

Site Readiness for Good Jobs **and Rising Incomes**

May 2023



CITY OF CLEVELAND
Mayor Justin M. Bibb

The **Foundation**

A good job sits at the foundation of a vibrant, stable community.

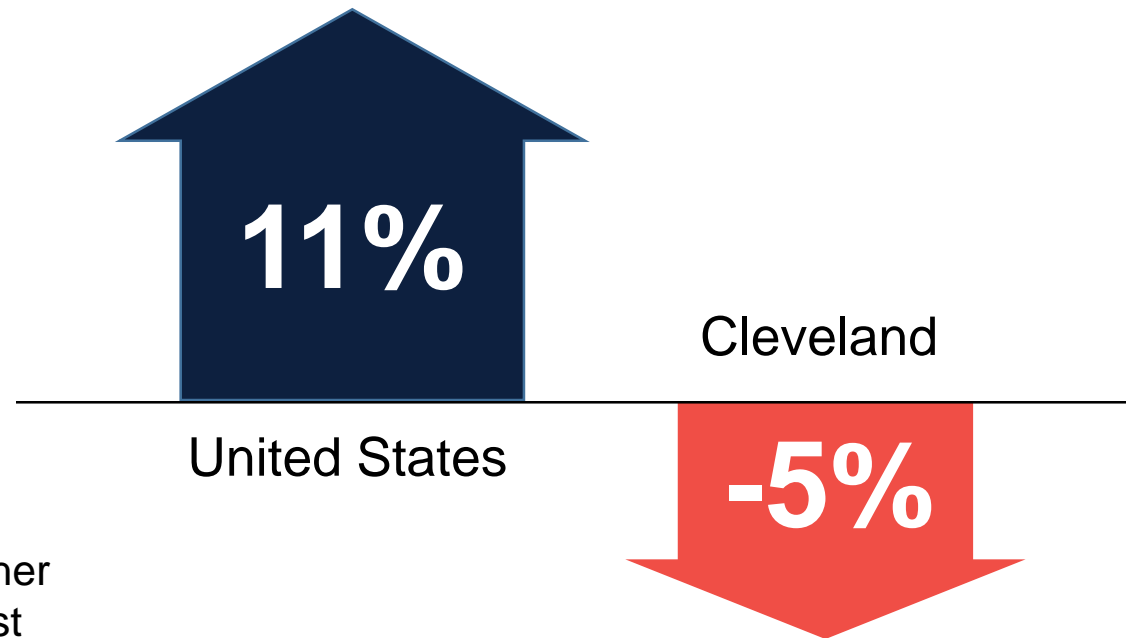


Site Readiness

Job **Growth**

The Future is being written **NOW**...and Clevelanders are being written out of it.

Traded Sector* Job Growth over last 15 years



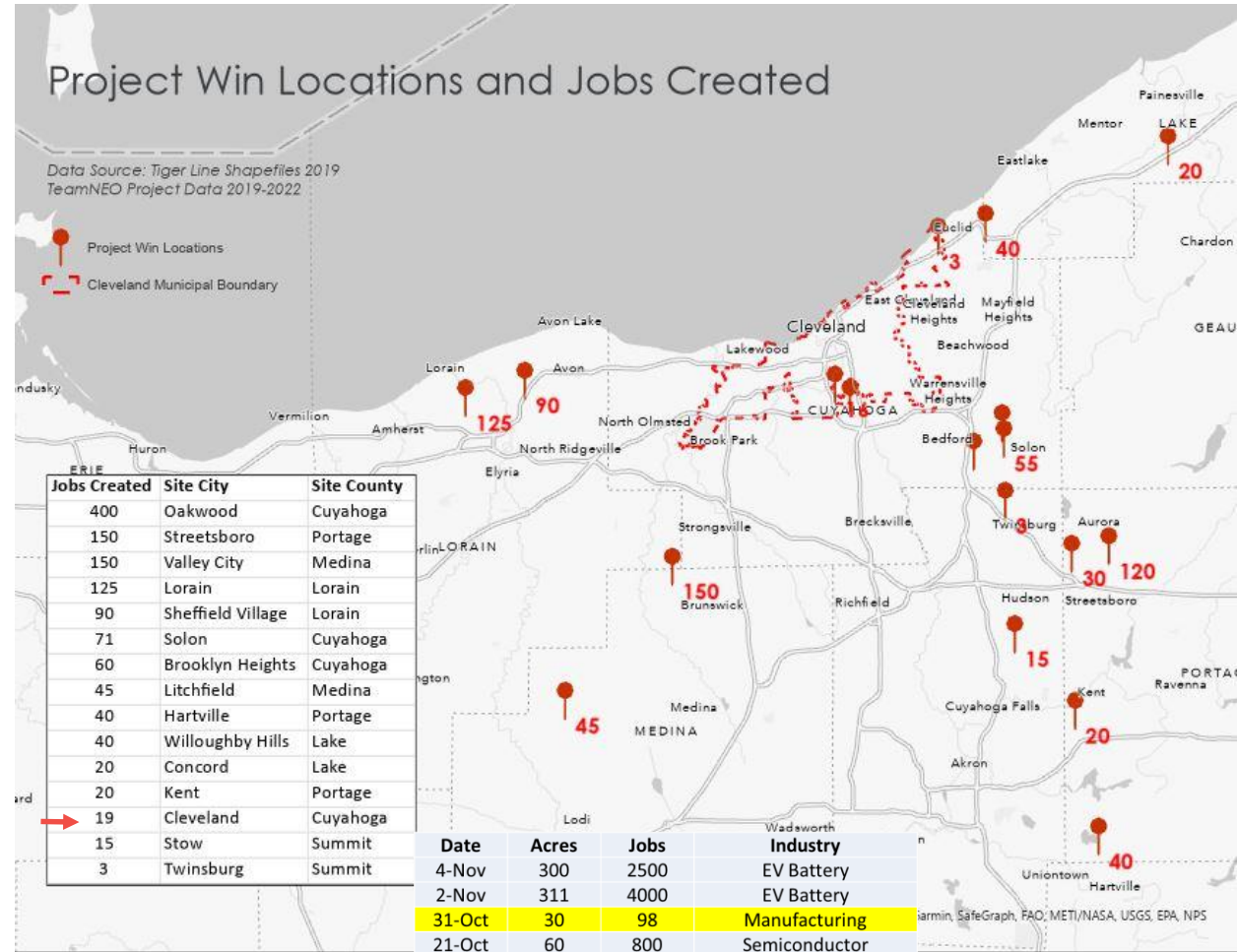
* Traded sector jobs pay higher wages than other jobs, bring money into a community (versus just circulating money) and lead to additional indirect jobs

Site Readiness —

Action is **Needed**

A look at recent business new location decisions makes clear that action is needed.

JobsOhio has had record years – almost 100,000 new jobs over 4 years at >\$50,000/job



Recent inquiries the City had to forego

Our **Residents**

The choices facing our hard-working residents are stark:

- Live in Cleveland and make a long commute

OR

- Move to suburbs or other parts of the region and state

Cleveland population has **fallen by over 22% in last 20 years.**

Challenges

The challenge is an absence of available sites.

What Market Wants:

- >10 acres (ideally >25)
- Clean, ready-to-go
- Proximity to transit, road, and rail
- Utility infrastructure



What We Have:

- <10 acres (often <5)
- Unremediated
- But good proximity to transit, road, and rail
- Good (but unmapped) utility infrastructure

Only **6 Cleveland sites** exist in ZoomProspector data base **with >10 acres** none of which are ready for market.

Through a **\$100+
MM Site
Readiness Fund,**
Cleveland Could...

**Create >25,000
good jobs**

Proximate to residents,
slowing/reversing population
loss

**Reactivate
~1,000 Acres**

currently underused

**Enhance
Economic
Competitiveness**

of city, county, and
state through transit-
connected, urban
sites

**Leverage Existing
Infrastructure**

reducing future
maintenance pressure

**Generate >\$30m in
returns**

Plus additional
income, property and
other tax

**Multiplier
Effect**

yielding **40,000** additional
indirect jobs (1.6X), population
gain, reduced
blight, & more

**Advance Climate
Resiliency**

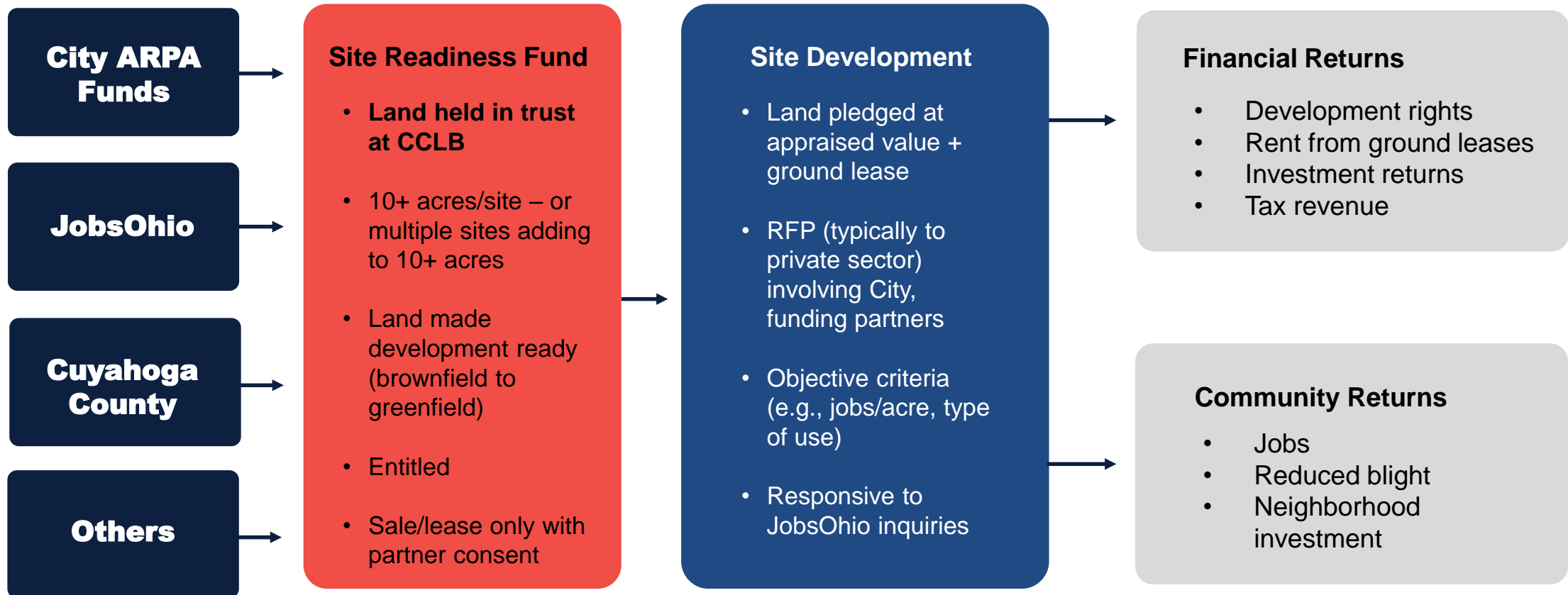
By reducing
sprawl

Recycle original
investment plus returns
into a
**wealth fund for
community
benefit**

Requirements

- Must be able to work **quickly**
- Community Benefits Agreements and MBE/FBE requirements embedded into all projects
- Ensure that the City sets the strategy and maintains an ongoing role in decision making through representatives
- Strong ongoing engagement with Council representatives and residents for any transactions in their wards
- Jobs and other benefits must be oriented to residents of Cleveland; plans and priorities must be part of and consistent with the larger picture and compatible with the surrounding neighborhoods – “good neighbors”
- Sites that match market needs (*e.g., most in 10-50 acre range, but at least one business park and one megasite*)

The Concept



Structure

SITE READINESS FUND ADVISORY BOARD

WHAT

The Board includes city representatives, county representative(s), and a JobsOhio representative.

ROLES

- Set strategy
- Approve RFPs (including criteria)
- Approve transactions
- Set Budget

- Guide work of the fund
- Work with partners to identify/acquire land
- Direct remediation efforts
- Shape potential end uses
- Issue RFPs and negotiate with developers

- Hold land
- Issue/hold contracts (for remediation, etc.)
- Act as fiscal entity for staff

STAFF

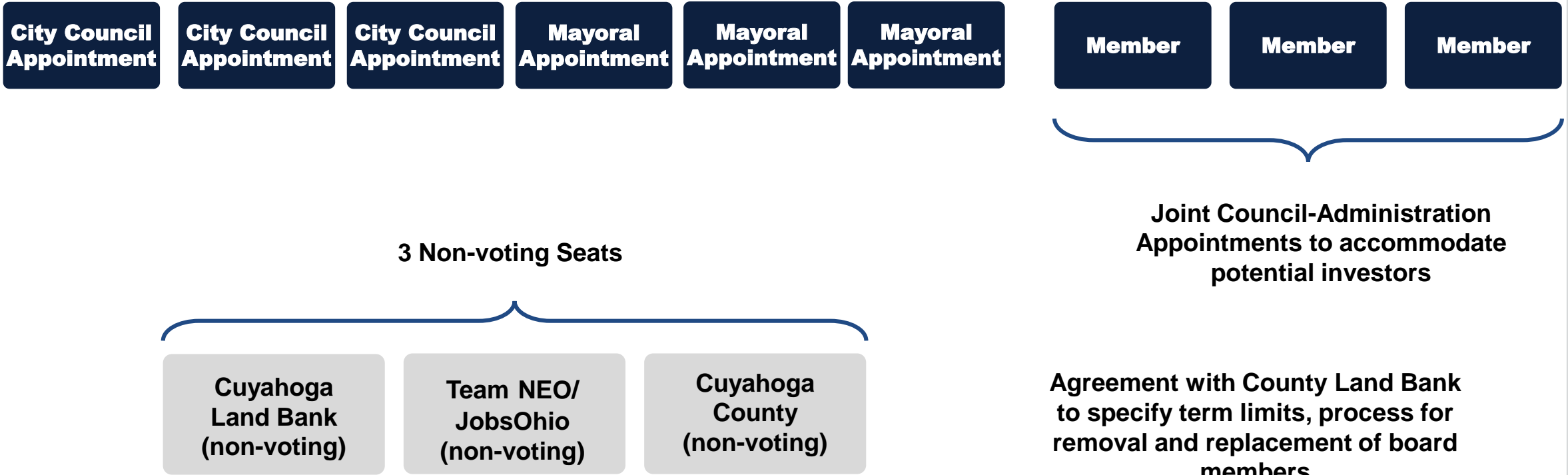
2-3 contractors who report to Board and work closely with partners

CUYAHOGA LAND BANK

Executes strategy on behalf of funders. Acts only under express direction of Board.

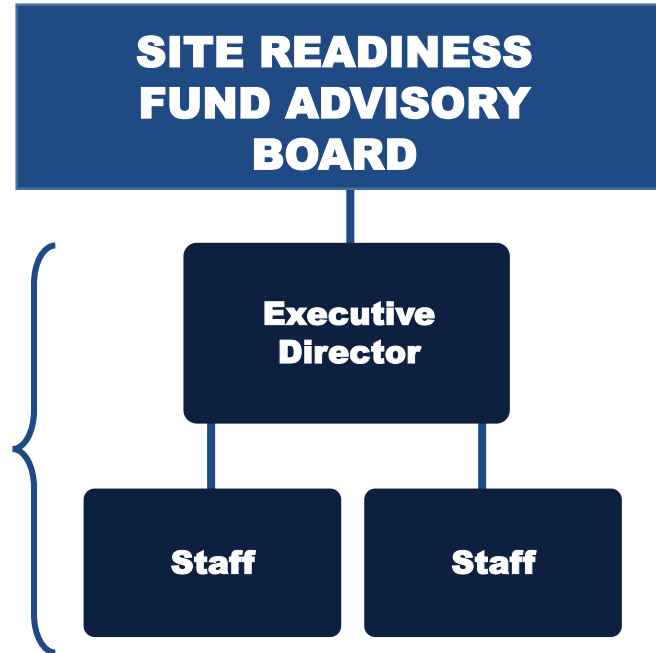
The **Advisory Board**

9 Initial Board Seats



Staff

2-3 staff at Cuyahoga Land Bank who report to Advisory Board and work closely with partners



- Budget for staffing will be approved annually by Advisory Board
- City Council will review budget as part of biannual review
- Staffing and staffing-related compensation to Land Bank shall not exceed 2% of total assets under Fund's purview

Criteria for **selecting sites**

1. Minimum 10 acres, EITHER zone industrial or where rezoning is appropriate/possible
2. Site compatible for use by a **JobsOhio priority** industry
3. Site has ESG^{AP} score >80, meaning it scores high for **racial equity** and **environmental sustainability**
4. Site is – our could be – easily accessible by **public transit**
5. Projected **acquisition costs and timeline reasonable** given available resources **and** the potential for job creation at the site.
6. Additional preference given to **blighted areas** that have negative impact on **neighborhood stability**; sites under control by public sector/friendly partner; and/or are near other industrial uses.

Site Readiness —

Criteria for **marketing sites**

1. Businesses in **priority sectors**
2. **Job density** >20 jobs/acre
3. Businesses offer a **mix of skill levels**, including entry/low skills jobs with opportunity for advancement in addition to mid-skilled jobs
4. Businesses **commit to hiring residents of Cleveland** (20+% of employees) and working with community groups to recruit, hire and train residents
5. Businesses commit to a **living wage for all employees** with benefits and opportunities for career growth
6. Projects are attractive and contribute to **neighborhood vibrancy**
7. Businesses that are carbon-neutral will be prioritized and must demonstrate commitment to **environmental stewardship**
8. Projects must commit to early discussions with neighborhood residents and develop shared concepts for **community benefits**; **council person is engaged** in discussions
9. Business/developer brings a **strong record on DEI** in terms of hiring and policies