## **Ronn Richard Remarks**

## Western Reserve Historical Society 100-Year Club Dinner

## Monday, Nov. 3, 2014

Thank you, John Grabowski. Good evening, ladies and gentlemen.

I don't want John to slip away without my noting what a wonderful partner he has been to the Cleveland Foundation. Just last month, we hosted more than 1,400 delegates from 25 nations who came here to celebrate the birth of your community foundation – the world's first – and the birth of the field of community philanthropy. John spoke to a large group of delegates about Cleveland's post-World War II history, setting the stage before they headed out for site tours of our city. He also served as contextual historian for "Enduring Trust," a documentary on the Cleveland Foundation's first 100 years that ideastream produced and aired on WVIZ last month.

As an undergraduate history major, I have a special affinity for historians. John, we are so grateful to you for your service to the Cleveland Foundation and your leadership in preserving the history of our community.

I also want to congratulate Kelly Falcone-Hall on her elevation to CEO of the Western Reserve Historical Society. No more "interim" designation in that title. Your board made a wise decision when it put its trust in you, Kelly – especially with a major milestone approaching.

Yes, the Western Reserve Historical Society will celebrate is sesquicentennial in 2017. Now 147 years young, the Society is the granddaddy of all of our city's cultural institutions – and looking pretty darned sharp!

The Society has long been a valued institutional partner of the Cleveland Foundation. As a measure of our esteem, the foundation's own history is archived here. Moreover, I'm pleased to say that since the late 1970s, our board and our generous donors have awarded the Society a total of more than \$9.4 million in grants.

Our most recent support came last May, when we showcased the Society among our surprise gift partners as we celebrated our centennial with the community. More about that in a moment.

I am delighted at this opportunity to congratulate the Cleveland Foundation's fellow inductees into the 100-Year Club. It's a tremendous honor for all of us to join such a diverse and distinguished membership.

It's exciting to think of how the roster will expand in the near future – a reflection of how vibrant Cleveland was a century ago, with new businesses and nonprofit organizations launching year after year. How proud their founders would be to know that many of their creations are regarded as local icons today!

That early 20<sup>th</sup>-century vitality reminds me of the renaissance we see unfolding in today's Cleveland. Both then and now, we see heartening signs of the innovation and entrepreneurship we celebrate here tonight.

So, after giving you a quick snapshot of the Cleveland Foundation, I will share some thoughts on the foundation's current role in driving innovation and economic progress in Cleveland and the region. Then, to round out this lovely salute to all the new members of the 100-Year Club, I'll tell you a little about the foundation's centennial observance, which has truly been a community birthday party – and great fun as well.

I think it is no stretch to say that Frederick Harris Goff, the founder of the Cleveland Foundation, was the ultimate entrepreneur, in tune with tonight's theme. He was a self-made man who rose to become a member of Cleveland's elite: first as a lawyer who counted John D. Rockefeller among his firm's corporate clients, then as president of Cleveland Trust Bank, where he instituted reforms such as prohibiting loans to officers and directors. He was a man of unimpeachable integrity.

He even served a stint as mayor of Glenville, which was then a separate municipality.

Above all, Fred Goff was a humanitarian, and his greatest legacy is the Cleveland Foundation.

I'm sure many of you are familiar with the concept of a community foundation. Still, a brief refresher may be helpful.

A community foundation pools the charitable resources of citizens, both living and deceased, into one large, permanent endowment that earns interest and investment income – a big community savings account, if you will. That income is then distributed by a publicly appointed board to worthy nonprofit organizations working to enhance the community.

This was a revolutionary concept when Fred Goff established the Cleveland Foundation. No other entity like it existed anywhere. Back then, foundations were almost exclusively the private province of a handful of extremely wealthy men: Andrew Carnegie and Rockefeller, for example.

The community trust concept opened philanthropy for the first time to men and women of all income levels and from all walks of life. Whether they could give a little or a lot, donors could rest assured that their dollars would be used wisely, right here in Greater Cleveland and nowhere else. And, their legacy would continue long after they were gone. This remains our mantra today.

At its founding, the Cleveland Foundation was unique, but it didn't take long for others to notice. Fred Goff exported his big idea nationally. Next year, six more U.S. community foundations will mark their centennials.

The Chronicle of Philanthropy called the creation of the Cleveland Foundation one of 10 seminal events that shaped the nonprofit world in the 20<sup>th</sup> century – and, I would add, the 21<sup>st</sup> century. Today, more than 1,800 community foundations encircle the globe – and 75 percent of them were founded within the past 25 years.

Thanks to generations of donors who have partnered with us, the Cleveland Foundation remains among the largest community foundations. Our assets exceed \$2 billion and we have given about \$1.8 billion in grants since our inception. Last year, our grants totaled some \$89 million.

Grantmaking is the most visible part of our work, but the Cleveland Foundation also fills many civic roles: public policy advocate, think tank, trusted adviser, strategic investor, facilitator, catalyst and convener. The bulk of our most significant work is the product of collaboration – with local nonprofits, businesses, government and our philanthropic peers. To our partners here tonight, I extend a heartfelt thank you.

We operate not from self-interest, but in the public interest, which gives us credibility and objectivity and enables us to take a controversial stance or test a bold, new idea. Diving head first into economic development was one such idea.

When I came here to interview for this job in 2003, I drove around Cleveland and was struck by the wasted potential and missed opportunities I saw in so many neighborhoods. I told the search committee if the foundation didn't make economic development a priority, it wouldn't

matter very much what it did in more traditional program areas such as education, human services and the arts.

In the past decade, the foundation has granted some \$85 million for economic development – an area that isn't even on the radar of some community foundations, though I think that is changing.

Early on, we focused on creating and nurturing economic development intermediaries as a founding funder of:

- BioEnterprise, for health care and biosciences
- JumpStart, for entrepreneurship
- NorTech, for cluster building
- Team NEO, for business attraction
- And Global Cleveland, for attraction of immigrants and migrants

In essence, we helped shape and support a whole new economic development ecosystem for our region. Many of these organizations are now considered national leaders in their respective fields.

In 2013, we conducted a strategic review of our economic development efforts, a process we undertake regularly to gauge progress in our program areas. In brief, this assessment showed significant regional gains. But a healthier Northeast Ohio has not translated into a healthier core city, where poverty and unemployment rates are three times higher than in the region as a whole.

No matter where we live, all of us have a vested interest in strengthening Cleveland's economy and encouraging <u>inclusive</u> growth that provides genuine opportunities for city residents. So we have refocused our economic transformation strategy to encourage aggressive job growth in the city. We need to attack this issue on two fronts: job creation on the demand side and worker preparation on the supply side.

On the demand side, we will support minority entrepreneurship and employment and the growth of key industry clusters. We can find a template for cluster-building in the Health-Tech Corridor,

where biomedical, health care and technology companies congregate for proximity to Cleveland's great health care institutions and universities.

And wouldn't it be wonderful if we could develop a whole new industry cluster focused on advanced energy? That prospect, along with the environmental payoff, explains why the foundation has invested in LEEDCo's pursuit of an offshore wind farm in Lake Erie. Despite the roadblocks our state legislators threw up earlier this year by dismantling their own clean energy provisions, we will not abandon this field. It's just too important.

On the supply side, our board recently authorized more than \$1.4 million in grants for our new career technical education strategy, which aims to connect Cleveland students with real-world work experiences that will better prepare them for tomorrow's labor force.

Regrettably, our community – like our country – is not preparing our youth for the high-skill, high-demand jobs of the present and future. To document the extent of the problem, the foundation engaged a respected consultant to analyze the job demand-and-supply picture in Greater Cleveland. The data showed a significant gap between available openings in well-paying occupations and the number of job-related credentials awarded in each field. In other words, we have the jobs, but not enough skilled workers who can fill them.

For the well being of our young people and our core city, we need to bring these two sides into closer alignment. We recognize that not everyone can or should go to college. But everyone <u>does</u> need postsecondary training for a contemporary job market that requires workers at all levels to think critically.

In September, we convened the community at the Great Lakes Science Center to learn from the head of Linked Learning, a statewide California program widely acclaimed for its success in connecting students to the working world.

This gathering kicked off our Fred Talks: a new quarterly series that builds on the innovative thinking of our founder by inviting Greater Clevelanders to learn, engage and contribute in conversations with local and national thought leaders. I invite your participation in these idea incubators, which were inspired by our centennial but will continue after our centennial year ends.

I also appeal for your help in stoking Cleveland's economic engine, on the demand or the supply side.

We have employers here tonight. To you I say, we welcome your ideas and input. You absolutely must be at the table when the education of our future workforce is on the agenda. Be assured we have reserved a seat for you.

Researching, convening, collaborating ... As I said earlier, this is the essence of your community foundation. I want to conclude by mentioning just a few of the ways we have celebrated our century-old partnership with this community that is so dear to all of us at the foundation.

Earlier, I said the Western Reserve Historical Society was one of our surprise gift partners. Let me explain.

To mark our 100<sup>th</sup> year – and the birth of the entire field of community philanthropy – we are doing what we do best: giving back to the community in honor of our donors and grantee organizations like the Society that have partnered with us for a stronger Cleveland.

On or close to the second day of each month – in keeping with our actual birthday, January 2 – we announce another surprise gift. Just this morning, we unveiled our 11<sup>th</sup> gift: Cleveland Foundation Day of Theater on Sunday, November 30. If you missed the announcement and you're interested, go to the Playhouse Square website, where you'll find all the details.

Our partners for this gift are three theater companies that we have supported over the decades with a collective \$22 million in grants.

During this year, I hope some of you have taken advantage of these gifts of free public access to some of our community's signature assets. In addition to spotlighting nonprofit partners we have helped build or enhance through the years, we wanted to expose Greater Clevelanders to these civic treasures they may never have explored.

We've learned that if we gift it, they will come. From January through October, we welcomed more than 130,000 Greater Clevelanders, many of them first-time patrons of these grantees.

In addition to the monthly gifts, we have made centennial legacy grants, which represent a different approach. These are significant grants – some of the largest we've ever made, over and above our regular grantmaking – to strengthen Cleveland for the next century.

Since July, we've announced two such grants. Both are dedicated to creating a sense of place:

- Our \$8 million gift to LAND Studio will help revitalize Public Square, where Cleveland Foundation Centennial Plaza will take shape. To date, this grant has leveraged \$13 million from additional funders.
- Our \$5 million grant to the Trust for Public Land will support the conversion of an abandoned railroad right-of-way to the Cleveland Foundation Centennial Trail through the Flats, opening access to Lake Erie and connecting our riverfront to our lakefront.

We envision these high-quality public spaces as much more than pretty scenery. They will advance economic development, promote healthy living, heighten awareness of our natural assets and bring Greater Clevelanders together.

Our centennial legacy grants are intentionally forward-looking – and we who call this community home have a great deal to look forward to. Public Square anchors the western end of the stunning makeover we see up and down Euclid Avenue, our city's spine. Downtown's residential population has swelled to more than 13,000 people.

Cleveland is getting a lot of long-overdue love, both locally and nationally. It doesn't belie the fact that we have a great many pressing issues. The spine grows sturdier with each passing day, but the ribs – our city neighborhoods – must also be fortified. Too many of these neighborhoods are case studies in disinvestment and despair, just as they were when I arrived in 2003.

Yet, as I travel around our community, I see many more hopeful signs of progress than I saw 11 years ago. We just have to pull together and keep the momentum alive.

So if you care about the issues I've raised, come to a Fred Talk.

If you own a business, get involved in our career-based learning initiative.

If you're able to donate for the benefit of your fellow Clevelanders, talk with our Advancement team, which can help create a giving plan just for you, now and for the future. You can even designate your fund for the Western Reserve Historical Society.

And if you want to celebrate your community foundation, remember we have two more monthly surprise gifts on tap.

Join with the Cleveland Foundation in the public interest – <u>your</u> interest – because an engaged community is the best centennial legacy of all.

Together, let's define Cleveland's future.

Thank you.