

REAL ESTATE

Offers for two downtown apartment buildings could top \$100 million. **PAGE 2**

FOR SALE

MANUFACTURING: Labor shortages, long lead times create challenges. **PAGE 10**

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NEW LIFE FOR HOTEL

Vacant building in Midtown set to become Delta by Marriott

BY MICHELLE JARBOE

A New York-based developer plans to revive a mothballed hotel in Cleveland's Midtown, in the first project poised to take advantage of a national historic district established this year.

Crimson Rock Capital expects to transform the University Hotel & Suites, at 3614 Euclid Ave., into a 189-room Delta by Marriott. Renovating the forlorn building could be a \$35 million endeavor, according to a project document filed with the Ohio Department of Development.

The hotel opened as a Holiday Inn in 1965, as an expanding highway system and surging automobile travel spurred lodging construction across the country. A half-century later though, the once-glimmering 10-story building east of Interstate 90 is a blight near a key intersection.

"We're very excited about the potential to turn that property around," said Richard Barga, vice president of economic development for neighborhood nonprofit MidTown Cleveland Inc. "It's been an eyesore for quite some time."

Crimson Rock, a private equity firm focused on hospitality deals, acquired the property in 2019 through a sale process



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The Euclid Avenue building was part of a nationwide wave of Holiday Inn construction in the 1960s. A postcard from the era shows the hotel, with its classic roadside sign.

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COVID response fund takes next step

BY LYDIA COUTRÉ

The funding partners who mobilized in March 2020 to launch the Greater Cleveland COVID-19 Rapid Response Fund have announced their next phase: a multi-year, long-term pandemic recovery effort.

Lessons learned from Phases I and II will inform the funders' collaborative work ahead. And

they've learned plenty since the early days of figuring out how to get dollars out the door as quickly as possible — how to streamline the process for themselves and nonprofits; how to break down silos internally and externally; the value of data collection; and so much more.

Marcia Egbert, program director for thriving families and social justice for the George Gund Founda-

tion, said the biggest lesson has been that justice and equity underlines everything that happens in the community.

"And to silo that or ignore it in any way misses the overarching dynamic of COVID, and probably every major social ill that we try and confront as grantmakers," she said.

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Storm7 Labs wants to help companies avert cyberattacks

BY RACHEL ABBEY MCCAFFERTY

Dave Samic's career has been about helping people.

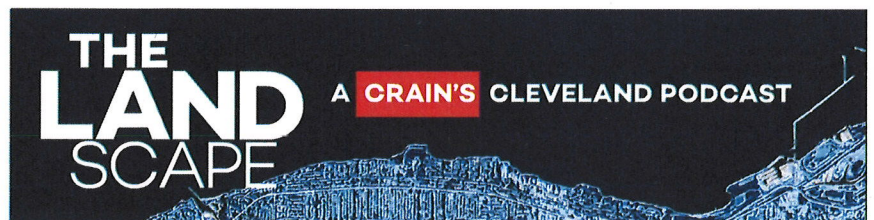
It's what led him to spend his free time working as a police officer and firefighter, and it's what drives him today as the founder of Storm7 Labs.

Storm7 Labs aims to help compa-

nies and institutions choose the best services and technologies for their goals and to protect their data and their people.

Samic started Storm7 in 2019, but he's recently teamed up with a previous business partner as the company works on a relaunch.

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FUND

From Page 1

The collaborative published a final report reflecting on 18 months of rapid response grantmaking, which totaled nearly \$19 million awarded to nearly 700 nonprofit groups and community-based efforts in Cuyahoga, Lake and Geauga counties. Across Phase I and Phase II, the rapid response fund amassed more than \$20 million. Dollars that remain — after administrative costs — will be rolled into Phase III, which the funding partners have dubbed the Funders Collaborative on COVID Recovery (FCCR).

About halfway into Phase II, which was structured as a one-year effort that concludes this month, the partners began to think about how to structure long-term recovery work.

"We start to say, 'OK, so then first of all, are we still in this together?' And that was a resounding 'yes,' which was great," said Dale Anglin, vice president of program for the Cleveland Foundation. "OK, well what should Phase III look like?"



Anglin

FCCR — a partnership that spans nearly 50 foundations, nonprofits and governments — is structured through work groups: Equity-centered Data and Practices Workgroup; Homelessness & Housing Task Force; Nonprofit Resiliency Workgroup; Policy and Advocacy Workgroup; Vaccine Access Task Force; Workforce Funders Collaborative; and an Emergency Response Workgroup that's available to be activated when needed. The funders are prepared to return to rapid response grantmaking if needed.

FCCR still is collecting dollars to support the projects of its committees, each of which has its own structure to use funds.

"I think since the beginning, we knew that COVID was bigger than any of our individual missions, and that our only way out of this was going to be through collaboration and partnership," said Daniel Cohn, vice president of strategy at the Mt. Sinai Health Care Foundation.



Cohn



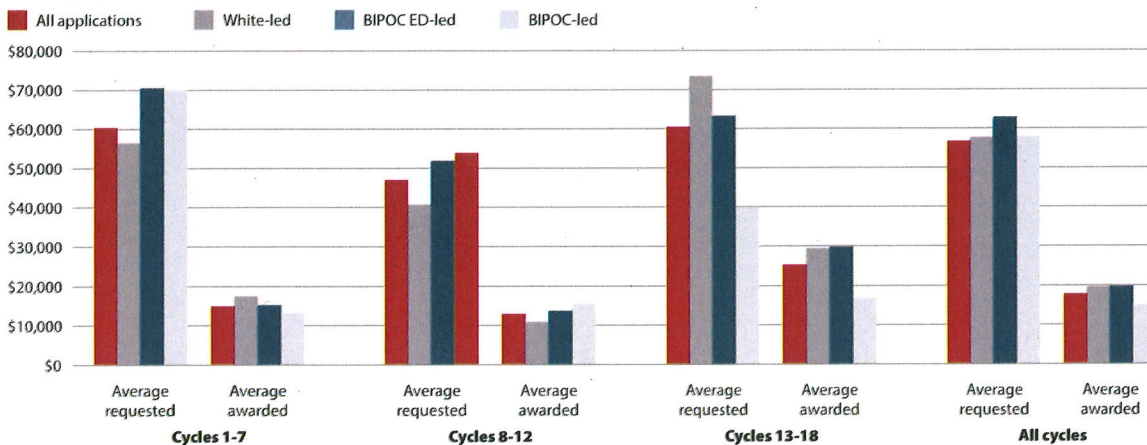
Schindler

The funders knew they needed to model a new way of doing business. What made these collaborations possible was a solid history of relationships, and what made them innovative and unique was the breadth and diversity of the partners, he said.

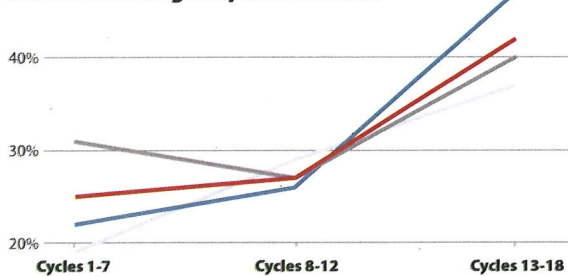
It's been an example of philanthropy at its best, said Peter Schindler, senior program officer at Community West Foundation. "It's really broken down a lot of doors between the individual foundations, which I think is amazing," he said.

Foundations spent the early

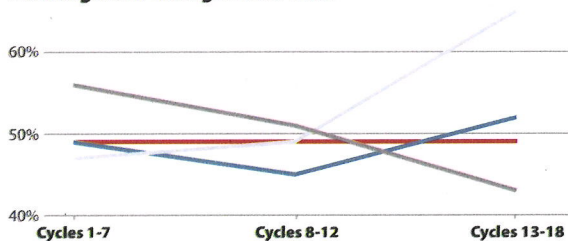
Average grant requests vs. average amount awarded



Percent of average requests awarded



Funding rates changes over time



Note: BIPOC-led was defined as the aggregate of racial diversity of those with decision-making power (board and senior leadership). Later, BIPOC ED-led was added to refer to the race of the Executive Director solely to consider multiple dimensions of what it meant for a nonprofit to be Black- or Brown-led.

SOURCE: GREATER CLEVELAND COVID-19 RAPID RESPONSE FUND

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weeks of the pandemic setting up entirely new processes faster than they would have thought possible to address challenges they'd never fathomed.

They realized there was no distribution system for personal protective equipment — once they learned what PPE even was, Egbert said. Ultimately, with financial support from the rapid response fund, Neighborhood Connections developed a PPE, hygiene and cleaning product distribution network that provided 2.5 million masks and six semi-trucks full of hygiene supplies throughout Cuyahoga, Lake and Geauga counties between June 2020 and July 2021.

This urgency to set up systems that didn't exist was also seen in the emergency need at depopulating homeless shelters and immediately standing up new ways of working with the population. Many nonprofits pivoted their work to food distribution to supplement the existing network of providers focused on hunger relief.

"But even with that, it was simply nowhere near sufficient immediately, and so there were very basic human health and safety needs

that needed to be addressed unbelievably quickly," Egbert said. "And nothing about the regular way of doing business was going to let that happen, so it needed to change really fast."

Foundations were able to leverage their own expertise. Those with experience in public policy and advocacy work emphasized the importance of regular, open

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— Daniel Cohn, vice president of strategy at the Mt. Sinai Health Care Foundation

lines of communication with all levels of government. Others with a focus on public health, such as Mt. Sinai and the Sisters of Charity Foundation of Cleveland, brought science to the table and in the collaborative's initial conversations brought up vaccines and the hard work ahead around education and distribution.

"You got the full spectrum of foundations and their priorities

and their philosophies coming together at one time in the most powerful and beautiful, beautiful way," Schindler said.

While Phase I of the fund was about quickly and efficiently getting money to nonprofits, the fund was able to build more of a structure and strategy for Phase II, including data collection.

Though it was difficult to draw conclusions after each biweekly grant cycle, after a few, Heather Lenz — CEO of Sangroid Strategy, who helped to analyze the data — brought a pattern to the fund partners.

The data showed during cycles one through seven, white-led organizations were funded at 56%, while BIPOC-led organizations (the aggregate of racial diversity of those with decision-making power — board and senior leadership) were funded at 47%.

By nature of the first chapter of rapid response funding, grants were only awarded to nonprofits that one of the foundations had funded before or that they were otherwise familiar with, Anglin said. After a few discussions, they realized that because many of the "unknown" nonprofits were minority-led, this policy was resulting in the disparity. It was also no longer necessary, as they had the time and the staff to resume the due diligence process on applicants, so they did. By cycle 9, that disparity was corrected, according to the report. And by the cycle 13-18 period, BIPOC-led organizations were funded at a rate of 65% and white-led were funded at 43%.

Overall, BIPOC-led nonprofits experienced a 21.5% improvement in their likelihood of being funded

tural differences that exist — but the sample size presented challenges. There also is no baseline dataset to compare outside of the fund, which is why they opted instead to look at disparities within the process and attempt to correct for them along the way between cycles.

Though an imperfect process, Cohn said the group didn't want to wait for perfection to move the needle toward closing the gap.

"And so this was a small step, but a really important step forward in understanding and developing the self-awareness about who is accessing our dollars, what leaders were supported, what organizations and new ideas were brought to bear," he said. "But also, a step toward really changing the way we collectively as philanthropy do business. And again, taking that smaller step toward doing it in a way that is closer to what we say we believe in."

Cohn said the Mt. Sinai Health Care Foundation and many other foundations have long been on a journey to understand equity and racism on a deeper level and integrate that into what they fund — and how and why. The experiences of the rapid response fund and now the Funders Collaborative on COVID Recovery both have helped to hone the foundation's skills and prompted the team to ask two questions in their equity analyses: who benefits, and who is burdened?

"And I realized that that sounds overly simple, but it's actually quite complex when you dig into what communities, what groups, what histories are supported and unsupported by any single decision we make, whether it's what word we choose in an application question or who gets a grant and who doesn't," Cohn said. "And I would say the rapid response fund experience has helped us get clarity on what those two questions are for us and also helped us develop the skillset to start answering those questions in a really meaningful way."

Ultimately, every foundation has to figure out what change looks like in their organization, but "philanthropy should not go back to the way it worked before," Anglin said. "If we're doing grant-making three years from now the way we did it three years before, we didn't learn anything."

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