Workforce, Economic Development & Inclusion

Economic Development

Cuyahoga County is not a major contributor in workforce and economic development and has no concrete plan for economic inclusion. From 2019 to 2020, Cuyahoga County reduced its already small contribution to economic development by 56% (from $36 million in 2019 to $16 million in 2020) and then budgeted to reduce it again for 2021 by another 42% (from $16 million to $9.3 million). Thus, in 2021, Cuyahoga County will spend less than 1% of its All Funds budget on economic development.

Compounding the meager amount it spends on economic development, Cuyahoga County has no strategic plan. Most county incentives are low interest loans to market rate apartments downtown, and very little is focused on attracting new businesses to the county or to helping small inner city businesses form and grow. In the joint state and regional effort to keep Sherwin-Williams and its 3,500 jobs in Greater Cleveland, Cuyahoga County contributed less than 4% of the incentives. Cuyahoga County has no plan to address the lack of high speed internet access, which makes Cleveland the least internet connected big city in the America. It is little wonder, then, that Cuyahoga County has a higher unemployment rate than its peer urban Midwestern counties.

The Weingart Administration will bring a New Agenda for Workforce, Economic Development & Inclusion to Cuyahoga County, starting in 2023. It will have the following elements:

- **Strategic Macro Projects:** Cuyahoga County needs to focus on major job creating projects, using the strategic approach of “retain, expand, and attract”, especially to the urban core of the county. Starting in the 1970s, urban disinvestment moved good paying jobs from cities, first to the suburbs and then out of the country. This contributed significantly to lack of urban employment opportunities, increased crime, and blight. There are good examples of strategic macro projects in the Midtown Corridor and downtown, some of which Lee Weingart championed as county commissioner, on which we can build. These include: Sherwin-Williams (retain and expand), the AIT world headquarters (retain and expand), Dealer Tire (retain and expand), Pierre’s Ice Cream (retain) and MCPc (attract). Each of these strategic macro projects reversed the trend of urban disinvestment and created employment opportunities in the inner city. The county must actively seek out and promote these projects.

- **Community-Based Economic Development:** Cuyahoga County also needs to provide resources to grow community-based businesses, especially in Cleveland neighborhoods. Working with urban economic development experts, Lee Weingart will develop a program of micro-loans and grants which will provide gap resources for small and home-based businesses to grow. While these grants can facilitate traditional businesses like childcare and restaurants, we ought to think more broadly. For example, Digital C – the non-profit organization working to bring high speed internet to Cleveland neighborhood – reports that it provided internet to a Cleveland resident who is now processing unemployment claims for the State of Tennessee. A $200 grant created a new internet-based job. These are the kind of dynamic investments we can make to immediately create jobs and eventually to grow businesses in inner city neighborhoods.
Inclusion

Cuyahoga County has no substantive commitment to economic inclusion. Anyone who has contracted with the county knows the game. A solicitation may “require” 5% minority business participation but always allows for proposers to avoid the requirement by claiming a “good faith effort” to find minority business partners. Thus, the hundreds of millions of dollars of spending by Cuyahoga County every year largely benefits majority-owned companies, leaving minority-owned enterprises with very little. A recent case makes this point. In apportioning its federal CARES Act funding, Cuyahoga County disregarded its mandatory bid requirements and awarded contracts to friendly majority companies, leaving out minority businesses. The county only relented after it was caught by the media and then reluctantly reserved a few small contracts for minority contractors.

Government has a special obligation and the opportunity to work with and promote minority enterprises. In 1969, the federal government created the first affirmative action program in America – “The Philadelphia Plan” – mandating minority participation on federally-funded construction contracts. In 1970, the federal government began focusing on contracting with minority enterprises, with astonishing results. By 1974, two-thirds of the top 100 black enterprises in America had been started within the prior five years. Support from the federal government provided black entrepreneurs the additional resources they needed to grow some of the largest black enterprises in America.

Cuyahoga County has the responsibility to use its contracting dollars to foster meaningful growth of minority enterprises. Here is the approach the Weingart Administration will take:

- **Mandate minority participation in all county solicitations.** Companies that want to do business with the county will need to do more than make a good faith effort to find minority business partners. They will need to include minority partners on their teams to win county contracts.
- **Increase required minority participation rates.** Five percent is the standard rate Cuyahoga County uses for minimum minority participation. Starting in 2023, county solicitations will require at least 10% minority business participation, where feasible 25%, and in some cases be offered exclusively to minority businesses. The county will maintain and actively update a list of minority business enterprises which it will make available to majority contractors for partnering opportunities.
- **Mentoring.** The county will actively promote mentoring opportunities, for majority businesses to mentor minority businesses and equally importantly for larger minority businesses to mentor smaller minority businesses and for students interested in business.
Workforce

Workforce development in Cuyahoga County is unfocused and underwhelming. The county needs to rethink its workforce strategy to align its training dollars for the jobs that exist now and will exist in the future. It is great to train someone as a truck driver, but what happens in ten years when trucks no longer require drivers? Here are elements of a more thoughtful and strategic approach on workforce:

- **Train for what the market needs:** The best way to determine market needs is to survey and work with employers. The county needs to partner with large and small employers to better understand their needs so it can direct precious workforce dollars to those areas. The Greater Cleveland Partnership is a good resource here because of its connection to both major businesses in its core membership and small businesses in COSE. We need employer-centric workforce training to ensure a job is the end result of workforce training programs.

- **Focus on skills, not degrees:** One of the most in demand positions does not require a college degree – IT specialist. Skills certification in an IT field can be accomplished in as little as six months, usually with a job waiting upon certification. The county should partner with private sector IT businesses like MCPc (a national leader in data security), which provides IT skills training to Cleveland Metropolitan School District students (in conjunction with the crew and sailing programs of The Foundry) whom it then employs in its Midtown Cleveland location. IT is a broad and, with the continued threat of data breaches, growing industry. Cuyahoga County needs to train workers for this lucrative job market.

- **Use Career Impact Bonds:** Similar to the Social Impact Bonds described above, Career Impact Bonds involve private investors helping fund job training for marginalized communities (formerly incarcerated persons, LGBTQIA+, etc.). Students enroll free of charge and repay the training costs once they are employed at a certain level of compensation. Student repayments are used to pay back the original investors. More here: [Pay for Success Programs from Social Finance](#)

In sum, Cuyahoga County needs a New Agenda for Workforce, Economic Development & Inclusion. The Weingart Administration will bring that in 2023.