

Project Summary

Canton, OH has a rich legacy as a prominent industrial center with ties to the steel and manufacturing sectors. While manufacturing remains a key industry, the city has been slowly transforming from a legacy economy to one that is more diversified and service-oriented. Like other regions with industrial legacies, the city’s labor market struggles with several economic challenges including high levels of poverty, unemployment, and low per capita income with large gaps along racial and geographic lines. In the city’s most distressed neighborhoods, residents are highly under-resourced, and the Social Determinants of Work (that is, the essential factors impacting employment outcomes¹) such as childcare and transportation are not adequately addressed.



Image 1: Canton, OH

In an effort to address these challenges, the Stark Economic Development Board (SEDB) is proposing for EDA’s consideration the **Reconnecting Canton** initiative. Reconnecting Canton builds on existing community programs and partnerships to create a set of mutually supporting, place-based interventions designed to catalyze inclusive economic growth while mitigating the conditions contributing to intergenerational poverty and economic immobility. Proposed interventions will prioritize southeast Canton neighborhoods and adjacent areas, ultimately reconnecting 400 prime-age job seekers to the workforce over the five year funding period.

The signature project of Reconnecting Canton will be the *Enhanced Pathways to Good Jobs & Small Business Growth* initiative - a hub for coordinating and supporting employers, workforce development agencies, small businesses, and training providers to maximize equitable job access and facilitate local wealth creation. This project will include the expansion of Canton’s successful Job Navigation Collaboration, Career Connect, which will serve as a bridge between job seekers and employers. The proposed hub will coordinate with multiple area workforce agencies and training providers to prepare job seekers for employment within the region’s high-demand industries including Manufacturing, Healthcare, Logistics, and Hospitality & Tourism. Other components include: 1) Skills-based education/training programs; 2) Work-based learning opportunities; 3) Good jobs with employers that prioritize DEI; 4) Career pathway advancement; and 5) Support for “off the grid” gig economy entrepreneurs (i.e. individuals operating outside regulated workforce and financial systems) to promote businesses and employment growth.

1. Regional Conditions and Needs

Canton, Ohio (pop. 69,671) is located in the northeast quadrant of the state and serves as the county seat of Stark County (pop. 372,657). It is part of the Canton-Massillon MSA and ranks as the state’s eighth largest in population. The city’s largest industries in terms of employment concentration are healthcare and social assistance, manufacturing, retail trade, and utilities.² Its PAEG rate is 9.7, and its Median Income is \$34,611, making it eligible for funding under this EDA pilot program.

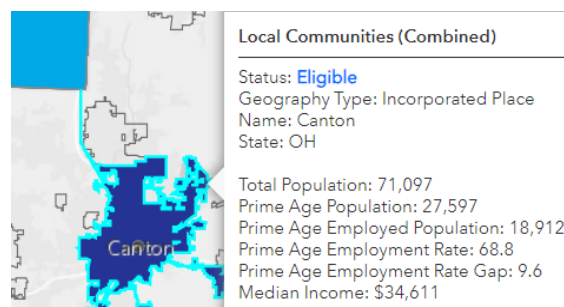


Image 2: Eligible Service Area

Compared to Ohio and the Nation, the city of Canton has higher populations of residents who are Black or African American (24.3%), live in poverty (30.3%), have disabilities (13.1%), and lack health insurance (11.3%). In the city's more distressed areas, the prime age employment gap rate is as high as 42%. With only 13.9% of Canton residents having a bachelor's degree or higher, the city's educational attainment rate is significantly lower than the state's (29.7%).³ The city includes five opportunity zones with unemployment rates as high as 18.3% and a per capita income as low as \$16,429.⁴ Unsurprisingly, these distress points have been exacerbated by a steady decline in the city's population—falling at a rate of .51% annually and over 17% since 1990.⁵ No single explanation can account for the city's pockets of poverty and high concentrations of non-working prime-age residents. Yet past disinvestments, inequitable urban renewal efforts, and industry shifts provide at least a partial explanation for the challenges affecting the city's distressed areas.

The impact of redlining. In 1937, federally supported city assessors rated multiple Canton neighborhoods as “hazardous” due primarily to their ethnic and racial composition. Like many neighborhoods receiving such assessments, residents of these areas were denied access to financial services and government-backed mortgage programs made available to more affluent areas. The disproportionate consequences of redlining are evident today, particularly in the city's southeast side where disinvestments contributed to present social vulnerabilities including higher rates of health-related challenges, unemployment, intergenerational poverty, and violent crime.⁶



Image 3: 1930s Redline Map, Canton, Ohio

Urban “renewal.” Urban renewal efforts in these same neighborhoods in the 1960s included the extension of Route 30 (which tore directly through a thriving Black business district) and the clearing of 56 acres of primarily Black neighborhoods (known as Madison-Lathrop) to make way for industrial property. These “renewal” efforts further segregated minority neighborhoods from vital community resources and accelerated economic decline. While these projects aimed to eliminate blighted housing and catalyze industry development, the effort resulted in the displacement of hundreds of southeast Canton families, 97.5% of whom were racial minorities. Many from those neighborhoods were forced into public housing.⁷

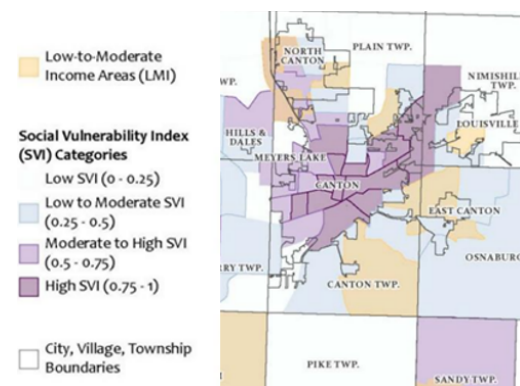


Image 4: Social Vulnerability Map

Moreover, much of the newly constructed industrial property fell into disuse within only a few years, as the economic prognostications had not fully anticipated the effects deindustrialization would soon have within the region.⁸ To this day, these neighborhoods experience significantly higher poverty rates (as high as 67.3%), lower educational attainment rates (up to 19.7% lack a high school education), and lower annual median incomes (as low as \$15,318).⁹

Impacts of Industry Shifts. Like many Midwestern cities attempting to transition from a legacy economy, loss of key industries (e.g., steel and manufacturing), population decline, and failure to achieve economic diversification have resulted in a constellation of challenges that are disproportionately felt by the city’s poorest areas. Moreover, the lack of targeted investments necessary to stimulate economic recovery make profitable employment opportunities difficult to access. With EDA funding, Reconnecting Canton will implement a set of place-based interventions in SE Canton to reconnect these once vibrant communities.

2. Strategy and potential investments

To address the challenges described in the previous section, Reconnecting Canton proposes three place-based interventions: 1) Enhanced Pathways to Good Jobs & Small Business Growth; 2) Community Resource Hub Expansion; and 3) Connections to Transportation and Technology. Projects are centered on highly focused workforce development strategies and the Social Determinants of Work (SDOW), including evidence-based approaches that enhance the potential for job attainment and retention.¹⁰



Image 5: Social Determinants of Work

SDOW focused interventions will increase workforce participation of historically underserved populations and promote local economic development, particularly in Canton’s southeast neighborhoods and contiguous areas. Collectively, these initiatives will provide services and facilities that support effective workforce development, transition small businesses with unreported income, and facilitate access to traded sector jobs prioritized by SEDB and the region’s Comprehensive Economic Development Strategy (CEDS).¹¹ Projects also aim to ensure wealth creation through access to financial education, credit, legal aid, and small business support. These interventions will be carefully monitored to ensure they can eventually be scaled to serve the broader city of Canton.

2.1. Enhanced Pathways to Good Jobs & Small Business Growth. Education, sector-based training, and on-the job learning are essential to increasing the likelihood of young adults obtaining good jobs by age 30.¹² Based on this proven strategy, and under the co-leadership of Ohio Means Jobs and the Strengthening Stark Career Connect Collaboration, this project will coordinate employers, workforce development agencies, and training providers to reconnect 400 prime-age job seekers in the targeted service area to the workforce over the five year funding period. A premiere component of this project is the expansion of Career Connect, Canton’s successful Job Navigation Collaboration. In 2022, job navigators placed 212 workers in jobs serving 174 local employers. These jobs represented multi-industry career pathways with entry-level wages averaging \$15 per hour. Additionally, Reconnecting Canton will provide support for “off the grid” gig economy entrepreneurs (i.e. individuals operating outside regulated workforce and financial systems, including home-based childcare, repair services, and professional services). An estimated 30,000 to 40,000 northeast Ohio residents work in the gig economy¹³, indicating a tremendous opportunity for entrepreneurship support and promotion of businesses and employment growth.

Other project components include: 1) Access to skills-based education/training programs; 2) Business engagement to promote work-based learning opportunities such as paid internships

and apprenticeships; 3) Good jobs with employers that prioritize DEI and welcoming workplace cultures; and 4) Career pathway advancement. Reconnecting Canton will not only create wealth for individuals in the targeted areas, it will create income streams to further support community revitalization, contribute to the local tax base, and rebuild pride of place for southeast Canton.

2.2. Community Resource Hub Expansion. Under the co-leadership of the City of Canton and Canton For All People, this project will provide space for the delivery of new and expanded services that address the SDOW, workforce development, and wealth building. Community services will be accessed by 1,200 people from the targeted service area over the five year funding period. Southeast Canton has two existing locations to provide place-based services to under-resourced and disconnected residents: Gonder Community Plaza and Southeast Community Center. These centers have received substantial federal, city, and private investments (e.g., EDA ARPA funding) but are in need of additional support to provide expanded and comprehensive services, including upgrades to mechanicals, equipment, and staff to maximize outcomes.

The Community Hub Resource Expansion will focus on addressing employment barriers addressed in the SDOW - including key services that mitigate long-term negative impacts of historic redlining.¹⁴ This Resource Hub will include: 1) Computer access/training; 2) Business development services for women, veteran, and minority entrepreneurs; 3) Legal aid support; 4) grocery, and laundry cooperatives that create jobs and local ownership; 5) Health and behavioral health services; and 6) Financial literacy and banking services. Many of these resources, such as access to childcare and healthy food, are severely lacking in these neighborhoods. Additionally, the planned hubs will host community-wide events (e.g., art walks, festivals, and craft fairs) designed to draw residents from other Canton communities into the southeast neighborhoods. Long term, Reconnecting Canton will create a community that will attract new residents, not just support those already living in the southeast neighborhoods.

2.3. Connections to Transportation and Technology. A recent transportation pilot project in northeast Ohio confirms that better transportation helps people gain steady employment, and it helps employers retain good workers.¹⁵ Based on this proven strategy, this project will address mobility and technology challenges that restrict job access and disconnect under-resourced residents from opportunities in other areas of the city. Transportation and technology services will be accessed by 2,500 people from the targeted service area over the five year funding period.

Led by the City of Canton, partners will remove transportation barriers through activities such as: 1) Improving access to public transportation; 2) Coordinating ride- and car-share opportunities; 3) Establishing local/cooperative ownership of an auto repair shop; and 4) Providing funding for car repairs/purchases. Partners will also collaborate to maximize the “3 As” of technology - Availability, Accessibility, Adoption - to ensure that residents of SE Canton have the ability to use technology for education, job search/application, and remote work.

3. Equity Plan

3.1. Equity Strategies. As indicated in previous sections, Canton’s economy is marked by intersecting racial, geographic, and gender-related disparities. The largest demographic living below the poverty line are females who are between 24-35 years of age.¹⁶ The city’s largest racial populations living in poverty are Blacks (52%).¹⁷ In minority neighborhoods, household incomes are as low as \$13,136, and Black children are about 1.5 times more likely to live in poverty than their non-Hispanic white peers.¹⁸ Residents in these communities also have difficulty gaining access to health care and often experience food insecurity as well as neighborhood violence.¹⁹

Unsurprisingly, the constellation of these distress points have contributed to high levels of social vulnerability (see image 4), reflecting persistent inequalities that have afflicted these neighborhoods for generations.

As part of its strategic development effort, Reconnecting Canton will create an inclusive economic development plan that links equitable outcomes to Phase 2 project-level interventions. Promoting equitable inclusion is not a siloed activity but a cross-cutting value that extends across all projects. To ensure project benefits are shared equitably across all affected populations, Reconnecting Canton will:

- Operationalize metrics that focus on equity impacts;
- Locate component projects in distressed communities with project-specific strategies for scaling into other distressed communities region-wide;
- Ensure that projects incorporate stakeholder and community input into project planning and activities;
- Strengthen partnerships with equity-serving civic organizations and ensure historically excluded populations including racial minorities and women are impacted.
- Advance other societal benefits such as improving community health (Project 2); enhance minority entrepreneurship and ownership of community assets (Projects 1, 2, and 3); increase labor market-aligned job skills (Project 1).

3.2. *Equity Partners.* Organizations in the chart below have committed resources to this effort and have records of representing and working on behalf of historically underrepresented groups.

Table 1: Equity Strategy Partners	
Partnering Organization	Commitment to Equitable Economic Growth
Stark County Community Action Agency (SCCAA)	A 501C (3) non-profit organization designated as an anti-poverty agency for Stark County, Ohio. The SCCAA is a significant program provider of services, working to promote self-sufficiency among low-income persons.
Stark Metropolitan Housing	A political subdivision of the state of Ohio and funded in part by the United States Department of Housing & Urban Development to provide subsidized housing and self-sufficiency opportunities for eligible citizens of Stark County.
Greater Stark County Urban League	The premier community-driven organization connecting businesses and individuals, providing readiness training and wrap-around services to fill the many available jobs in Stark County.
Canton for All People	A Community Development Corporation formed by Crossroads United Methodist Church to bring quality housing and opportunities for all people to downtown Canton.
Stark County NAACP	An organization committed to achieving equity, political rights, and social inclusion by advancing policies and practices that expand human and civil rights, eliminate discrimination, and accelerate the well-being, education, and economic security of Black people and all persons of color.
Stark County Minority Business Association	Works collaboratively to create a self-sustaining entrepreneurial ecosystem for minorities and women.

4. Regional Assets

An investment from the EDA will enable Reconnecting Canton to activate key assets and leverage unique, regional collaborations in order to maximize the outcomes of the proposed

interventions. Assets and Resources include pivotal employers and employer facing organizations who are at the forefront of their respective industries. These include employers, SEBD’s manufacturing and transportation/logistics industry sector partners, and critical anchor institutions such as Aultman Hospital, Cleveland Clinic Mercy Hospital, and institutions of higher education. In 2021, the seven Canton area institutions of higher education saw a total of 4,123 completions (including Postsecondary Certificates, Associate's Degrees, Bachelor's Degrees and Master's Degrees) supplying critical talent to a wide range of professions, employers, and industries.²⁰ Assets also include several workforce development organizations as well as core leaders in inclusive economic growth.

The following table provides an abridged inventory of local and regional resources that are critical to reducing PAEG and changing the economic dynamics in SE Canton and opportunity zones.

Asset Type	Core Function/Contribution	Partners/Assets
Economic Development	Ecosystem management; Business engagement; Dev. of industry clusters for intentional connections to training.	Stark Econ. Dev. Board (SEDB), NEO Four Co. Reg. Planning & Dev. Org. (NEFCO), Team NEO, Ohio SBDC, Greater Stark Co. Urban League, Stark Area Reg. Transit Auth. (SARTA), The Fund for Our Econ. Future (FFEF), Stark Community Foundation (SCF), City of Canton, Strengthening Stark/Career Connect
Government	Anchor jurisdictions; Promote equitable workforce dev.; Leading innovative pilots.	Stark-Tusc Workforce Dev. Board/Ohio Means Jobs (OMJ), The City of Canton, Stark Metro. Housing Authority, Stark Co. Job & Family Services, Stark Co. Commissioners, Stark Co. Prosecutor's Office, State & Federal Legislators
Employers and Sector Partner Leaders	Provide living wages & career pathways; Engage cultures that promote retention.	Aultman & Cleveland Clinic Mercy Hospitals, Visit Canton & Pro Football Hall of Fame Village, Stark Co. Manuf. Workforce Dev. Partnership, SEDB, Canton Regional Chamber of Commerce, City of Canton
Labor & Workforce Training	Strengthen private sector participation; Synergistic funding approaches.	Ohio Manuf. Assoc., Stark Co. Community Action Agency (SCCAA), Stark Tusc Workforce Dev. Board/OMJ, Sheet Metal Workers Local 33, Goodwill Industries
Higher Education	Forward thinking providers; Maximize Ohio's training programs.	Stark State College, Aultman College of Nursing & Health Sciences, Walsh University, Kent State University at Stark, Canton City Schools-Adult Education
Equity Partners & Other Key Organizations	Create defined areas of service; Crucial to community needs assessment & stabilization.	Stark Co. Urban League, Habitat for Humanity, Canton for All People, Early Childhood Resource Center, Stark Community Found., NAACP, Econ. & Community Dev. Inst.(ECDI), Stark Co. Minority Business Association, ABCD Inc., Stark Metro. Housing Authority
Real Estate	Existing infrastructure and investments to minimize costs and scale services.	Canton - SE Community Center (\$700k investment), Gonder Place - Canton for All People (\$3.5 mil investment), Habitat for Humanity (Build/renovate 300 homes/5 years)
Leveraged Funding	Braided funding; Integrated workforce dev. with equitable wealth distribution.	EDA Good Jobs Challenge, DOL Nursing Grant Expansion; EDA ARPA funds, SCF, SMHA Choice Neighborhood Planning Grant, FFEF-Employer Support/Barrier Removal

5. Targeted Geographical Approach

As indicated in sections 1 and 2, the nexus of the proposed projects will occur within a set of contiguous neighborhoods in SE Canton and nearby areas, including opportunity zones. Combined, the current PAEG for these areas is 25%, and the median household income is ~\$32,000. The following table provides an overview of the targeted census tracts.

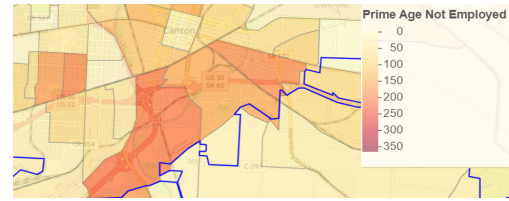


Image 6: PAEG MAP of Canton, OH

Census Tract	7012	7013	7015	7018	7021	7023	7025	Total/Ave.
Target Pop. Size (25-54)	1,478	1,726	854	636	1,252	936	1036	7,918
Target Pop. Not Employed	206 (%14)	411 (24%)	161 (19%)	187 (29%)	366 (29%)	358 (38%)	251 (24%)	1,940 (25%)
Med. Age	38.6	35	32.6	33	37	23.6	44.5	35
Med. Household Income	\$44,163	\$35,680	\$26,283	\$22,057	\$32,158	\$15,318	\$47,905	\$31,938

In alignment with EDA investment priorities, Reconnecting Canton is designed to facilitate job access and business growth in these areas. Yet without a collective effort to address the conditions forestalling desirable employment outcomes, the prospect of job access and business growth is a nonstarter. Reconnecting Canton will build on existing, foundational initiatives to establish critical infrastructure supporting growth and mitigating the barriers that have prevented these neighborhoods from creating personal wealth and realizing an equitable share of the city’s resources.

Using methods employed by organizations such as the United Way,²¹ the proposed plan will convene partners from across the city to initiate broad, systems-level changes that reconnect prime age job seekers to the workforce and stimulate economic mobility. Specifically, the complementary projects described in this proposal are designed to (1) address the Social Determinants of Work that are most relevant to the target neighborhoods (most notably childcare, health and food access, transportation, affordable technology, and workforce training); (2) engage job navigators and select employers with solid career pathways to provide apprenticeships and paid work-based learning opportunities leading to good jobs; (3) facilitate place-based wealth creation by supporting “off the grid” gig economy entrepreneurs and establishing locally owned grocers, laundromats, and childcare centers. There is a pressing need to close opportunity gaps for marginalized groups by growing and improving access to and preparation for good jobs. For this reason, this plan will also leverage current federal investments awarded to Reconnecting Canton partners to accelerate workforce development in healthcare and manufacturing (See Table 2).

Ultimately, the proposed plan aims to activate its local assets and resources to catalyze place-based economic revitalization. Reconnecting Canton operates on the assumption that economic distress is invariably a product of local factors, challenges, and histories. No one-size-fits-all approach to economic growth is likely to yield improvement over time. For this reason, Reconnecting Canton will—with assistance from the EDA—look to its rich base of community-invested partners to ensure a sustained commitment to interventions that are responsive to the specific barriers facing Canton’s poorest residents.

6. Partnerships and Potential Commitments

Lead applicant Stark Economic Development Board (SEDB) is a private, non-profit business organization that works to expand and attract business in Stark County. Its core competencies include not only business attraction but business financing, real estate development, zoning and regulatory compliance, funding for environmental remediation, private equity financing, and the administration of the Stark County Port Authority. Through its signature initiative Strengthening Stark, SEDB has convened a robust set of organizations (including businesses, economic development partners, government, educational institutions, nonprofits and philanthropy) who are uniformly committed to removing barriers to employment, developing local talent pipelines, and unlocking economic opportunities for minorities and low-income residents. In total, over 30 organizations have indicated support for this proposal, and over 20 are contributing assets in order to facilitate project activities and outcomes (see Tables 1 and 2 for lists of committed partners).

Project	Committed and Anticipated Partners
Project 1: Community HubExpansion	Canton for All People (Co-lead); City of Canton (Co-lead); Greater Stark County Urban League; ICAN Housing, Inc.; Goodwill; OMJ; Men’s Challenge; SCCAA; Early Childhood Resource Center; Stark State College; Labor Organization; Manufacturing Sector Partnership; Stark County Minority Business Association
Project 2: Expanded Pathways to Good Jobs	Ohio Means Jobs - Stark County (Co-lead); Strengthening Stark Career Connects (Co-lead); SEBD, Manufacturing Workforce Board; Community Colleges and other Training Providers
Project 3: Connections-Transportation & Technology	City of Canton (Lead); SARTA

SEBD has also established a multi-partner governance structure and engagement plan for convening stakeholders, activating key assets, and garnering private-sector, public-sector, and philanthropic commitments. The governance structure includes an operating board as well as interim Regional Plan Coordinator (RPC) Bishara Addison. Ms. Addison is the Director of Workforce Innovation at the Fund for Our Economic Future. Her work focuses on convening and aligning regional and national partners to support innovative solutions related to labor market participation and job quality. In her role as RPC, Ms. Addison will assist SEDB with convening participating organizations and help create lasting partnerships to ensure successful implementation of proposed Recompete strategies.

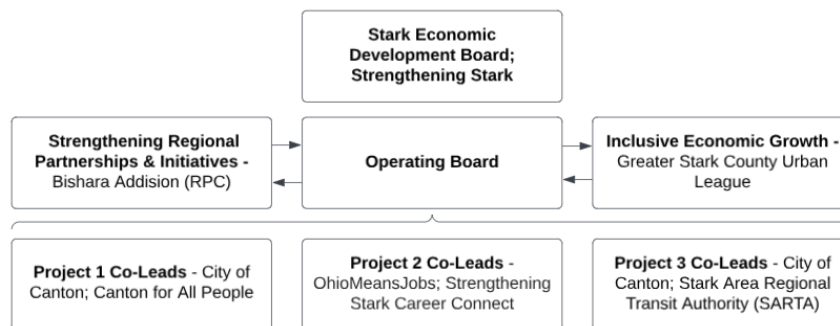


Image 7: Reconnecting Canton Operating Board