

Greater University Circle Community Wealth Building Initiative

Year One Review



Wednesday, October 27, 2010

GREATER UNIVERSITY CIRCLE

Neighborhood VOICE

HOME ARTS BUSINESS EDUCATION FOOD HEALTH POLITICS REALTALK RELIGION SPORTS

ABOUT

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MISSION
To inform, inspire and provide a forum for all residents, organizations and businesses in Greater University Circle through relevant, quality print and online media.



VISION
Our vision is to create educational opportunities for local journalism students and resident writers by cultivating their editorial and entrepreneurial skills.

SERVICE
We are a free publication that serves eight Cleveland neighborhoods - Buckeye-Shaker, Central, East Cleveland, Fairfax, Glenville, Hough, Little Italy, and University Circle.

STAFF

Editor and Publisher
Josette D. Compton

Online Editor
Sam Allard



Ziona Austrian
Center for Economic Development
&
Kathryn Hexter
Center for Community Planning and
Development

Cleveland State University

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Outline

- Living Cities: The Integration Initiative (TII)
- Greater University Circle Community Wealth Building Initiative
- Principles of economic inclusion
- Framework for goals, strategies and programs
- TII Strategies and Programs
- System change
- Challenges
- Questions for discussion

Living Cities: The Integration Initiative (TII) (2011- 2013)

- Living Cities selected five cities for The Integration Initiative (TII): Baltimore, Cleveland, Detroit, Newark, and Twin Cities
- The Integration Initiative “supports cities that are harnessing existing momentum and leadership for change, overhauling long obsolete systems and fundamentally reshaping their communities and policies to meet the needs of low-income residents.”
- Provides grant and loan dollars (PRI)

Living Cities: The Integration Initiative

- Each site is expected to incorporate four high-impact strategies into its work
 - Building a resilient civic infrastructure around one table
 - Moving beyond delivering programs and focusing on transforming systems
 - Bringing disruptive innovations into the mainstream
 - Supplementing traditional government and philanthropic funding streams by driving the private market to work on behalf of low-income people

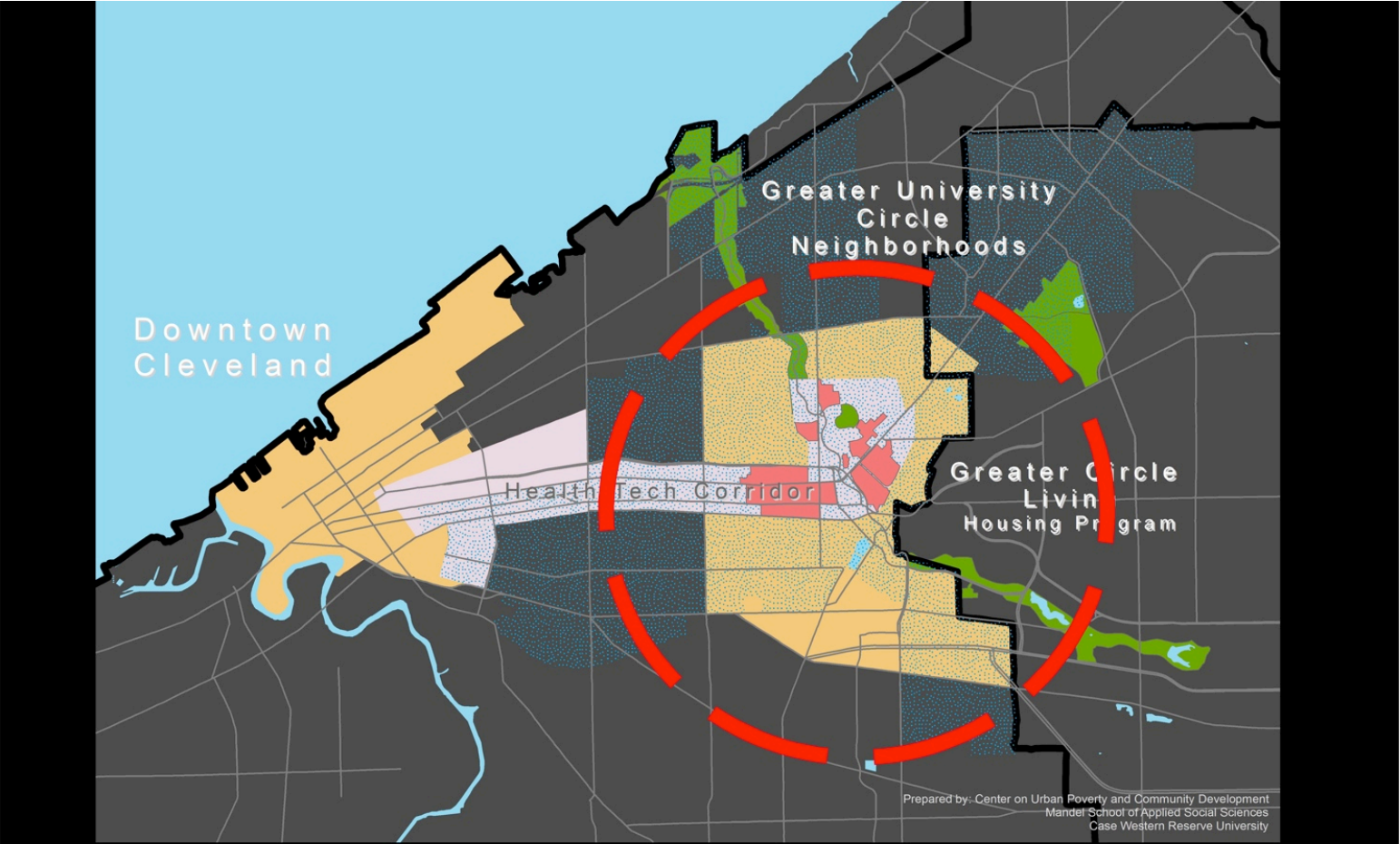
TII in Cleveland: Greater University Circle Community Wealth Building Initiative

- In Cleveland, Living Cities brought together Greater University Circle (GUC) and Health Tech Corridor (HTC)
 - New Chapter in anchor-based development
 - Anchors include: Case Western Reserve University, Cleveland Clinic, and University Hospital Health System
 - Two tables
 - GUC leadership committee
 - Economic Inclusion Management Committee

GUC and HTC

- GUC, developed in 2005, is a unique partnership of philanthropy, anchor institutions, the City of Cleveland, financial intermediaries, and local community groups
- HTC, launched in 2010, is the main transit corridor connecting University Circle to downtown Cleveland
 - HTC primary activities are real estate development and business attraction

Greater University Circle Community
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Prepared by: Center on Urban Poverty and Community Development
Mandel School of Applied Social Sciences
Case Western Reserve University

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TII Governance in Cleveland

- Two tables
 - GUC leadership committee
 - Beginning in 2005, it is convened by the president and CEO of The Cleveland Foundation
 - Comprised of the heads of the anchor institutions and leaders from foundations, public sector, and other nonprofit organizations
 - Laid the groundwork for the relationships and trust upon which the Living Cities Initiative is based
 - Economic Inclusion Management Committee
 - High level implementers from members of GUC
 - Table expands over time to include many partners

Vision

Our vision is to create vibrant economic opportunity, individual wealth, and strong communities in the neighborhoods surrounding University Circle and the Health Tech Corridor, and to create models that are sustainable and that will have a regional, and national impact.

Our work will leverage the power of anchor institutions in University Circle, philanthropy, and the resources of the City, County and State.

EIMC Mission

The purpose of the EIMC will be to assist the Cleveland Foundation and other partners in the administration and oversight of the \$14.77 million of grant and loan support provided by Living Cities over the next three years, as well as other support that may become available. Current key projects include: the Evergreen Cooperative initiatives, the BioEnterprise/Health Tech Corridor supply chain business initiative, and **the establishment of a “job creation” commercial land trust.**

Principles of Economic Inclusion

- Building assets and wealth for low income households and communities
- New ways of working across partners
- Transparency through active communication about the process and outcomes of the initiative
- Sustainable and integrated approach which unites economic, environmental, and equity concerns
- Environmental stewardship
- Demand-driven career training

Goals, Strategies, and Programs, 2011

Strategies	Goals			
	Buy Local	Hire Local	Live Local	Connect Residents
Evergreen	★	★	★	★
Health Tech Corridor	★	★	X	
Community Engagement		★	★	★
Programs				
Evergreen Cooperative Corporation	★	★	★	★
HTC Marketing & Attraction	★	★	★	
Neighborhood Connections		★	★	★
Greater Circle Living			★	
NewBridge		★	X	
Towards Employment		★		
Local First Cleveland (new buy local database)	★			

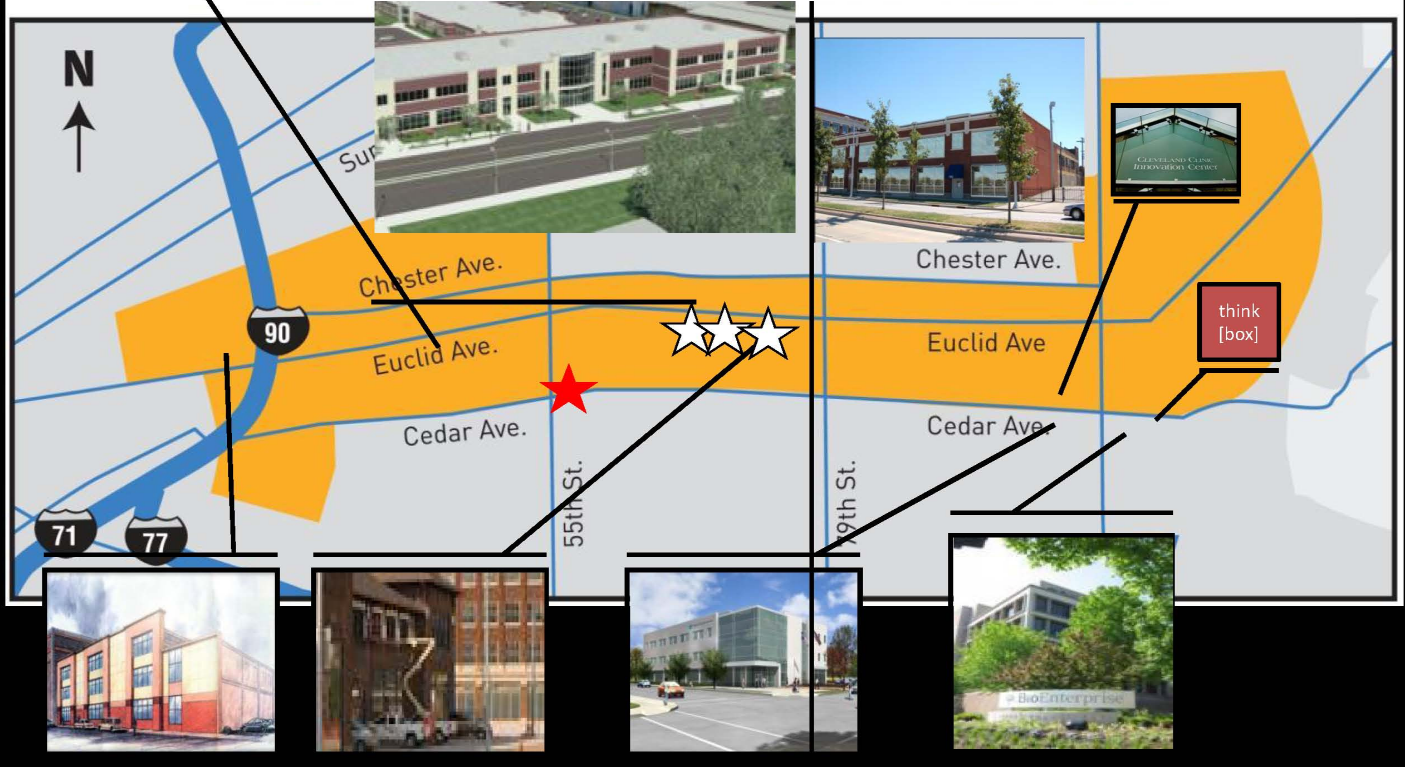
BUY.HIRE.LIVE.CONNECT Health Tech Corridor (HTC)

- The HTC is a 3-mile, 1,600-acre transit corridor served by the RTA HealthLine, Cleveland's new Bus Rapid Transit (BRT)
- The HTC stretches from Downtown Cleveland to University Circle, connecting 10 city neighborhoods
- The targeted geography has many acres of vacant land and properties ready for rehabilitation



CLEVELAND
HEALTH-TECH CORRIDOR

INCUBATORS



HTC Goals and Partners

- Goal: Become a place capable of nurturing the development of the healthcare and biomedical clusters in Northeast Ohio
- Primary activities: real estate development and business attraction
- Original partners: BioEnterprise, City of Cleveland, Cuyahoga County, Cleveland-Cuyahoga Port Authority, and Midtown Cleveland

HTC Real Estate Development Success

- Geis Project: Euclid and 67th-69th
 - 70% of the 128,000 SQ building is leased
 - JumpStart is largest tenant
 - Cleveland Heart Lab-proof of concept
 - Large private nursing school
- Agora: 5000 Euclid – significant rehab
- 7000 Euclid – significant rehab
- First sale of “cleaned up” land at market rate

HTC: Measures of Success

- Shorter term
 - # new companies
 - # employees
 - # newly developed square footage
 - Land prices increase
- Longer term
 - Anchors' involvement continues
 - Market forces take over

HTC: Lesson Learned

- Geographic targeting
- Coordinated efforts
 - Financing incentives
 - Marketing
 - Anchor supported
- Need committed developers
- It takes a long time

BUY.HIRE.LIVE.CONNECT

Live Local: Greater Circle Living

- Greater Circle Living is a housing initiative seeking to grow and improve the Greater University Circle neighborhoods of Cleveland
- It offers employees of eligible institutions an opportunity to live and work close to world-class cultural institutions
- Designed to improve access to affordable housing, assist in wealth building, reduce commute times and costs, and enhance quality of life

Greater Circle Living (GCL)

- Program, started in 2008, is a collaborative effort of participating anchor institutions and nonprofits located in GUC
- Financial assistance is used for
 - Down payment or closing costs for a new house
 - Improvements to a newly-purchased house
 - Exterior repairs to homes already owned by employees
 - Rental costs

GCL: Funding and Achievements

- Program was funded with \$4 million pool
- Modest accomplishments; program not reaching its full potential
 - Program launched at the beginning of the recession
 - Tightening of lending guidelines
 - Small modification were made at the end of 2009
- Program's restructuring to be introduced in 2012

GCL: Success Measures

- Number of people receiving assistance
 - % of people moving into target neighborhoods from outside the City
 - \$ value of assistance
- Number of housing units being purchased or rehabbed
- Number of anchors participating

GCL: Lessons Learned

- Need for ongoing monitoring
 - Track results
 - Understand what is working and what is not
- Knowing when to intervene and make programmatic changes
- Long term commitment to program goals by anchors and philanthropy

BUY.HIRE.LIVE.CONNECT

Workforce Development: NewBridge

- Workforce development was a small component in the initiative's first year
- Initiative testing small work around programs
 - NewBridge: market-based boutique training program
 - Graduated its first class of phlebotomy technicians
 - Holding its first class of pharmacy technicians

BUY.HIRE.LIVE.CONNECT

Evergreen Cooperative Model

- The Evergreen Cooperative Corporation (ECC) is a new model of anchor based economic and community development
- Launched in 2007 by GUCI and the Cleveland Foundation
- Wealth Building for residents of GUC neighborhoods:
 - Living wage, stable, “green” jobs with benefits
 - Ownership opportunities

Evergreen Cooperative Model

- Mission is to create new jobs, build community wealth and revitalize and stabilize the GUC neighborhoods
- Model embodies social and business principles

Evergreen Cooperative Corporation

- Umbrella organization, incorporated in 2011
- Keeper of the vision of the EC model
- Ensure long-term sustainability
- Provide a structure for operation of the EC businesses
- Grow existing cooperatives and develop a pipeline of new businesses
- Manage the Evergreen Cooperative Development Fund (ECDF)

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Evergreen Laundry

- Opened in June 2009
- Designed by the Ohio Employee Ownership Center at Kent State University
- 21 workers (2011)
 - 18 live in GUC neighborhoods
 - 13 had prior criminal records
 - 6 on public assistance
- Clients include 2 hotels and 13 nursing homes (2011)

Evergreen Energy Solutions (E2S)

- Opened in 2009
- Energy efficiency and solar
- 5 solar installations
- Weatherization of residential and commercial (127 jobs completed)
- 21 workers (2010)
 - 15 live in GUC neighborhoods
 - 11 had prior criminal records
 - none on public assistance

Green City Growers

- Broke ground October 17, 2011
- Expects to employ 35-40 local workers
- \$27 million invested to date
- Anchors have agreed to buy lettuce and herbs

Evergreen: Measures of success

- Short term
 - Number of employees
 - Number of companies
- Long term
 - Companies are profitable
 - Employee owners build wealth
 - Employee owners stay in community
 - Anchor involvement continues
 - Replication within city, across country

Evergreen: Lessons Learned

- Balance between business and social principles
- People with strong business expertise (consultants, CEO pipeline)
- Despite typical start-up challenges, failure is not an option
- Deep pockets, long-term commitment (Foundation role)
- ECC infrastructure support is critical

BUY.HIRE.LIVE.CONNECT Community Engagement

- Active and voluntary participation of neighborhood residents in their community
- Grass roots, bottom up approach
- Began in April 2011, Neighborhood Connections hired 3 additional staff
 - Organizing
 - Neighborhood Voice newspaper

Greater University Circle Community
Wealth Building Initiative



COMMUNITY ENGAGEMENT

Create more opportunities for resident engagement and understanding of Greater University Circle through the launch of the GUC Community Engagement Initiative in partnership with Neighborhood Connections



Community Engagement

- Three types of connections:
 - Connecting residents and organizations with one another, within and across neighborhoods (Neighbor circles)
 - Connecting GUC residents and anchor institutions
 - Connecting residents with programs to improve quality of life (housing, jobs, etc.)

Network Centric



Community Engagement: Measures of Success

- Short term
 - People read Neighborhood Voice and write articles
 - Residents participate in neighbor circles
 - Touches every other part of the initiative
- Long term
 - Residents are more connected to anchors
 - Resident interaction increases
 - Residents participate in anchor activities—job fairs, health clinics, farmers market
 - Anchors view residents as partners

Community Engagement: Lessons Learned

- Dedicated staff
- UH idea - start with anchor employees who live in neighborhoods
- Developing and testing a new model takes time

Community Engagement: Questions

- How well will this new model integrate within the existing structure of CDCs and other neighborhood organizations?
- How long will it take to do all three types of connections?

System Change Defined

New ways of thinking and acting across three dimensions:

- Geographic boundaries (linking neighborhoods to cities and regions)
- Stakeholder groups (creating greater alignment among philanthropy, the public sector, nonprofit organizations, and community-based organizations)
- Disciplines (such as housing, workforce, transportation, education, and healthcare)

System Change Success

- Progress on the buy local initiative
- Increasing the capacity of community development financing
 - Integration of NDC into region
- Continuing the operation of GUCI and creating EIMC
 - Achieving alignment between the “two tables”
- Civic engagement
- Increased capacity and improving permitting process in City of Cleveland

Challenges

- Better alignment around local hiring and procurement
 - How do we define success?
- Keeping partners together and focused on common goals regarding real estate development in the HTC
- Access to funding for predevelopment and tenant build-out
- Moving from successful boutique workforce development to large scale workforce development
- Ability to influence federal and state policy agenda to support the initiative goals
- Integrating community engagement activities

Questions for Continued Discussion

- How do we define success around the goals of buy local, hire local, & live local?
- In what ways can residents connect to anchors?
- In what ways can anchors and neighborhoods work together?
- Are there any connections between the GUCI Wealth Building Initiative and other large federally sponsored and philanthropic initiatives underway that impact neighborhoods?