



Site Readiness Fund discussion with City Council August 7, 2024

Site Readiness for Good Jobs Fund



May 2023 - Council approved \$50 million seed funding (on path to \$100 million)



Mission:

The Site Readiness for Good Jobs Fund creates accessible jobs, promotes neighborhood vitality, builds community wealth, and supports environmental sustainability by turning disinvested industrial land in Cleveland into globally competitive locations for growing businesses.

Vision:

By 2040, Site Readiness Fund will bring 1000 acres back into productive use that support the creation of 25,000 good jobs that are accessible to City of Cleveland residents.

Board appointed by Council President and Mayor – Full Decision-Making Authority



Fred Nance,
Interim Chair



Stephanie McHenry,
Secretary/Treasurer



Charles Slife



Anthony Hairston



Joan Chase

Institutional Nonvoting Members



Debbie Berry,
Cuyahoga County



Gus Frangos,
County Land Bank



Lyneir Richardson



Ben McAdams



Shelley Roth



Bradford Davy



Christine Nelson,
Team NEO

Progress to date

11 priority sites comprising 328 acres (587 parcels)

- 3 sites “ready” for use

Purchase completed and redevelopment of historic, 183,000 sq ft building in process

2 100+ business parks under development

2 market creation initiatives in progress:

- food production hub
- modular home factory

Tackling “zombie” properties through three large corporate negotiations

Leveraged \$8.5 million of additional funding to date – winner of EDA Recompete grant



Funding partnership with The Cleveland Foundation

Objectives:

Double the size of the Site Readiness Fund –
thereby increasing and extending its impact

While....

Ensuring that SRF board (and thereby
Council) maintains full decision-making control

And....

Making sure that the SRF has sufficient
funds to operate in the near term

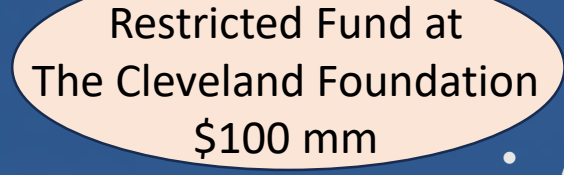
**No fundamental changes
to how SRF works or
makes decisions**

TCF will lead fund raising efforts
and make a large financial
commitment

TCF will manage funding but
have no involvement in
operational decisions

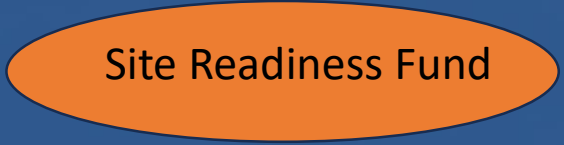
TCF will make additional
recoverable grants to cover
near-term operational needs

The Proposed Model – Steady State

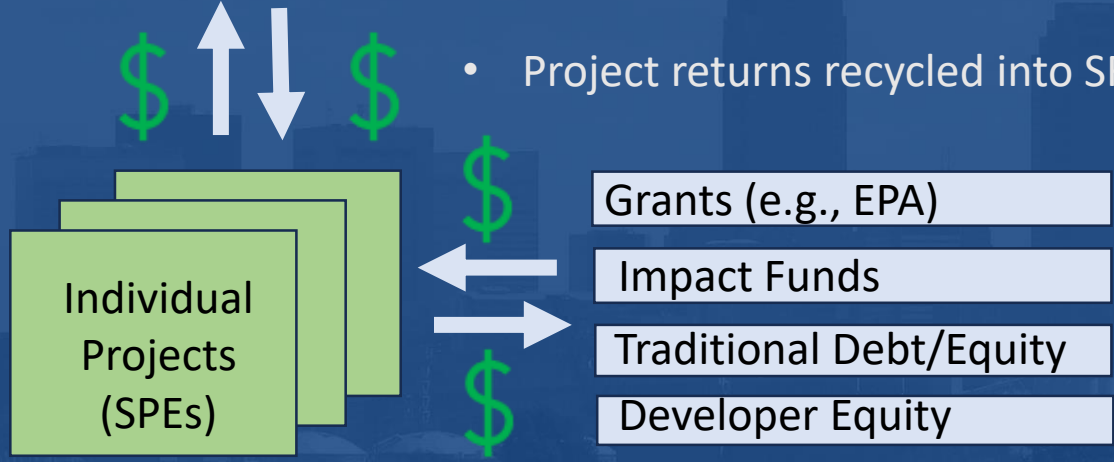


- Annual payout to SRF of 5% of balances
- Investment returns >5% increase endowment size – modeled at 6.5%

- SRF Board keeps control over all strategic/operational aspects of SRF



- Project returns recycled into SRF for reuse



Covering Near-Term Cash Needs

SRF/Cleveland

The Cleveland Foundation

Restricted Fund:

Contribute \$50 million

Contribute \$10 million (\$5 million in 2025 and 2026)

Participate actively in fund raising

Lead fund raising for balance of restricted fund

Recoverable Grant: (0% interest)

Paydown over 6 years beginning in 2030

\$10 million grant in 2024;
\$8 million in 2025



Expected Financial Impact on SRF

