



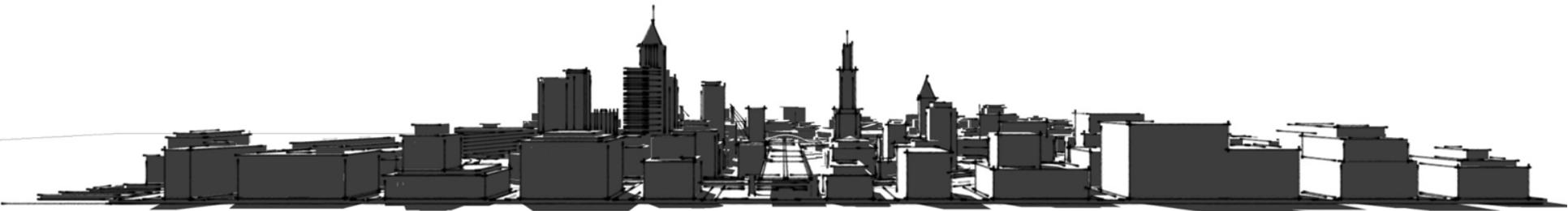
Maxine Goodman Levin College of Urban Affairs

*Center for Economic Development
Center for Community Planning and Development*

THE CLEVELAND GREATER UNIVERSITY CIRCLE ECONOMIC INCLUSION INITIATIVE

Lessons from six years of a multi-anchor, multi-neighborhood collaboration

Prepared by: Kathryn W. Hexter & Candi Clouse
June 2018

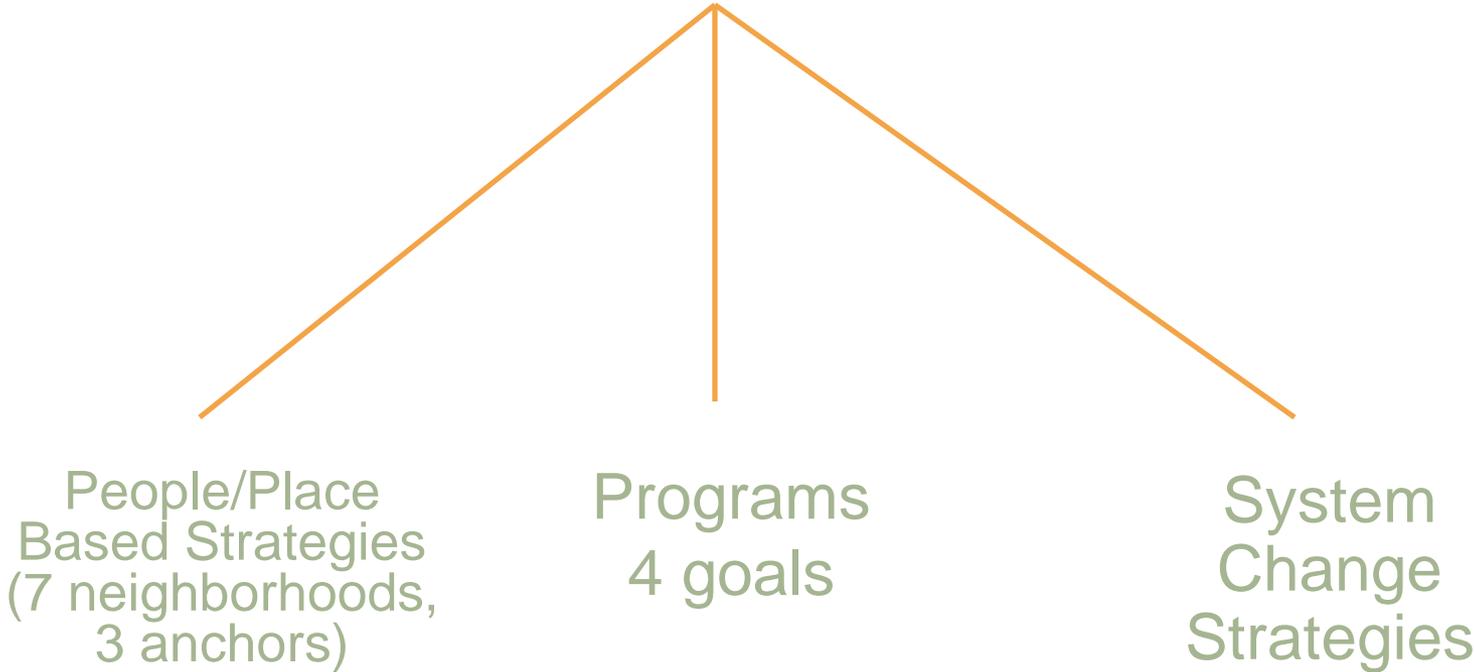


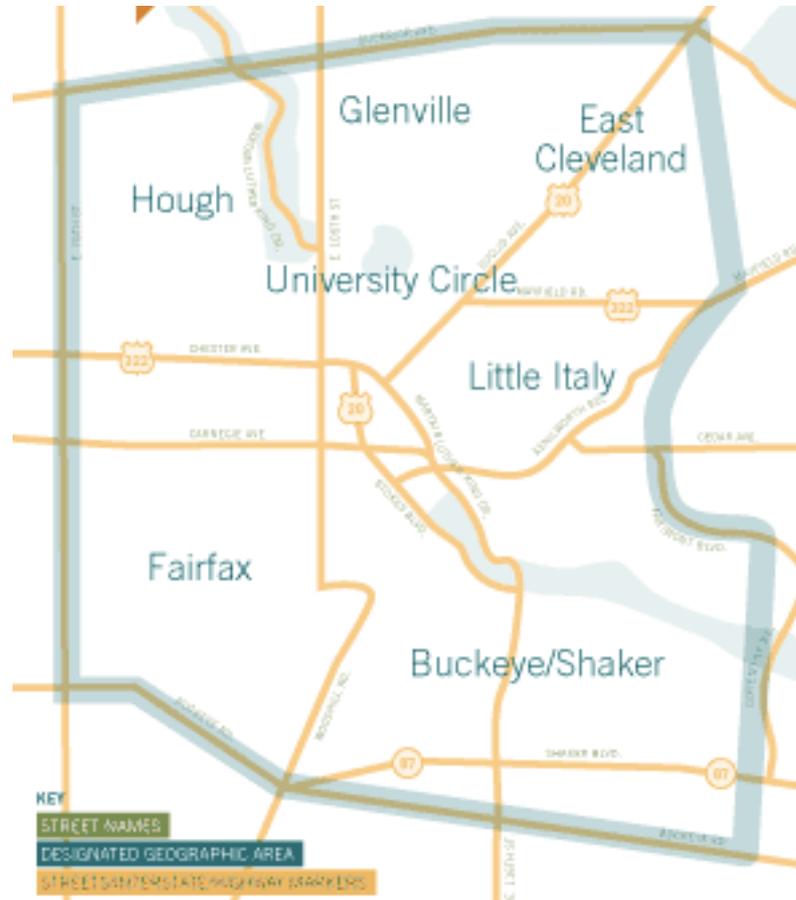
The Cleveland Greater University Circle Economic Inclusion Initiative

- Background
- Structure and Framework
- Tracking Progress
 - Buy Local
 - Hire Local
 - Live Local
 - Connect
- Lessons and Challenges



Cleveland Greater University Circle Economic Inclusion Initiative





Cleveland Context-Baseline

- Historically African American and disinvested neighborhoods
- Asset disparity between anchors and neighborhoods
- Isolation of neighborhoods from economic system
- Distrust between neighborhoods and institutions
- Distrust between CDCs
- Lack of strategy for government investment
- Disconnect between economic and community development



System Change Strategies

- Connect low income neighborhoods and residents to regional economic drivers (the anchors)
- Reorient the policies, practices, mechanisms, and incentives of anchor institutions, public, philanthropic and other partners
- Leverage financial capital and resources
- Create new, self-sustaining collaborative culture within and across sectors to support economic inclusion



Economic Inclusion Framework

Building Civic Infrastructure through a Nested Set of Tables

Shared Goals

Buy Local

Hire Local

Live Local

Connect



1



2



3



4



What can we accomplish together that we would find difficult to do on our own?

2010-2016

- Systems are starting to change to increase opportunities for economic inclusion of neighborhood residents and businesses
 - Observe process
 - Track outcomes



EIMC: Benefits of One Table Approach

- A “safe” place to collaborate on neighborhood impact; translate goals in programs and projects
- Builds diverse relationships that facilitate implementation.
- Leverages funding, ideas, and opportunities
- Develops shared measures
 - Data reporting by CSU is very valuable: accountability, identifies areas for improvement, and serves as a checkpoint on progress



EIMC: Results of Participation

- GUCI work is increasingly perceived by the anchors as mission central: community benefit, population health, and bottom line:
 - Vibrant, stable neighborhoods attract patients and staff
- Acts as a think tank for idea generation and opportunities for improvement
- Leverages talent through synergies and alignment of resources
- Brings all the partners together to focus on the neighborhoods.
- Benefits anchor and non-anchor partners.

TRACKING PROGRESS





1

Buy Local

Increase the share of local goods and services used by the anchors

- Business attraction, retention, development along HTC
- Anchor procurement, increase local share and joint procurement
- Increase anchor support of and purchasing from the Evergreen Coops
- Support small businesses in area through loans and capacity building

Health Tech Corridor, New Businesses, 2010-2016

Outcome Metric	Target	Results
New Businesses	15-20/year	48 Open Leads, 14 Relocations since Mid-2014
Square footage absorbed –	50,000 – 100,000 SF/year	53,703 since Mid-2014
New or renovated space under development	50,000 SF/year	132,600
HTC occupancy	Above 70%	92%

The 92% occupancy rate includes the move by Dealer Tire into the Victory Building.

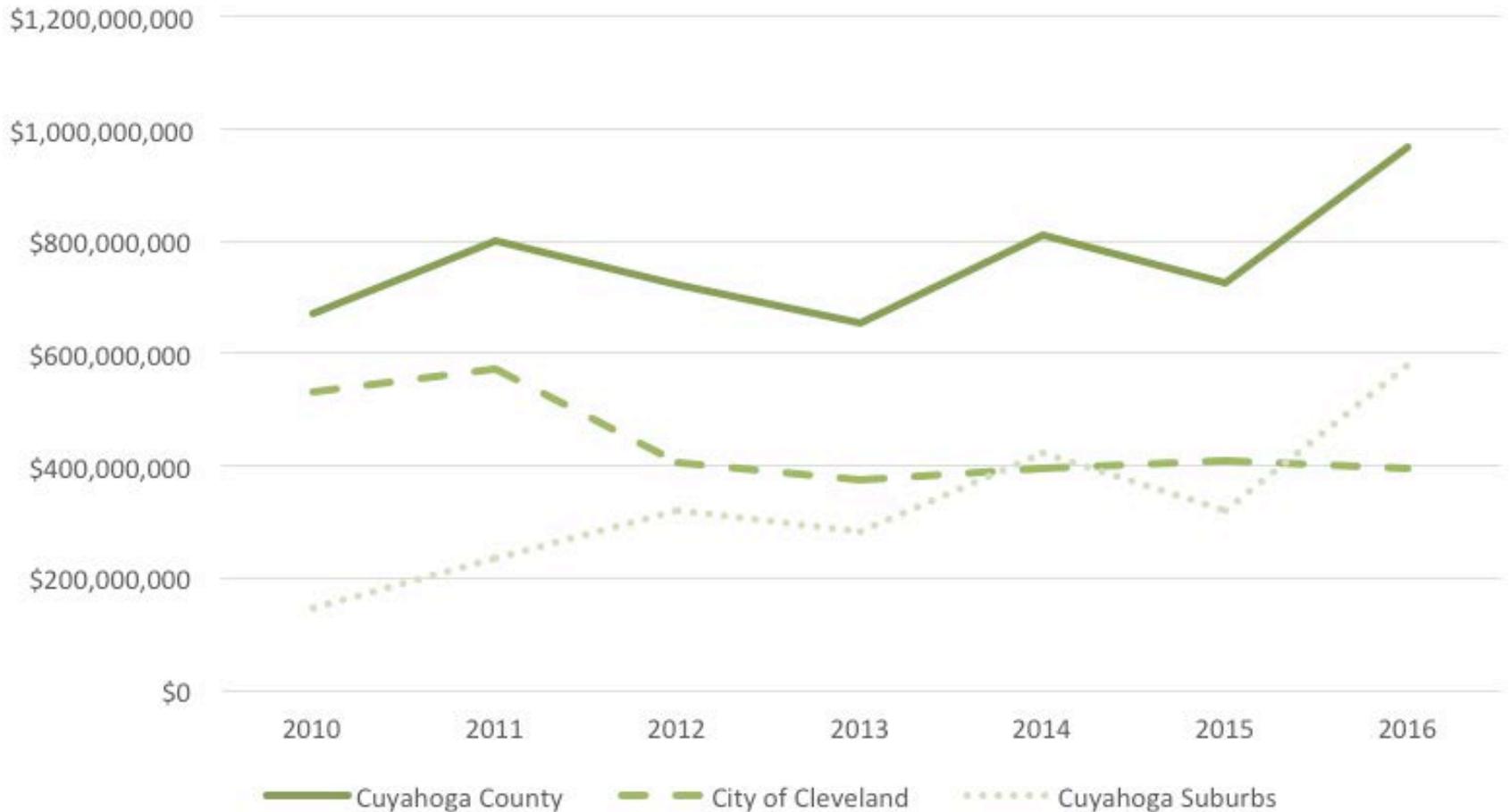


2016 Anchor Procurement—Local Share

	Case Western Reserve University		Cleveland Clinic		University Hospitals	
	\$	%	\$	%	\$	%
City of Cleveland	\$80 M	19%	\$186 M	8%	\$126 M	14%
Cuyahoga County Suburbs	\$51 M	12%	\$320 M	15%	\$206 M	22%
Cuyahoga County	\$131 M	31%	\$506 M	23%	\$332 M	36%
Outside Cuyahoga County	\$296 M	69%	\$1,679 M	77%	\$597 M	64%
Total Procurement	\$427 M		\$2,184 M		\$929 M	



Anchor spending by geography, 2010-2016



Evergreen Cooperatives

	Evergreen Cooperative Laundry	Evergreen Energy Solutions	Green City Growers	Total
2016 Company Payroll	\$1,067,016	\$522,510	\$996,124	\$2,585,651
Number of employees	44	17	38	99
Number of member employees	27	9	24	60
Value of benefits per month	\$17,645	\$6,961	\$15,256	\$39,863
Average Wage	\$11.66	\$14.78	\$12.60	\$12.56
Average Yearly Wage	\$24,250	\$30,736	\$26,214	\$26,118
Value of employee capital account	\$40,690	\$14,589	\$6,999	\$62,278
Average per employee	\$1,507	\$1,621	\$184	\$1,038
Payroll Taxes	\$203,270	\$108,397	\$232,813	\$544,481
Corporate Taxes	\$0	\$0	\$0	\$0
Property Taxes	\$0	\$0	\$143,086	\$143,086
Total Taxes	\$203,270	\$108,397	\$375,899	\$687,567



Evergreen Opportunities and Challenges

- Laundry is ready to scale up; needs more space
- New Bridge partnering on training new workers
- Access to traditional lending
- Stream of anchor based purchasing of goods and services
- Funding from anchors and foundation





2

Hire Local

Provide employment opportunities for GUC residents who face challenges to employment

- Increase anchor share of new hires from GUC neighborhoods, retain them and provide a career path:
 - Step Up to UH (University Hospitals)
 - Welcome to Fairfax (Cleveland Clinic)
- Provide employment opportunities through the Evergreen Cooperatives
- Deliver demand-driven training to residents through NewBridge

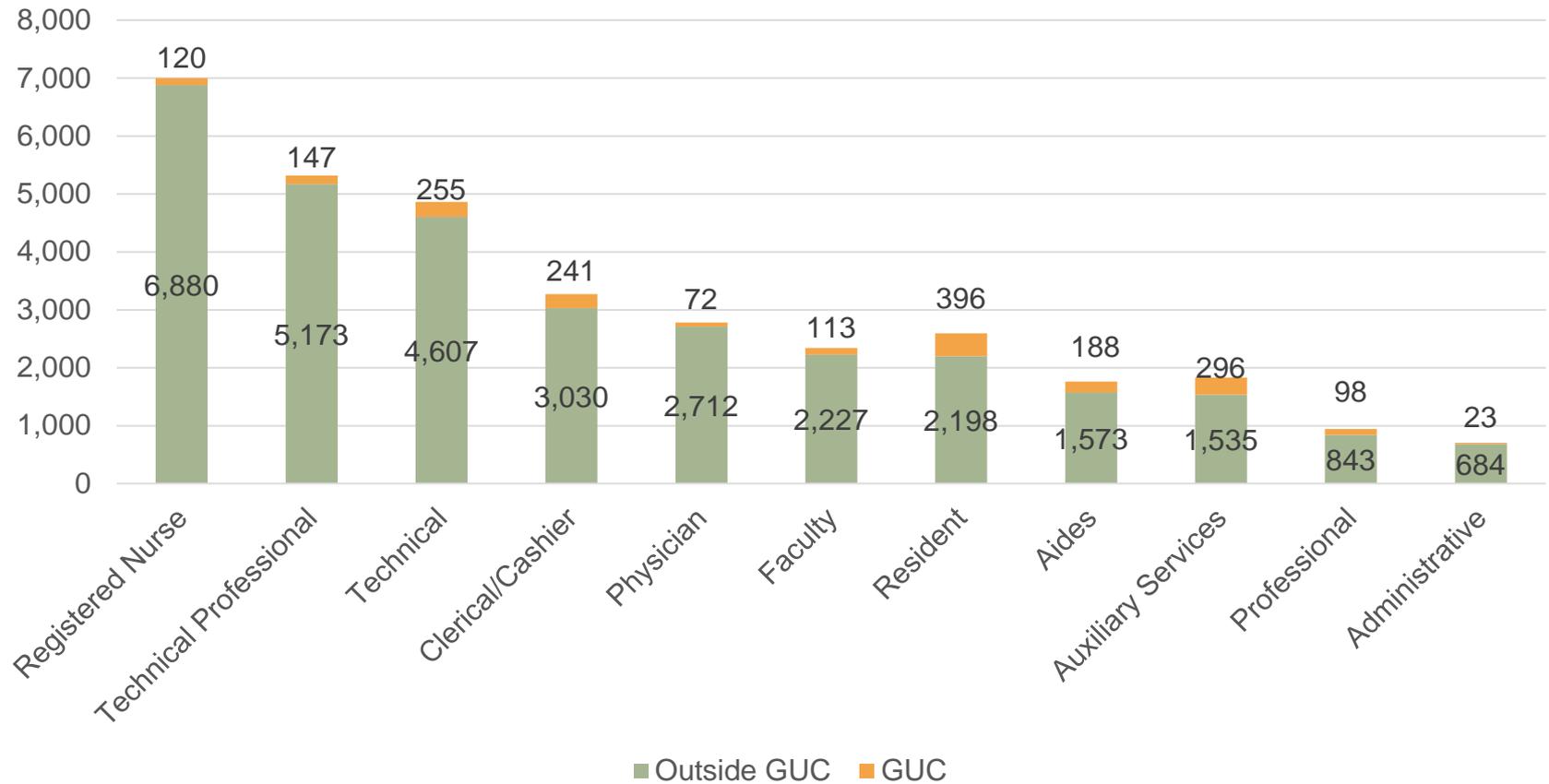


Anchor Total Employment by Location, 2012-2016

	2012		2013		2014		2015		2016	
	Total	Main Campus	Total	Main Campus	Total	Main Campus	Total	Main Campus	Total	Main Campus
GUCI	3,649	NA	2,051	NA	1,991	1,619	1,998	1,621	2,401	2,023
Cleveland	17,040	NA	7,679	NA	7,632	4,994	7,449	4,680	8,706	5,957
Cuyahoga	36,140	NA	36,410	NA	37,535	20,447	38,694	20,751	43,236	25,241
Total	57,170	NA	58,276	NA	61,345	28,234	65,011	28,816	72,252	34,673



Anchor Main Campus Employment by Occupation, 2016



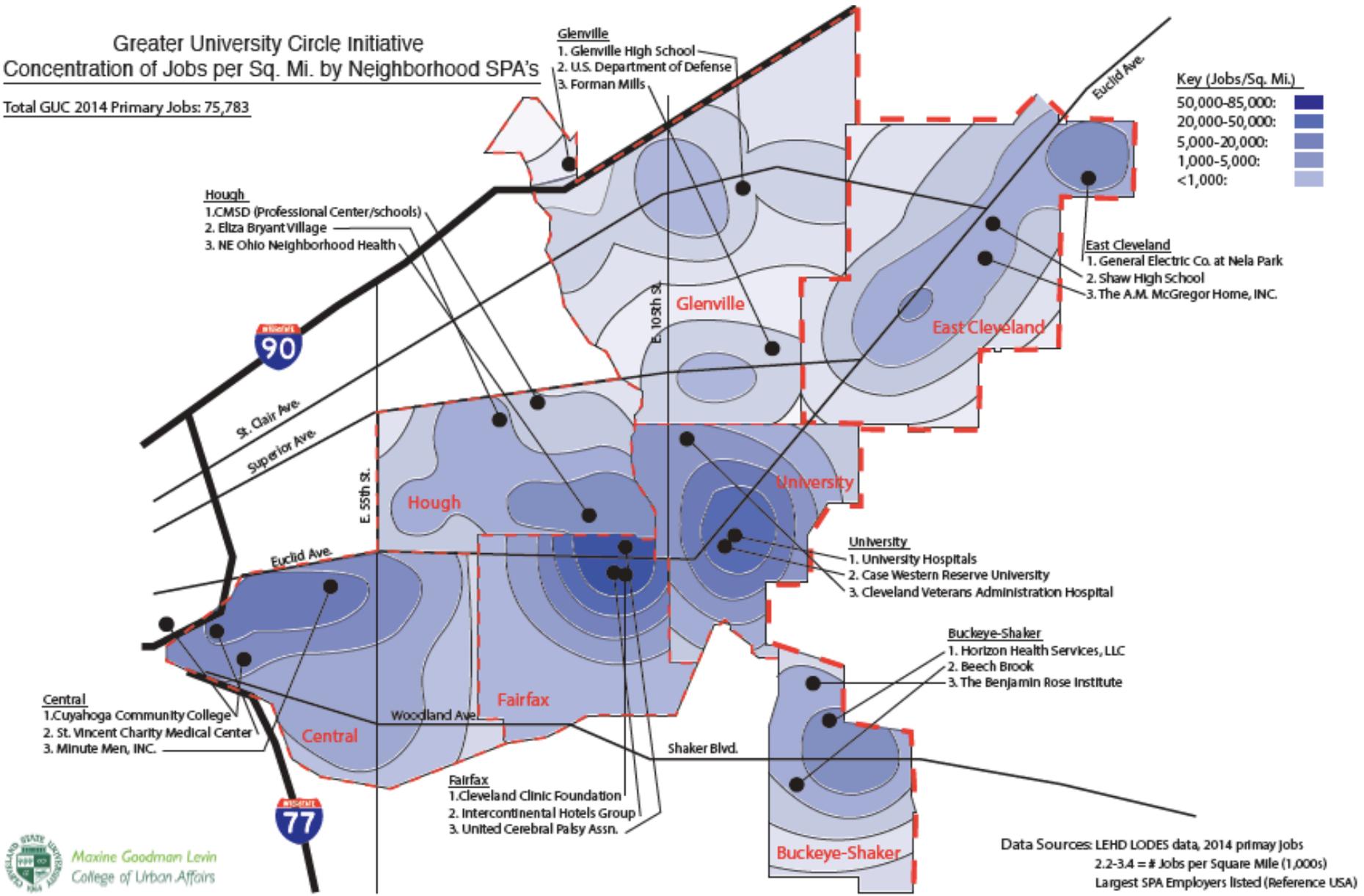
Hire Local Programs

- Step up to UH
 - 2016, 71 people were hired
 - From 2013-2016 hired 179 employees; overall 77% retention rate over 360 days to date
- Welcome to Fairfax
 - 2016, 68 GUCI residents completed the program; 5 hired at CCF, 7 hired by CCF vendors
- Evergreen Cooperatives
 - 2016, 105 employees; 30 “member employees”
 - 27% live in GUCI (an increase from 16% in 2014)
- New Bridge
 - 2016, 131 students, 70 graduates, 73% accepted jobs; average starting salary for phlebotomy and pharmacy technicians was reported to be \$27,305



Greater University Circle Initiative Concentration of Jobs per Sq. Mi. by Neighborhood SPA's

Total GUC 2014 Primary Jobs: 75,783



Data Sources: LEHD LODS data, 2014 primary jobs
2.2-3.4 = # Jobs per Square Mile (1,000s)
Largest SPA Employers listed (Reference USA)

Maxine Goodman Levin
College of Urban Affairs



3

Live Local

Increase the number of anchor employees living in the GUCI, increase the marketing of GUCI neighborhoods, and improve the “housing product” in GUCI

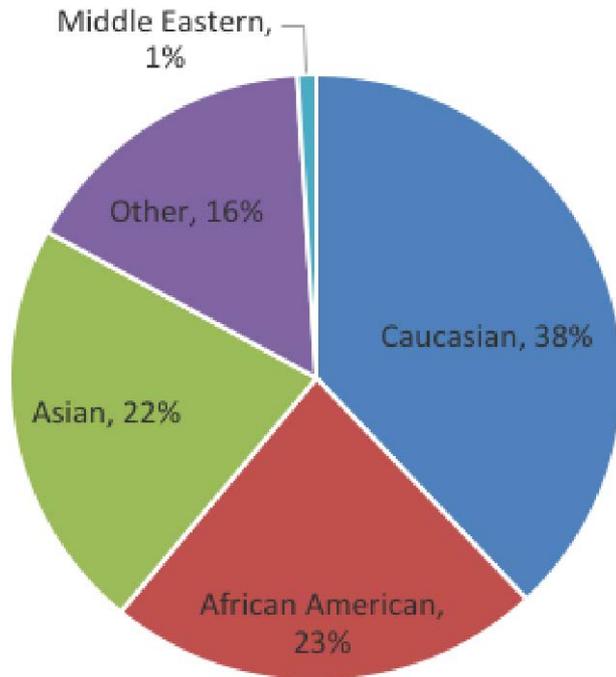
- Greater Circle Living (GCL)
 - Rent (one month’s rent up to \$1,400)
 - Purchase (\$10,000-30,000 depending on employer)
 - Repair (\$8,000 in matching for exterior renovation)

Greater Circle Living, 2008-2016

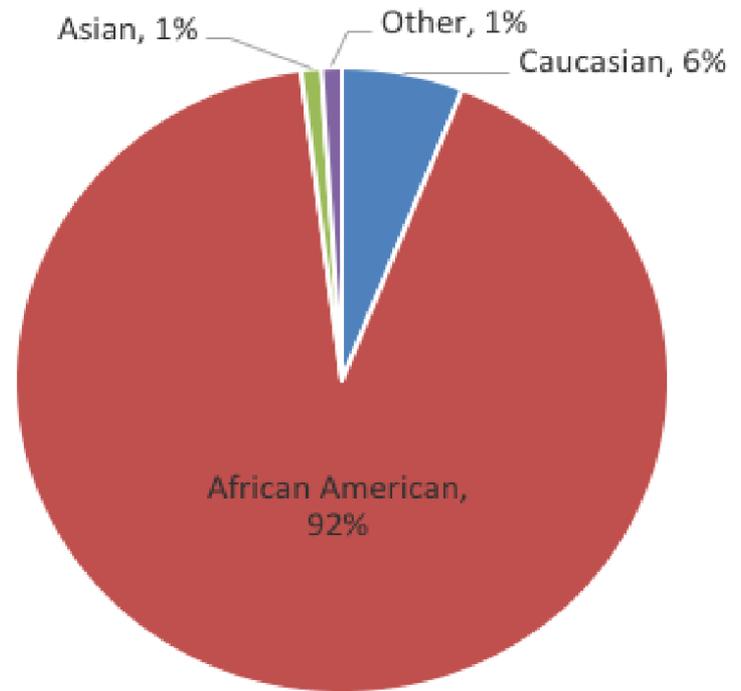
	Cleveland Clinic		Case Western Reserve University		University Hospitals		Other GUC Nonprofits		Total	
	#	%	#	%	#	%	#	%	#	%
Purchase	49	35%	29	38%	36	27%	16	84%	130	35%
Rent	76	54%	39	51%	81	61%	1	6%	197	54%
Rehabilitation	15	11%	8	11%	16	12%	2	10%	41	11%
Total	140		76		133		19		368	



Is GCL changing the demographic profile of the GUC neighborhoods?



Greater Circle Living
N=368



7 neighborhoods
N=80,000



4

Connect



Maxine Goodman Levin
College of Urban Affairs

Neighborhood Connections, 2016

Category	GUC	Overall
Neighbor Up Members	1,453	2,072
NC Grant Amount Invested	\$160,117	\$500,000
NC Grant Amount Leveraged	\$544,398	\$1,700,000
# of NC Grants	65	192

- Continuing work
 - Recruiting for Step-Up program
 - Establishing home businesses
 - Live local programs including art collective, urban farmers, city repair, and others
- Neighbor Up Network is still the centerpiece of their work and they continued to work with anchor institutions, CDCs, and universities to connect residents with opportunities



EIMC Lessons and Challenges

- Neighborhood Connections underlies all other initiatives
- Are the right people at the right tables?
- Maintain momentum and commitment
- Identify the next steps of projects after proving the success of initial projects first
- Broaden scope of work on the live local goal
- Build on successes of Step-Up
- Population health focus
- Sustainable funding



Reports are available at:

http://engagedscholarship.csuohio.edu/urban_facpub/1370/

Kathryn W. Hexter

k.hexter@csuohio.edu

Candi Clouse

c.clouse@csuohio.edu

