

# Aerozone Strategic Report

## Qualitative Findings

May 2021



**Innovation  
Economy Partners**  
OUR FOCUS: IMPACT AND OUTCOMES



# Aerozone District: Asset Rich & Hopeful.



# Interviews Conducted.

## Core Partners

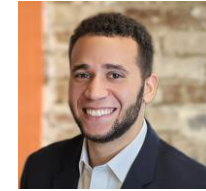
NASA



## Private Sector and Real Estate Developers



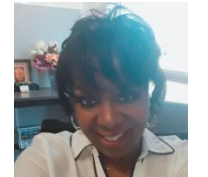
## Philanthropy



## Workforce Partners

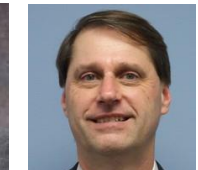


Cleveland–Cuyahoga County  
A proud partner of the American Job Center network



# Interviews: Conducted.

## Economic Development & Public Sector



# What do key stakeholders care about?

## Stakeholder: Businesses

- Access to support and services (funding, talent, sites, etc)
- Access to contracting opportunities
- Ability to advance the industry priorities.
- Ability to collectively pursue industry opportunities.

## Stakeholder: Municipalities

- Develop the tax base
- Ability to attract target industries/businesses
  - Access to jobs
- Attract young families
  - Engagement with businesses in the district
- Access to regional data that impacts local economic development

## Stakeholder: Philanthropy

- Ability to deliver targeted outcomes: Sustainable job and Equity & Inclusion goals
- Address macro-economic issues: unemployment, poverty, GRP growth, job hubs,...

## Stakeholder: Candidates

- Access to quality homes
  - Amenities
- Quality place to live
- Connection to jobs



# A Deep Strategic Alignment with NASA GRC.



Strategic Goals	
GOAL 1	Expand human knowledge through new scientific discoveries
GOAL 2	Extend human presence deeper into space and to the Moon for sustainable long-term exploration and utilization
GOAL 3	Address national challenges and catalyze economic growth
GOAL 4	Optimize capabilities and operations



# Summary of Learnings: Strengths.

## AEROZONE DISTRICT

- The Aerozone District is one of 6 major job hubs in NEO.
- Largest Airport in the State of Ohio
- Federal Research Laboratory
- Largest industrial property in Cuyahoga county. (Nearly 2M sq ft.)
- Opportunity Tax Zone
- Ford Plant: Largest exhibition center 2M sq ft.
- 2 railroad hubs (CSX and Norfolk Southern)
- Access to powerlines
- 2 interstate highways
- Access to high-speed fiber
- Public transportation
- Proximity to Canada
- Proximity to Ports
- Power and Water
- Ohio Aerospace Institute (incubating aerospace co's and SBs)
- Major private sector partners: MCPC, Ford, MOEN, etc.

## AEROZONE ALLIANCE

- Has become a convening forum for Aerozone related opportunities.
- Has a network of relationships across the region that can be leveraged as the Aerozone Alliance organization is redeveloped.
- The Alliance has served as a forum to share information with the regional partners.



# Aerozone: Top Industries.

Priority Industries	Jobs Totals (Block level)	Job Share (%) Block Level	Number of Establishments (Int.Zips/7MileZip)	In Demand Occupations
Transportation & Logistics	7,584	27%	24/106	Heavy Trucking (1,304) Maintenance and Repair (992)
Healthcare and Social Assistance	3,686	13.6%	21/70	Registered Nurse (1,878) Medical Secretaries (599)
Manufacturing	3,620	13.3%	27/115 (Advanced Manufacturing)	General Operations Manager (916) Machinists (556)
Professional, Scientific, and Technical Service	2,026	7.5%	22/73 (IT & Aerospace)	Bookkeeping (898)
Wholesale Trade	1,729	6.4%		





# Summary of Learnings: Weaknesses.

## AEROZONE DISTRICT

- The district lacks a brand and a personality
- Lack of a master plan for the area
- City of Cleveland focus inside CLE Airport fence
- Limited strategic efforts being conducted with core anchor partners
- Lack of a cohesive regional voice
- Lack of green power (important to specific employers e.g. Amazon)
- Lack of last mile transportation in the District
- Coordinated incentive packages
- Very little substantive work done to help
- Lack of deep credible relationships with the Aerozone District anchor institutions.

## AEROZONE ALLIANCE

- Need to have a better scope of focus for the organization.
- While the organization has conducted a series of efforts, the activities are not strategically organized. The efforts lack a clear strategic focus.
- In the recent past there have been developments that have happened where the region did not take a proactive strategy. (e.g. United Layoffs). Even though we knew as a region that this was happening, very few proactive steps were taken to develop a mitigation strategy. We need a better 'emergency response system' that is able to act expeditiously when opportunities arise.
- Seems like there are a lot of conversations but the specific actions are sometimes lacking.
- The municipalities feel a lack of insight into the regional efforts. Would like to be better integrated into the regional efforts.



# Summary of Learnings: Opportunities.

## AEROZONE DISTRICT

- Airport master planning process underway
- How could we better leverage regional, state and federal opportunities better?
  - Air Demand Task Force
  - JobsOhio Focus on areas that align well the priorities in the Aerozone District (federal installations, airports, aerospace and advanced manufacturing)
  - Federal Funding (FAA grants, EDA Grants, CARES Act funding opportunity, etc)
- Increase complementary federal agencies beside NASA.
- Planes: Maintenance Repair and operations: (Potential: Constant Aviation)
- Logistics hub NextGen transportation – electric, autonomy, hyperloop.
- Opportunity tax credit
- Replicate the work going on at other NASA centers (e.g. Huntsville)

## AEROZONE ALLIANCE

- We can't lose track of the major end goal: **People**. How do we attract people? How do we keep people here by creating economic opportunities for them.
- The Alliance needs to help define what role each partner plays in order to develop a stronger collective ecology.
- Proactive Strategies: Economic “plays” need to be better coordinated in conjunction with where we expect economic activity to happen.
- We need more test pilots where we can practice our collaboration efforts.
- How can we help convene industry conversations?
- We need to start generating small wins that can serve as examples to be replicated by interested municipalities.
- Need to do a value chain mapping of the key industries and use this information to identify specific economic development opportunities for the region.
- Need to better integrate higher education institutions into the efforts.



# Summary of Learnings: Threats.

## AEROZONE DISTRICT

- Continued downslide of IC engines – Ford future
- Continued budget reduction at NASA GRC
- Changes in air traffic demand
- Critical to have support for the Aerozone District efforts by the City of Cleveland. Without this support, some of the federal funding, through partners like NOACA, cannot be accessed.
- There are several manufacturing plants in the district that are sitting idle. While currently an asset, they will become a liability if not made productive soon.

## AEROZONE ALLIANCE

- Without a clear definition of who is the client that the Aerozone Alliance serves and what is the value proposition that the Alliance provides, there is a high probability that the Alliance will not be able to sustain funding to sustain its operations.
- Have to compete at scale: If the Aerozone Alliance (and the State of Ohio) is going to be competitive, we need to be able to compete at scale. (e.g. Space Florida: They own \$160 million of assets on NASA Kennedy Property. And are able to give \$20-40MM to potential suitors.)





# Innovation Economy Partners

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