



THE PLAIN DEALER

CLEVELAND

Slowdown in commercial construction takes a bite out of budget



In 2024, Cleveland saw 36 construction projects valued at more than \$10 million, including the Cleveland Clinic Global Peak Performance Center. In 2025, that category shrank to just 25 projects. *John Pana, cleveland.com*

Run of four consecutive years of construction growth ended in 2025.

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A slowdown in commercial construction has hit Cleveland's budget, causing revenue from licenses and permit fees in Building and Housing to drop to its lowest total since the COVID-19 pandemic first hit.

The department collected just \$12.7 million from permit fees in 2025, down from the \$19.6 million Cleveland budgeted for.

The combined revenue from licenses and fees, a shared budget line, was \$18 million in 2025, its lowest total since 2020, according to Cleveland's past budgets. The city is budgeting for just \$17.4 million in 2026.

The culprit isn't a drop in the number of permits, but smaller construction projects, as fees are usually calculated on estimated construction or repair costs.

In total, the city permitted just \$1.5 billion worth of construction, down from \$2.8 billion in 2024 and \$1.8 billion in 2023.

Director Sally Martin-O'Toole explained during budget hearings that tariffs have caused construction materials to become costly, and interest rates were uncertain, slowing down demand for new construction.



Renovation of the city-owned West Side Market was one of the two largest projects in Cleveland last year (\$44M), but Cleveland isn't charging fees to itself. *Paris Wolfe, cleveland.com*

Cleveland's Building and Housing department is not budgeting for fewer people in its code enforcement or permitting divisions. The department has often created more revenue than it expends and tends to have vacancies.

Much of that drop was concentrated among the city's largest projects.

In 2024, Cleveland saw 36 construction projects valued at more than \$10 million, including a \$508 million Cleveland Clinic expansion, a \$168 million Cleveland Clinic project, and a \$141 million Case Western Reserve project — the top five alone accounting for more than \$1 billion in job value.

In 2025, that category shrank to just 25 projects, with no projects exceeding \$500 million and only one topping \$100 million. Two of the largest projects last year were the new Cleveland police headquarters (\$38 million) and renovation of the city-owned West Side Market (\$44 million), where the city isn't charging fees to itself.

The decline in permitted job value stands out even more starkly when viewed against the longer trend.

Cleveland had strung together four consecutive years of construction growth heading into 2025, climbing from a pandemic low of \$873 million in 2020 all the way to \$2.8 billion in 2024 — a run that represented a more than threefold increase over four years.

The 47% drop in 2025, bringing total job value back down to roughly \$1.47 billion, essentially erased those gains and returned the city to levels last seen around 2016 and 2018.

SAME OLD CAVS?



TERRY PLUTO IS TALKING TO HIMSELF ABOUT THE CAVALIERS AFTER THEIR LOSS TO OKLAHOMA CITY ON SUNDAY AND BELIEVES THE DEFEAT MIGHT HAVE BEEN A GOOD THING. **C1**

ANTITRUST LAWSUIT

OhioHealth is accused of blocking lower-cost plans

The DOJ and Ohio AG say hospital system used all-or-nothing clauses that prevented insurers from offering lower-cost health plans.

Anna Staver *astaver@cleveland.com*

A federal antitrust lawsuit filed in Ohio could affect how much people pay for health insurance nationwide.

The U.S. Justice Department and Ohio's Attorney General are suing OhioHealth, the Columbus-based hospital system, saying it manipulated contract provisions to keep insurers from offering lower-cost plans or steering patients to less expensive hospitals.

"When competition is blocked, consumers end up being the biggest losers," Attorney General Dave Yost said in a statement.

If the government wins, the case could set a precedent for how large health systems structure their contracts nationwide.

MARKET POWER

OhioHealth is one of the largest health systems in central Ohio. It owns or manages 16 hospitals and a vast network of outpatient facilities across the region.

In central Columbus, it handles more than 35% of inpatient general acute care. These are the core services most people think of when they picture a hospital, from treating heart attacks to performing appendectomies.

Because of that footprint, federal prosecutors say insurers need OhioHealth in their networks to sell health plans in the region.

The lawsuit says the system used that leverage to impose contract restrictions that violated the federal Sherman Antitrust Act and Ohio's Valentine Act.

"Americans deserve low-cost, high-quality health care, not anticompetitive hospital system contracts that make health care less affordable," U.S. Attorney General Pam Bondi said in a statement.

OhioHealth said in a statement that it has been cooperating with the DOJ "throughout its review of our managed care agreements."

"We are confident in our position and remain committed to full compliance with all applicable laws and regulatory requirements," spokesman Collin Yoder said.

SEE ANTITRUST LAWSUIT, A2

2026 OHIO GUBERNATORIAL RACE

Top candidates are already busy crisscrossing Ohio

November is nine months away but the hopefuls are campaigning like it's tomorrow.

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COLUMBUS — Ohio is in the heart of winter and the election for governor is still months away, but the major candidates already putting in long hours and crisscrossing the state.

At this point, the candidates have two big tasks, introducing themselves to voters and raising money for when the state's electorate starts paying more attention to the race. Republicans have touted how

Ramaswamy has already campaigned in each of Ohio's 88 counties, booking speaking slots at more than 30 local county GOP fundraising dinners and holding a town hall meeting in Cincinnati last summer in response to a viral video of a street fight in the city.

Acton, meanwhile, has made more than 100 campaign stops around the state, from speaking at the City Club of Cleveland to working the drive-thru at Kewpee Hamburgers in Lima.

"You're talking about 70 to 80 hours a week for a year and a half, basically," said Nan Whaley, a former Dayton mayor and the 2022 Democratic nominee for governor. "When you're running for governor, you work — I think I took three days off the entire year (of the election), including weekends."

So, why are the 2026 gubernatorial can-

didates so busy when voters aren't yet paying attention to the election?

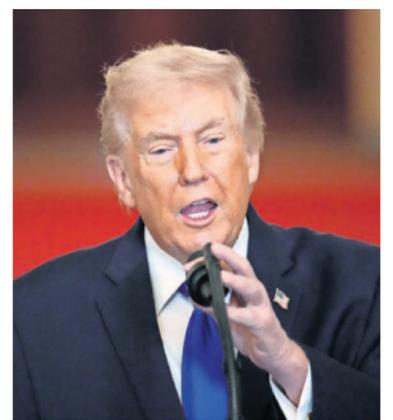
Campaign spokespeople for Republican Vivek Ramaswamy and Democrat Amy Acton, declined to answer questions about how their candidates are spending their time these days. But Acton's running mate David Pepper, Republican candidate Casey Putsch, and political experts and former gubernatorial candidates from both parties offered a variety of answers.

THE MONEY CRUNCH

The campaigns for governor and other higher-level offices are generally divided into two parts: First, hustle now to raise as much in campaign contributions as possible for down the road.

SEE GUBERNATORIAL RACE, A2

WASHINGTON



SOTU on tap

President Trump tonight will deliver the annual State of the Union address to a transformed nation, and at an existential time for Congress. **A7**

