Foundation grants aimed to boost University Circle

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Can jobs transform lives? The Cleveland Foundation is betting $2.25 million that the answer is yes.

The foundation awarded $10 million in grants during a board meeting Thursday, earmarking the biggest chunk to help create a network of businesses for residents living in the low-income neighborhoods surrounding University Circle.

The first business to launch this summer will be the Evergreen Cooperative Laundry, which will contract with University Circle institutions to do their laundry.

"These are not $8-an-hour jobs," said Lillian Kuri, the foundation's program director for architecture, urban design and sustainable development. "If an employee stays seven or eight years and performs well, the estimation is that they will have $65,000 in equity in the company. That's a life-changing amount of money."

The laundry, part of the Evergreen Cooperative Development Fund, will open in July with one shift of 25 workers.

Judson Retirement Community, Cleveland Clinic InterContinental Hotel and a few other University Circle businesses have already signed on as clients. A second shift of 25 workers will be added as business expands.

Kuri said the Cleveland Foundation conceived the Evergreen idea and received money from Cleveland and banking partners. Shorebank Enterprise Group Cleveland will administer the project, which Kuri hopes "can become a national model for community wealth-building in low-income neighborhoods."

Although the museums and hospitals of University Circle employ thousands of people, nearby residents have been hit hard by poverty and joblessness. In 2008, more than 1,000 new unemployment claims were filed in the 44106 ZIP code surrounding University Circle, Ohio Department of Job and Family Services figures show.

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Grants to boost University Circle

Towards Employment, a Cuyahoga County agency offering job readiness training and placement, will handle hiring. People with criminal records will not be turned away.

Applicants must live in neighborhoods designated as Cleveland's empowerment zone, including parts of Glenville, Hough, University Circle, Fairfax, Midtown and Little Italy.

The McGregor Home in East Cleveland, a residence for senior citizens that generates more than 700,000 pounds of laundry yearly, was quick to sign on to the concept. Rob Hilton, McGregor's chief executive officer, said the competitive bid submitted by Evergreen will allow McGregor to redeploy its laundry room staffers to other duties.

Evergreen takes its name from the green jobs it will provide. The energy-efficient service will be in a renovated building in Glenville. Also, employees and clients are centered in the same neighborhood, reducing the project's carbon footprint.

Ten percent of the laundry's proceeds will go to fund new Evergreen businesses, Kuri said. She expects eight to 10 more businesses to start in the next five years.

In the next Evergreen enterprise, expected to launch before the end of summer, employees will own, install and maintain solar panels on University Circle's anchor institutions.

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