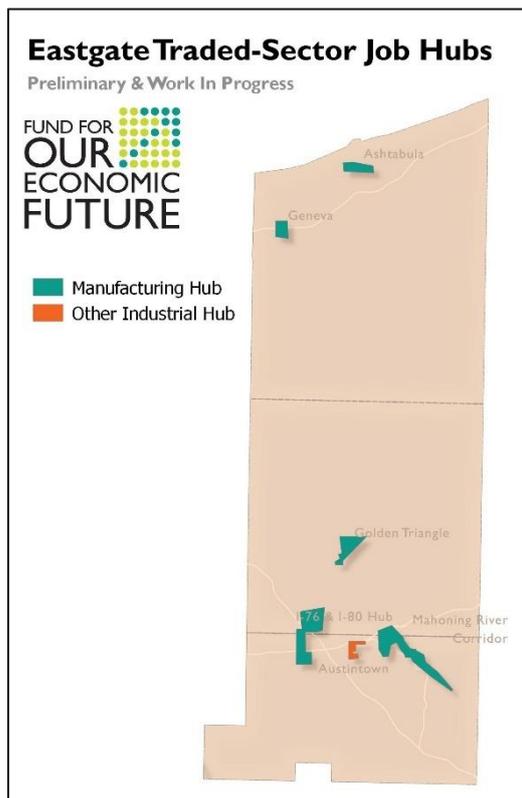


includes 14 traded-sector job hubs. The hubs tend to be located either within or near the core city of Akron, or adjacent to major transportation infrastructure such as highways and airports.

As of 2014, Portage and Summit counties had a total of 320,000 total jobs, which included 131,000 jobs in traded-sector industries, 50,000 jobs in health care, and 139,000

jobs in population-serving industries.¹⁵ The job hubs within the AMATS footprint contain nearly 110,000 jobs, of which 67,000 are in traded-sector industries, representing 34 percent of total Akron MSA employment and 51 percent of all traded-sector MSA employment.

Eastgate – Ashtabula, Trumbull and Mahoning Counties



Eastgate’s footprint covers Ashtabula, Trumbull and Mahoning counties. Our identification of job hubs with organizations in the Mahoning Valley thus far has focused on Mahoning and Trumbull counties, the two counties with a majority of traded-sector jobs in Eastgate’s footprint. We have also included preliminary identification of job hubs in Ashtabula here.

As of 2014, the three Eastgate counties had a total of 199,000 jobs, of which 70,000 are in traded-sector industries. Job hubs within Eastgate’s footprint contain 43,000 total jobs, of which 24,000 are in the traded-sector, representing 34 percent of traded-sector employment in these three counties.

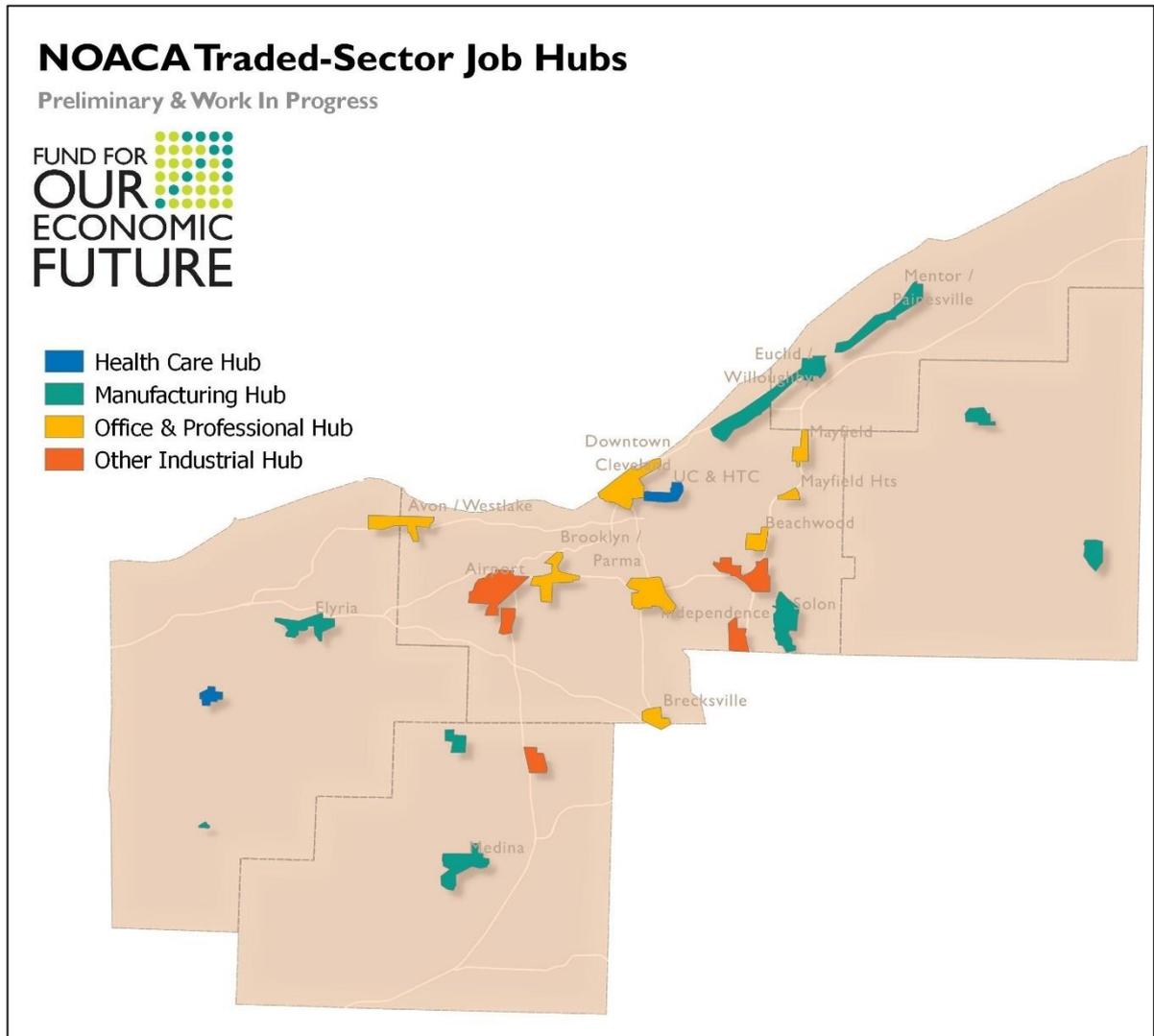
Eastgate’s five job hubs not only reflect the current location of traded-sector

employment in Mahoning and Trumbull counties, but also include strategic future growth areas. For example, the community is working on a strategy for business growth in the eastern parts of the Mahoning River Corridor, as well as along the Youngstown-Girard 422 Corridor in the northwestern portion of that job hub. The I-76 & I-80 job hub is another example. A number of businesses are currently located in the northern and southern portions of this job hub, and the community decided to call attention to the potential for enhancing the competitiveness of this place with better connectivity.

¹⁵ Health care employment totals are stated separately from traded-sector and population-serving industry totals because healthcare is one industry whose designation as a traded-sector industry or population-serving industry is most commonly debated by economic development professionals in Northeast Ohio. Therefore, rather than attribute health care jobs to either the traded-sector industry total or the population-serving industry total, the research team decided to state the totals for the health care industry separate from either of those two groups.

NOACA – Cuyahoga, Geauga, Lake, Lorain, and Medina Counties

NOACA covers a five-county footprint that includes Cuyahoga, Geauga, Lake, Lorain, and Medina counties. As of 2014, the NOACA area contained just over 1 million jobs: 404,000 jobs in traded-sector industries, 181,000 health care jobs, and 420,000 jobs in local, population-serving sectors.

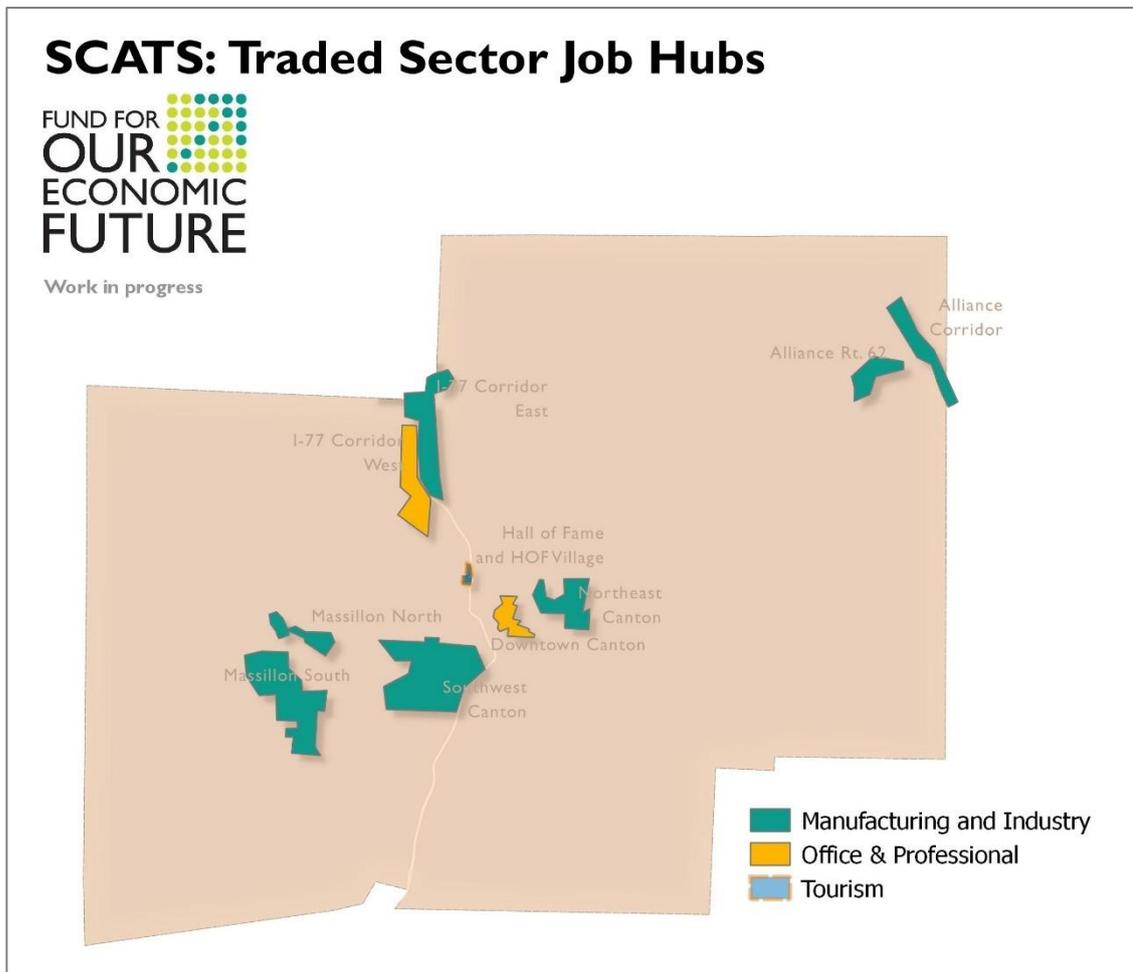


Researchers from the Fund for Our Economic Future, regional economic development organization Team NEO and NOACA collectively identified 23 job hubs across these five counties. The job hubs contain 442,000 total jobs, of which 224,000 are in the traded sector. These job hubs therefore represent 55 percent of all traded-sector jobs within NOACA's five-county footprint.

The connection between infrastructure and concentrated areas of business activity is clearly evident on the map of job hub locations in NOACA’s footprint. The Downtown Cleveland and University Circle & Health-Tech Corridor job hubs exemplify this connection, as they sit at the intersection of a number of interstate highways and are close to rail, port and public transit infrastructure. Other areas also stand out, such as the Euclid/Willoughby and Mentor/Painesville hubs situated along I-90; the Mayfield, Mayfield Heights, Beachwood, and Bedford/Warrensville Heights job hubs along the I-271 corridor, or Independence and Solon along the I-480 corridor.

SCATS – Stark County

SCATS is the MPO for Stark County, and as of 2014, it contained 159,000 total jobs and 60,000 jobs in traded-sector industries.



Representatives from the Fund for Our Economic Future, SCATS and the Stark Development Board collaborated to identify the nine job hubs within Stark County. These job hubs contain 65,000 total jobs and 35,000 traded-sector jobs,

representing 40 percent of all jobs in Stark County and 58 percent of traded-sector jobs.

No single job hub within Stark County stands out as significantly larger than the rest. Instead, the Southwest Canton, I-77 Corridor East, I-77 Corridor West, and Downtown Canton hubs each contain approximately 7,000 traded-sector and health care jobs. If local, population-serving jobs are taken into account, the I-77 West Corridor emerges as the largest job hub in the county, due to the presence of 11,000 population-serving jobs at “The Strip” Shopping Plaza.

The relationship between job location and transportation infrastructure is apparent within the SCATS footprint as well. The largest job hubs in the county all cluster along the I-77 Corridor, and two of these job hubs are also near the Akron-Canton Airport. While not along a major interstate highway, the job hubs in Massillon and Alliance similarly cluster around smaller-scale road infrastructure.

Growth has primarily happened outside of the county’s core cities. The two job hubs along the northern portion of I-77 have added traded-sector and health care jobs. The growing job hub in the northern part of Massillon has grown by 15 percent, but the similarly-sized job hub just to the south of it has shrunk by 16 percent since 2002, in effect canceling out the growth happening nearby.

Finally, the area around the Pro Football Hall of Fame is not currently considered a job hub, but has the potential to become one as work on a Hall of Fame Village project advances. Local leaders saw strategic value in focusing on the potential for the Hall of Fame to draw increasing amounts of revenue from outside the local geography to Stark County and an opportunity to enhance cross-sector collaboration by leveraging the job hubs lens. Therefore, local leaders designated this place as a future job hub—the only one in the region.

These maps unlock new ways for economic developers, transportation planners, transit agencies, governments and public sector officials, workforce service providers, educators, community developers, and others to think about where and how the region can grow strategically in the future. The next section looks at how leaders can use job hubs to the region’s benefit.

How Can This Information Be Used?

Job hubs represent more than just research. When organizations across sectors integrate job hubs into their growth strategies—as outlined below—we can improve our region’s economic competitiveness *and* increase opportunities for disconnected residents.

- **Economic development organizations (EDOs)** could overlay available site inventory on top of these job hubs to indicate which job hubs have room for further growth and which are already highly occupied. EDOs can use this information for marketing strategies for these sites, to help inform where to seek upgrades (transportation infrastructure, utility services), and to make improvements to existing buildings in desirable locations so our region can offer more of the kinds of properties businesses are seeking. In job hubs with many smaller, fragmented sites, EDOs can identify opportunities to aggregate land to create the kind of sites most in-demand.

Improving site inventory to create featured, globally competitive sites is a critical need for our region. For instance, in Northeast Ohio, more than 60 percent of site inquiries from businesses, particularly from large businesses looking to move into the region, are for sites 30 acres and larger, yet only 19 percent of our inventory meets this demand, according to analysis by Team NEO. Portions of incentive programs under control of local EDOs can also be allocated to supporting job hubs growth.

- **Land banks**, organizations that purchase and aggregate vacant and underutilized properties in a community, can play a crucial role in assembling the land for the sites that businesses find attractive. The properties in the land banks can be overlaid on top of these maps to help illustrate where strategic site aggregation opportunities might lie for the portions of a land bank’s activity directed toward economic development.
- **Elected officials and other civic administrators** can evaluate land use and zoning policies, the allocation of business attraction and expansion incentives, local placemaking design, and economic growth strategies to enhance the competitiveness and sense of place within job hubs.

- **Transportation & infrastructure planning organizations** can use job hubs as a frame for understanding how new projects and maintenance and repair work align with these key places of strategic regional economic activity, and use the information to gauge alignment between the economic assets represented by job hubs and new highway, bridge and other infrastructure projects.
- **Transit organizations** consider many factors when designing and optimizing their route structure, including access to jobs, leisure activities and other services. Job hubs can provide valuable insight to transit agencies when it comes to designing routes to serve the traded sector of the economy and increasing the economic mobility of the region's workforce.
- **Workforce development agencies** can think about how they connect potential workers to the traded-sector firms in these job hubs, and whether the skills training programs they are offering are aligned with those required by the companies and industries located in nearby growing job hubs.
- **Educational institutions** can consider whether the internship, credential and degree programs, and post-graduation employment services they offer align with the employers and skillsets in demand in nearby job hubs.

Methodology and Approach

This research adopted a very similar methodology to that described in Robert Sadowski's 2005 report, "Employment Centers in the Akron, Cleveland and Youngstown Metropolitan Areas."¹⁶ Sadowski analyzed the employment density (employees per square mile) and total employment (number of jobs) for traffic analysis zones (TAZs) across the MSAs covered in his report. By starting with the TAZs that met the minimum employment density, Sadowski then added adjacent TAZs to the identified areas until the employment density for the aggregated group fell below the required threshold.

In his work, Sadowski discusses the challenge of selecting the right thresholds for cutoff, and how a purely data-driven approach will not provide meaningful results. Instead, the process that Sadowski advocates involves a combination of data-driven analysis and iteration alongside partnership with local business and planning organization leaders to validate and refine the methodology.

Combining data and peer collaboration was fundamental to the process adopted for this study. This report uses the Census Bureau's Longitudinal Employer-Household Dynamics Origin-Destination Employment Statistics (LODES) data from 2014, which contains employment data broken out by two-digit North American Industry Classification System (NAICS) code at a census block level, as a starting point for the analysis. After some initial trial and error, the research team chose to focus on identifying preliminary job hubs at a *census block group level*. Census tracts were too large and it was hard to pinpoint specific places within them. Census blocks were too small, and were subject to a high degree of noise when analyzing employment density and total employment figures. Census block groups provided the right balance between detail and aggregation for the team to analyze the MSAs of Northeast Ohio.

Having aggregated the data to a census block group level, the next step was to identify preliminary job hubs that the team would later review and validate. The research team¹⁷ accomplished preliminary identification using a three-step process:

¹⁶ Sadowski, Robert. 2005. "[Employment Centers in the Akron, Cleveland and Youngstown Metropolitan Areas](#)." *Urban Publications*.

¹⁷ See acknowledgments.

1. The team calculated the employment density for each census block group. All census block groups with a density of 4,280 jobs per square mile (or 7 jobs per acre) were flagged as potential job hubs. This threshold equates to roughly the top 5 percent of census block groups by job density across the region. The threshold is consistent with other research on the topic from Northeast Ohio. Neighboring census block groups were also flagged as places for further investigation as long as their job density was at least half of the initially identified area.
2. The team created a heat map of traded-sector jobs to identify places with a strong concentration of traded-sector employment that may not have been flagged using the census block density threshold. This situation could arise if jobs were highly concentrated in an area but spanned small portions of multiple census block groups. Each block group would appear to have a low employment density, but collectively still amount to a dense job hub. We didn't want to exclude these instances during our review.
3. The third step in the process involved partnering with local economic development, real estate and planning experts to review each of the potential job hubs and refine their shapes based on the contours of local development patterns. This involved overlaying satellite imagery on top of local land and road network maps to align where job hubs are located with local development landscapes. A couple of considerations helped inform this process:
 - a. **Multiple employers:** The presence of a single large employer would often cause a census block group to surpass the required employment density threshold, or would be sufficient to cause that employer's location to stand out on the traded-sector heat map. This was especially true in rural areas. These places were not considered job hubs, as job hubs are characterized by not only a large number of jobs, but also multiple employers.
 - b. **Sufficient assets, employment, or growth potential to plan around:** Census block groups with a small area and moderate number of jobs would often appear as potential job hubs with ample employment density due to the fact that these jobs were concentrated in such a small area. The team decided to use local judgement when considering whether these places represent a job hub. In general, it was most important that local and regional actors agreed about the strategic significance of the place.

- c. **Existing local and regional assets:** Job hubs are shaped based on the contours of local development. They do not conform to any pre-existing geographic boundaries such as ZIP codes, city limits, census tracts, etc., but rather reflect existing assets in each place, whether that be existing properties, transportation infrastructure, or utilities. By using satellite imagery in conjunction with the above map, the team was able to draw job hubs with an eye for these assets existing in the community.
- d. **Potential future strategic growth assets:** Similarly, local development experts across Northeast Ohio also included strategic growth assets within job hubs where possible. Examples of such assets include abandoned strip malls and brownfields that could be redeveloped, or vacant lots adjacent to existing job hubs, among others.

At this point, the process became less data-oriented and more focused on syndication and vetting of the analysis. Many organizations have a role to play in growing the competitiveness of our job hubs; it's important that their input helps to shape and inform the work. To achieve this, the process must be grounded in data and include peer review and collaboration so that the end result is an actionable product.

Frequently Asked Questions

Why focus on the traded sector?

Focusing on the traded sector is not meant to minimize the importance of local, population-serving businesses, which are an integral part of an economy and add vibrancy to a region. But population-serving businesses generally follow where people live, and, as noted earlier in this report, are not the primary drivers of regional economic growth. If we come together as a community to determine feature sites for future traded-sector job growth and align investments around these places, we'll have globally competitive sites that are attractive to companies and accessible to employees, further enhancing our overall economic competitiveness.

Given the relationship between where people live and where population-serving businesses locate, one way to influence development is to think about how residential strategies can strengthen places with an existing sense of place, as well as focus on rejuvenating underinvested, yet desirable and amenity-laden neighborhoods. Given that less of a relationship exists between traded-sector business location and population centers, the community needs to use different strategies for influencing the spatial aspects of traded-sector job growth. Economic development and transportation planning organizations have a major role to play in shaping this picture.

Focusing on “lifting up” featured traded-sector job hubs creates avenues for organizations like the Fund for Our Economic Future, regional EDOs, and transportation planning organizations that do not pursue residential development strategy to still shape the spatial aspects of development in a way that maximizes our competitiveness.

But this does not mean that they need to act independent of organizations concerned with residential and population-based job growth. Indeed, while transit agencies, workforce services, and residential development organizations are concerned with the location of all jobs in an economy, a portion of their efforts are directed toward connecting with the traded sector. This therefore provides them with a tool that can both inform those elements of their internal strategies while also allowing them to have a shared and common frame for integrating their work with economic development and transportation planning organizations.

The data suggest there is good distribution of already existing hubs throughout our region, with at least one in every county. There is additional

potential in places that used to be a job hub and still have a great deal of in-place infrastructure and connectivity, but have suffered from abandonment. While people will still be free to develop where they want, the job hubs concept will help us make investments that differentiate us.

Won't the free market correct the spatial mismatch issue?

The final decision on where a business locates comes down to many factors (cost, size of space, transportation infrastructure, access to workforce, ability for future expansion, etc.), and the ultimate decision authority will always rest with the leaders of the company in question. However, the economic development and public sectors have many ways to influence the business location decision-making process to enhance, rather than diminish, our region's economic competitiveness.

Indeed, the current picture of our Northeast Ohio job hubs is a testament to the impact public investments can have in business location decisions. The clustering of job hubs alongside the region's highway and interstate system substantiates that fact. Public tax incentives and economic development subsidies have also influenced the landscape of our region's growth.

Without an organizing frame—like job hubs—on which all these players can base their decisions, we'll be left in a perpetual loop of reactive decision making, expansion everywhere, sub-optimal investments, and reduced economic competitiveness.

What is the right size for a job hub?

The right size for a job hub depends on the characteristics of the local economy in question. For example, in NOACA's footprint, job hubs range in size from just over 1,000 traded-sector jobs to around 60,000. As a general rule of thumb, job hubs are places that have a high enough concentration of assets, businesses and workers to make them worth planning around. They also have the commitment of local leaders to identify strategies and means to improve the economic connectivity and competitiveness of the area. The size will vary, but we used a benchmark of the top 5 percent of census block groups in terms of employment density as a starting point for identifying potential job hubs.

What about new job hubs?

When it comes to creating new job hubs, the Fund for Our Economic Future believes the present approach of growing where it looks and feels easier and cheaper (i.e., greenfield redevelopment) has diminished our region's

economic competitiveness and places a heavy burden on the fiscal health of our municipalities. As such, our region's future growth strategies should capitalize on the growth potential in existing job hubs, as well as focus on revitalizing places where infrastructure and community assets are in place but underutilized. This is long-term work that will require the coordinated efforts of actors across the region, but without which the trends of outward job migration are likely to continue.

About the Fund for Our Economic Future

The Fund for Our Economic Future is an alliance of funders—foundations, corporations, universities, health care systems, business and civic associations, government entities, and individuals—who pool their resources and know-how to advance economic growth and increased access to opportunity for the people of Northeast Ohio through improved job creation, job preparation and job access, an approach called Growth & Opportunity. The Fund advances its Growth & Opportunity mission through research and awareness raising, convening high-impact, cross-sector collaborations, and allocating funding to support job creation, job preparation and job access initiatives. Since its founding in 2004, the Fund has raised more than \$100 million for its efforts, which have helped retain or create more than 24,400 jobs, add \$1.1 billion in payroll, and attract just over \$6 billion in capital to Northeast Ohio.

About the Author

As director of civic innovation and insight, Peter Truog helps the Fund, its partners and the broader community visualize and understand the impact of its work, taking lessons learned and applying them to future endeavors. Peter previously worked at a management consulting firm in Boston, and returned to Cleveland in 2016 after serving as a Fund Fellow during the summer of 2015.

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Contact Us

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