



# "Opportunity Knocks"

*Cleveland must leverage its current resurgence to ensure all citizens and neighborhoods benefit*



An illustration of a hand holding a golden trophy. The trophy has a shield-shaped top with the text 'City of Cleveland' written on it. The hand is wearing a white shirt cuff with a gold tag that says 'Opportunity'. The background is dark grey with vertical stripes.

# City of Cleveland

*Whether it's the uptick in people choosing to live downtown, or the vibrant restaurant and entertainment scene, or the new and revamped buildings adorning city streets, there is definitely a feeling that Cleveland stands at the threshold of a new era.*

*But most Clevelanders will not be able to answer the gentle rap of opportunity.*

*Many won't even hear it knocking.*

Years from now, we may look back on summer 2016 as the time Cleveland closed the door on more than a half century of heartache and losses. In the course of two months, Cleveland exorcised a 52-year “curse,” showing the world how a city of champions could party joyously but peaceably, and demonstrated that good planning, respectful control and a friendly disposition could allow divisive politics and fervent protest to coexist without erupting into violence. A well-executed hosting of the Republican National Convention following a fractious primary season and in the immediate aftermath of the assassinations of eight law enforcement officials elicited praise for the city, as well as for Cleveland’s police chief.

In the two years since Cleveland was selected to host the RNC, Public Square was refurbished, new hotels were opened – including a sleek, shimmering addition to Cleveland’s skyline – and the Flats were reborn. Certainly, many of these projects may have been in the works for years, awaiting a catalyst. Nonetheless, it was a busy two years of place-making and aggressive investment in our city.

Whether it’s the uptick in people choosing to live downtown, or the vibrant restaurant and entertainment scene, or the new and revamped buildings adorning city streets, there is definitely a feeling that Cleveland stands at the threshold of a new era.

But most Clevelanders will not be able to answer the gentle rap of opportunity. Many won’t even hear it knocking.

Civic leaders and philanthropic organizations are right to bask in the rave reviews the city has garnered since hosting the RNC. But these made-for-TV moments should not lull community stakeholders into thinking their work is done. Instead, they should fuel an impatience to ensure that the transformative place-making and overall renaissance occurring downtown spread beyond the business district into Cleveland’s neighborhoods.

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PolicyBridge, founded in 2005, is a non-partisan 501 (c) 3 research and advocacy think tank. The mission of PolicyBridge is “To create and sustain high-quality discourse addressing public policy issues affecting African-Americans and other underserved communities, to enlighten citizens and catalyze action.”

The point has been made by many over the past few decades that the key to Cleveland's true comeback rests on the city's ability not only to make downtown a coveted and desirable place to live, work, play and visit, but also to extend that quality of life and purpose into city neighborhoods. Certainly, there are pockets of transformation across the city, largely examples of infrastructure improvements and isolated community development projects. But, at this moment in Cleveland's history, few would argue that the quality of life every Clevelander deserves has been compromised, particularly for minority residents concentrated in Cleveland's Near West and East Side neighborhoods. Not enough families are working in full-time, permanent jobs. Not enough children are completing high school, college or other forms of learning that provide them with the skills and abilities to compete in today's economy and enable them to break cycles of poverty. Not enough minority businesses are thriving. And too many neighborhoods have been devalued and isolated, lacking the resources and models to support economic growth and upward mobility. Concentrated poverty, crumbling infrastructure, limited community development capacity, violence, and strained relationships with police present even greater cause for concern in neighborhoods.

The stark, largely black-and-white, picture that emerges suggests a question that went unanswered by a national media that never ventured far from downtown nor strayed far from tourism department talking points: Who really cares about Cleveland's communities and people?

Many individuals and organizations are chipping away at various problems from a variety of perspectives. What they lack is scope and scale. While there are no shortages of ideas and programs that aim to address challenges, there are significant shortages of the financial and technical resources necessary for carrying out the work. A paucity of comprehensive vision, collaborative effort and coordinated action contribute to less-than-stellar, if not poor, results and outcomes.

The goal of this report is to connect the needs of communities with the actors, advocates and donors who can, in many different ways, improve the plight of our neighborhoods, families, schools and businesses. Without non-governmental investment of resources and broad-based thought leadership, Cleveland runs the risk of having the same conversations about demise decades from now. This is a seminal moment that must be seized for the good of Cleveland neighborhoods and, thus, the good of the city and region overall.

This report looks at five broad areas of challenge and opportunity: entrepreneurship, employment, education, neighborhoods and community policing. This expansive approach reflects a view that Cleveland's challenges are interconnected and require a more comprehensive response in order to effect change. Specifically, this report views these five topics through a communities-of-color prism.

Cleveland, like many other large urban centers in the United States, has for several years been a minority-majority city, with non-Hispanic white residents making up just 32% of the city's population in 2014, according to the American Community Survey (ACS). However, given the long history of disenfranchisement that communities of color have faced, this report uses the term "minority" to refer to such populations, a reminder of the express constitutional protections of minority rights. Moreover, given that African-American and Latino residents are the largest communities of color in Cleveland, the term "minority" in this report refers primarily to those two groups.

The data presented here reveal vast and stubborn community challenges, but the opportunities too are great. Tim Tramble, executive director of the Burton, Bell, Carr Development organization serving Cleveland's Central and Kinsman neighborhoods, envisions Cleveland as a model of healthy, vibrant cities of the 21st century. The potential is there, he said during a December 2015 TEDx talk he titled "the Next Great American City." The downtown transformations on display during the RNC demonstrate what's possible – and in a relatively short timeframe.

Great cities of the future will be defined by locational advantages, ease of navigation, access to cultural amenities, and social and economic integration, Tramble declared in his presentation. Transformation can happen when key stakeholders – political leadership, philanthropic organizations, business leaders and community members – collaborate on a shared goal of improving the quality of place in the urban core. “If you want to change cultural norms and adverse behavior, you have to be an active part of changing the environment that created them,” Tramble said in his talk. “You and I have the power to have more influence on it than it has on us.”

The following sections explore key areas that could benefit from the type of power and influence Tramble described:

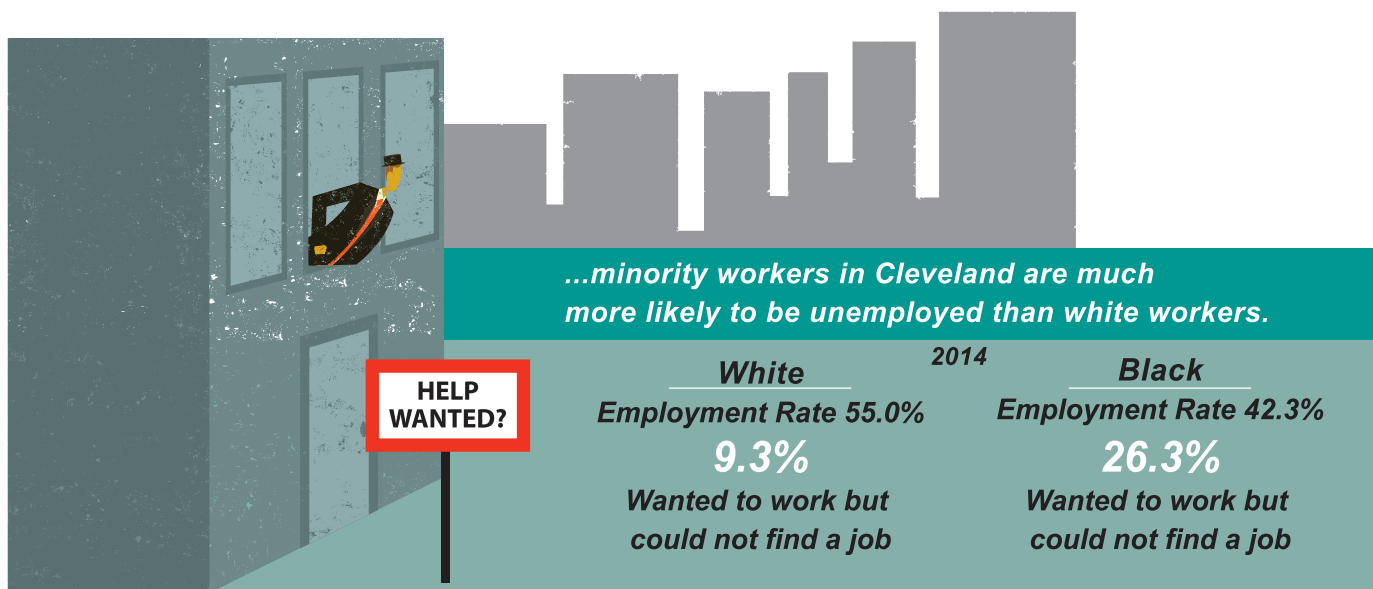
## WORKFORCE

In a divisive political season, one area where there seems broad agreement is the importance of a quality workforce possessing skill sets demanded by the 21st century economy. Political leaders may address the issue from different vantage points: Some may champion workforce development as a critical component of economic growth; others may approach skill development as underscoring the importance of access to quality primary and secondary schools for all young people, as well as access to affordable postsecondary education.

Policy reports and media headlines that trumpet jobs going unfilled because of a lack of qualified workers have united business leaders, government officials, educators, philanthropists, industry advocates and social service agencies in recommending policies and programs to address concerns over skill shortages. A 2011 report sponsored by the Manufacturing Institute warned that the nation was reaching a “Boiling Point,” suggesting as many as 600,000 jobs were going unfilled despite an era of high unemployment following the Great Recession.

Although academic research tends to refute claims of widespread insufficient supply of specific skills, business owners may face some geographic shortages and are right to be concerned about a looming workforce challenge that may threaten their ability to compete and grow. This is especially true in manufacturing, where many companies have a large portion of their workforces nearing retirement age.

Despite this welcome focus on workers – and the acknowledgment of their value to long-term economic wellbeing – there is reason to question whether many potential Cleveland workers lack a place in the regional economy. The focus on workforce skill deficiencies may serve to obscure the very real challenge many would-be workers in Cleveland face – a lack of jobs.

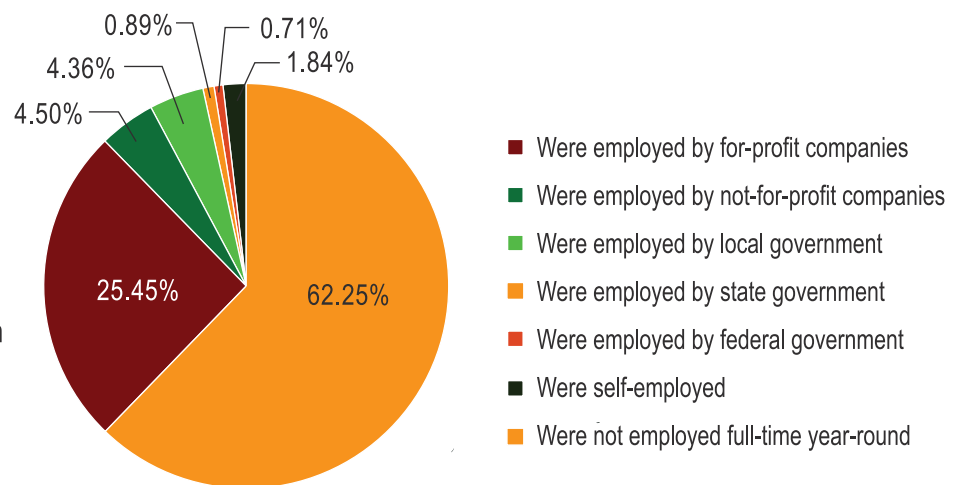


Whether the issue is one of not enough good jobs, low educational attainment, skill sets of less value and lower demand, embedded bias, or some combination of all, minority workers in Cleveland are much more likely to be unemployed than white workers in Cleveland are. Labor force participation rates were relatively similar in 2014 (60.7% for whites compared to 57.3% for blacks), according to 1-year ACS estimates, but rates of employment and unemployment diverged. The employment rate among white Clevelanders was 55.0% in 2014, while 9.3% of workers who wanted to work could not find a job. Only 42.3% of black Clevelanders were employed in 2014, while 26.3% of workers who were actively looking for a job could not find one.

Full-time, year-round employment in Cleveland declined by 11.2% from 2009 to 2014, according to data from the American Community Survey. In 2014, 93,645 workers in Cleveland had a full-time, permanent job. That works out to just 37.7% of the city of Cleveland’s entire working-age population between the ages of 18 and 65. Of these full-time, permanent workers, 69.6% worked for for-profit firms, while 11.9% worked for not-for-profit firms and 15.8% worked for local, state or federal government. Another 4.9% of full-time, year-round workers were self-employed.

**Assuming that, in 2014,  
all 93,465 full-time, year-round  
Cleveland workers fell in the  
18-to-65 working-age population**

Source: American Community Survey, 2014



Jill Rizika, executive director of Towards Employment, describes a local employment environment with more low-skill workers than there are jobs available and an insufficient supply of “middle-skill” workers to meet demand. In addition, many jobs available to Cleveland workers are low-wage. “The challenge is that even working full-time, [workers] can’t make ends meet,” she said.

Median pay for these full-time, year-round workers in Cleveland was \$33,456 in 2014, according to ACS data. The nearly 70% of Cleveland workers employed full-time for for-profit firms earned median pay of just \$30,813. That compares to median pay of \$36,760 for Cleveland workers employed by not-for-profit firms and an employment weighted median wage of \$46,615 for Cleveland workers employed in one of the three levels of government. The 2,094 Cleveland workers self-employed in incorporated businesses reported median wages of \$41,495, compared to a median wage of just \$25,780 for the 2,476 workers self-employed in unincorporated businesses.

Median pay for full-time, year-round workers in Cleveland actually declined in real terms from 2009 to 2014 by 5.9%. Although median wages for employees of for-profit companies declined by 4.8% over the 5-year period, the drop in median wages at least partly reflects a shift in the share of Cleveland workers employed in higher-wage government work. The share of full-time, year-round Cleveland workers employed by some level of government declined from 19.1% in 2009 to 15.8% in 2014. The loss of employment and decline in wages in Cleveland are a clear manifestation of reductions in the federal workforce and cutbacks in federal and state support for local government following the recession. In total jobs, there were 5,314 fewer Cleveland workers employed full-time in government in 2014, with the bulk of those jobs lost in local and federal government activities.

A 2012 report from the Brookings Institution called attention to the short-term and long-term impact of “record” reductions in government employment: In the short-term, such a shock increases unemployment, stifles consumption and exacerbates the effects

of recessions. Although acknowledging the importance of ensuring that taxpayer dollars are spent efficiently and appropriate to the public need, the report suggested long-term consequences, particularly in the area of education, where increasing the size of classes due to a reduction in the number of teachers was estimated to result in a “per-student, per-year loss of nearly \$1,000 in future earnings.” In the aggregate, the Brookings report estimated that 220,000 fewer teachers in 2011 compared to 2009 resulted in a savings of \$11.8 billion per year nationwide, but that it potentially came at a cost of \$49.3 billion in potential earnings lost to students forced to learn in larger classes.

Whether these assumptions and extrapolations are correct or whether other factors play out in the long-term to mitigate the projected effects, what is clear is that cuts in government employment as a result of the Great Recession of 2007-2009 represented at least a short-term shock to the wellbeing of Cleveland workers and the community overall.

The decline in government work appears to have accompanied an increase in self-employment among Clevelanders. The share of full-time, year-round Cleveland workers who were self-employed grew from 2.5% in 2009 to 4.9% in 2014. This growth in self-employment can be viewed positively as a sign that Cleveland workers are becoming more entrepreneurial, are embracing the “gig” economy and are putting themselves in control of their own incomes. Self-employed workers in their own incorporated businesses reported a median wage of \$41,495 in 2014. That was nearly \$11,000 (15.8%) higher than workers employed by other for-profit companies. However, despite its growth, self-employment represents a very small share of full-time work in Cleveland, and, even more troubling, self-employed workers in unincorporated enterprises reported the lowest median wage among all classifications of full-time workers. Such workers earned only \$25,780, on average, in 2014. Even more troubling, that median wage represented an 8.6% decline in real terms over 2009 wages.

Cuyahoga County Executive Armond Budish has convened the primary public, private and philanthropic funders of workforce development efforts in the community to design a coordinated system that better meets the needs of local employers and job seekers. “We hear from business leaders that they have open jobs [for which] they can’t find the talent they need and from job seekers that they can’t find jobs,” said Sharon Sobol Jordan, chief of staff for Cuyahoga County. “We have been pouring tens of millions of dollars into workforce programs that don’t seem to be working for either of them.” That assessment has been driving an effort to create a coordinated, effective workforce system that:

1. provides a steady supply of candidates of all skill levels sufficient to meet current and future job demands.
2. helps residents who face barriers to employment gain skills and access networks that put them on a path toward satisfactory careers and wages.
3. aligns the workforce efforts and investments of public, private and philanthropic funders around shared goals, priorities and measures of success.

An action plan for a sector-based strategy of workforce programming that focuses on career and wage pathways and helps eliminate barriers to employment is expected by fall 2016. A data-driven approach helped identify occupations in five sectors to start – health care, manufacturing, information technology, customer service and distribution – that represent skill-demand or job-access opportunities in the local economy.

“We are trying to look at in-demand jobs from the business perspective,” Jordan said. “What are the critical jobs that drive their growth and profitability? Why can’t they keep those jobs filled? What has worked from their perspective?”

Jordan noted that much programmatic support exists in the county to help workers gain entry into the labor market. There are numerous programs and services focused on providing skills training and addressing job-access barriers such as criminal records and low educational attainment. However, a new area of focus for this “systems-level change” will be on helping workers take steps

to advance into their second and third jobs. This is how vulnerable workers get established on a career path.

A sector-based, career-advancement approach to workforce development was recently tested in Northeast Ohio. Towards Employment, which has 40 years of experience helping to meet the needs of Northeast Ohio job seekers and employers, was one of four sites selected to demonstrate and evaluate the WorkAdvance initiative, which attempts to revamp training programs that serve low-income populations. WorkAdvance consists of five major components: screening of program participants, sector-aligned pre-employment and career-readiness services, skills training for specific sector occupations, sector-based job development and placement services, and post-employment retention and advancement services.

Participants in WorkAdvance receive career advancement support for two years after initial enrollment in the program. After two years, participants in the WorkAdvance program had higher incomes and better employment progress than a control group of job seekers. The Towards Employment workers in the WorkAdvance program earned 18% more after two years than workers not receiving career-advancement support. The Towards Employment workers were aligned to identified job demands in Northeast Ohio's health care and manufacturing industries.

"Our emphasis is less about shortages of jobs and more about the match," Rizika said. Rizika described the challenges of spatial mismatch for job candidates in the city of Cleveland who may not have the means to access open positions, especially those not served by public transportation. "Lots of jobs are out in the suburbs, so they might as well not exist in some respects."

Another challenge is that many jobs that are open and available come with little opportunity for career advancement. In addition, barriers to job access and advancement may come in the form of gaps in social skills, academic skills or technical skills, as well as criminal records, health and mental health challenges, and, often-cited by employers, substance-abuse issues. Wrap-around workforce development services that provide longer-term support are needed to help idled and disenfranchised workers take their place in the regional economy.

Rizika said she is seeing increasing awareness among employers that they need to be part of the solution. She pointed to a five-year partnership with University Hospitals to recruit and train workers. Over time, that partnership has grown to incorporate more positions at UH and other area hospitals. However, the partnership also underscores the challenge of supporting a disenfranchised population where many potential workers have criminal records: Workers with felonies may be legally barred from employment in hospitals and nursing homes.

As such, "you need a range of programs" to meet workforce needs, Rizika said. Exemplifying that point, Towards Employment is part of the recently launched Comprehensive Reentry Services, a voluntary program directed at helping men in the Cuyahoga County Euclid Jail work on job skills, education and substance abuse issues in order to improve their ability to integrate into society after release, as well as to reduce recidivism. Cuyahoga County converted the Euclid Jail into a pre-release re-entry program in April as part of an innovative approach to providing opportunity for a segment of job seekers who are typically not well-served by traditional workforce programs. The program, which brings together government agencies and non-profit service providers, as well as potential employers in culinary arts, manufacturing and construction sectors, is partly funded by the U.S. Department of Labor.

Today's workforce challenges are complex so the solutions need to be multifaceted, Rizika said. She welcomes the county-driven push toward a better-coordinated system and more collaborative process. "More aligned and holistic services are exactly what's needed, but that is not what our system provides," Rizika said.

Although it is right that more attention is being given to whether area workers have the skills to succeed in the job market of today and of the future, what is also clear is that more attention needs to be paid to the issue of job availability, quality and pay.



**White-owned  
firms  
with paid employees  
grew to account  
for more than  
31%  
of sales and receipts**



**Black-owned  
firms,  
by comparison,  
only 1.1%  
of sales and receipts  
despite accounting for  
39.7% of all the firms  
in Cleveland**

*“While we have made progress, for all the work that has gone into it, it’s not enough progress. ... Looking back, 50 to 60 years ago, some of the challenges we face today were plaguing the city back then,” ...*

## **ENTREPRENEURSHIP/MINORITY BUSINESS DEVELOPMENT**

Black and Hispanic Clevelanders are increasingly entrepreneurial. According to the Census’s Survey of Business Owners, the share of firms owned by minorities nearly doubled in just a 5-year period, growing from 8,358 in 2007 to 15,729 in 2012. The number of Hispanic-owned firms more than tripled – going from 555 in 2007 to 1,989 in 2012. The number of black-owned businesses expanded from 6,984 to 12,971 over the 5 years. However, just as a trip to downtown doesn’t give the full picture of the state of Cleveland’s neighborhoods, these numbers tell a different picture when viewed in context.

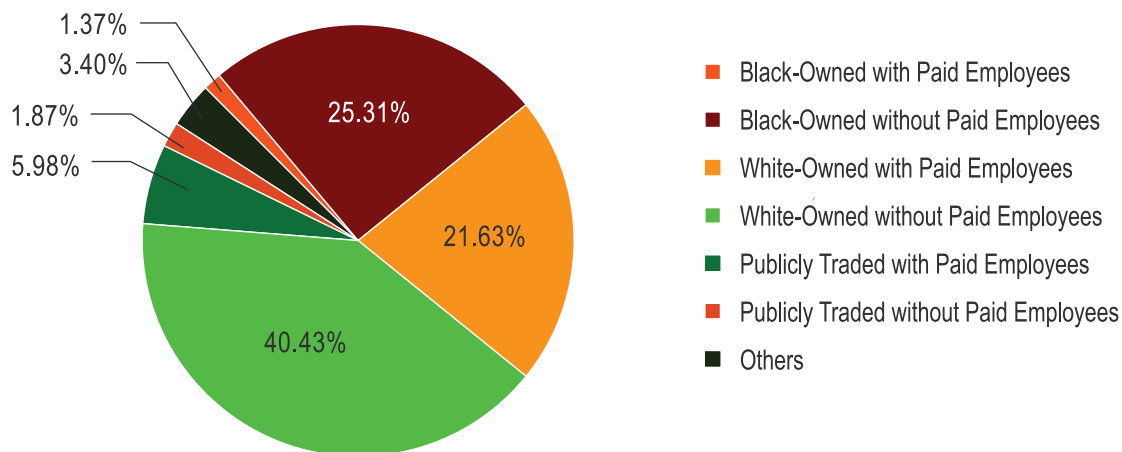


Black-owned firms made up 26.7% of all firms in the city of Cleveland in 2007, but they captured just 0.98% of total sales and receipts for all Cleveland firms. By 2012, black-owned firms accounted for 39.7% of all Cleveland firms but only 1.1% of all sales and receipts. In 2012, nearly half (48.1%) of all Cleveland firms were owned by minorities, but those firms accounted for only 2.7% of all sales and receipts.

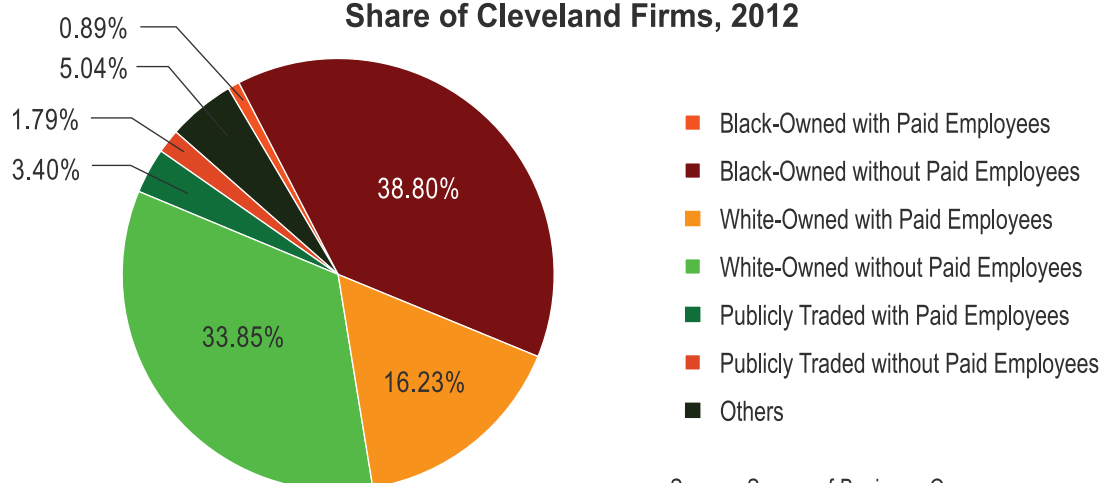
Compared to white-owned firms, minority firms are far more likely to be single-worker entities. In 2012, minority-owned firms made up only 10.5% of firms in the city of Cleveland with paid employees, but 58.6% of firms without paid employees. While the share of white-owned firms with paid employees increased over the 5-year period (70.1% to 74.6%), the share of black-owned firms with paid employees remained virtually unchanged at roughly 4%. The share of black-owned businesses that had no paid employees grew from 36.4% in 2007 of such firms to 49.6% in 2012.

The following charts provide a breakdown of firms within the city of Cleveland based on race and employment status. What the figures show is that business launch is not necessarily the problem. Blacks are initiating new business ventures in Cleveland at a greater rate than whites. What is unclear is whether this signifies a stepped-up entrepreneurial spirit or points to the continuing impact of the Great Recession, as dislocated workers give up on finding another job and decide self-employment offers the only option for a paycheck.

**Share of Cleveland Firms, 2007**



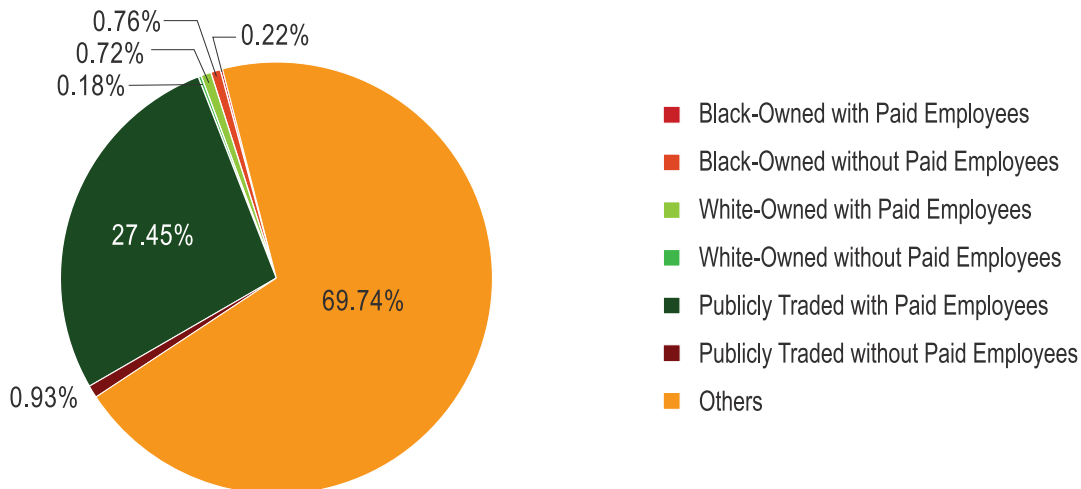
**Share of Cleveland Firms, 2012**



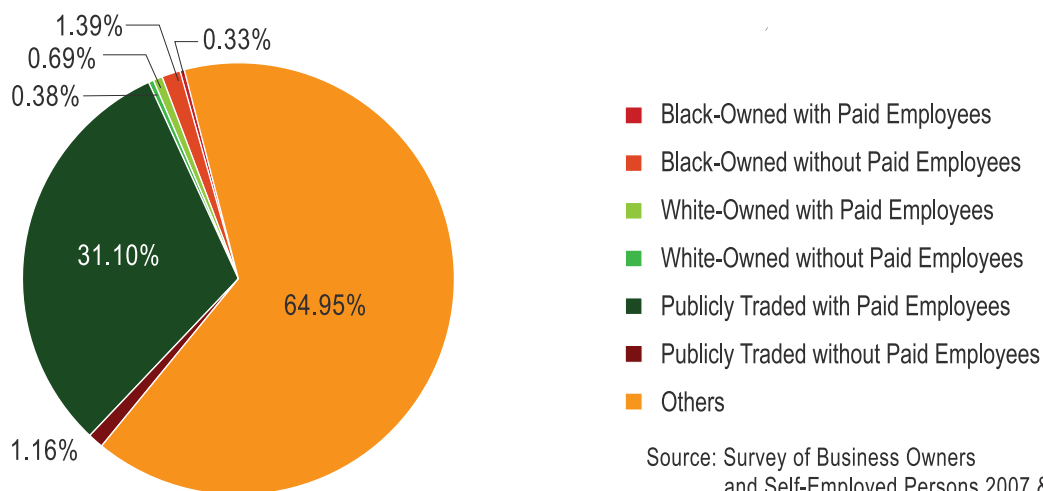
Source: Survey of Business Owners and Self-Employed Persons 2007 & 2012

However, the charts below indicate that black-owned businesses tend to be concentrated in low-value enterprises and that they lack the relationships and networks to capture significant segments of their markets. As can be seen, Cleveland firms that are publicly traded account for the lion's share of sales and receipts. Despite making up less than 8% of Cleveland firms in 2007, publicly traded businesses, with or without paid employees, accounted for nearly 70% of sales and receipts in 2007. That share shrank to 65% by 2012, while white-owned firms with paid employees grew to account for more than 31% of sales and receipts. The share of sales and receipts captured by black-owned businesses, by comparison, stayed at about 1% despite brisk growth in both the actual number of black-owned businesses and the share of Cleveland firms they represented.

**Share of Cleveland Firms, Revenues 2007**



**Share of Cleveland Firms, Revenues 2012**



Source: Survey of Business Owners and Self-Employed Persons 2007 & 2012

This has important implications for the health of the city and the effectiveness of programs targeted toward economic inclusion and minority business development. This suggests that minority business owners or potential minority entrepreneurs could use help in assessing and accessing opportunities to grow value.

"I think we've made progress in terms of business development, but it's been a struggle," said Deborah Hoover, president and CEO of the Burton D. Morgan Foundation and former chair of the Fund for Our Economic Future. "A lot of people have tried different approaches," she said, citing such familiar entrepreneurial-minded organizations as JumpStart and BioEnterprise. "While we have made progress, for all the work that has gone into it, it's not enough progress.... Looking back, 50 to 60 years ago, some of the

challenges we face today were plaguing the city back then,” said Hoover, whose organization provides programmatic support for entrepreneurship among adults, college students and youth, with a goal of fostering economic independence. “When you look at that time horizon, you could get discouraged. But I am ever the optimist. There are a lot more people pushing the boulder up the hill, trying to solve the problem.”

For the past two years, Hoover has served as co-chair of the Cleveland Forward Cities Council; Cleveland was one of four cities selected to pilot a collaborative learning exchange focused on growing and supporting entrepreneurship and social innovation in low-income communities of color. The Cleveland Forward Cities Council identified areas ripe for minority business growth among the city’s distressed neighborhoods. For example, Forward Cities worked with representatives of neighborhoods touched by the Opportunity Corridor project to develop a “Bizgrid” informational framework to connect minority entrepreneurs to business startup support services, such as help in accessing capital and identifying locations. The Bizgrid was a model Cleveland Forward Cities participants learned from their Detroit peers.

Hoover also praised the Forward Cities experience in raising awareness of the particular challenges of minority communities. Forward Cities partnered with the Racial Equity Institute to provide data-driven sensitivity training for 160 leaders of local government, business, philanthropic and non-profit enterprises. The half-day sessions earlier this spring focused on wide-ranging disparities, including neighborhood characteristics, education quality and health. “The data is introduced to show how there is unconscious bias with hugely detrimental effects on minority populations,” Hoover said. “It’s very upsetting when you have these conversations, but incredibly powerful. You cannot go away from those sessions thinking this is someone else’s problem. All of us must be part of the solution to these ongoing challenges.”

But, as the figures above show, the usual metrics of regional economic growth, sales revenues and job creation tend to obscure the value of minority businesses to distressed communities. For example, black-owned businesses accounted for only 1.7% of paid employees in firms within the city of Cleveland, and even less (0.7%) of annual payroll for firms with paid employees. This not only indicates the tendency of black-owned businesses to be ventures in self-employment, whether out of a desire to work for themselves or out of necessity due to job loss or disruption, rather than entrepreneurial undertakings focused on growth; it also suggests the difficulty black-owned businesses have in increasing revenues simply to the point of taking on a single paid employee.

Beyond requiring different approaches to measuring their impact, minority business ventures also face challenges often overlooked by initiatives that strive to support entrepreneurship. For example, would-be entrepreneurs frequently tap the equity in their homes for the necessary cash to launch their business ventures, said Brian Hall, executive director of the Greater Cleveland Partnership’s Commission on Economic Inclusion and a seasoned entrepreneur himself. Yet, homes in minority neighborhoods often have lower house values. This is a disparity that has only been exacerbated following the housing crisis that was disrupting Cleveland neighborhoods years before the national recession took hold nearly a decade ago.

In 2005, the median value of Cleveland’s owner-occupied housing units was 63.7% of the median value of houses in all of Cuyahoga County (including Cleveland). The median value of Cleveland houses was 51.9% of the U.S. median house value overall. By 2014, the median value of owner-occupied homes in Cleveland was little more than half (54.6%) the value of homes throughout Cuyahoga County, and only 36.4% the median value of U.S. homes overall, according to data from the American Community Survey. Moreover, Clevelanders were far more likely to be renters than homeowners. In 2014, 56.5% of Cleveland households were renting, compared to less than 40% for Cuyahoga and the nation overall.

Thus, if equity in homes is an important asset for entrepreneurial activity, Cleveland would-be business owners begin the process at a disadvantage.

Soliciting investments or loans from family and friends is another avenue for raising startup cash. But here, too, minority entrepreneurs are at a disadvantage. According to a 2014 report from the Pew Research Center, the median wealth of white households was 13 times greater than the median wealth of black households and about 10 times greater than Hispanic household wealth. Adding in a history of exclusionary and discriminatory banking practices indicates just how challenging an environment minorities face when they want to start or grow a business.

Hall said the minority community does not lack for business ideas nor do minorities lack the desire to run their own businesses, as the data bear out. What is lacking is capital and opportunity. “In some cases, there is a need for more how-to,” he said, but know-how, capital and opportunity all point to the importance of social networks. The business ideas minorities have need to be matched to capital and opportunity in order for a business venture to emerge. “Social networks are how you create those opportunities. Are people advocating for you at the bank? Do you know someone at the firm [that may buy your product]? Are you in this circle that helps the business thrive and succeed?”

Programs exist to help access capital and build networks, Hall said, but too often they are fragmented, wasting the time and attention would-be entrepreneurs would rather devote to their venture. “I have example after example of clients who have touched more than one agency, but the services are not coordinated.” In addition, programs designed to support minority businesses may themselves create a disincentive to grow. For example, business owners who might look to venture capital or private equity for the necessary funds to pursue expansion strategies no longer are considered minority businesses if the original owners retain control of less than 51% of the enterprise.

Among even successful minority businesses, there are knowledge gaps regarding the next steps for sustaining and expanding. “There haven’t been enough examples of companies going through acquisition and private equity,” Hall said. In addition, because many minority businesses are first-generation ventures, they have limited understanding of succession planning. “The learning curve is difficult but even more so in our community and even more pronounced in our region.”

High expectations and a high social burden also accompany minority business success, Hall said. Accomplished minority business owners and corporate executives often are looked to as the solvers of problems in their communities: They are asked to serve on boards, lead ad hoc committees, give the hard-to-employ a chance, mentor young people, provide internships and develop experiential learning opportunities – all while meeting payroll. And, as the earlier figures indicated, they often operate in a lower-value environment, making productive day-to-day business operations and a profitable bottom line even harder to attain. The capacity of a relatively small number of successful, high-profile minority business owners to perform these community-service activities not core to their firms’ functions is far less than the need and expectations.

“There aren’t enough successful minority business owners, and those who are sustaining themselves are pulled in too many directions. There is a tremendous burden on them,” Hall said. “I have seen many willing to give of their time at a level that far exceeds that of their white business owner counterparts, who are able to maintain focus on core business operations instead of also being expected to solve the social ills of their communities.”

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*...“If our kids only graduate high school, that is not going to change their lives,” she said. “They will still be living in poverty.”*

## EDUCATION

Annemarie Grassi, CEO of Open Doors Academy, talks of her out-of-school comprehensive enrichment program in economic terms: “The root area we are addressing is moving the next generation out of poverty through the avenue of education,” she said. “In order for people to move out of poverty, they have to work.” That’s why her program that promotes lifelong learning, accountability and perseverance places students in paid internships, requires summer shadowing of workers, and performs community service projects in Honduras and Appalachia. Through camp experiences this summer, her students learned to develop and write e-books and toured the ArcelorMittal steelmaking plant. The goal is to expose students to career opportunities and give them a vision of what is possible in their lives.

“A lot of things we’re teaching are things that should occur across healthy communities,” Grassi said. Open Doors Academy’s core principles of responsibility, civility and excellence; the value of education; and the importance of drive are lessons Grassi said she learned from her parents, but they are lessons that too few children growing up in generational poverty in disinvested neighborhoods learn. Grassi considers these lessons to be so powerful to future success that the funding she receives from the state of Ohio for her non-profit program comes with a seven-year promise: Students who begin her program as sixth-graders will graduate high school and successfully access college and career. So far, Open Doors Academy has a 100% success rate for high school graduation, and 97% of students have pursued postsecondary education. Of those who have completed their postsecondary education, all are employed, Grassi said.

Over the past 15 years, that’s about 150 students successfully launched on career paths. Now Grassi is looking to scale the program that began when a Cleveland Heights church decided to open its doors to serve the needs of schoolchildren loitering in its parking lot. Currently, the program serves about 350 middle school students and 120 high schoolers in Cleveland, Cleveland Heights and Euclid, all while continuing to support and advise about 130 students in college and postsecondary institutions.

Although high school graduation is a necessary step, it is not sufficient, Grassi said. Her expectation for her students is completion of college or other postsecondary training. “If our kids only graduate high school, that is not going to change their lives,” she said. “They will still be living in poverty.”

The Higher Education Compact, a collaboration among city and county governments, 15 Ohio colleges and universities, local foundations and community organizations, is another initiative committed to dramatically increasing the number of Cleveland students who earn college degrees.

There are encouraging signs that efforts to improve educational attainment are making a difference: The Cleveland Metropolitan School District has seen improvement in student college-or career-readiness. The four-year high school graduation rate among CMSD students has risen from 56% in 2012 to 66% in 2015, according to a report from the Higher Education Compact. The share of CMSD students receiving an 18 or higher on the ACT test has risen from 26% in 2012 to 33% in 2015. Roughly a quarter of all CMSD graduates in 2015 met the College Now readiness standard of at least an 18 on the ACT and a GPA of 2.5 or higher, an increase of 4 percentage points over 2012. College Now provides advising, financial aid counseling and scholarships to help students access postsecondary education.

More students are graduating with a “B” or better average, more students are enrolling in postsecondary classes to get a head start on college credits, and fewer are graduating needing math or English remediation (76% in 2012 compared to 66% in 2015). More CMSD graduates are persisting to complete courses at participating Higher Education Compact institutions. The six-year college graduation rate for CMSD students enrolled in four-year Compact institutions has risen from 28% in 2011 to 33% in 2015. Even more encouraging, CMSD students who are well-prepared academically and who have financial resources are succeeding in college: 77% of CMSD graduates whose families’ incomes fell into the top quartile for the school population had earned a bachelor’s degree by age 24 in 2015. This compares to just 40% of such students back in 1970.

Despite real signs of progress, even the Higher Education Compact report indicates that gains are happening far too slowly. Moreover, the Compact report suggests a bifurcation of outcomes: Students who lack the academic preparation and family financial resources are falling far behind their peers. In 1970, only 6% of CMSD students whose family incomes fell in the bottom quartile had earned a bachelor’s degree by age 24; by 2015, only 9% of such students had successfully completed college. Despite the increasing demand in the economy for better-educated workers and despite all the attention paid over the past few years to college readiness and college completion, less than 10% of CMSD students from the poorest families go on to graduate college. This underscores the difficulty in successfully moving the neediest students through educational pursuits. Such students often require more support than their teachers and schools are able to provide.

This positive but slow improvement in educational achievements among CMSD students seems even more incremental and inadequate when compared to educational gains within the region overall. A 2015 report out of Cleveland State University's Center for Population Dynamics noted that the share of the regional workforce with a bachelor's degree or higher had grown from 33.4% in 2000 to 40.2% in 2015. Moreover, the report highlighted that the share of regional workers with a master's degree or higher had grown from 10.5% in 2000 to 17.1% in 2015. According to the report, the percentage point gain was the eighth-highest among the 40 largest metropolitan areas. Among young workers in the region – those ages 25 to 44 – 1 in 5 had earned a master's degree or higher.

Certainly, educational attainment levels have improved within the city of Cleveland, but improvements have been far more modest than for the region overall, which, given the increasing link between educational attainment and economic wellbeing, puts Cleveland workers and the city at a disadvantage, not only globally but in tight job-market competition with other workers in the region. The city's low-educated population shrank from 27.4% in 2009 to 22.6% in 2014. That is marked improvement, but it means that 1 of every 5 Cleveland residents has a less-than-high-school education. Nearly a quarter of women age 25 or over in Cleveland had completed some college in 2014, but less than 15% had completed a bachelor's degree or higher. Among 25-to-34-year-olds in Cleveland, 22.8% of men and 20.2% of women had earned a bachelor's degree or higher. That compares to 14.2% of 44-to-65-year-old Cleveland men and 13.3% of similarly aged Cleveland women.

Much of the discussion regarding the link between education and the economy focuses on the benefits – higher wages and lower unemployment – that tend to be associated with earning a college degree. However, perhaps an even more important consideration is just how punishing today's economy has been to workers with low educational attainment. Among Clevelanders with less than a high school education, 47.2% were living in poverty, earning a median wage of less than \$14,500. However, in the context of a city that has a majority minority population and that has little more than a third of workers employed in full-time permanent jobs, even high educational attainment does not necessarily yield the expected economic benefit: 14.4% of Clevelanders age 25 and over with a bachelor's degree or higher lived in poverty in 2014. That compares to 10.7% of college-educated Clevelanders in 2009. Among Cleveland men, 9.1% of the highest-educated lived in poverty in 2009; by 2014, 15.1% did.

Education is indeed important for accessing economic opportunity, but the data suggest that context matters. This speaks to just how onerous the challenge is. It's relatively easy to talk of the importance of education, but moving the needle requires a long view and intense commitment.

"I do think it's a one kid at a time thing. We're not going to see change in the community for 10 to 15 years," Grassi said. "It takes time to see impact, although I think the impact could be made greater if other organizations could come in and use their specialties to expand the pipeline."

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*The turmoil in Cleveland's housing market not only has reduced the value of most families' biggest asset, drained city resources due to lower property taxes and demolition costs, and left whole neighborhoods pockmarked by blighted homes or vacant lands; it also likely made improvement on educational measures even harder.*

## NEIGHBORHOODS

The story of abandoned, blighted homes and emptied-out blocks has become a familiar one since the mortgage crisis of a decade ago laid waste to already weakened and vulnerable Cleveland neighborhoods. However, it is important to remember that the housing crisis did not affect neighborhoods equally, nor are Cleveland's neighborhoods uniform in their assets, challenges and needs.



In November 2015, the Western Reserve Land Conservancy released findings from a survey of the more than 158,000 residential, commercial and industrial property parcels in the city of Cleveland. The effort was meant to provide a snapshot of the physical appearance of Cleveland's neighborhoods and provide support for demolition and other proactive steps aimed at reducing blight. The four-month survey, conducted by a staff of mostly Cleveland residents, revealed that roughly 60% of all Cleveland's parcels had structures in excellent or good condition; unoccupied structures were found on roughly 8% of parcels; and 18% of parcels were vacant lots. Of the 12,179 parcels with vacant or unoccupied structures, 37% were rated as deteriorated or unsafe.

Although vacant land and deteriorated structures were seen throughout the city, blighted properties were concentrated on the East Side. Nine percent or more of structures in five East Side neighborhoods – St. Clair-Superior, Glenville, Kinsman, Hough and Buckeye-Woodhill – were rated as deteriorated or hazardous. Three West Side neighborhoods – Kamm's Corners, Jefferson and Edgewater – had negligible levels of deteriorated or unsafe structures.

Vacant and blighted properties have real consequences for communities. Neighborhoods with higher levels of vacancy tended to have lower median property sale prices, according to the Land Conservancy report. These higher vacancy neighborhoods also are associated with higher levels of poverty.

For the city overall, the number of owner-occupied housing units declined by 23.2%, from 85,419 in 2009 to 65,592 in 2014, according to American Community Survey data. The median house value declined by more than \$26,000 in real terms, a loss of more than 29% of value. Some 80% of Cleveland homes were valued under \$100,000 in 2014.

The turmoil in Cleveland's housing market not only has reduced the value of most families' biggest asset, drained city resources due to lower property taxes and demolition costs, and left whole neighborhoods pockmarked by blighted homes or vacant lands; it also likely made improvement on educational measures even harder. Families who lost their homes as part of the mortgage crisis or lost their jobs as a result of the ensuing recession were forced to move, exacerbating the residential instability that often already exists in poor neighborhoods. This effect continues to ripple through neighborhoods. Roughly 21% of Cleveland school-age children had moved within the previous year, according to 2014 ACS data, and 46.10% of Cleveland households had lived in their homes for four years or less. This level of movement, especially if relocation happens in the middle of the school year and cuts across school boundaries, suggests undesirable disruptions to learning.

A 2016 report from the Brookings Institution identified the Cleveland-Elyria metropolitan area as among the nation's worst for concentrated levels of poverty. The report found that 28.2% of poor residents in the region lived in "extremely poor neighborhoods," defined as census tracts where 40% or more of residents lived at or below the poverty line. Impoverished people living in communities of largely other impoverished people, the report warned, tends to impede upward mobility. Communities of concentrated poverty may have many attributes and qualities that are overlooked and undervalued, but they largely lack the resources and the models to rise up out of poverty.

Greater Cleveland ranked ninth among the nation's 100 largest regions, according to the Brookings analysis. However, the report revealed even more troubling patterns within the city. During the 2010-2014 timeframe covered by the 5-year ACS estimates, 75 census tracts in Cleveland had poverty rates topping 40%. More than half (54%) of the city's poor population – and 62% of the city's poor black population – lived in these 75 tracts. The majority of these 75 tracts of concentrated poverty were concentrated in Cleveland's East Side neighborhoods.

As the Brookings analysis makes clear, there is wide disparity in how Cleveland's individual neighborhoods fare on a variety of indicators (data are from the 2012 5-year ACS, the most recent available from Northeast Ohio Community and Neighborhood Data for Organizing):

- More than 70% of children lived in poverty in five neighborhoods in 2012 – Buckeye-Woodhill, Hough, Kinsman, Goodrich-Kirtland Park and Central (81.3%). Less than a third of children lived in poverty in three Cleveland neighborhoods – Downtown, Bellaire-Puritas and Kamm's Corners (22.4%).
- 44.1% of residents age 25 and over living Downtown in 2012 had earned a bachelor's degree or higher, with nearly 1 of every 5 (19.6%) actually completing a graduate or professional degree. University (40.2%), Ohio City (32.7%) and Edgewater (30.7%) had the next-highest levels of four-year college completion. College graduates made up less than 10% of residents age 25 and over in 18 Cleveland neighborhoods in 2012.
- Five neighborhoods – Jefferson, Euclid-Green, Old Brooklyn, Kamm's and Edgewater – had more than two-thirds of residents 16 and over in the labor force. Four neighborhoods – University, Cuyahoga Valley, Fairfax and Central – had labor force participation rates in 2012 that were less than 50%. University's relatively low labor force participation is due, no doubt, to its high college-student population.
- Although, in general, violent crime has declined over the past 20 years, 19 Cleveland neighborhoods saw both an increase in the number and rate of violent crime in 2014, compared to 2010 figures, according to Cleveland Police Department data available through NEOCANDO. The highest rate increases were seen in St. Clair-Superior, Goodrich-Kirtland Park, Collinwood-Nottingham, Buckeye-Woodhill and Brooklyn Center. The biggest decreases in violent crime rates from 2010 to 2014 were in Kinsman, Stockyards, Lee-Harvard, Downtown and Hopkins.
- A 2012 countywide health assessment survey of Cuyahoga County adults by area medical providers and policy advocates found stark racial and economic disparities: 26% of black respondents rated their health status as fair or poor compared to 16% of white respondents; 48% of respondents with incomes below \$25,000 reported being in fair to poor health compared to 8% of respondents earning \$25,000 or more. Although 9% of adults had been diagnosed with diabetes for the county overall, 17% of black respondents had; for the county overall, 38% of adults had been diagnosed with high blood pressure, but 49% of African-Americans had. Beyond the negative effects on the lives of individuals, poor health and chronic disease also impact the wellbeing of communities. Neighborhoods that are predominantly low-income communities of color not only are challenged to meet the health needs of their residents, but these health disparities also limit their abilities to connect residents to economic opportunity and social networks.

The deepening challenges Cleveland's neighborhoods face suggest that traditional mitigation approaches are not sufficient to the task. Cleveland Neighborhood Progress has nearly 30 years of experience facilitating real estate transactions. Yet, the community development funding intermediary came to realize that stabilizing and reinvigorating distressed neighborhoods required more than transactional deal-making; it needed deliberate, comprehensive place-making. "We need to be responsive to building on the assets of neighborhoods," said Joel Ratner, president and CEO of Cleveland Neighborhood Progress.

Assets may mean unique amenities, such as the cultural institutions of the University Circle area, or the waterfront, which is attracting new city dwellers to apartment living downtown. Assets may also mean proximity to work, affordability and a vibrant array of activities. Building a new housing development isn't enough, Ratner said. Increasingly, communities of choice are those offering opportunities to live, work, play – and learn.

Ratner points to the repurposing of the former St. Luke Hospital complex in the Buckeye-Shaker neighborhood as an example of thoughtful, intentional place-making. The \$63 million renovation of a prominent but deteriorating community asset provided a new home for the Intergenerational School, a K-8 public charter school, built 137 units for low-income senior housing, housed the Boys & Girls Club, and created space for a preschool that aimed to tackle the problem of low-income children starting kindergarten already behind their higher-income peers. Cleveland Neighborhood Progress also found a home in the multifaceted complex. In addition, Cleveland Neighborhood Progress identified opportunities to collaborate and leverage the benefit of other developments in the works. For example, CNP allocated \$350,000 to supplement Greater Cleveland RTA's investment in the E. 116th Street Rapid stop near the St. Luke's complex. The funds will be used to beautify, make safety improvements and increase connectivity with the surrounding neighborhood.

The St. Luke's project "demonstrates that we need to think about all aspects of community development," Ratner said. "High-quality schools, accessibility and public transportation are critical to bring neighborhoods back."

The project also demonstrates the power of catalytic investments. Since the complex was completed in 2014, a private developer has proposed building 40 market-rate houses in the surrounding community. "What we're focused on is mixed-use, mixed-income development," Ratner said. "We want neighborhoods where everyone can afford to live."

Affordability of city neighborhoods is one asset touted by Tim Tramble, executive director of the Burten, Bell, Carr Development organization for the past 16 years. Location is another. While acknowledging the considerable challenges of urban communities, Tramble uses the example of his own family to tackle perceptions that often distort reality: His two children attended quality public and private schools, and none of his family has been a victim of violent crime. Low cost of living and the many cultural amenities near his Fairfax home have enabled his middle-income family to enjoy good quality of life. In addition, his home's proximity to his place of work means time that might otherwise be spent commuting is his to enjoy. These attributes should be high-value assets for many Cleveland neighborhoods. Leveraging these assets is the path to making Cleveland "the next great American city," as he asserted in his 2015 TEDx presentation.

Tramble doesn't minimize the challenges: The Central and Kinsman neighborhoods his community development corporation supports were the de facto designations for low-income housing projects, with a third of public housing serving the entire county located there. "Back in the mid-1900s, because of NIMBY [not in my back yard], everything placed in these neighborhoods was low-income. It was almost impossible for them to be sustainable." This contributed to a dearth of the usual attributes that contribute to neighborhood stability, such as sufficient levels of homeownership, employment and business enterprises. "Most neighborhoods have negatives, but they have positives to offset them," Tramble said.

His organization set about trying to reintroduce homeownership into the Central and Kinsman neighborhoods. His plan met with skepticism and resistance; no one believed there would be interest in market-rate single-family homes in a distressed environment known for low-income multitenant housing. His CDC managed to build and sell some 400 single-family homes. "The only thing that halted our progress was the foreclosure problem."

Tramble pointed with pride to the fact that, as the subprime mortgage crisis led to swaths of foreclosures and vacancies throughout the city, homeowners in the Central and Kinsman BBC developments largely remained in their homes. Careful, methodical screening of potential home buyers, education on financial literacy and home maintenance, as well as down-payment requirements made the difference, Tramble said, and these "somewhat paternalistic" interventions and standards have helped maintain house values. Ultimately, the effects of an ongoing sluggish economy – not bad decision-making – drove some buyers of the Central and Kinsman houses, many of whom were government employees who lost their jobs, Tramble said. "Things are stabilized now, but the market is still weak because of the economy."

Tighter credit standards mean that fewer potential buyers qualify. In particular, Tramble cited worryingly high debt-to-loan ratios, which he attributed largely to workers who lost their jobs maxing out their credit cards to survive and falling behind on car and mortgage payments, as well as to young workers with high levels of student loan debt. “Ten years ago, we didn’t see these debt-to-loan ratios. It’s the economy.”

Recognizing that housing is only part of what makes for a healthy neighborhood, the Burten, Bell, Carr CDC has launched three social enterprises that meet identified community needs while also providing employment for local residents. Fifteen of the 16 workers had been unemployed at the time they were hired. The social enterprises include a healthy-food café, nutritional education and demonstration services, and a food truck that delivers fresh produce throughout the neighborhoods.

Ratner sees the work of his organization and CDCs like Tramble’s as chipping away at 70 years of disinvestment and public policies that continue to incentivize development of greenfields in the suburbs at the expense of urban neighborhoods. “This is hard,” Ratner said. “This is a generational effort, but we’re making progress.” The Great Recession set the work of Cleveland’s community development organizations back 20 years due to the disproportionate loss of wealth in black families. “The subprime mortgage crisis destroyed a generation of wealth,” Ratner said. “That means the city was disproportionately affected.”

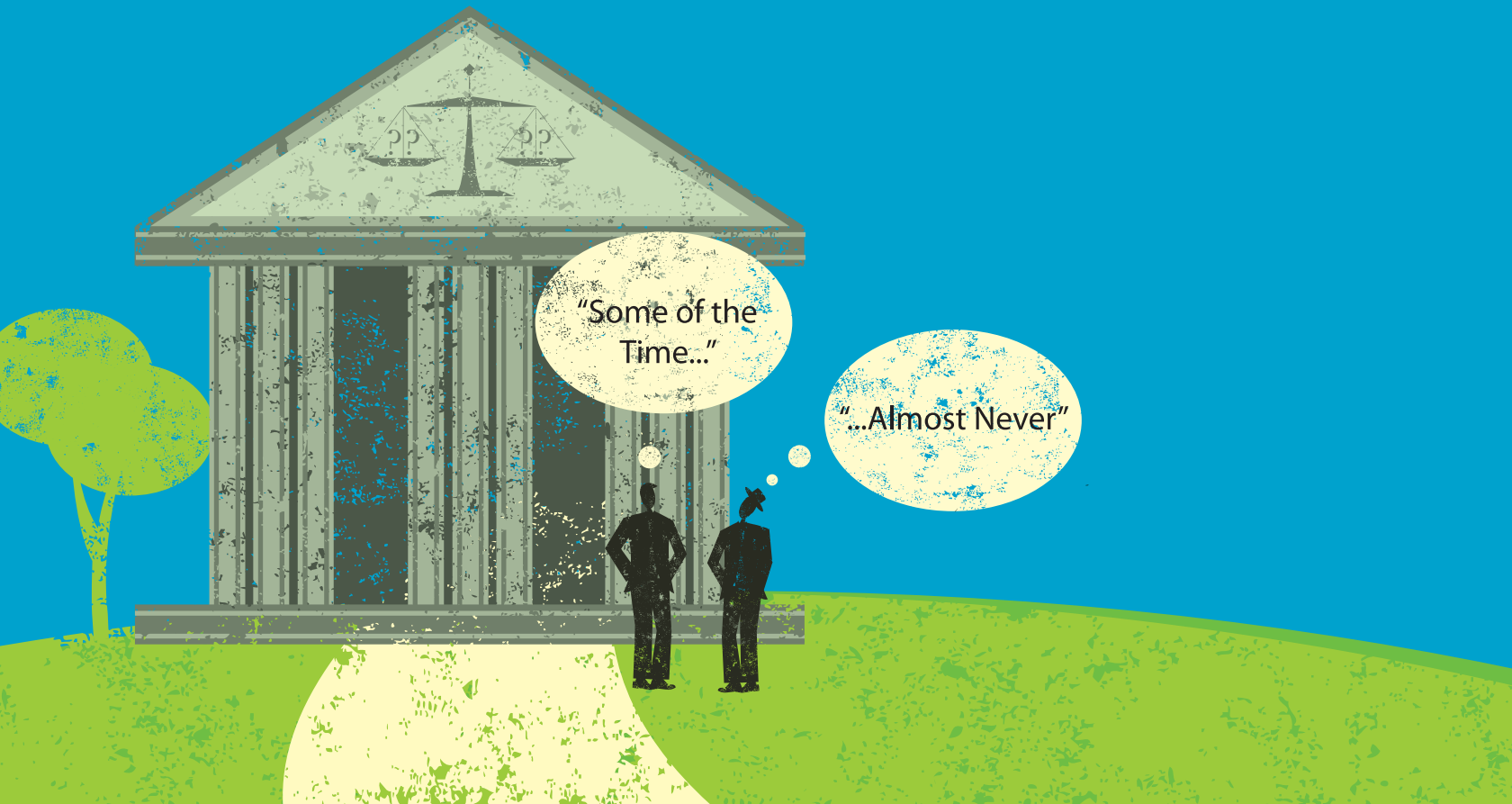
Yet, Tramble envisions a quicker timeline for change. The key is to have equity and inclusion in the decision-making process regarding investment of area resources. Visions for community reinvestment that are “relatable to people on the ground” are those that are most likely to influence and drive change. CDCs may be quietly doing the work to support their communities, but they too often are not in positions to shape policies and large-scale investment priorities, Tramble said.

“I’m extremely optimistic when it comes to the possibility,” Tramble said, “but I am pessimistic when I think about many philanthropic and corporate entities seeing value.”

“Public policy is not neutral and has been working against us for a long time,” Ratner said. “We need to be smarter about changing the system.”

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*The findings outlined in the public perceptions report shine light on the grim need for considerable bridge-building between Cleveland Police and the community it serves, particularly the minority community.*



## **POLICING/COMMUNITY RELATIONS**

The state of relations between police departments and citizens in urban cities across America is the center of national media headlines and has been over the past two years. The numerous killings of African-American men in several U.S. cities (including Cleveland) by police, under various scenarios, have left community residents feeling angry, disconnected and distrustful of police and other safety forces. Conversely, the recent ambush-style killings of safety officers in Dallas and Baton Rouge have elevated concerns in police departments throughout the nation and further fractured the relationship between police and urban communities. These developments have left residents (mostly minority) and police officers (mostly white) with deep suspicions of each other that play out on a daily basis. Sadly, many on both sides are concerned about the most basic of all needs: survival. This level of discontent and distrust is unprecedented and must be addressed in earnest to provide hope that the other issues affecting distressed urban communities (including education, unemployment and community disinvestment) can be mitigated.

It is clear that a healing process needs to take place, bringing community residents and police together. The Federal Consent Decree, which was reached between the City of Cleveland and the U.S. Department of Justice, demanded action to address systemic problems within the Cleveland police department, including ineffective policies, insufficient training and poor oversight. However, the Consent Decree also pointed to a need to improve outreach to the community. The Consent Decree followed a two-year Department of Justice investigation into CPD's use-of-force practices. The investigation explored what many in the community had long believed to be a culture of excessive force within the department. Under this binding agreement, the CPD was required to improve its operations and policies in areas including recruitment, training and community relations to demonstrate a shift to a more transparent, collaborative and community-engaging approach to policing.

One factor contributing to the unrest and distrust of police in Cleveland's African-American community, based on feedback from residents, is the lack of accountability for police officers who misuse lethal force. The lack of accountability observed in internal policies and investigatory procedures, as well as in the legal process, has further fueled distrust of police and the entire judicial system.

In the first semiannual report to the community issued by the Cleveland Police Monitoring Team in June 2016, additional challenges and areas of improvement were highlighted, including the Office of Professional Standards (OPS), which is a civilian-led office charged with investigating complaints about Cleveland Police. The report noted that a comprehensive and intensive organizational assessment of OPS was warranted to determine why so few cases were investigated and what reforms needed to be instituted to ensure the full and fair investigation of future complaints. The report cited a dearth of equipment and resources in the CPD and recommended extensive upgrades of records management software and computer equipment. The report also called for development of a new use-of-force policy and highlighted plans for the establishment of a Force Review Board that would monitor and evaluate all use-of-force investigations.

Other pressing challenges noted in the monitoring team's report centered on the need for "community and problem-oriented policing," as well as "bias-free policing." The report proclaimed that, in the coming months, "CPD will need to develop and implement a comprehensive and integrated community and problem-oriented policing model. In devising this model, it was suggested that CPD devote resources and adjust its staffing model to allow community policing to become central to the Division's structure and operations, with individual officers incentivized to develop community relationships and solve resident problems not as an extra duty conducted in time specifically set aside for community policing but as part of executing the general philosophy and basic approach of the CPD."

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Relatedly, the report stressed the importance of bias-free policing and noted that the consent decree called for reforms to ensure that Cleveland Police deliver services that are “equitable, respectful and free of unlawful bias.” Community policing and bias-free policing are of particular concern to minority communities, which was made clear by the Public Perception of Safety and Policing report submitted to the Cleveland Police Monitoring Team in June 2016. Interviews with a representative sample of 1,400 Clevelanders age 18 or over revealed that black residents were far more likely to distrust police than white and Hispanic residents. Key findings include:

- Just over half of Cleveland residents (55%) approve of the job police are doing.
- Cleveland residents are skeptical about police conduct and accountability, and only half believe officers follow the law “all of the time” or “most of the time.”
- Views of police vary significantly by race and ethnicity. While 72% of white residents believe that Cleveland police officers are doing a good or excellent job overall, only 60% of Latinos and 43% of black residents feel the same way.
- When police misconduct does occur, 69% of black residents believe that the officers are held accountable “some of the time” or “almost never.”
- Approval ratings also vary by geography, with residents in Far-West and Mid-West neighborhoods rating overall police performance as high as 73%, compared to a 44% rating from Clevelanders living in South-East and Mid-East communities.
- African-American and Latino residents are more likely to report that police are doing a “poor job” controlling crime in their neighborhoods.
- 67% of residents consider the relationship between their community and Cleveland police as very positive. However, only a third think police officers have taken the time to meet members of their community (33%) or have developed relationships with people like them (37%). Black and Latino residents are less likely than white residents to know police officers by name.
- Black and Latino residents are far less likely to believe that police use an appropriate level of force, with 23% of Latino residents and 18% of black residents believing that police use the appropriate amount of force “almost always,” compared to 46% of white residents.

A summary of the research outlined in the report concluded the following:

*Despite the positive indicators, many Cleveland residents are skeptical about police conduct and accountability, including the use of force. Moreover, residents’ views of the police vary significantly by race, ethnicity and area. Black residents, in particular, have more negative opinions of the Cleveland Police compared to the other groups across most measures, including overall approval ratings, perceived safety, community engagement and perceptions of force. Black and Latino residents are also less likely to report that they are treated with respect when they interact with police and are less satisfied with how police handle those interactions. Although a majority of Cleveland residents believe the police treat all racial and ethnic groups equally at least some of the time, many believe difference in treatment still exists.*

The findings outlined in the public perceptions report shine light on the grim need for considerable bridge-building between Cleveland Police and the community it serves, particularly the minority community. Community policing is often cited as the ideal way to span the chasm separating police and community members. And it should be. However, to truly move the needle in this regard, police will need to anticipate and prepare for what Plain Dealer columnist Phillip Morris referred to as the “dark side of community policing,” including vitriolic insults, threatening language and a high level of tension. Morris’s June 19 column told the story of Police Chief Calvin Williams arriving at the scene of a shooting on Cleveland’s West Side only to be met by a raucous crowd who hurled taunts and insults. In spite of the verbal assaults, Chief Williams remained calm and listened to residents’ concerns (including those attacking him) without reacting or retreating. This underscores a critical component of any plan devised to address community relations. Police must be trained to remain thick-skinned and calm, while also actively listening and encouraging dialogue. It is also a brilliant strategy (as detailed in the police monitoring report) for incentivizing community policing to be much more of a central duty of all officers all year long than the periodic outreach efforts seen at community festivals or special events.

It is worth noting, however, that Cleveland’s most recent special event, the Republican National Convention, was widely praised as a major success for Cleveland Police. The Northeast Ohio community – and the entire nation – watched with pride as Cleveland Police (including Chief Williams), as well as officers from throughout the country, interacted with the community of delegates, protesters, patrons, workers and residents with confidence, professionalism, courtesy and a sense of calm. The success of that event – and the planning and strategizing that preceded it – is clearly a foundation on which to build. The CPD bike patrol provided a perfect metaphor: showing force by keeping their distance. The bike patrol officers gently guided the direction of protesters, remaining courteous and calm and communicating with the crowd as situations and opportunities warranted. Such thoughtfully planned and well-executed command and control should become a tenet of all police interaction with the community henceforth.

Many promising practices and recommendations are on the drawing board or are currently underway as a part of the Consent Decree provisions. In fairness to Cleveland Police, vetting the recommendations, establishing new policies, evaluating effectiveness and making adjustments where needed will take time. In the interim, residents should take comfort knowing that most important

*Only by working together can the “spirit of community”  
be realized for all parties involved.*



issues are already getting attention. A few of those issues showing considerable signs of progress are noted below:

- Community engagement to seek input on the proposed final draft of a new use-of-force policy for Cleveland Police was scheduled to occur by the end of summer, with a goal of CPD officers being trained on the new policy by the end of the year and the policy taking effect on January 1, 2017.
- The Consent Decree requires that CPD officers receive a minimum of 40 hours of in-service training annually, with ongoing training needs and priorities to be established by a Training Review Committee. Major initiatives for the year will include eight hours of Decree-required crisis-intervention training for all CPD officers. Equity training would be another valuable component of training beyond the scope of the Consent Decree that the CPD should incorporate.
- The Consent Decree required the development of a Mental Health Response Advisory Committee to “foster relationships and build support between the police, the community and mental health providers” and “identify problems and develop solutions designed to improve outcomes for individuals in crisis,” including individuals experiencing mental health, substance abuse or other behavioral challenges. In the coming months, focus will be on eight hours of crisis-intervention training for all officers and a 40-hour enhanced training program for specialized crisis-intervention officers who will be dispatched when situations warrant. Similar specialized training should be focused on cultural competencies in urban core communities, with highly trained and skilled officers being dispatched in areas (and in situations) where racial tensions and high levels of police distrust are known factors.
- A bias-free policing policy is to be finalized in October 2016, and officer training approved by the court is to be completed by early March 2017.

In summary, the Cleveland Division of Police, thanks in large part to the Federal Consent Decree, is making monumental changes to its policies and practices. The circumstances and events that precipitated federal intervention are tragic. Notwithstanding, issues of critical importance regarding Cleveland Police are finally getting the attention they deserve. Developing new approaches that monitor use of force, encourage community-building, promote new recruitment and training strategies, and provide improved equipment can only lead to improved outcomes. However, ongoing monitoring and evaluation of all policies, as well as open communication regarding results, will ultimately determine the levels of improvement. Over time, the true determinants of success will be less questionable incidents (particularly regarding use of force) and stronger community relationships, which will need to be broad in reach and innovative in approach. Police should engage schools to gain the trust of students, play an active role in community events and activities (beyond security services), coordinate community forums to cover topics such as what to do when stopped by the police, provide updates on Consent Decree progress at places of worship and at neighborhood non-profit organizations, schedule listening tours to allow residents to share their hopes and fears, lead gun and toy gun buyback programs, and launch soft marketing campaigns in neighborhoods to remind some and educate others that police are there to protect and serve, not harm. These types of interactions help police show themselves as concerned citizens and good people who have a tough job to do. That lesson alone can go a long way in bringing about change in our communities.

Civic leaders will have to do their part by continuing to monitor and working to mitigate the many factors associated with higher rates of crime and criminal behavior, including a lack of positive role models, single-parent households, unemployment, high levels of poverty, community disinvestment and urban decay. These factors contribute to neighborhoods becoming places where residents and law enforcement routinely – and frequently negatively – intersect. Therefore, crime prevention provides one more reason to address these challenges to the wellbeing of neighborhoods. Residents should do their part as well, by seeking opportunities to build improved relationships with police, giving police support when they reach out to communities, and partnering with law enforcement to make all Cleveland neighborhoods safer places for residents. Only by working together can the “spirit of community” be realized for all parties involved.

## CONCLUSION

The snapshot of Cleveland that emerges out of the data presented in this report is far bleaker than the optimistic image of a city on the rise that was front and center during the Republican National Convention. Moreover, the picture of unity and euphoria on display earlier this summer as a million or so Cleveland fans came together to celebrate the Cavaliers' unlikely NBA championship was superimposed on a community of disparity and distress.

Unquestionably, the image the data bring into focus is one of black and white. To be sure, white Clevelanders suffer under the effects of urban disinvestment and decline, but Cleveland's black population fares far worse on virtually all measures examined. The issues explored in this report reveal that all neighborhoods face challenges, but the challenges are particularly pronounced in communities of color. Black residents are less likely to be employed and working full-time. They earn less and have less value in their homes. Black-owned businesses are growing in number, but their sales far underperform their increasing number, which may reflect more a lack of employment prospects than entrepreneurial opportunity.

The housing crisis erased wealth, particularly among African-American households. The Great Recession eliminated jobs and held down wages. And both crises occurred within the context of rapid economic restructuring that has profoundly punished those with the lowest skill and educational attainment levels and with the least resources to respond. Rising income inequality and deepening concentrations of poverty have ensued. These recent maelstrom forces have buffeted Cleveland's already challenged neighborhoods.

Clevelanders broadly, but particularly the civic leaders, policymakers, philanthropists and community activists, need to have a frank and open discussion about the legacy of race. The Cleveland Forward Cities Council began this process by inviting local leaders to participate in a session led by the Racial Equity Institute. Information and awareness make clear that decades of industrial restructuring, public policies and personal choices that have eroded the economic resilience and social fabric of urban areas are beyond the abilities of distressed neighborhoods and disenfranchised citizens to solve alone. As Hoover noted earlier, this is not "someone else's problem. All of us must be part of the solution."

The data presented here are sobering. They reveal just how hard it is to bring about widespread change and how hard it is to make lasting progress in vulnerable environments. It would be understandable to get discouraged and begin to favor relatively straightforward physical building projects over the arduous and complex challenge of lifting up communities. Yet, there are programs throughout the city that are modeling success through innovation and commitment to a vision. Some were highlighted earlier in this report, but others are also worthy of note:

## Education

Programs with extensive non-academic support appear to be those demonstrating the greatest success in raising graduation rates. Programs such as Open Doors Academy, Ginn Academy and the Baldwin-Wallace Scholars Program envelop young people in wraparound services provided both in and out of school.

Breakthrough Schools, a network of 10 free, public charter schools, is demonstrating success in closing the achievement gap and bringing Cleveland students in line with statewide student performance levels. CMSD's Innovative Schools have also received good marks for closing the achievement gap and improving graduation rates.

The Higher Education Compact was established to help CMSD grads successfully transition to and complete postsecondary education. The Compact, which includes 15 Ohio colleges and area foundations, has developed a "College Success Dashboard" to track annual progress on college readiness and completion. It also researches best practices of other communities to identify innovative approaches to supporting college access.

## Neighborhoods

Cleveland Neighborhood Progress serves as an effective intermediary in community development, and many strong CDCs have their own master plans that need support and investment.

City and county resources should be leveraged to continue the work of the Western Reserve Land Conservancy's Thriving Communities Institute in demolishing houses where necessary to preserve neighborhood home values and safety and in reforesting areas to restore Cleveland's tree canopy. Cleveland's urban farm movement should also be supported.

## Entrepreneurship

JumpStart and the Economic & Community Development Institute both provide support to minority entrepreneurs through business development services and access to capital.

The Forward Cities model of bringing entrepreneurship support organizations together on a regular basis should be sustained and a coordinating lead organization identified.

## Workforce Development

Cuyahoga County is working to align key players in the workforce ecosystem to better address the needs of both employers and job seekers. The county's new Comprehensive Reentry Services program is addressing the particular workforce challenges of an often overlooked group, those with a criminal record.

Towards Employment has demonstrated success in connecting Cleveland residents to jobs and helping put them on paths to career advancement and wage gains through long-term coaching and support. Towards Employment's partnership with University Hospitals is a national model.

The Urban League's pre-apprenticeship training and pre-employment skills training have helped many Cleveland residents find jobs in the construction industry.

## Policy/Community Relations

The Federal Consent Decree, by design, will address many of the most important issues affecting the Cleveland Division of Police, including training, use of force and community policing.

The Boys & Girls Clubs of Cleveland (which took over the Cleveland Peacemakers Alliance) and the Cleveland Police Foundation are actively launching programs to connect police to the communities they serve. Many other community organizations (including clergy) seek to do the same. Outreach and engagement will be essential for positive change. A lead organization could prove helpful with connecting several organizations for collaboration and the avoidance of a duplication of efforts.

If Cleveland is to become the “next great American city” Tramble envisions, it must act to ensure that the clear signs of resurgence are not limited to a few areas deemed worthy of investment and that large segments of the population are not shut out of opportunity. This means we need greater support for fresh ideas and innovative approaches. We need to consider the challenges of urban areas broadly and holistically, as interconnected and reinforcing. Such a comprehensive approach would suggest that not only do civic leaders and community organizations need to have an awareness of what each other is doing, but they should unite behind common goals to address the disrepair, despair and lost potential of so many Clevelanders and Cleveland neighborhoods, especially communities of color.

Although the problems outlined here have been decades in the making, improvements can – and must – come about more quickly. Cleveland’s success in revitalizing and refreshing its downtown district leading up to the RNC demonstrates that transformation – within a relatively short time horizon – is possible when disparate, committed individuals and organizations unite behind a shared mission. This summer of Cleveland presents another metaphor for hope: After what at times seemed insurmountable odds, the Cavaliers finally delivered a national championship to a city that, after more than 50 years of waiting, had become resigned to loss. To borrow the Cavaliers’ oft-quoted rallying cry, change is possible if we’re “all in.”

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