

THE GREATER CLEVELAND PARTNERSHIP
2021-2022
**PUBLIC
POLICY
AGENDA**



Greater
Cleveland
Partnership

TO MOBILIZE
PRIVATE-SECTOR LEADERSHIP,
EXPERTISE, AND RESOURCES
TO CREATE
ATTRACTIVE BUSINESS
CONDITIONS THAT
CREATE JOBS,
GROW INVESTMENT
AND IMPROVE THE
ECONOMIC
PROSPERITY
OF THE REGION.



PART ONE:

Build and Sustain an Environment
that Allows Businesses to Thrive

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Lay the Groundwork for an
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Invest in a Better Future for
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and Workers

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Increase our Region's
Competitive Advantage
through Structural Reform

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OUR COLLECTIVE
**ACTION AND
PARTNERSHIPS**

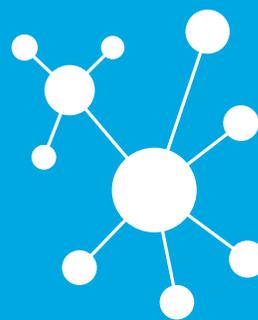
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A LOOK BACK AT
**OUR RECENT
SUCCESSSES**

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HOW WE **STRUCTURED** THIS AGENDA



At the time of writing this agenda, much has changed in our day-to-day lives. How we work, play, do business, communicate, and so much more has been shaped by the onset of the COVID-19 pandemic, the consequent economic crisis, a shifting political environment, and racial disparities that must be addressed. While the pandemic alone did not give rise to these subsequent failures, it certainly magnified them.

Although much of 2020 was upended by the pandemic, there were still notable organizational successes due in large part to the leadership of the business community. The GCP takes great pride in advocating on behalf—and elevating the voices—of our more than 12,000 members. GCP, for instance, was a key advocate for small business members in calling on the state of Ohio to use CARES Act funds to aid and uplift businesses impacted by the crisis. In addition, key GCP members were integral in state policy decisions early on, serving on taskforces that helped shape COVID-19 safety guidelines for the broader business community.

New challenges will arise, but GCP continues to ensure the perspectives of the business community are heard through high-level, nimble, and effective points of access to the policymaking process. In 2021, for example, GCP will work to advance our priorities during the biennial state budget process—one made more onerous by pandemic-induced fiscal challenges. There will also be a new presidential administration in place, and a host of pivotal local elections, that our organization must navigate to secure favorable outcomes for the business community.

This agenda serves as an important roadmap for our advocacy work, prioritizing the policies and principles we know businesses need to be successful. It also maps the ways in which we can successfully safeguard, scale, and reform these fundamental priorities. Beyond our core policy priorities, the agenda delineates our region's structural challenges, illustrating the impediments they present to business growth. In response to more deep-seeded problems, the document lays out local, state, federal, and cross-cutting policy priorities to solve them from the ground-up.

PART ONE:

Build and Sustain an Environment that Allows Businesses to Thrive



Part One of this agenda lays out the priorities that continue to be fundamental to the advocacy work of GCP. Over the near-term, these are the policies, initiatives, and principles that we will drive forward, understanding that they help create the right environment for businesses to grow. Many have been central to the advocacy work of this organization for some time, but others continue to evolve with changes in government. Whether it is regulatory ease, energy efficiency, or sustainable solutions to things like Ohio’s unemployment compensation, these priorities are necessary for a region where businesses can start, scale, and thrive.

PART TWO:

Lay the Groundwork for an Inclusive, Resilient Economic Infrastructure



The pandemic shifted the course of 2020, forcing many firms to pivot their business models, shutter their doors for a time, or even close for good. It upended the lives of countless employers, workers, and families and laid bare disproportionate impacts on certain businesses and industries. When recovery resources became available, they often did not make it to those who needed the most help. As our regional economy sputtered and disparities came to light, we came to understand that livelihood—or the means of securing life’s necessities—is an upstream driver of economic growth.

Part Two of this agenda explores this understanding, describing our priorities for an inclusive and resilient economy that is better positioned to weather economic storms. The action items in this section are broken down by level of government—local, state, and federal. While the priorities are diverse, they each point to important infrastructure investments we can make to create a more resilient economy. Ultimately, laying the groundwork for a strong, effervescent local community is key to growing prosperous businesses.

PART THREE:

Invest in a Better Future for Business Owners, Students, and Workers



Part Three of this agenda goes beyond priorities for resilient local infrastructure and focuses on the root causes of one of our region's biggest impediments to growth: the talent pipeline. The section outlines the most important reforms and investments we can make to shore up existing efforts around entrepreneurship, education, and workforce development. Because these priorities intersect with every level of government, they are listed as cross-cutting priorities. Importantly, if we are to solve the workforce challenges that inhibit the growth of companies and progress of our region, we must break down barriers to opportunities that far too many entrepreneurs, students, and workers face.

PART FOUR:

Increase our Region's Competitive Advantage through Structural Reform



Finally, Part Four of this document focuses on the long-term reforms that will impact our region's competitive advantage. Once again, these priorities can be broken down by level of government. At the local level, reviewing the impact of local levies and tax increases on our business competitiveness has become more important considering the pandemic-induced financial strain facing many public agencies. Our goal is to strike a balance between the needs of businesses looking to relocate and grow here and the needs of public agencies that serve our communities.

At the state level, we will likely need to revisit state tax policies that address municipal income tax withholding, with the goal of easing the administrative burden on businesses. Federally, there are untapped opportunities to leverage tax policy to help small businesses and entrepreneurs grow. There are also federal resources for which we must continue to advocate that will incentivize local development. The priorities in this final section are structural in nature, and they lend themselves to a longer-term outlook on the region's competitiveness.



BUILD AND SUSTAIN AN ENVIRONMENT THAT ALLOWS BUSINESSES TO THRIVE

The priorities laid out in this section are fundamental to maintaining, improving, and growing conditions that help our region’s businesses thrive. Some have been central to the advocacy work of GCP in past years, others are new and evolving priorities based on the needs of members. Regardless, our short-term advocacy work will continue to prioritize policies that ease regulatory burden, safeguard effective incentives, and work to benefit employers in Northeast Ohio.

Fundamental Priorities

Develop and safeguard viable incentives that **support business retention and expansion**

Safeguard the business income deduction, maintain the commercial activity tax (CAT) rate, and uphold the CAT exemption level

Secure a path for the state's unemployment compensation fund to reach solvency

Guard workers' compensation safety education assistance and transitional work programs.

Ensure employers can **establish and enforce a drug testing policy**, drug-free workplace policy, or zero-tolerance drug policy.

Reduce the complexity of regulatory compliance via existing or new technologies.

Reshape minority business development programs so minority businesses can navigate them easily, quickly, and affordably and hold those accountable that manipulate such programs

Advocate clear, uniform rules in recovery, aid, and forgiveness programs for businesses

Advocate reforms for permitting and licensing processes so they can be navigated and accessed with ease

Advocate for LGBTQ protections that add gender identity and sexual orientation to the protected classes under civil rights laws

Engage in federal and state payment and policy reform and review health care mandates that limit an employer's ability to offer coverage

Support place-based immigration reform at the federal level in addition to comprehensive H-1B visa reform that increases the number of visas for high-skilled talent

Continue efforts to develop attractive business conditions to **draw new air service carriers to the region** as well as addressing local and federal policies that have an impact on the cost of doing business

Leverage JobsOhio resources and funds to align talent development with business needs

The GCP has been a long-standing advocate for a sustainable and predictable tax and regulatory environment, understanding these are critical factors in a business's ability to thrive. One of the greatest obstacles to economic expansion by small businesses is an ever-changing set of rules and regulations. Developing and safeguarding incentives that encourage business growth—particularly during a time of economic turmoil—remains a priority.

- Develop and safeguard viable incentives that support business retention and expansion
- Safeguard the business income deduction, maintain the commercial activity tax (CAT) rate, and uphold the CAT exemption level

Ohio began borrowing money from the federal government again to cover rising unemployment compensation costs in the wake of the COVID-19 pandemic. In 2009, Ohio borrowed \$3.39 billion from the federal government with employers paying back the bulk of that debt over several years. Elected leaders must enact long-term solutions that lead Ohio's unemployment fund toward solvency if we hope to avoid repeating mistakes of the past, further devastating small businesses already hit hard by the pandemic.

- Secure a path for the state's unemployment compensation fund to reach solvency
- Guard workers' compensation safety education assistance and transitional work programs.

We continue to work with state partners to maintain employer rights provisions in advocacy efforts around medical marijuana in Ohio. Any forthcoming initiatives must allow businesses the opportunity to enforce a drug-free workplace.

- Ensure employers can establish and enforce a drug testing policy, drug-free workplace policy, or zero-tolerance drug policy.

Minority-owned businesses face onerous processes when navigating programs meant to help, often spending enormous amounts of time to maneuver through government bureaucracy for certification purposes. At the same time, state incentives designed to increase procurement opportunities for black and brown-owned companies have been taken advantage by non-minority businesses seeking to wrongfully access benefits. We must advocate for stiff penalties that effectively hold those businesses accountable and eliminate fraud. In addition, we must advocate for programs designed to be easily, quickly, and affordably navigated.



PART ONE (CONT.)

At every level of government, new programs have been implemented to offer aid and assistance due to the impact of COVID-19. With these programs came an onrush of guidelines, regulations, and requirements to access grants, loans, or borrower forgiveness that businesses needed to quickly navigate at an already critical time. Likewise, if we want to facilitate business creation, we must reform permitting and licensing processes that make launching businesses difficult. As new recovery programs evolve, our focus will be on reducing complexity, leveraging technology, and achieving greater clarity and uniformity. Reforms that ease the regulatory burden on businesses are preferred.

- Reduce the complexity of regulatory compliance via existing or new technologies.
 - Reshape minority business development programs so minority businesses can navigate them easily, quickly, and affordably and hold those accountable that manipulate such programs
 - Advocate clear, uniform rules in recovery, aid, and forgiveness programs for businesses
 - Advocate reforms for permitting and licensing processes so they can be navigated and accessed with ease
-

The long-held energy policy principles of our members prioritize reliable, competitive, renewable, and diverse energy sources. We will continue to advocate for state policies that provide incentives for utilities to offer businesses opportunities that leverage energy efficiency programming to foster growth. Further, we remain committed to the development of programming that secures resources for employers to help offset utility costs. These savings allow businesses to reinvest capital back into the local economy.

- Incentivize the creation and continuation of affordable, diverse, renewable, and energy efficient sources for businesses
-

GCP joins more than 1,000 companies and organizations across Ohio that support statewide protections for the lesbian, gay, transgender, bisexual, and queer community. For our members this is a key talent and economic issue—Ohio cannot truly be competitive in attracting the best and brightest if basic civil rights are not protected for all current and future employees.

- Advocate for LGBTQ protections that add gender identity and sexual orientation to the protected classes under civil rights laws
-

Health care costs—particularly as they evolve with telehealth services—and regulatory paperwork can make offering benefits a challenge for many small business owners. Providing access to coverage and managing the cost of health care are critical issues for employers that want to provide health benefits to their employees and their families.

- Engage in federal and state payment and policy reform and review health care mandates that limit an employer's ability to offer coverage
-

Immigration reform is needed for workers at all skill levels. In addition, a federal place-based visa program can help our region attract and retain talented workers and entrepreneurs, a top priority of Northeast Ohio businesses. GCP will continue to advocate for long-term immigration reform that would allow immigrants to compete on the open labor market in designated areas of the country that are experiencing consistent demographic decline, a weakened local economy, and a widening skills gap.

Research has shown that immigrants strengthen key industries such as healthcare and manufacturing; offset population decline; and start new businesses that create jobs, increase the tax base, and encourage spending that drives local growth. We will also work to encourage comprehensive H-1B visa reform that increases the number of visas and program flexibility, making it more workable for employers seeking to fill key positions.

- Support place-based immigration reform at the federal level in addition to comprehensive H-1B visa reform that increases the number of visas for high-skilled talent
-

The environment for air service is in flux. However, over the long-term we expect accessibility to our region to remain an important factor for business attraction and growth. We must cater our air service masterplan with the needs of businesses in mind, bolstering our regional competitiveness.

- Continue efforts to develop attractive business conditions to draw new air service carriers to the region as well as addressing local and federal policies that have an impact on the cost of doing business
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Our region is well-positioned to take advantage of JobsOhio's business attraction, retention, and expansion efforts. GCP encourages JobsOhio to continue partnering closely and quickly with the Northeast Ohio business community to attract new businesses and a strong workforce for GCP members that are in need.

- Leverage JobsOhio resources and funds to align talent development with business needs



LAY THE GROUNDWORK FOR AN **INCLUSIVE,** **RESILIENT** **ECONOMIC** **INFRASTRUCTURE**

The business community's vision for our region is a home to a diverse, inclusive workforce that also attracts and retains newcomers. The surest way to reinforce that vision is to continue investing in our regional infrastructure and ensuring it is a healthy, vibrant place to grow up, visit, or move, regardless of zip code. Working with local, state, and federal levels of government is essential in advocating for the transformation of neighborhoods and businesses. While these policy priorities span community development, digital inclusion, and education, each of them is vital to the incorporation of longtime residents and newcomers alike in prosperity.

Local Priorities

Revitalize development around our existing transit hubs and advocate funding multimodal transit that better connects residents to jobs, goods, and services.

Reimagine central business districts into places where community-serving enterprises congregate and co-locate



Ensuring all businesses and individuals can participate in our regional economy will require transforming development, land use, transportation, and other practices that disconnect people and jobs. Our local priorities include boosting business development around our region's existing public transit hubs so residents who are less likely to own or have access to a car can get to and from jobs. Inaccessibility to jobs is a harsher reality for black residents in the Cleveland MSA, who spend 15 percent more time commuting on public transportation than white residents that also rely on public transit. It is a reality that ultimately hurts employers, which struggle to attract and retain the workforce they need to grow. We must leverage and invest in reimagined central business districts located close to existing transit hubs to better connect employers to workers and job seekers and jobs.

When we successfully connect residents to opportunities, employers, and goods and services, we strengthen the foundation of an economy that allows for businesses to grow and raise quality of life. The decisions our local leaders make now can shape this reality, but fragmented and unaligned decisions on where to allocate public incentives and what infrastructure upgrades to invest have increasingly disconnected people from jobs.

- Revitalize development around our existing transit hubs and advocate funding multimodal transit that better connects residents to jobs, goods, and services.
- Reimagine central business districts into places where community-serving enterprises congregate and co-locate

State Priorities

Advocate for state assistance for affordable, high-quality broadband in digitally divided communities

Preserve Ohio's CyberOhio Advisory Board and enhance technology industry support services and resources

State Priorities

Tens of thousands of Cleveland residents—particularly the city's older and poorer residents—lack broadband subscriptions of any kind at any speed, including mobile data plans. This endemic problem has grown more apparent in the wake of the COVID-19 pandemic, which shifted much of our most meaningful interactions online. Internet access is critical, for instance, for employers to connect with employees and customers they serve. Cleveland—and our state—risks falling behind regions where much of the population can effectively go to school, work from home, or see a doctor virtually.

Support state funding for local transformational economic development projects that align with existing assets like public transit

Advocate for incentives to revitalize brownfields based on comprehensive site strategies and connection to job hubs

Cleveland's unaffordable and unreliable internet service options prevent economic progress and growth, but we can transform the city from one of the nation's worst connected to one of its best. This requires a solution that transforms internet availability and affordability through increased, open competition between internet service providers. Our success hinges on a strong partnership with local governments, the state of Ohio, federal partners, and the private sector to incentivize innovative, low-cost solutions that catalyze widespread home internet adoption.

Our additional priorities at the state level aim to leverage policies that will yield transformation at the local level, making our region—and state—more competitive. Aligning our region’s existing assets like public transit means establishing job hubs, or specific places of concentrated economic activity, by leveraging state economic development funds and incentives. Brownfields, for example, are a heavy lift for developers, requiring immense investment and liability before even breaking ground. We are advocating for flexible financing options that, instead of requiring near-certain job creation and a secured end-user, are based on comprehensive site strategies and connection to hubs of transit-oriented economic activity.

- Advocate for state assistance for affordable, high-quality broadband in digitally divided communities
- Preserve Ohio’s CyberOhio Advisory Board and enhance technology industry support services and resources
- Support state funding for local transformational economic development projects that align with existing assets like public transit
- Advocate for incentives to revitalize brownfields based on comprehensive site strategies and connection to job hubs

Federal Priorities

Advocate long-term federal investment in roads, bridges, and other modes of transportation, water systems, parks, lakes, and other community assets

Advocate for the permanency of the federal New Market Tax Credit (NMTC) in the tax code

Channel support for NASA Glenn Research Center and Plum Brook Station into opportunities for entrepreneurial and commercial growth



Protecting and fostering local assets through federal policy is crucial to a resilient economy. Lake Erie alone has an annual \$10.7 billion economic impact and accounts for thirty percent of the tourism dollars that come to Ohio. However, we need robust and long-term federal investment to address our region’s aging public transit systems, crumbling roads and bridges, and outdated water infrastructure. New Markets Tax Credits could also be utilized to spur economic development, particularly in distressed communities across Northeast Ohio.

NASA Glenn Research Center and Plum Brook station remain important economic drivers in our region. However, more can be done to leverage investments in local companies that NASA makes to kickstart promising technologies that are at critical tipping points in their development. In addition, NASA develops all sorts of technologies to solve the tough challenges of exploring space, advancing the understanding of our planet, and improving air transportation. There are untapped NASA research opportunities that entrepreneurs and small businesses in our region could commercialize if we better connect them.

- Advocate long-term federal investment in roads, bridges, and other modes of transportation, water systems, parks, lakes, and other community assets
- Advocate for the permanency of the federal New Markets Tax Credit (NMTC) in the tax code
- Channel support for NASA Glenn Research Center and Plum Brook Station into opportunities for entrepreneurial and commercial growth



INVEST IN A
**BETTER
FUTURE**
FOR **BUSINESS
OWNERS, STUDENTS,
AND WORKERS**

Broken systems and dated agency practices need consistent review if we are truly to invest in an equitable future. Change at all levels of government is an economic imperative for our region to reach its fullest potential.

Cross-cutting Priorities

Increase opportunity and wealth through business ownership and innovation

Invest in and scale workforce development programs with proven track records of success, including workforce sector partnerships

Advocate strategic investment in K-12 and postsecondary curricula for building critical thinking, problem-solving, and digital skills that allow individuals to succeed in a rapidly changing, technology-infused workplace

Nationally, research shows small businesses in communities of color, on average, receive about half as many small business loans per capita—and half as much per person—as those in other neighborhoods. Recent reporting in Cleveland mirrors these disparities. Alarming, access to capital remains an issue for far too many small businesses, especially black businesses, and it has become even worse since the onset of the COVID-19 pandemic.

These significant lending disparities help exacerbate a very real chasm in wealth generation, homeownership rates, and educational attainment. Gaps like these hurt our entire region's talent pipeline, business competitiveness, and economic growth. This reality is made plain by the biggest inhibitor to growth facing companies in our region: a workforce and talent pool ill-equipped to meet the needs of employers. Where we fail to promote policies and practices that take into account equity, additional burdens and challenges will likely be placed on even the most successful businesses and individuals.

Our priorities to invest in an equitable future for business owners, students, and workers cut across all levels of government. We must advocate for reforms that reduce existing disparities in lending, procurement opportunities, and more to spur entrepreneurship among minority, female, and other disadvantaged founders, particularly for in-demand industries.

Further, our cross-cutting priorities look to reframe the conversation around workforce. Instead of focusing solely on upskilling individuals, we will advocate for industry-relevant coursework co-invested and co-developed by employers. We must build off efforts to equip our region's students and workforce with short-term credentials and technical skills. Finally, we must look for solutions to fund our schools fairly.

Due to stunted access to professional networks, many talented students of color never get a real opportunity to compete for key jobs in emerging industries. We will advocate for workforce development policies that expand exposure, networks, and a foot in the door to a new field, especially a first job, internship, or apprenticeship.

- Increase opportunity and wealth through business ownership and innovation
 - a. Advocate targeted and low-cost recovery dollars and resources for micro-businesses and minority-owned businesses that are designed to circumvent likely barriers
 - b. Ramp up local, statewide, and federal procurement opportunities for women- and minority-owned businesses
 - c. Support entrepreneurial growth through targeted public investment in innovative emerging industries and renewal of the Ohio Third Frontier program
- Invest in and scale workforce development programs with proven track records of success, including workforce sector partnerships
 - a. Create more opportunities for formerly incarcerated individuals to find meaningful employment
 - b. Explore potential tax reforms to retain individuals who grew up or were educated here and build on pathways to grow the number of opportunity youth in emerging industries
- Advocate strategic investment in K-12 and postsecondary curricula for building critical thinking, problem-solving, and digital skills that allow individuals to succeed in a rapidly changing, technology-infused workplace
 - a. Advocate for employers to co-invest in cultivating the skills, knowledge, and experience necessary for talent pipelines through building industry-relevant coursework—like computer science and digital literacy—in partnership with K-12 and postsecondary institutions
 - b. Support The Cleveland Plan for Transforming Schools to ensure outcomes align with talent development needs of the region and address funding challenges in the short-term





INCREASE OUR REGION'S COMPETITIVE ADVANTAGE THROUGH STRUCTURAL REFORM

A fair tax environment that promotes opportunity and creates a competitive advantage for our region is critical to the success of businesses and community. The way we fund our local priorities impacts their success. From investing in education, workforce development, or infrastructure improvements, tax policy must be reimagined for our community to thrive. A vibrant, competitive, and attractive region is a key ingredient for economic growth.

Local Priorities

Advocate for local tax policies that have a term of years, rather than continuing levies, to incentivize results, provide the community an opportunity to measure outcomes, and allow voters and stakeholders to revisit continued support.

Promote shared service models between municipalities and other multijurisdictional government agencies to create clear pathways for economic development and high-quality public services

Repopulate downtown Cleveland and key neighborhoods with workers, families, and businesses

A fair tax environment that promotes opportunity and creates a competitive advantage for our region is critical to the success of businesses and communities. The way we fund our local priorities impacts their success. From investing in education, workforce development, or infrastructure improvements, tax policy must be reimagined for our community to thrive. A vibrant, competitive, and attractive region is a key ingredient for economic growth.

How can our tax structure fund exceptional services and high quality of life while allowing for the attraction, retention, and growth of businesses? This thinking was the crux of our past advocacy work in this space, which prioritized tax levies that successfully demonstrate a unique compelling contribution to our economy, a severe and urgent societal need, or a more creative approach to objectives.

- Advocate for local tax policies that have a term of years, rather than continuing levies, to incentivize results, provide the community an opportunity to measure outcomes, and allow voters and stakeholders to revisit continued support.
- Promote shared service models between municipalities and other multijurisdictional government agencies to create clear pathways for economic development and high-quality public services
- Repopulate downtown Cleveland and key neighborhoods with workers, families, and businesses

State Priorities

Reform state tax policy to address municipal income tax withholding and ease the administrative burden on businesses

- a. Encourage counties to work more closely together to support their regions

Explore ways to allocate state revenue to fund an equitable path to recovery

The COVID-19 pandemic shifted the economic landscape to one where more employees work from the home and away from the municipalities of their usual workplaces. To avoid tax disruptions, Ohio allowed temporary at-home workers to be treated as if they continued to work at their normal workplaces. This tax process was scheduled to be in place until 30 days after the State of Ohio ends the pandemic's state of emergency declaration. It allowed businesses to continue operating with their tax structure as is, but several challenges loom. Fundamentally, opponents argue income taxes should be remitted to the municipalities where employees spend much of their time.

While the long-term outcomes of the pandemic remain in flux, a broader shift in the number of employees that work from home—and the number of employers that encourage it—could have huge impacts on municipal tax revenues traditionally sourced from downtowns. Eighty-five percent of income taxes in Cleveland come from non-residents who travel into the city for work every day, and income taxes



PART FOUR (CONT.)

collected by the city are by far its largest source of revenue. This issue also has the potential to hurt suburban communities in our region that serve as hubs of employment for higher percentages of non-resident workers.

How can we design policies to benefit areas that have invested in robust job hubs while also considering a decoupling of company headquarters and the location of employees? Further, how can we protect middle market and small businesses from an increased administrative burden that comes with more complex municipal income tax withholding? Over the next two years, our policy priorities center around identifying and reforming tax policy to

address a long-term shift in the number of remote workers in a way that is equitable for municipalities and eases the administrative burden on businesses.

- Reform state tax policy to address municipal income tax withholding and ease the administrative burden on businesses
 - a. Encourage counties to work more closely together to support their regions
- Explore ways to allocate state revenue to fund an equitable path to recovery

Federal Priorities

Build wealth for minority entrepreneurs through federal tax programs

Provide funding to CDFIs and MDIs to support small businesses in underinvested communities

Support the creation of a New Entrepreneur Tax Credit to strengthen the financial stability of small businesses and their owners

In the Cleveland Metropolitan Area, where median income for white residents is 2.1 times that of black residents, the entire regional economy suffers because large portions of our population are cut off from economic opportunity. Entrepreneurship is a promising way to bridge the gap by supporting workers who may—due to factors like unequal access to education—be excluded from the traditional labor market.

Research shows that black-owned businesses start with about one-third of the capital of white-owned businesses, and entrepreneurs of color face greater likelihood of rejection for external financing due to lending discrimination. This limited access to capital hurts startups and growth. Small business owners typically also have lower savings levels, making it difficult to manage irregular cash flow that comes with starting a business.

Federal policy has the capacity to help make entrepreneurship a viable path to prosperity. Funding for community development financial institutions (CDFIs), community lenders that offer affordable, long-term capital and technical assistance, and minority depository institutions (MDIs), which are owned by and serve people of color, can help bridge gaps in lending to entrepreneurs. A fully refundable New Entrepreneur Tax Credit (NETC) could help entrepreneurs build savings and manage cash flow at critical times. The NETC would be offered to small business owners with household earnings below the median income during the first tax year in which they earn self-employment revenues during all four quarters, providing an extra infusion of money at tax time.

- Build wealth for minority entrepreneurs through federal tax programs
- Provide funding to CDFIs and MDIs to support small businesses in underinvested communities
- Support the creation of a New Entrepreneur Tax Credit to strengthen the financial stability of small businesses and their owners





OUR COLLECTIVE ACTION AND PARTNERSHIPS

National Small Business Association

The National Small Business Association (NSBA) is a non-partisan organization that advocates on behalf of America's entrepreneurs with membership from every state and every industry in the country. Our partners at NSBA offer Council of Smaller Enterprises (COSE) small business members an additional access point to meet with members of Congress and their staff and drive federal public policy issues that are of most importance to the small business community.

Great Lakes Metro Chambers Coalition

The Great Lakes Metro Chambers Coalition is a collective of chambers of commerce across the Great Lakes region that jointly advocate on core policy issues, including water quality, immigration reform, trade, and transportation and infrastructure. Since its founding in 2008, the coalition has become a leading and effective voice on federal policy impacting the Great Lakes region.

Ohio Metro Chambers Coalition

GCP actively participates in the Ohio Metro Chambers Coalition, comprised of the Ohio Chamber of Commerce and the seven other major metropolitan chambers from across the state. The coalition jointly advocates at the Ohio Statehouse on issues of common interest including budget, education, Medicaid, tax, and transportation policy issues.

Cleveland Innovation Project (CIP)

The Cleveland Innovation Project is an initiative that has been leveraged to drive inclusive economic growth in the Greater Cleveland area. CIP was launched through collaboration with the Cleveland Foundation, Fund for Our Economic Future, JumpStart, and TeamNEO. The CIP is supported by a Steering Committee and Workstream Teams of more than 100 business, entrepreneurial, institutional, and nonprofit leaders - including many GCP members. The focus is to set Cleveland on a trajectory of sustained vitality through focused investments (e.g. H2Ohio) in innovation sectors where we have differentiated assets.

Greater Cleveland Partnership Political Action Committee (GCP PAC)

The Greater Cleveland Partnership Political Action Committee (GCP PAC) is a nonpartisan, member-driven endeavor committed to advancing the business community's interests by building and reinforcing relationships and supporting candidates and current elected officials at the state and local levels of government. By participating in the political process, we provide our members with a unique opportunity to advocate for an environment that encourages economic growth and prosperity. The GCP PAC represents a strong, unified voice for businesses of all sizes and industries in our region and aids businesses in educating key decision makers on issues that are important to them.

JobsOhio

JobsOhio is a private nonprofit corporation designed to drive job creation and new capital investment in Ohio through business attraction, retention, and expansion. GCP serves as a local economic development partner to JobsOhio, helping advance its investments in communities to revitalize and authenticate sites for immediate development, attract companies, and address workforce challenges.

Greater Cleveland Civic Connection (GCCC)

The GCCC is an initiative of the GCP to promote regular collaboration between the City of Cleveland, Cuyahoga County, Greater Cleveland Regional Transit Authority, the Port of Cleveland, and the Northeast Ohio Regional Sewer District. Together, the GCCC is focused on growing and promoting the regional economy and leveraging infrastructure improvements throughout Greater Cleveland.



A LOOK BACK AT SOME RECENT ADVOCACY SUCCESSES

FEB 2019

Congressional leaders joined GCP members for a roundtable discussion about Opportunity Zones, an incentive designed to encourage investment and job creation in economically distressed communities.

MAR 2019

The Great Lakes Metro Chambers Coalition, of which GCP founded and serves as a leading member, visited Washington D.C. for its annual Fly-In to meet with federal officials and discuss policy priorities like immigration, trade, and water quality.

JUN 2019

The future of the Business Income Deduction was in jeopardy as state budget talks progressed. GCP took a lead role on this issue and, in the end, the budget deal preserved the incentive for business owners.

JUL 2019

Ohio Excels—which is chaired by GCP—developed the proposal for new graduation requirements that was ultimately adopted by state lawmakers as part of the biennial budget.

SEP 2019

GCP's Board of Directors endorsed a resolution stating the organization's intent to oppose future levy millage increases that fail to demonstrate a unique and compelling contribution to the economy, an action informed by GCP's work to better understand the region's tax climate.

NOV 2019

GCP released the results of its fiscal analysis that provided key information about the Greater Cleveland Regional Transit Authority's current financial operations and gaps, as well as opportunities for efficiencies.

MAR 2020

The Ohio Department of Health began issuing orders to close Ohio's non-essential businesses, including bar and restaurants. GCP immediately disseminated daily government updates, becoming a clearinghouse that members relied upon to access resources and make informed decisions.

JUN 2020

The GCP board voted unanimously on a resolution to prioritize and accelerate the closure of Greater Cleveland's digital divide, immediately focusing business leadership to help reduce the number of Clevelanders disconnected from high-speed and affordable broadband.

JUL 2020

GCP testified in support of state resolutions that would prioritize promoting racially equitable economic development practices. Prior to testifying at the state level, the GCP board voted in full support of declaring racism a public health crisis.

OCT 2020

GCP was a key advocate on behalf of small business members in encouraging a portion of remaining federal CARES Act funds to be used for grants awarded to small businesses hurt by the COVID-19 crisis.

DEC 2020

Several GCP advocacy priorities were included in the yearend stimulus bill, including enhancements to the Paycheck Protection Program, funding for transit agencies, an extension of New Markets Tax Credits, and funding to close the digital divide.

OUR BUSINESS LEADERSHIP



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