

REAL ESTATE - The Encyclopedia of Cleveland History

REAL ESTATE. The history of real estate development in Cleveland is the story of property owners who speculated on the economic future of the city and anticipated the effect of growth upon property values in different locations. They attempted to subdivide, or allot, the land into the best configuration of building lots, to supply these lots with the necessary improvements, and to promote the project to potential buyers; all in competition with one another and with the threat of periodic bank panics looming over them. Whenever possible they endeavored to get a governmental entity to pay the costs of new roads, bridges, canals, railroads, parks, industries, or public buildings and sometimes held public office to ensure the success of their ventures. During the two centuries of Cleveland's history the opportunities for real estate profits changed and as a response there were changes in the kinds of allotments that were brought to the market and an increasing professionalism of the real estate profession. But the ability to anticipate or manipulate events to increase real estate values has been constant throughout the various periods of Cleveland's growth.

Ahaz Merchant's map of 1835 shows Cleveland just prior to its incorporation as a city.

The first major period of real estate development was the creation of Cleveland and the Western Reserve by the proprietors of the **CONNECTICUT LAND CO.** at the close of the 18th century. Cleveland and the Connecticut Western Reserve have, from their inception, been parts of a gigantic speculation in land; first by King Charles II, who gave all the lands extending to the Pacific Ocean to the first settlers of Connecticut in exchange for a firmer foothold for his Empire; and later by the Connecticut Land Co. proprietors, who invested \$1,200,000 in the expectation that the lands along Lake Erie's southern shore would make them all fortunes. Such fortunes would have to come from the cutting up of the Reserve's 3 million acres into smaller parcels that could be sold at a profit to the land-hungry settlers flooding the Trans-Appalachian frontier now that the British restrictions had been lifted by American independence.

There were many competing areas of settlement, however, in the Northwest Territory, and to attract settlers to the Western Reserve the Connecticut Land Co. proprietors had to offer assurances that the settlers' investments would be protected from legal problems, economic stagnation, or military harm. They wanted prospective eastern settlers viewing a map to feel that the Reserve was a proper Yankee village surrounded by a good system of roads and agricultural lands. Therefore, the original surveys and maps of Cleveland were a marketing tool for the land speculators in Connecticut.

These speculators, however, were not a unified body, nor were they long-term investment partners. Rather they were a group of competing speculators who were forced into a temporary alliance by the size of the purchase and the State of, Connecticut's insistence that the Reserve be sold as a single entity. Once the company acquired title to the Reserve, immediate steps were taken to make a fair and proportionate distribution of the 3 million acres to the dozens of

investors, leaving them free to begin selling lots to settlers in competition with one another.

The first summer after purchasing the Reserve, the company dispatched its general agent, [MOSES CLEVELAND](#)†, and a party of surveyors to the Reserve. Part of his team began surveying the township lines, beginning at the Pennsylvania border and working west. Meanwhile, he took the rest of the party to the mouth of the Cuyahoga and began laying out Cleveland. Beginning with a traditional New England village green--today's [PUBLIC SQUARE](#)--they mapped out streets running at right angles in a gridiron pattern and of blocks divided into lots of 2 acres each. The following summer, 1797, another surveying party was sent to the Reserve and added to the emerging pattern of roads and property lines.

The effect of these two summers of work was to create a town that contained 3 categories of lots, by size, and a radial street plan leading into the gridiron environs of today's downtown area. In the area surrounding the village center at Public Square were the "In Lots" or "Two Acre Lots," which were the realm of residential and commercial life in traditional New England villages. Bordering them were the "Out Lots" or "Ten Acre Lots" which were primarily for more rural, agrarian uses and which increased in size with distance from Public Square. Finally, the "Hundred Acre Lots" were left available for further splitting into farms or satellite villages, similar to the larger townships. The reason for this elaborate pattern of streets and lots was because Cleveland, unlike most of the townships, was slated for immediate sale to settlers to help defray the costs of the surveys. However, sales were slow as the malarial conditions near the river, the high prices set on Cleveland lots, and the availability of significantly cheaper lands in the eastern part of the Reserve combined to delay settlement. During the early decades of the 19th century, growth proceeded at a faster pace in some of the surrounding villages, such as [NEWBURGH](#), and in Rockport two groups of proprietors failed in their attempts to establish speculative town sites on opposite banks of the Rocky River. For many years the Reserve suffered from too much available land and a weak local economy. Cash was scarce and the proprietors found that their costs of holding land were rising faster than land values.

The opening of the [OHIO AND ERIE CANAL](#) in 1827, which established a vigorous commercial economy and accelerated land values locally, marked the beginning of the second major period in Cleveland's real estate history, which extended until the Civil War. By 1827 the original city lots, east of the Cuyahoga, had passed into, private hands and were being developed on a piecemeal basis by individual owners. One notable development was an attempt to establish a luxurious residential community along Lake St. east of Erie St. (East Ninth St.). In 1835 Lee Canfield and Sheldon Pease donated a small park, Clinton Park, to be the centerpiece of their new Clinton Square real estate development. This is the first attempt in Cleveland to support land values in a residential subdivision project by donating a park--at least since the Connecticut Land Co. did something similar with Public Square. The project failed in the Panic of 1837 and the arrival of the Cleveland and Erie Railroad destroyed the bucolic ambiance of the area.

This modest attempt to create a community and anchor values to public improvements paled beside what was occurring on the west side of the river. Here groups of investors were bringing nearly 2,000 new building lots onto the market, supported by a massive public works program, in an effort to attract industry and residents. The centerpiece of the movement was the incorporation of the village of **OHIO CITY (CITY OF OHIO)** in 1836 and the attempt to extend the canal to a new terminus nearby. The old bed of the Cuyahoga River, which forms **WHISKEY ISLAND**, would be again connected to the river, and with the canal traffic would make Ohio City a harbor town, complete with a new hotel. The first plans for building lots appeared in 1831, following the purchase of the Carter farm by investors from Buffalo and Brooklyn, and the unsurveyed lots sold for good prices. Immediately to the south, in 1836, the real estate firm of Lord and Barber developed a new residential subdivision of nearly 1,000 building lots centering on their beautiful Franklin Circle park. Their Wooster Turnpike--in 1824 the first toll road in Cuyahoga County--fed traffic up to their development along today's Rte. 42, and in 1840 they donated land for a farmers' market. They also created the Cuyahoga Steam Furnace Co. to provide jobs. **JOSIAH BARBER†** and **RICHARD LORD†** were both mayors of Ohio City and were in a position to shape development on this side of the river.

The village of Cleveland did not ignore the challenge from the Ohio City promoters and responded by trying to hinder their economic vitality. In the early 1830s a group of Cleveland boosters--which included a recent village president, **RICHARD HILLIARD†**, and Cleveland's soon-to-be first city mayor, **JOHN W. WILLEY†**, as well as businessmen John S. Clark and Edmund Clark--created 2 new subdivisions. In 1835 they created Cleveland Centre (placed in the first big bend of the river, southwest of Public Square), noteworthy for its radial design evoking L'Enfant's plan for Washington, DC. Immediately to the south, across the river, the group created **WILLEYVILLE** in 1836, and connected it with the Wooster Turnpike to the south and Cleveland Centre to the north with a bridge at Columbus St. The Willey administration also closed the floating bridge across the river further north. The net result was to drain off north-bound traffic before it reached Ohio City and direct it through Willeyville, over the Columbus St. bridge, through Cleveland Centre and on to their market at the foot of Superior St. before reaching Cleveland. This resulted in the "Bridge War" between the two cities and a rivalry that lasted until Ohio City was annexed by Cleveland in 1854.

AHAZ MERCHANT†, the Cuyahoga County Surveyor, surveyed most of these new subdivisions and drew a "Map of Cleveland and Its Environs" (p. 844) that shows the land subdivisions in place by 1836, just before the Panic ruined things. It includes, appropriately, a drawing of the **COLUMBUS STREET BRIDGE** as well as the various new banks, churches and industries, but omits any reference to Ohio City. This map was an important piece of civic boosterism in its time, showing the outside world that Cleveland was growing rapidly into an important port city.