



COMMUNITY DEVELOPMENT • 1140 Terex Road • Hudson, Ohio 44236 • (330) 342-1790

DATE: August 27, 2025

TO: Mayor Anzevino and Members of City Council

FROM: Katie Behnke

CC: Thom Sheridan, City Manager, Brian Griffith, Assistant City Manager, Greg Hannan,
Community Development Director

RE: South 91 Subcommittee Research Summary

Background

In the South 91 Subcommittee Update in the August 25, 2025 Workshop, Council requested a summary report of the research and observations gathered by the Subcommittee. The below report summarizes some of the key learnings from the Subcommittee activities to date.

Strategy for Discussion of Proposed District 11 Uses

Beginning with the first Subcommittee Meeting on April 22, the group leveraged a use chart that featured moveable cards with various uses from the Land Development Code to be classified into Use By Right, Conditional Use, Planned Development Only, and Not Permitted categories based upon Subcommittee discussion. The group revisited and refined the chart during each meeting and identified items that required more research before classification. Staff coordinated the below learning opportunities to assist in these discussions.

Informational Site Visit to Valor Acres in Brecksville, Ohio

On June 6, the Subcommittee visited the new Valor Acres mixed-use office development in Brecksville, Ohio. The visit began with a brief tour of Canvas, the luxury apartments developed at the site, followed by conversations with Brecksville Mayor, Daryl Kingston, at Limelight Coworking Space and Makenzie Makepeace, Managing Director of DiGeronimo Development. The following were key learnings from these presentations:

- Luxury for-rent housing in a suburban community that has traditionally had primarily single-family options, has been well received at 97% lease rate and 73% lease renewal rate.
- Before negotiating a TIF, a study of similarly positioned suburban communities such as Dublin, Ohio, was conducted to understand the typical impacts of new multi-family housing construction on the local school districts. The study found negligible increase in enrollment and the Mayor and DiGeronimo agreed that Canvas had very minimal impact on enrollment. The team estimated less than ten students were likely added from the 168 apartments.

- A voter referendum was required to add residential uses to the property which passed with an approximately 80% approval rate. Mayor Kingston attributes this success to the community's desire to see new activation of the large, unused acreage within town.
- There was some resident hesitation about the scale of the project, particularly from the neighborhood directly abutting the site. This was mitigated by ensuring the housing portions of the project were directly adjacent to existing residential uses to create a stronger transition.
- The Mayor noted that the project will include the first hotel in Brecksville, and the City will implement a bed tax to capture additional benefit from that opportunity.
- Mayor Kingston noted that the plans approved, and final developments look generally the same with limited changes from concept to development. He recommended flexibility in the order of development and phasing to allow the developer to capture the highest and best uses of spaces as the market opportunities arise.
- Given the cost of materials and cost of capital, a new construction office lease per square foot will always be more expensive than the cost per square foot in an existing, available space on the market. Therefore, a new construction option must have the highest value to be selected. In DiGeronimo's experience, office tenants currently value proximity to interesting food options with a focus on quick serve, fitness options, and amenity retail (nail studios, barbershops, dry cleaners, etc.).
- Lodging was needed for many surrounding businesses, including Valor Acres flagship tenant, Sherwin Williams. On a map, the site wasn't compelling to major hotel brands. DiGeronimo coordinated a site visit with their preferred brand to demonstrate the vision in order to land the opportunity. They also requested a study through Newmark on Hotel Demand to support their forecasts.

Presentation from Team NEO Site Strategies Team

During the Subcommittee Meeting on June 16, Katie Meehan, Manager of Site Strategies for Team NEO, gave an overview of the market activity observed by their team.

- In 2025 YTD, there have already been 61 site searches which is double the pace of prior years. This indicates a favorable time to have industrial space available on the market.
- 67% of searches are for existing buildings, preferably a single tenant building with an average size of about 70,000SF. The former Joann building within the district is 1,400,000SF and will therefore require a unique single user or consideration for multi-tenant demising.
- The top industries generating searches are advanced manufacturing and food / agriculture.
- Since 2021, there have only been 23 inquiries in total for buildings greater than 500,000SF.
- Office vacancy rate is 20%, industrial vacancy rate is less than 3%.
- The Joann Headquarters building is the second or third largest building that Team NEO is aware of within the NEO market, creating a unique opportunity regionally.

Informational Real Estate Tour of the Joann Headquarters Building

On August 26, all members of City Council, the Mayor, the Chair and Vice Chair of Planning Commission, and the President and Vice President of the Hudson Board of Education were invited to tour the former Joann Headquarters building at 5555 Darrow Road. As the largest asset within the proposed district, the tour provided an opportunity to view the site in its current state and reflect on proposed zoning changes with this context in mind.

- Ceiling height and interior load bearing walls create a challenge for a single user.
- Lighting is outdated and inefficient, requires investment for any incoming tenant.
- The existing office space has low, sixteen-foot, ceilings with limited natural light. The owner and broker expect some level of demising will need to occur in this space to make it appealing for a new user.
- Substantial dock doors are available on the eastern side of the property, accessed from Hudson Industrial Parkway.

Proposed District Presentation

On July 21, the Subcommittee reviewed the final zoning district framework proposal to present to City Council. The largest landowner within the proposed district, IRG, sent representatives to understand the vision. The IRG team confirmed the proposal allowed for redevelopment of their property and the presented marketable opportunities.