Factory 816

Middlebury Neighborhood

Akron, Ohio

KM Date Community Planning and OHM Advisors

DRAFT INITIAL FINDINGS September 15, 2025

Introduction and Study Purpose

- Understand potential for success of uses in relation to the surrounding market area
- Support funding and financing proposals
- Explore questions leading to more detailed and robust proposal
- Check in with local stakeholders to set context for the project

Methodology

- Start from existing analysis as a basis
- Review data on updated project proposal, pro formae
- Inventory restaurant/bars in the 5- and 10-minute drive zones
- Inventory event space, and family entertainment in Summit County
- Analyze restaurant/bar demand using niche model based on number of establishments
- Analyze restaurant/bar, event space and family entertainment based on location quotient and inventory comparison
- Interview key stakeholders in the County and development/real estate interests
- Update liquor license data for Akron
- Draw conclusions

Factory 816 Overview

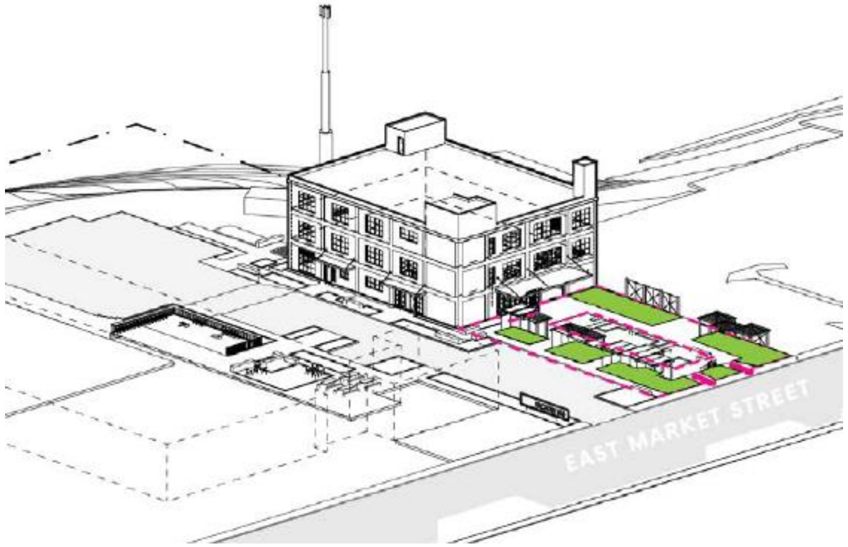
- Located at 816 E Market Street in the Middlebury neighborhood of Akron
- Middlebury was the original settlement in the area, preceding Akron
- Neighborhood contains century homes and historic business properties
- Area has seen economic decline with underutilized properties and the lowest median income in the City

Factory 816 Overview

- Redevelopment of vacant 3-story building
- About 7,500 square feet per floor, total leasable area 23,000 SF
- Roof development will occur in a future phase
- Potential for microbrewery or other use in the basement in a future phase

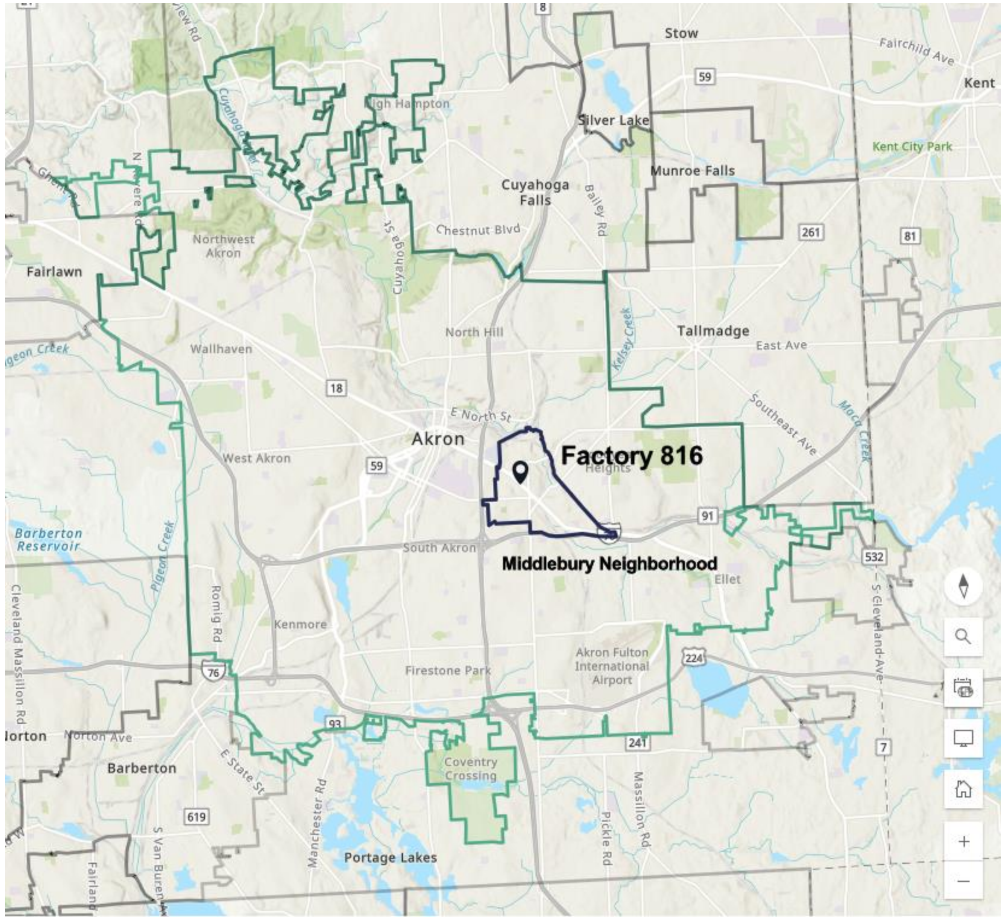
Factory 816 Overview

- Three uses proposed:
  - First floor - restaurant food hall with 5 micro kitchens and 122 seating capacity
  - Second floor – Family Entertainment including a golf simulator, ping pong, and more
  - Third floor – event space, 6,866 square feet with capacity for 112-136 guests
  - Roof – Family Entertainment with alcohol service including outdoor dining and games; Phase II development



The Middlebury Neighborhood

- Neighborhood of Akron
- Just east of downtown
- Factory 816 is on western end of neighborhood toward the downtown, on East Market St



The Middlebury Neighborhood is ripe for redevelopment

- 5 minutes east of Akron's downtown, Summa Health Campus, University of Akron
- Goodyear headquarters directly south
- New East End redevelopment district directly southeast
- New Dave's on Exchange Street
- 797 upscale apartments across the street

Crain's Cleveland

Crain's Cleveland

Signal Akron

Signal Akron

Summit County Employment Trends

2018 NAICS	Meaning of NAICS code	2018 Number of employees	2023 Number of employees	% change 2018-2023
115	Support activities for agriculture and forestry	30	31	3.3%
213	Support activities for mining	53	18	-66.0%
221	Utilities	3,082	3,527	14.4%
236	Construction of buildings	2,101	1,966	-6.4%
237	Heavy and civil engineering construction	2,228	2,661	19.4%
238	Specialty trade contractors	6,008	6,776	12.8%
311	Food manufacturing	1,158	1,171	1.1%
312	Beverage and tobacco product manufacturing	616	977	58.6%
314	Textile product mills	24	27	12.5%
321	Wood product manufacturing	129	180	39.5%
322	Paper manufacturing	395	492	24.6%
323	Printing and related support activities	1,416	1,208	-14.7%
324	Petroleum and coal products manufacturing	46	31	-32.6%
325	Chemical manufacturing	3,113	4,193	34.7%
326	Plastics and rubber products manufacturing	6,156	4,874	-20.8%
327	Nonmetallic mineral product manufacturing	206	229	11.2%
331	Primary metal manufacturing	1,279	1,187	-7.2%
332	Fabricated metal product manufacturing	4,727	4,653	-1.6%
333	Machinery manufacturing	3,609	2,897	-19.7%

Notes:

This is an Important factor to look at, to understand changes (if any) since the pandemic

(In the final doc, These tables will be simplified/reduced to show only the highlights)

- Manufacturing sectors have seen both an increase and decrease in employment – dependent on product

Summit County Employment Trends

2018 NAICS	Meaning of NAICS code	2018 Number of employees	2023 Number of employees	% change 2018-2023
334	Computer and electronic product manufacturing	845	975	15.4%
335	Electrical equipment, appliance, and component manufacturing	453	816	80.1%
336	Transportation equipment manufacturing	2,747	1,363	-50.4%
337	Furniture and related product manufacturing	150	206	37.3%
339	Miscellaneous manufacturing	1,487	1,688	13.5%
423	Merchant wholesalers, durable goods	10,973	10,428	-5.0%
424	Merchant wholesalers, nondurable goods	6,609	3,974	-39.9%
425	Wholesale electronic markets and agents and brokers	945	553	-41.5%
441	Motor vehicle and parts dealers	4,736	4,410	-6.9%
442	Furniture and home furnishings stores	666	496	-25.5%
443	Electronics and appliance stores	594	390	-34.3%
444	Building material and garden equipment and supplies dealers	2,281	2,351	3.1%
445	Food and beverage stores	6,561	5,385	-17.9%
446	Health and personal care stores	2,061	1,821	-11.6%
447	Gasoline stations	1,658	1,463	-11.8%
448	Clothing and clothing accessories stores	2,150	1,798	-16.4%
451	Sporting goods, hobby, musical instrument, and book stores	1,065	865	-18.8%
452	General merchandise stores	4,191	4,439	5.9%
453	Miscellaneous store retailers	1,699	1,529	-10.0%
454	Nonstore retailers	2,735	2,862	4.6%

- Wholesale and retail sectors saw a drop in employment – could be due to COVID19
- Hardware and "nonstore retailers" (online) saw a rise – Covid impacts
- Electronic manufacturing saw a rise in employment, may indicate a shift in manufacturing trends

Summit County Employment Trends

2018 NAICS	Meaning of NAICS code	2018 Number of employees	2023 Number of employees	% change 2018-2023
481	Air transportation	263	286	8.7%
484	Truck transportation	4,761	5,606	17.7%
485	Transit and ground passenger transportation	349	326	-6.6%
487	Scenic and sightseeing transportation	38	35	-7.9%
488	Support activities for transportation	854	906	6.1%
492	Couriers and messengers	1,405	2,410	71.5%
493	Warehousing and storage	1,749	4,725	170.2%
511	Publishing industries (except internet)	1,760	1,484	-15.7%
512	Motion picture and sound recording industries	265	302	14.0%
515	Broadcasting (except internet)	219	116	-47.0%
517	Telecommunications	2,512	1,738	-30.8%
518	Data processing, hosting, and related services	662	390	-41.1%
519	Other information services	300	224	-25.3%
522	Credit intermediation and related activities	3,361	2,577	-23.3%
523	related activities	1,383	1,486	7.4%
524	Insurance carriers and related activities	6,060	4,096	-32.4%
531	Real estate	1,772	1,824	2.9%
532	Rental and leasing services	857	823	-4.0%
533	Lessors of nonfinancial intangible assets (except copyrighted works)	12	18	50.0%
541	Professional, scientific, and technical services	13,328	15,574	16.9%

- Transportation-related industries saw a boost in employment (these include logistics, another online shopping impact); Amazon distribution facility came online
- Information-related services, such as broadcasting and telecommunications, saw a drop, likely due to the transition to web-based programs and systems
- 16.9 % increase in white collar jobs (professional, scientific, and technical services) means opportunity to capture buying power from those with higher incomes

Summit County Employment Trends

2018 NAICS	Meaning of NAICS code	2018 Number of employees	2023 Number of employees	% change 2018-2023
551	Management of companies and enterprises	13,517	13,285	-1.7%
561	Administrative and support services	15,289	14,515	-5.1%
562	Waste management and remediation services	466	504	8.2%
611	Educational services	4,415	4,494	1.8%
621	Ambulatory health care services	14,963	15,976	6.8%
622	Hospitals	13,982	16,547	18.3%
623	Nursing and residential care facilities	7,914	7,859	-0.7%
624	Social assistance	6,755	8,214	21.6%
711	Performing arts, spectator sports, and related industries	1,283	800	-37.6%
712	Museums, historical sites, and similar institutions	389	378	-2.8%
713	Amusement, gambling, and recreation industries	2,785	2,550	-8.4%
721	Accommodation	1,363	2,007	47.2%
722	Food services and drinking places	22,074	22,422	1.6%
811	Repair and maintenance	3,057	2,927	-4.3%
812	Personal and laundry services	2,954	2,681	-9.2%
813	Religious, grantmaking, civic, professional, and similar organizations	5,019	4,760	-5.2%

- Performing arts, spectator sports, and related industries saw a 37.6% drop, could be due to COVID or funding cuts in arts & entertainment organizations – ultimately unclear

- Hospitals, social assistance, ambulatory health care services, social assistance all on the rise, likely due to aging population and other economic factors

Middlebury Neighborhood Population and Households

Area	Middlebury Neighborhood		Within 5 Minute Drive		Within 10 Minute Drive	
Year	2020	2025	2020	2025	2020	2025
Total Neighborhood Population	5,635	4,316	30,624	25,797	145,110	167,124
Total Daytime Population	5,632	5,741	36,314	43,976	151,854	196,776
Total Daytime Workers	1,690	3,260	17,184	29,795	64,992	107,928
Number of Households	2,163	1,955	10,783	10,510	62,753	73,474
Housing Units	2,907	2,481	13,530	13,667	72,454	81,662
Owner Occupied	20.8%	22.3%	33.1%	32.8%	45.50%	44.60%
Renter Occupied	53.6%	56.5%	46.6%	41.2%	41.20%	45.40%
Vacant	25.6%	21.2%	20.3%	20.0%	13.40%	10.00%
Median Household Income	$ 26,030	$ 34,316	$ 31,112	$ 33,529	$ 41,023	$ 48,255
Mean Household Income	$ 35,385	$ 38,274	$ 40,881	$ 44,718	$ 53,475	$ 62,742
Total Household Purchasing Powe	$ 76,537,755	$ 74,825,670	$ 440,819,823	$ 469,986,180	$ 3,355,716,675	$ 4,609,905,708
Median Home Value	$ 53,005	$ 59,911	$ 66,557	$ 81,227	$ 84,556	$ 120,972

- Changes since the previous report (early 2020 pre-pandemic effects) are important to note
- Spike in total daytime population and workers may be due to change in ESRI estimation methods; all we can do is use current data; will be contacting ESRI for confirmation
- Middlebury neighborhood popula tion estimate fell by 1,319
- Total HH purchasing power increases across 5-minute & 10-minute geographies roughly paralleled inflation

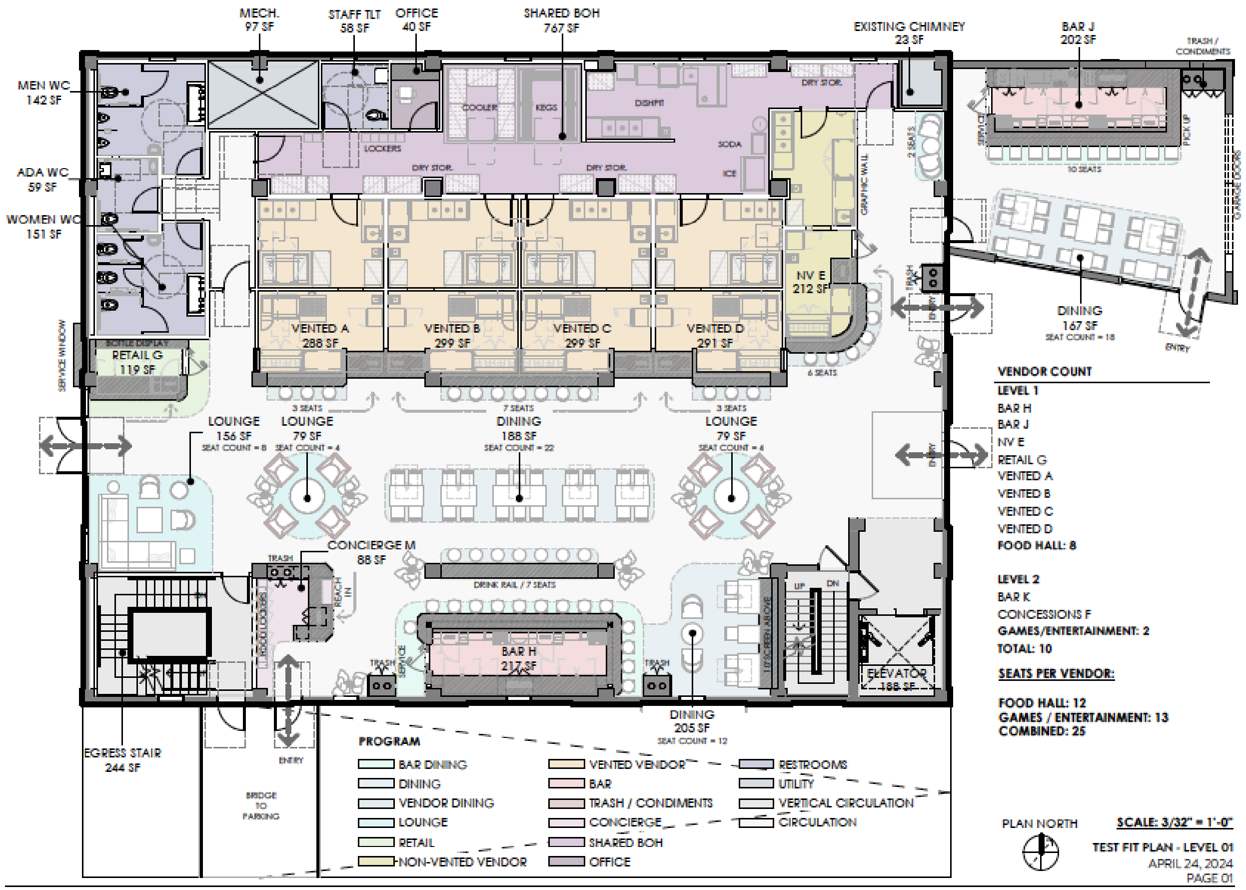
Middlebury Neighborhood Age and Race

Area	Middlebury Neighborhood		Within 5 Minute Drive		Within 10 Minute Drive	
Year	2020	2025	2020	2025	2020	2025
Median Age	32.6	34.6	28.5	31.4	38.5	37.8
Children Under 18	24.40%	25.00%	19.40%	21.50%	21.60%	21.20%
Seniors over 65	11.30%	15.30%	10.10%	13.10%	16.20%	17.40%
White Alone	45.4%	4..4%	52.00%	46.70%	64.2%	55.3%
Black Alone	40.7%	41.5%	35.30%	36.30%	27.1%	28.6%
American Indian Alone	0.6%	0.5%	0.40%	0.40%	0.3%	0.3%
Asian Alone	5.2%	3.1%	6.00%	6.60%	3.4%	6.9%
Pacific Islander Alone	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Some Other Race Alone	2.0%	3.1%	1.40%	2.20%	1.0%	1.8%
Two or More Races	6.1%	8.4%	5.60%	7.80%	4.2%	7.1%
Hispanic Origin	4.4%	5.3%	4.10%	4.40%	3.1%	3.7%
Population 16+ Unemployment Ra	24.7%	12.30%	22.00%	9.60%	17.90%	7%

- All three geographies saw a small increase in diversity – mostly in Asian alone, two or more races, and Hispanic origin
- Significant drop in the unemployment rate – another COVID factor, possibly due to fewer people looking for work
- Data indicates a shift towards an aging population – national trend

Demographic and Economic Findings

- Small reductions in population for the neighborhood and 5-minute drive time are offset by increases in the 10-minute drive time
- Spikes in daytime and worker populations are likely due to change in ESRI calculation methods (to be confirmed)
- All three geographies used in demographic analysis seeing an aging population – national trend
- The COVID-19 pandemic source of many shifts in employment trends
  - Industries with an increase – online retailers, electronic manufacturing, transportation and logistics, hospitals, health care industries, and white-collar jobs
  - Industries with a decrease – wholesale and retail sectors, information-related services, performing arts, and specific manufacturing sectors (product dependent)



Restaurant/Food Hall Market Analysis

Factory 816 Proposal – Restaurant/Food Hall Overview

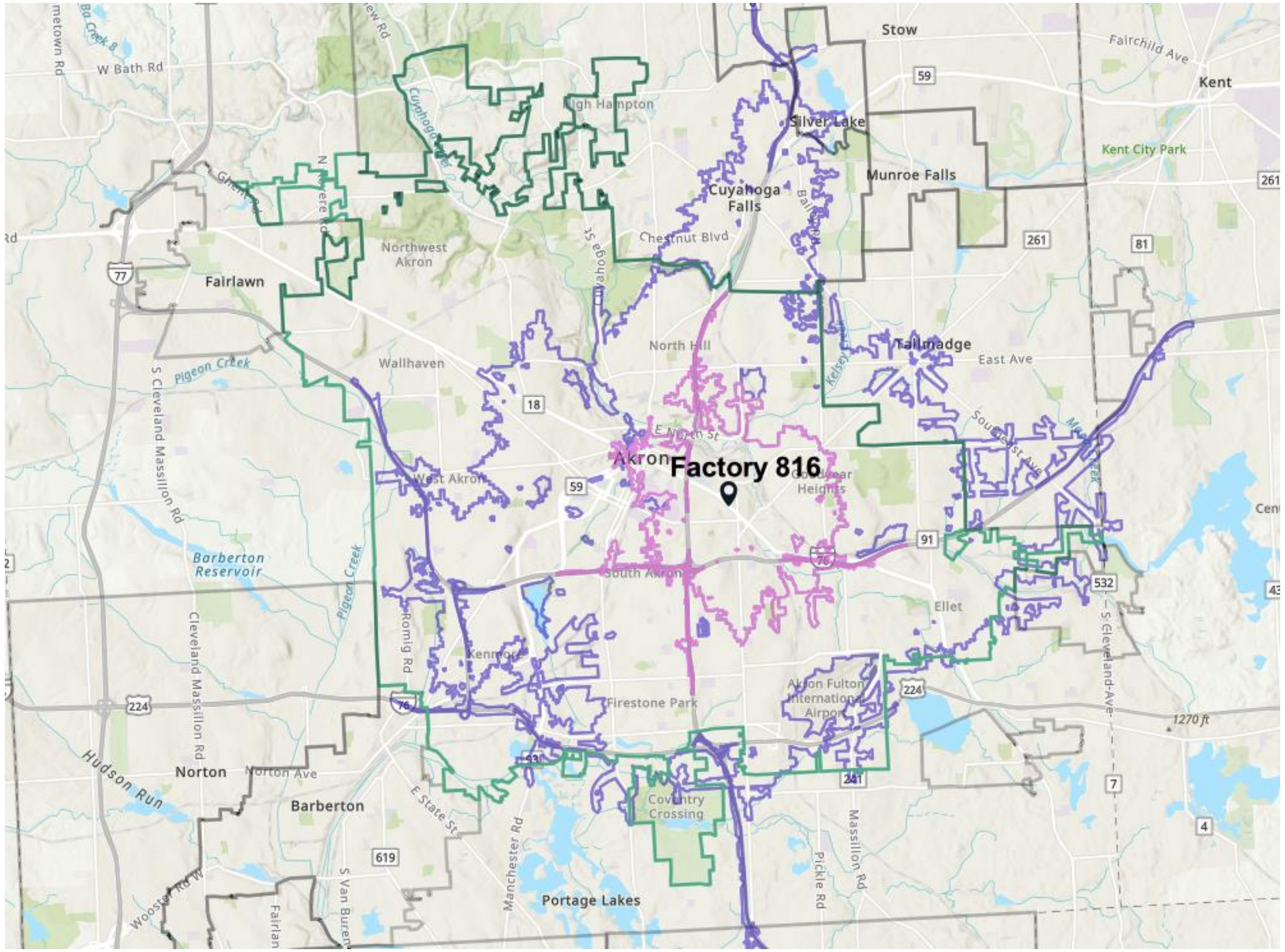
- Located on the first floor – 7,500 SF total, 5,868 leasable area

Common Space	Dining & Common	Services & Support	Vendors	Open Seating Area
663 SF	3,651 SF	1,216 SF	2,015 SF	2,883 SF

- Food court with four vented micro-kitchens, one non-vented kitchen, indoor & outdoor bar, and a common seating area

- Capacity for 122 guests

Restaurant Market Area



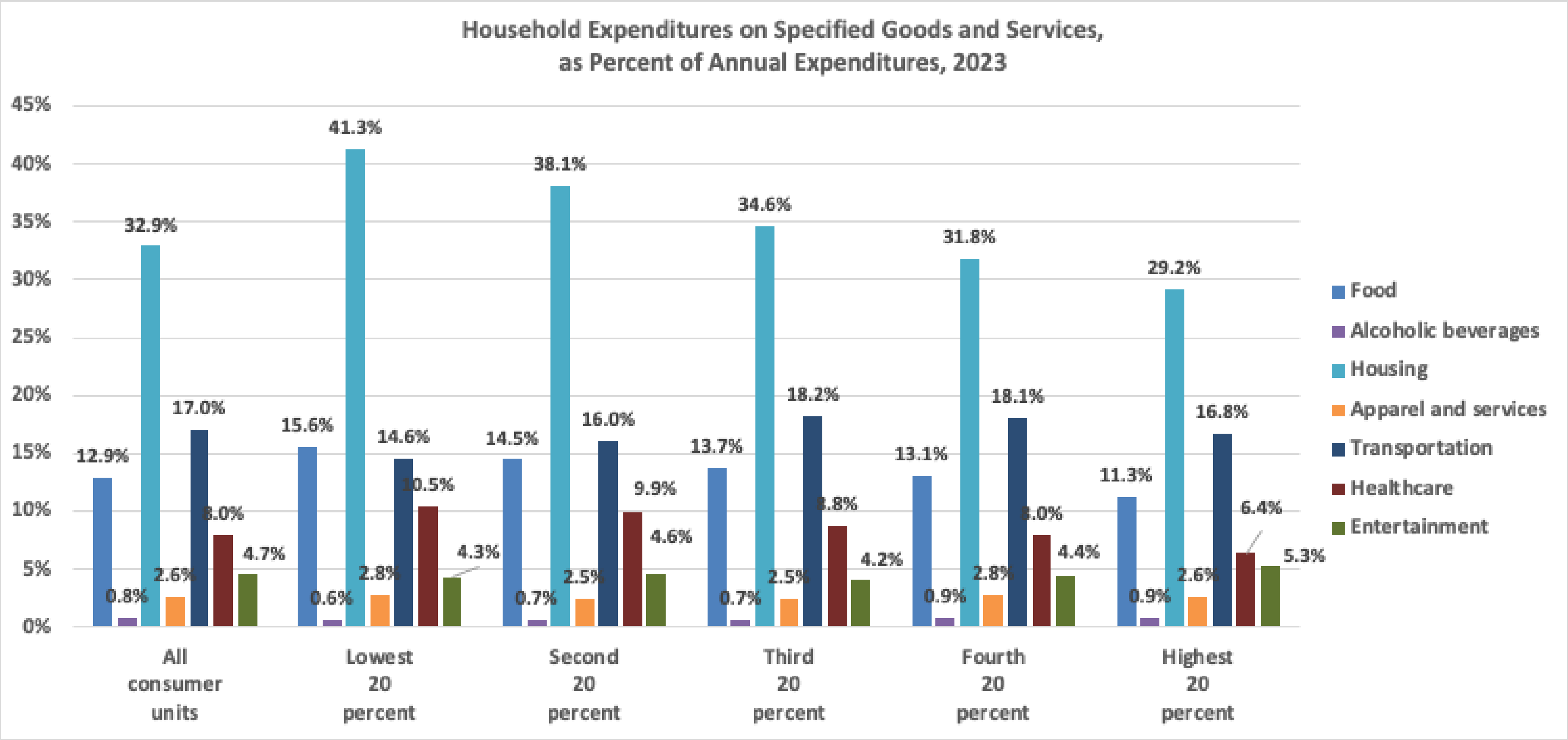
- Map shows Factory 816 location
- City of Akron boundary (green)
- Surrounding communities boundaries (gray)
- 5- and 10-minute drive times from Factory 816 site (pale and darker purple)
- 1.5-mile and 4-mile radii from Factory 816 site approximate 5- and 10-minute drive times for LEHD data analysis
- Same boundaries were used for 2020 study and 2025 study

5- and 10-minute drive zones fall in different income groups

Item	All Households	Lowest 20 percent	Second 20 percent	Third 20 percent	Fourth 20 percent	Highest 20 percent
Number of consumer units (in thousands)	134,556	26,719	26,984	27,027	26,902	26,924
Lower limit	n.a.	n.a.	$28,262	$54,553	$90,239	$148,682
Consumer unit characteristics:						
Income before taxes	$101,805	$15,596	$40,751	$71,057	$116,717	$264,518
Average annual expenditures	$77,280	$33,776	$48,923	$65,487	$87,922	$150,093
Percent of Income Before Taxes	76%	217%	120%	92%	75%	57%
Middlebury Neighborhood	**1,955**					
Average Annual Household Income			$ 43,143			
Median Annual Household Income			$ 34,316			
10-Minute Drive Zone	**73,474**					
Average Annual Household Income				$ 62,742		
Median Annual Household Income				$ 48,255		
5-Minute Drive Zone	**10,510**					
Average Annual Household Income			$52,196			
Median Annual Household Income			$39,579			

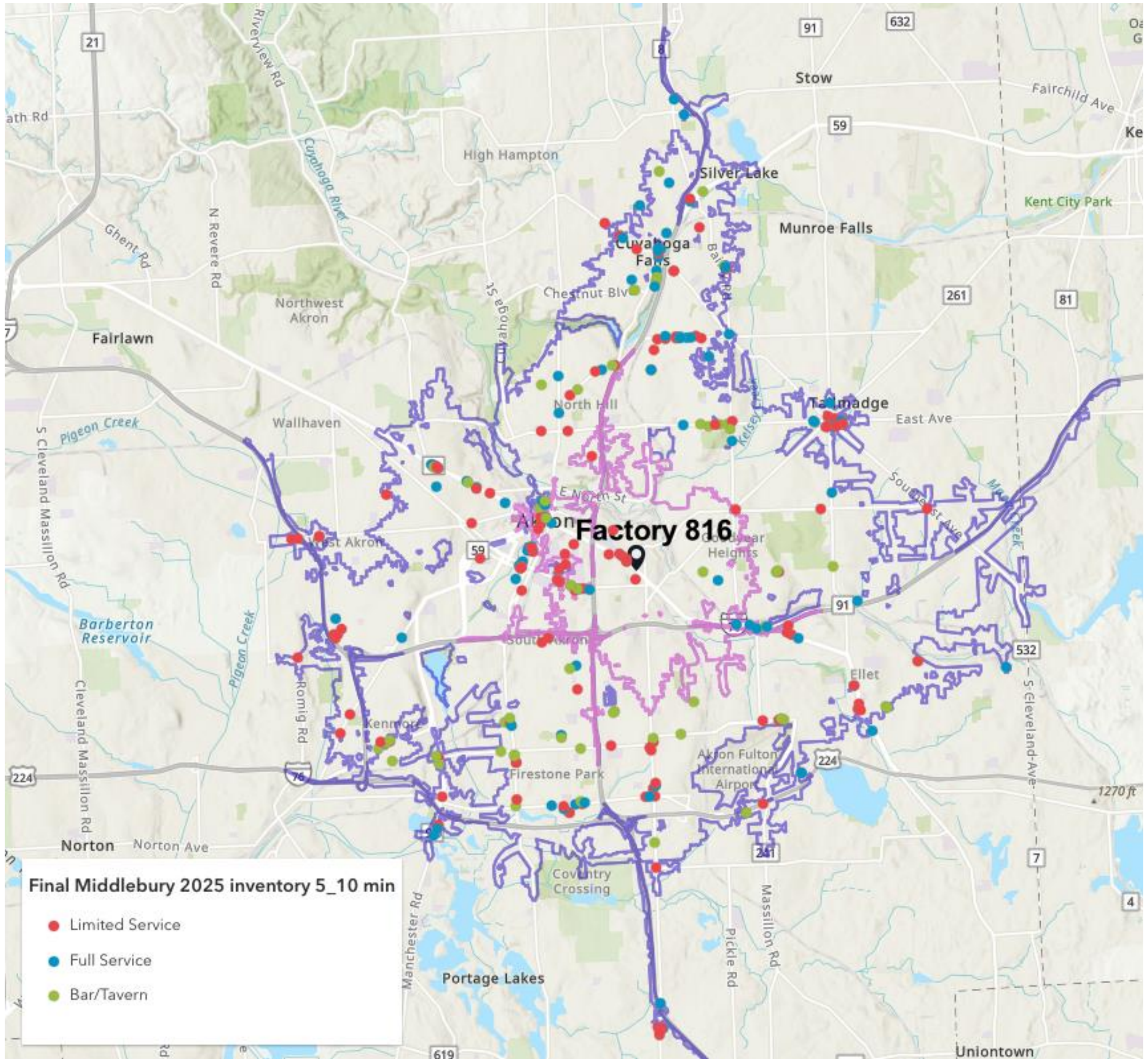
- 10 minute zone: 92% Percent of household income before taxes spent on goods and services, Higher than 76% national average
- 5-minute zone: 120% of income spent on goods and services (due to subsidies)

Household Expenditures Vary by Income Group



- Middle income group spends 13.7% of their annual income on food; 2nd quintile spends 14.5%
- Both groups spend 4.9% on food away from home
- Widest range of expenditure is on Housing

Restaurant Inventory in the Drive Zones



- Inventory gap south and east of Factory 816 within 5-minute drive zone
- There is a cluster of Limited service restaurants in the downtown and on East Market St west of Factory 816

Restaurant Supply by Category and Drive Zone

- Limited-service establishments are the most prevalent in both categories
- All have seen big reductions since 2020, likely due to pandemic effects
- Rebound still in progress – office workers demand reduced
- The 5-minute drive zone has only about 1/10 the number of restaurants as the 10-minute drive zone

5-Minute Drive Zone Restaurants

Restaurant Category	Number 2020	Number 2025	Approximate Total Area 2025
Bar/Tavern	16	7	22,869
Limited-Service	44	20	54,000
Full-Service	20	6	17,256
Grand Total	**80**	**33**	**94,125**

10-Minute Drive Zone Restaurants

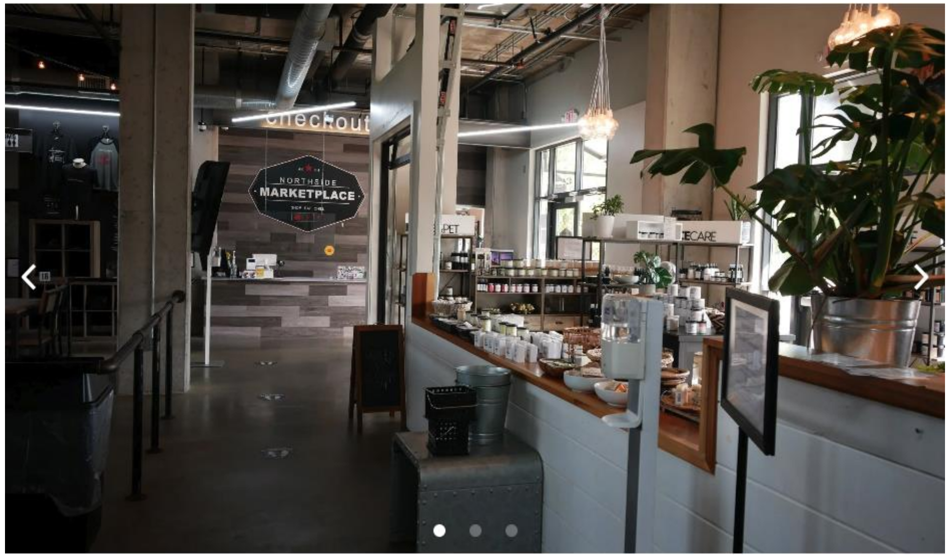
Restaurant Category	Number 2020	Number 2025	Approximate Total Area 2025
Bar/Tavern	116	97	209,088
Limited-Service	164	173	467,100
Full-Service	102	97	278,972
Grand Total	**382**	**334**	**955,160**

Local Market Halls and Food Halls

- A food hall is a single venue that houses multiple independent food vendors, offering a variety of cuisines in a shared dining space
- Van Aken Market Hall, Shaker Heights OH, 21,000 SF
- Federal Galley, Pittsburgh, 14,000 SF
- R.House, Baltimore, 50,000 SF

Food Halls in Akron

- Northside Marketplace – only traditional 'food hall' in Akron/Summit County
- Northside Marketplace is much smaller, seating appears to be less than 50 people, with space given to retail sales vendors
- Factory 816 provides a larger space, and additional amenities that entice a variety of users, such as lounge and bar seating, entertainment, and TVs
- Factory 816's upstairs entertainment venue and private event space provide additional demand for food and beverages in the food hall



Northside Marketplace

Food Halls in the data

- NAICS codes
  - 722513 – Limited-service restaurants
  - 722511 – Full-service restaurants
  - 722410 – Drinking establishments
- Limited-service vs full-service restaurants
  - Limited Service = establishment characterized by a fast, streamlined service model, with a limited, standardized menu with lower costs and high efficiency
  - Full Service = establishment where guests are seated at a table, place their orders with a server, and receive drinks and food, at the table from the server
  - Market Halls are likely counted as Limited Service in the data, but are a somewhat different product

Restaurant Demand Model – Assumptions

- Consumers in the Middlebury market areas will patronize restaurants in same proportion (full service to limited service to bars) as consumers in Summit County
- Households in the market areas will spend about 4.9% of their income before taxes on food away from home
- Office workers spend an average of $2700 per year on restaurants while at the office, varying by their income level
- Annual sales varies for different types of restaurants; web research on restaurant investor sites yielded a range of estimates of sales, which was averaged for model input
- Both 100% capture (all available restaurant expenditures) and 75/30 capture (75% of bar and limited service restaurant expenditures will be spent in the market area; 30% of fine dining expenditures) were used in estimating ranges

Restaurant Demand Model – Summary of Results

SUPPLY AND DEMAND - 10-MINUTE DRIVE ZONE						
	DEMAND	SUPPLY	GAP/(-SURPLUS)			
Restaurant Category	High Expenditure Range, 100% Capture	Supply	High Expenditure, 100% Capture	High Expenditure, 75/30% Capture	Low Expenditure, 100% Capture	Low Expenditure, 75/30% Capture
Full Service Restaurants	51	97	-46	-82	-56	-85
Limited Service Restaurants	99	173	-74	-99	-94	-113
Bars/Taverns	296	64	232	158	175	115

SUPPLY AND DEMAND: 5-MINUTE DRIVE ZONE						
	DEMAND	SUPPLY	GAP/(-SURPLUS)			
Restaurant Category	High Expenditure Range, 100% Capture	Supply	High Expenditure, 100% Capture	High Expenditure, 75/30% Capture	Low Expenditure, 100% Capture	Low Expenditure, 75/30% Capture
Full Service Restaurants	3	6	4	-3	1	-4
Limited Service Restaurants	15	20	-0.5	-5	-7	-10
Bars/Taverns	44	7	52	37	32	22

- Results similar to 2020 but demand is lower even in 5-minute drive zone
- In the 10-minute zone there is a significant restaurant surplus, even with reduced restaurants
- In the 5-minute zone, which includes many workers in the downtown, there are small gaps in full service restaurants at the 100% capture level – indicating that with optimistic assumptions, demand may be there – it will be up to the owners to capture it
- Both areas have a substantial gap in bars/taverns

Restaurants/Bars - Location Quotient

- Location Quotient compares the proportion of employment of similar establishments to the proportion in other geographies
- Values over 1.0 indicate more employment proportionally in the County vs the other geographies
- Summit County has a higher proportion of all three categories compared to NEO but hovers closer to the Ohio average
- Summit County has a .96 LQ for Full-Service Restaurants, indicating slightly lower than average activity when compared to the state
- This analysis generally supports the surpluses identified in the previous slide

NAICS Code	NAICS Description	Summit County Compared to NEO	Summit County Compared to Ohio
722513	Limited-Service Restaurants	**1.37**	**1.02**
722511	Full-Service Restaurants	**1.22**	**.96**
722410	Drinking Establishments	**1.13**	**1.03**

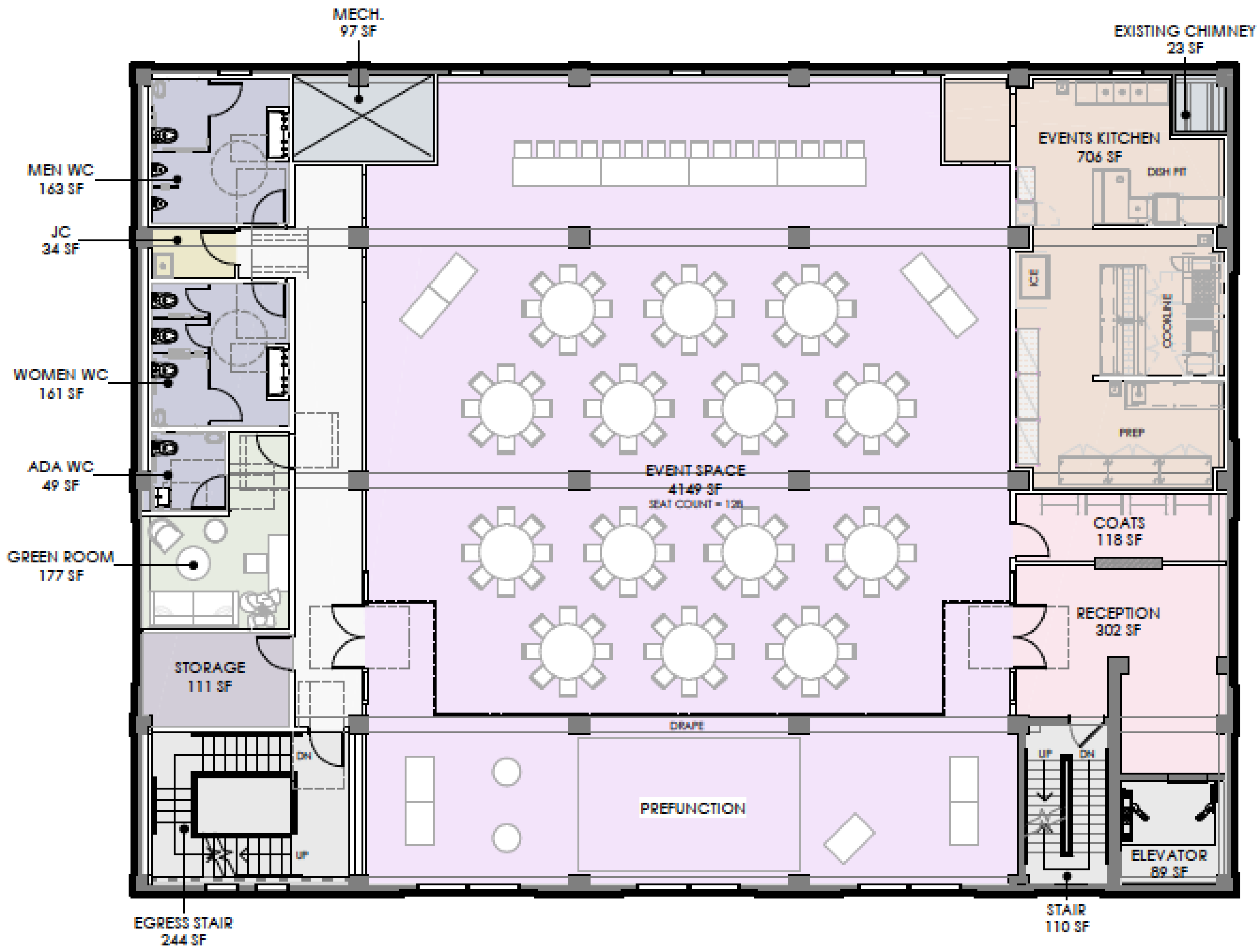
Liquor License Status

LIQUOR LICENSE STATUS IN AKRON as of September 12, 2025						
Permit Type	Permit Description	Quota	Permits	Openings	Applications	Open without applications
C-1	Beer carryout only	190	171	19	15	4
C-2	Wine and Mixed beverages, sealed containers, carryout only	190	178	12	18	-6
D-1	Beer only	95	84	11	10	1
D-2	Wine and mixed beverages only	95	95	0	8	-8
D-3	Spirituous beverages only	127	99	28	10	18
D-4	Beer to members only	95	18	77	0	77
D-5	Beer, wine and mixed beverages; can be taken out in sealed containers; spirituous liquor on-premises only (most desirable)	95	84	11	13	-2
Source: Ohio Liquor Control Board web site						

- Most desirable license is D-5
- Options exist to purchase, transfer licenses, or create a special entertainment zone
- See full discussion in original report appendix

Restaurant Findings

- There is a higher-than-average number of limited-service and full-service restaurants in Summit County compared to NEO, potentially indicating more competition
- Some demand is indicated within the 5-minute driving zone, which does include many office workers
- Location quotient indicates support for bars, as does model analysis
- Factory 816 food hall would be enhanced through entertainment amenities and alcohol, and larger guest capacity – would likely draw from customers throughout the county due to its unique features
- Marketing of the venue would do well to reach outside the 10-minute zone to expand demographics



Event Space Market Review

Factory 816 – Event Space Overview

- Located on the third floor – 6,866 SF total

Common Space	Events Space	Services & Support	Utility
541 SF	4,450 SF	1,851 SF	23 SF

- Event Space includes both banquet and meeting layouts, a full kitchen, coat closet, reception area, and pre-function spaces
- Capacity ranges from 112-136 guests

Event spaces – types and categories

- Event spaces are broken down into 2 categories; above 150 capacity, below 150 capacity
- Critical elements – alcohol, commercial kitchen vs warming space, entry hall, coats, bride room, parking, etc
- Typical users are utilizing centers for weddings and showers
- Subcategories include; wedding/shower, boutique, cultural/historic, banquet hall, private events, music hall, Metroparks, and faith-based
- NAICS Codes
    - 722320 – Caterers
    - 531120 – Lessors of non-residential buildings

Event Spaces in Summit County

- Largest subcategory is wedding/shower with locations that host groups both above and below 150 guests
- Majority of event spaces host groups over 150
- Total event spaces = 30

Subcategory	Capacity Above 150	Capacity Below 150	Subcategory Total
Banquet Hall	5	1	**6**
Boutique	0	1	**1**
Cultural/Historic	1	4	**5**
Faith-Based	1	0	**1**
MetroParks	2	1	**3**
Music Hall	1	0	**1**
Private Events	3	1	**4**
Wedding/Shower	5	4	**9**
Grand Total	**18**	**12**	**30**

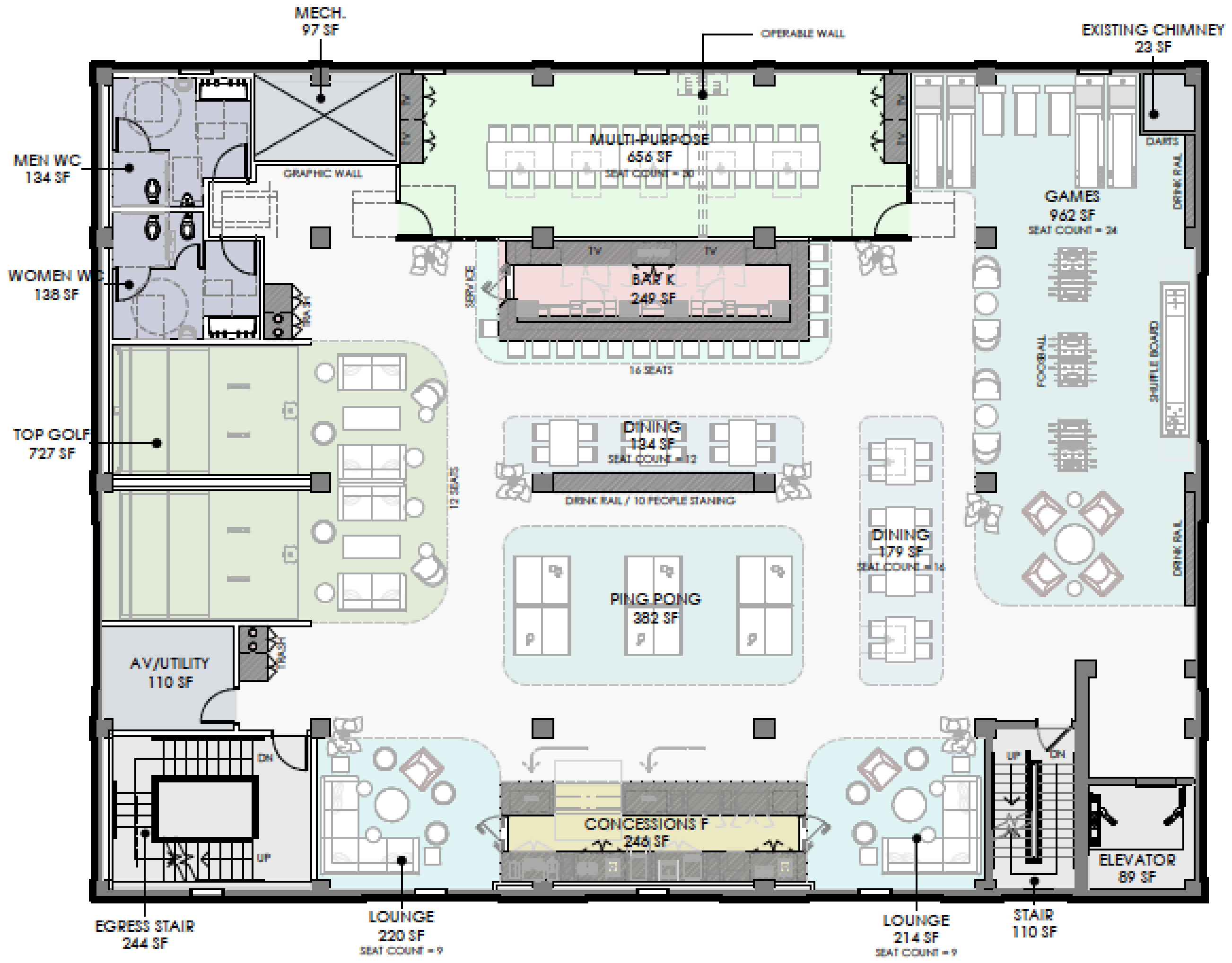
Event spaces in Summit County – Location Quotient

- The proportion of caterers is higher in Summit County compared to NEO, indicating a strong industry within the county
- Close to par when compared with the state average

NAICS Code	NAICS Description	Summit County Compared to NEO	Summit County Compared to Ohio
722320	Caterers	**1.24**	**1.06**

Event Space Findings

- The wedding/shower subcategory is the largest quantity of event space in the county - accommodated by existing venues that host +/- 150 guest capacity
- Catering sector seems strong within Summit County, could indicate competition
- However cultural/historic spaces are few and could indicate a gap in spaces with "coolness factor"
- More detail on individual spaces will be included in the final report



Family Entertainment Market Review

Factory 816 – Family Entertainment Overview

- Located on the second (6,904 SF) and fourth floor (roof) (3,387 SF)

Second Floor:

Common Space	Dining & Common	Games & Activities	Services & Support	Specialty Program	Utility	Vendors
564 SF	2,735 SF	2,072 SF	272 SF	656 SF	23 SF	496 SF

Fourth Floor:

Common Space	Dining & Common	Services & Support	Vendors
555 SF	799 SF	1,868 SF	166 SF

- Includes lounge areas, games and entertainment, concessions, several bars, a multipurpose room, dining areas, a rooftop kitchen
- Capacity on second floor (128) Fourth floor (142)

Family Entertainment – types and categories

- Summit County chosen as market area due to limited competition and anticipated/desired drive times
- Different uses in existing venues include: amusement centers, arcades, bowling amusement centers, arcades, bowling alleys, live music/arcades, and sports complexes
- Locations also fell under: food no alcohol, food with alcohol, or no food no alcohol
- Typical users vary based on activity, i.e., bowling vs arcade
- Sizes and parking vary by use
- NAICS Codes
  - 713120 – Amusement Arcades
  - 713940 – Fitness & Rec Centers
  - 713990 – Amusement & Recreation

Family Entertainment in Summit County

- Majority of locations fell within food with alcohol, or no food no alcohol categories
- Only 5 of the 13 (38%) entertainment centers in the county serve food and alcohol
- Locations that are youth-focused account for the establishments without alcohol

Subcategory	Food No Alcohol	Food With Alcohol	No Food No Alcohol	Subcategory Total
Amusement Center	2	0	2	**4**
Arcade	1	1	1	**3**
Bowling Alley	0	2	0	**2**
Driving Range	0	1	0	**1**
Escape Room	0	0	1	**1**
Live Music/Arcade	0	1	0	**1**
Sports Complex	0	0	1	**1**
Grand Total	**3**	**5**	**5**	**13**

Family Entertainment in Summit County – Location Quotient

- Amusement Arcades has the smallest industry presence in Summit County compared to NEO and the state, indicating potential unmet demand
- An LQ of .92 shows a smaller proportion of fitness & recreation in the County compared to Ohio, but a higher proportion when compared to NEO
- Amusement and Recreation has a higher than average footprint especially when compared to NEO footprint
- The 1.38 and 1.36 LQ for the recreation categories could represent a high demand for these types of activities in Summit County

NAICS Code	NAICS Description	Summit County Compared to NEO	Summit County Compared to Ohio
713120	Amusement Arcades	**.76**	**.89**
713940	Fitness & Recreation	**1.38**	**.92**
713990	Amusement & Recreation	**1.36**	**1.23**

Family Entertainment Findings

- Family entertainment venues in the county vary by activity, categorized by recreation (i.e., bowling) or amusement-ased (i.e. arcade)
- Only 38% of entertainment centers in Summit County serve food and alcohol
- Amusement arcades are the least competitive in the area, could indicate demand
- Factory 816 is unique among venues for the presence of food hall AND entertainment
- More detail on the venues inventoried will be included in the final report

Economic Impact Analysis

Purpose of the Analysis

- To understand the total jobs, worker earnings, and sales likely to be created at the Factory 816 project
- To then project the potential jobs, worker earnings, and sales likely to be generated in the larger regions (Summit County and Northeast Ohio) due to ripple effects of spending and earning at the project
- Both construction impacts, which are short term (1 year), and longer-term 5-year impacts, are evaluated.
- The effects on the first hypothetical stable year (5th year of operations) are also evaluated

Definitions

- Final demand – projected jobs, worker earnings, and sales of the project itself
- Direct effects – the first round of effects on businesses who sold goods to the project (for example, the distributor who supplies the groceries for food preparation)
- Indirect effects – subsequent rounds of effects (for example, the farmer who produced the goods)
- Induced effects – effects of households who spend their earnings (for example, the bartender pays for housing, transportation and daycare, all of which employ people and businesses)
- All of these effects are included in this analysis

Methodology

- Pro forma by Colicchio Consultants was the primary source of information on projected operations employment, sales and salaries at the Factory 816 project
- Sources and Uses summary from The Well was the primary source of construction costs
- Construction salaries and employment utilized US business data for Summit County (County Business Patterns) with interpretation by KM Date
- Final Demand estimates were then multiplied for Summit County and Northeast Ohio using the US Bureau of Labor Statistics' RIMS II multipliers for the two geographies – 2023 data, using 2017 national economic accounts

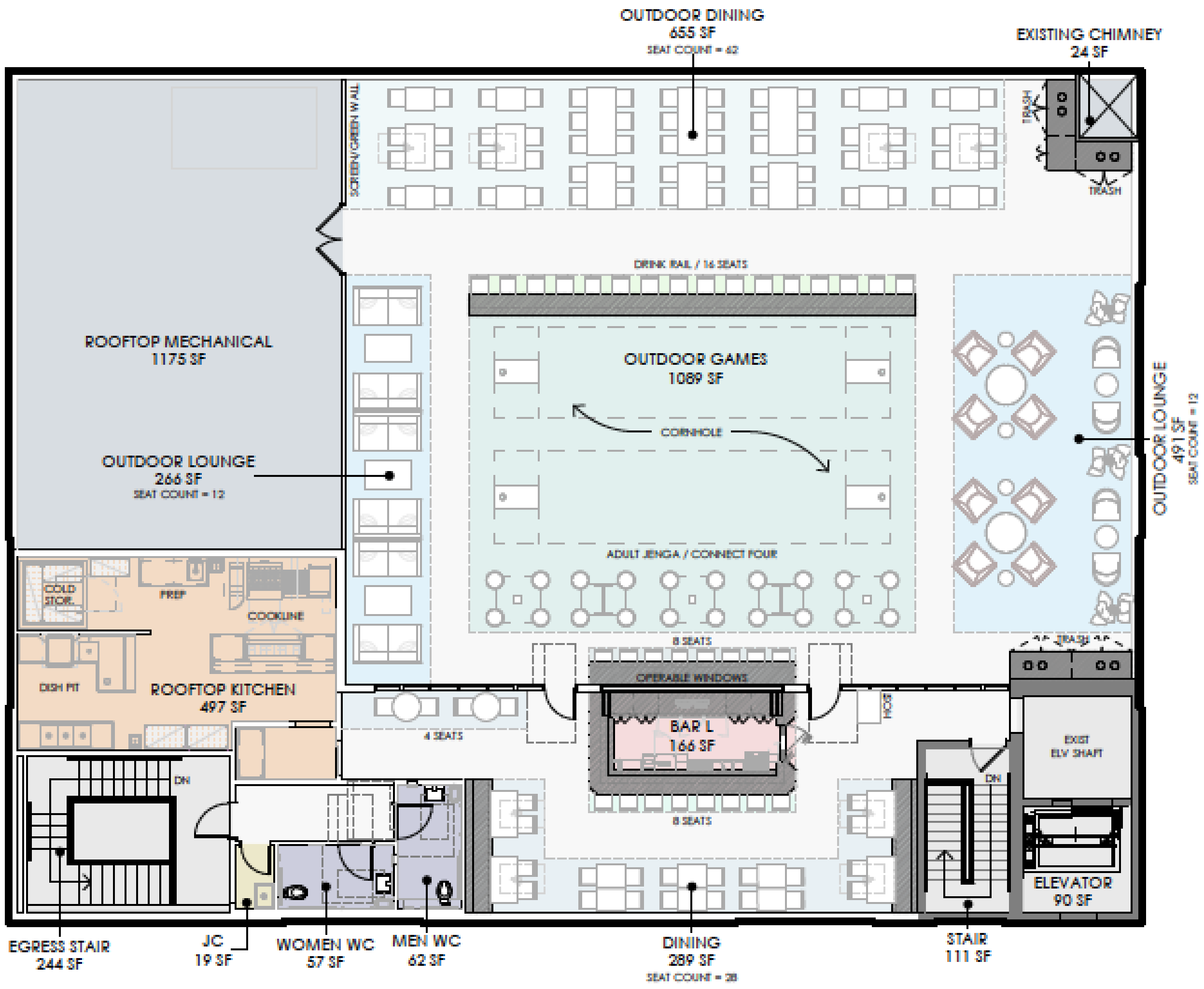
Assumptions

- Operations, construction, employment and earnings estimates mostly provided by The Well and Colicchio report
- The Well will operate the building, event space, and entertainment
- Event space revenues will come from sale of food and beverages to users
- Construction phase 4/1/26 to 6/30/27
- Additional technical assumptions will be included in the final report

Summary of Impacts

	FACTORY 816	SUMMIT COUNTY IMPACTS	NORTHEAST OHIO IMPACTS
	Final Demand Impact	With Multiplier Factors (Direct + Indirect + Induced)	With Multiplier Factors (Direct + Indirect + Induced)
Construction - 1 year			
Output/Sales	$ 15,030,531	$ 24,952,185	$ 32,405,826
Earnings	$ 4,049,902	$ 5,881,673	$ 7,355,027
Jobs	52	83	108
Operations over 5 years			
Output/Sales	$ 40,695,171	$ 69,259,111	$ 84,458,758
Earnings	$ 10,144,447	$ 22,637,013	$ 28,515,610
Jobs	43	53	60
Operations in Stable Year (Year 5 of Operations)			
Output/Sales	$ 8,627,162	$ 14,682,567	$ 17,904,811
Earnings	$ 2,150,569	$ 4,798,927	$ 6,045,159
Jobs	43	53	60

- Impacts greatly increased since the 2020 report
- largely due to larger construction cost and more detailed estimates from Colicchio on operations, earnings and sales revenues; small increase in multipliers, especially at NEO level
- Employment does not inflate and add on (over 5 years) like earnings/sales do; review of detailed assumptions with client is desired for confirmation of employment numbers



Conclusions

Conclusions and Recommendations

- On paper, restaurant demand appears to be low, while bar demand is higher.
- Much will depend on factors beyond this "snapshot" market analysis – clarity of vision for the venue, marketing approach and implementation, available capital especially for the early years of operations, operator and owner business and management acumen, and conditions in the larger economic market
- Data is limited on event space and family entertainment demand on a household basis – but inventory analysis suggests that existing venues are few, especially for food halls and entertainment venues such as Factory 816
- The uniqueness of the Factory 816 project will likely generate its own interest beyond the 10-minute zone
- Potential economic impacts are quite large compared to 2020, traceable to increased construction costs, more detailed (and larger) sales and earnings estimates; and small increase in multipliers

Caveats and Limitations

- Market analysis is only one indicator of potential business success: other factors play a big role, including proponent vision and understanding of their target market, marketing and business acumen, staff availability, capitalization especially in the early years, the regulatory environment (zoning especially), and regional economic factors.
- This market analysis was limited in scope and did not inventory county-wide restaurant supply due to budget constraints; significant changes in the area studied since the pandemic are evident and must be taken into account in considering the demand across Summit County.
- We strive to use the best data available within the appropriate budget and purpose of the project. Margins of error, variation between data years, and other factors can contribute to variations in the quality of data used.
- This analysis does not claim to predict the success or failure of any business. Its purpose is to inform the redevelopment strategy for the Factory 816 project. It is not intended for use by any other entity for any other purpose.

Questions, and For More Information

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