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Greater Cleveland Roundtable, correspondence, minutes,  
memoranda, reports, newspaper clippings, and notes, 1982.



ROOM 2041 100 ERIEVIEW PLAZA CLEVELAND, OHIO 44114 (216) 579-9980

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Dr. Willis Winn

January 6, 1982

### STATE LIAISON COMMITTEE

#### Notice of Meeting

The State Liaison Committee will meet on Thursday, January 14, 1982, at 8 a.m. at the Main Temple, University Circle at Silver Park.

Thank you for your continuing interest and participation.

  
Daniel Jeremy Silver  
Chairman  
State Liaison Committee

Please Respond  
579-9980

1) State License Comm - (Mell could  
 learn from  
 David Hill)

Q - How state holiday responsibilities  
 what needs to be done to ensure clearance for  
 for state

- = meeting
- 1) JOEL FOX - HONNY ZUCKER
  - 2) Fed for Learning Plans
  - 3) Mark Tabor
  - 4) report committee - [Richard Wilson]

understand - if responsible Comm - I have made  
 Comm

EMph  
 Broder

2) defend local community committee  
 4 pages.

Q - FLOW of INFO from Cch. -  
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9 Block grants 7.5B  
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 INCOME  
 do not have to  
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 AUDIT OR hold  
 TO cut (public  
 hearing)

- Bill changes funding to  
 present system in Colorado

- Change of budget debt - just to  
 - Jan -

- How to RAISE CONSCIOUSNESS of issue

- Reporting of affected AGENCIES - Planning  
 by affected AGENCIES

- will state abandon COOPERATION TEAM

How will STATES  
 monitor or  
 establish results,

LAUREN  
 -  
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 & PIR  
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 TORRMAN  
 MARK-LEE  
 PROSTATE



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Dr. Willis Winn

January 7, 1982

COMMITTEE ON RACE RELATIONS

Notice of Meeting

The Committee on Race Relations will meet on Tuesday, January 19, 1982, at 7:30 a.m. in Bishop Pilla's office, Catholic Diocese of Cleveland, 1100 Superior Avenue.

The proposal regarding the Race Relations survey will be sent to you within the next few days.

Thank you for your continuing interest and participation.

  
Reverend Otis Moss, Jr.  
Chairman  
Race Relations Committee

PLEASE RESPOND  
579-9980

*Called re  
1/18/82*

MEMORANDUM

TO: Board of Trustees

FROM: Sarah S. Austin

RE: Race Relations Committee - Survey Project

DATE: January 13, 1982

I. Introduction

The Race Relations Committee of the Greater Cleveland Roundtable is one of four operating committees. The chief goal of the Committee is to find ways to support and maintain a healthy and positive climate of race relations in the community. After several meetings, the Committee has recommended that a survey be conducted to help determine the status of race relations in our community at this time. Such information and data would assist the Committee in the development of its plan of action.

The race relations problem in America remains a serious one. During the summer of 1981, the United States Commission on Civil Rights issued a report entitled, "Civil Rights: A National, Not a Special Interest." It examined sections of the federal budget which would have a significant impact on civil rights and civil rights enforcement efforts and programs. Commission data and Bureau of the Census statistics reviewed black progress in the areas of voting rights, education, employment, and family income. The Commission concluded:

"Although some observers assert that the burden of race is no longer a relevant issue in public policy formulation, it is obvious that discrimination and segregation have not disappeared from American life. The statistical evidence documents this. Finally, the complaints to government agencies and findings of the courts all reveal the prevalence of racial discrimination and segregation as continuing national problems."

On the local scene, in 1980 The Plain Dealer assigned eleven reporters to study the black population in Cleveland. Government, housing, employment, the media, education, and the justice system were the subject areas. The Hough and Glenville neighborhoods were specifically examined. The black unemployment problem was discussed. Employment concerns in the areas of management and contracting were reviewed. The black political climate, school desegregation, and justice system were also explored. Interviews with people in the black community clearly pointed out that minorities continue to feel that they face racial discrimination from both individuals and institutions.

In addition, a recently completed study for the New Cleveland Campaign documented the importance of race relations in the minds of Cleveland residents and leaders. While most responses to the surveys were generally positive, an undercurrent of concern, articulated in a variety of ways, about race relations was found. Some people spoke about busing, others about the condition of the schools; others mentioned race relations directly. And other concerns -- about "political disarray," for example -- also had elements of racial issues involved. A higher level of dissatisfaction with Cleveland among the black population of the area was also found.

As the Race Relations Committee prepares to examine the area of racial relations among Greater Clevelanders, a survey seems to be a logical first step. The attitudes and perceptions of both whites and black Greater Clevelanders need to be probed. A carefully worded and clearly focused survey would provide valuable information. But special precautions must be taken to avoid any abuse or misuse of the survey statistics that would harm or further polarize relationships between the minority and majority communities.

## II. Proposed Survey

### (A) Available Data

The Committee arrived at the need for a survey after considerable research had been done on the availability of data and statistics available relating to race relations in the Greater Cleveland area. Contacts were made with the following organizations:

Cleveland Foundation  
Cleveland State University Afro-American Studies  
Department  
Commission on Catholic Community Action  
Community Relations Board - City of Cleveland  
Council on Human Relations  
Cuyahoga Plan of Ohio  
Federation for Community Planning  
Greater Cleveland Inter-Church Council  
Jewish Community Federation  
NAACP  
National Conference of Christians and Jews  
Office of Desegregation Implementation -  
Cleveland Public Schools  
Office of School Monitoring and Community  
Relations  
Plain Dealer  
Urban League

Only a few organizations have compiled data and statistical information directly relating to race relations. The Cuyahoga Plan of Ohio, Inc., was formed in 1974 to work in the area of housing discrimination. Operation of The Metropolitan Open Housing Program is the Plan's main focus. The Program is designed to do three things:

- (1) stop and prevent racial discrimination in the rental and sale of housing,
- (2) reduce the pattern of racial segregation in housing, and
- (3) encourage patterns of permanent integration

The data available at the Cuyahoga Plan identifies racial patterns in the area of housing and education. The Plan has published several reports on population and race which estimate the racial composition of census tracts in Cuyahoga County. The reports cover from 1970 to the present. The Plan has also compiled data on the racial patterns in school enrollment among Greater Cleveland schools. One report covers the 1970-78 period. An updated report for the 1978-80 period was recently completed.

The Urban League of Greater Cleveland has prepared surveys and compiled data on special subjects important to the local black community. A needs assessment survey conducted during the summer and fall of 1978 seems to be the League's most comprehensive effort in the past few years. The survey was designed to elicit attitudes and opinions of black Clevelanders regarding neighborhood problems; the provision of public services; the availability of community services; and the costs of goods and services. A ranking of the three most important solutions to concerns in health, education, housing, employment, costs of goods and services and crime was also performed. Six hundred face-to-face, in-home interviews were conducted of which 525 were validated. The primary purpose of the survey was to guide program development within the Cleveland Urban League. The secondary purpose was to gather information necessary to justify financial support. Other surveys performed by the Urban League include a review of the operations of the Cuyahoga Metropolitan Housing Authority (CMHA) through tenant interviews and a report on minority employment in law enforcement in Cuyahoga County.

The Office of School Monitoring and Community Relations (OSMCR) has recently conducted a major survey of attitudes of parents with children enrolled in Cleveland Public Schools. Four hundred and seventy five parents were interviewed to obtain information on the attitudes of parents toward desegregation of the schools; their perception of how the school system is implementing the educational aspects of the court order; and their attitudes about the quality

of education, quality of leadership, and needs of the school system. The Cleveland Public Schools Office on Desegregation Implementation also completed a survey in August. It reported the opinions of more than 3,300 students, teachers, and administrators about the quality of education, school environment and leadership of the Cleveland Public Schools. Although some of the survey information is broken down into racial statistics, the bulk of the data is not.

The Federation for Community Planning seems to be the major repository of general data and statistics in Greater Cleveland. It maintains current demographic data for Ohio, its counties, and municipalities, and for the Cleveland Standard Metropolitan Statistical Area (SMSA). Data available includes census information, population estimates and projects, employment and unemployment reports, and family and housing characteristics, public assistance caseloads, crime data, and vital statistics. The Federation recently completed a survey on juvenile delinquency and crime. Most of the data has racial implications when it is broken down by census tracts and social planning areas. But the Federation has not done any surveys directly relating to race relations among Greater Clevelanders.

(B) Scope of Survey

It is believed that the survey would provide information in the following four areas:

- (1) What are the components of good race relations?  
Too often discussions of race relations are based on vague generalizations. These questions should address this issue by probing for the specific elements that people consider most important or that are key indicators of the status of race relations.
- (2) What are perceptions of the current status of race relations in Cleveland?  
These questions should address respondents' attitudes about their own and other racial/ethnic groups, as well as attitudes about group relations in Cleveland as a whole.
- (3) What are perceptions of future race relations in Cleveland?  
This questions should take the previous set of questions and extend them into the future, and then focus on events or trends likely to influence race relations.

- (4) How would people respond to specific programs aimed at improving race relations?  
Questions of this nature would be appropriate if the Greater Cleveland Roundtable has some program ideas it would like to evaluate. Understanding the views of different racial/ethnic groups will require sensitivity.

### III. Conclusion

The Race Relations Committee will meet with representatives of the proposed consultants to further define the goals and objectives of the survey; and to develop a plan of action for the utilization of the data. It is the feeling of the Committee that it has an opportunity to perform a very valuable function for the community. While "hard" data is scattered in locations across the community, data on the perceptions and attitudes of Greater Clevelanders towards one another is lacking. These attitudes stifle and block real progress.

SSA:kek

January 18, 1982

Mr. E. Mandell de Windt  
Greater Cleveland Roundtable  
100 Erieview Plaza, Rm. 2041  
Cleveland, Ohio 44114

Dear Del:

After a good bit of preliminary research on my part and a great deal of help from Sarah and various professionals at the Federation for Community Planning, the County Commissioner's office, the Mayor's office, and the Jewish Community Federation, our ad hoc State Liason Committee held its first meeting this morning. Our agenda was to sort out priorities and to develop a program. The full committee was present and it was decided to prepare a "primer" which would lay out the a, b, c's of the complicated state pass-through, block grant funding process which had been mandated by the Reagan administration and the reasons that Cleveland has a significant interest in the way this process is organized and administered.

Sarah has undertaken to see that this document is put together, and various agency and university professionals have volunteered their help. The committee plans to meet in late February to review the document and we hope to have it ready for the March 2 Board meeting of the Roundtable. All of the agencies whom we have contacted - in both the public and private sector - have welcomed Roundtable interest in the area and believe that we can be particularly helpful as a "blue ribbon group" which will help them coordinate their needs and work out a unified approach towards Columbus.

To suggest how the committee can be most helpful in specific situations is premature. Our first task is to receive a go-ahead from the Roundtable for continued activity in this area, and their suggestions. I should also reassure you that the committee sees itself as an enabling body and not one which

[Jan 18, 1982]

will administer programs or activities. The purpose of this letter is to alert you to our activities and to ask you for time on the March 2 agenda to describe our concerns, define our purposes, and to receive a go-ahead from the Roundtable.

Sincerely,

Daniel Jessmy Silver

DJS:mp



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January 19, 1982

BOARD OF TRUSTEES

Notice of Meeting

The Board of Trustees of the Roundtable will meet on Tuesday, February 2, at 7:30 a.m. in the Conference Center, 27th Floor, Eaton Corporation, 100 Erieview Plaza.

As follow-up to the last Board meeting, I am enclosing the minutes of the last two Housing Committee meetings and the staff document on the proposed race relations survey.

Please confirm your attendance in order that the appropriate arrangements can be made. (579-9980)

Thank you for your continuing interest and participation.

*Called 2041/25/82*

*E. M. de Windt*  
E. M. de Windt  
Chairman

/kek

Enclosure

E. M. de Windt  
Chairman of the Board  
and Chief Executive Officer

Eaton Corporation  
World Headquarters  
100 Erieview Plaza  
Cleveland, Ohio 44114

January 25, 1982

Dear Dan:

I hasten to acknowledge your letter of January 18 providing an update on your activities and those of the State Liaison Committee. I'm impressed with the progress the committee has made under your leadership, although not surprised.

As requested, I have asked Sarah to allocate adequate time on the March 2 agenda for you to report on the committee findings and recommendations.

We are indebted to you for providing the leadership for this vital project.

Sincerely,



EMdeW/ny

Rabbi Daniel J. Silver  
The Temple  
University Circle at Silver Park  
Cleveland, OH 44106



By BETTY KLARIC

Desegregation in Cuyahoga County is continuing at a slow pace, but there are fewer all-white enclaves than at any time in the past.

These are among the most significant findings of a Report on Population and Race by the Cuyahoga Plan, according to Executive Director Kermit J. Lind. The non-profit group works toward achieving integration in housing.

"It is slow," emphasized Lind. "But also over the past five or six years that we have been doing these reports, there is a steady trend and that is important."

Also significant, according to Lind, is the fact that the process of racial change is occurring at a number of locations, not just the east side.

Among other findings of the Cuyahoga Plan Report:

- The county had fewer all-white enclaves in 1980, with 31.7% of the census tracts in the most segregated category in 1977 as compared with 25% of them in 1980.

- While the trend is in the direction of more racial diversity, the progress toward desegregation in housing is very modest — with 70% of the county's population living in areas that are less than 5% non-white or less than 5% white.

- Blacks continue to be concentrated on Cleveland's East Side and in East Cleveland, Warrensville Heights and part of Garfield Heights.

- The black population is expected to go above 2% in the near future in Brook Park, Glenwillow, Mayfield Heights, Olmsted Falls, Pepper Pike, Richmond Heights, Solon and Strongsville.

- The non-white populations of Rocky River, Westlake, the far southwest, south and east suburbs are substantially Asian.

The report, written by Ralph Day, concludes that the fact that newly integrating areas are not all contiguous is a sign that racial discrimination in the housing market is lessening somewhat.

Despite the modest trend toward integration, the report declares:

"Given the continuing racial isolation of large areas of the county, the current pace of housing desegregation is unacceptably slow."

The Cuyahoga Plan report blames the slow housing market in 1979 and 1980 for helping to impede the pace of desegregation.

"These conditions particularly affect blacks, who have suffered more housing discrimination than any other minority group."

While blacks outnumber the rest of the minority population by more than nine to one, they are the least likely to reside in racially exclusive parts of Cleveland's West Side and the traditionally exclusive suburbs, according to the study. In these areas, when there is a non-white population, it is likely to be Asian.

Lind explained, "Orientals, in a statistical sense, are perfectly integrated or distributed throughout the county as though the housing market is totally unrestricted for them."

Hispanics (who largely make up the non-white population on Cleveland's West Side and nearby areas) are less racially or culturally isolated than persons with darker skins, added Lind.

At the same time that slow integration is occurring, the report notes that many areas of limited racial diversity have difficulty retaining that character.

"Practices in real estate rental, sales and lending that encourage resegregation now threaten some integrated areas," it said. "Therefore, affirmative marketing and community efforts are needed to fight these pressures and sustain an open, yet integrated, housing market."

Lind said it is clear that economic factors do not explain why blacks live in one area and not another. For instance, he pointed out that the average cost of a home in Shaker Heights is greater than that of the average home in Parma, yet Shaker has a much greater percentage (24%) of blacks than Parma (0.4%).

The following are suburbs showing "modest trends toward more choice for black home seekers than was the case several years ago:"

- Suburbs with predominantly white populations, but with at least 24% blacks, are Bedford Heights, Cleveland Heights, Oakwood, Shaker Heights, Warrensville Township and Woodmere.

- Those with black populations of at least 5% now include Beachwood, Berea, Euclid, Linndale, North Randall, Orange and University Heights.

- Blacks total 2% to almost 5% of the population in Bratenahl, Maple Heights and South Euclid.

- Also in the group of suburbs with slowly growing racial diversity are Brook Park, Glenwillow, Mayfield Heights, Olmsted Falls, Pepper Pike, Richmond Heights, Solon and Strongsville, which are now less than 2% black.

## Racial makeup of communities

Community	Blacks	Non-whites
Bay Village	0.1%	0.6%
Beachwood	5.9%	4.9%
Bedford	0.3%	0.8%
Bedford Hts.	28.7%	28.8%
Bentleyville	0.8%	0.8%
Berea	5.0%	5.9%
Bratenahl	3.0%	4.0%
Brecksville	1.9%	3.5%
Broadview Hts.	0.9%	2.2%
Brooklyn	0.5%	1.9%
Brooklyn Hts.	0.1%	0.7%
Brook Park	1.1%	2.3%
Chagrin Falls	0.3%	0.8%
Chagrin Falls Twp.	0.0%	0.0%
Cleveland	43.7%	46.5%
Cleveland Hts.	34.9%	27.0%
Cuyahoga Hts.	0.0%	0.7%
East Cleveland	86.5%	87.8%
Euclid	7.6%	6.7%
Fairview Park	0.1%	1.2%
Garfield Hts.	14.9%	15.5%
Gales Mills	0.3%	1.9%
Glenwillow	1.2%	1.2%
Highland Hts.	0.1%	1.0%
Hunting Valley	0.9%	2.4%
Independence	0.1%	0.7%
Lakewood	0.2%	1.5%
Linndale	5.4%	11.6%
Lyndhurst	0.2%	1.5%
Maple Hts.	3.2%	4.1%
Mayfield	0.0%	2.6%
Mayfield Hts.	1.0%	2.1%
Middleburg Hts.	0.3%	2.0%
Moreland Hills	0.6%	1.4%
Newburgh Hts.	0.0%	0.7%
North Olmsted	0.6%	1.9%
North Randall	19.3%	20.6%
North Royalton	0.1%	1.6%
Oakwood	43.1%	44.3%
Olmsted Falls	1.0%	1.6%
Olmsted Twp.	0.7%	1.6%
Orange	8.5%	9.6%
Parma	0.4%	1.9%
Parma Hts.	0.1%	1.4%
Pepper Pike	1.4%	3.1%
Richmond Hts.	1.1%	3.3%
Riveredge Twp.	0.2%	0.4%
Rocky River	0.1%	1.3%
Seven Hills	0.1%	2.3%
Shaker Hts.	24.4%	25.4%
Solon	0.9%	2.9%
South Euclid	2.2%	3.1%
Strongsville	0.7%	2.7%
University Hts.	9.6%	10.7%
Valley View	0.0%	0.1%
Walton Hills	0.0%	0.0%
Warrensville Hts.	75.0%	76.2%
Warrensville Twp.	45.2%	49.1%
Westlake	0.1%	1.4%
Woodmere	42.0%	44.3%

File

GREATER CLEVELAND ROUNDTABLE

Board of Trustees Meeting

Eaton Corporation

Tuesday, March 2, 1982

7:30 a.m.

MINUTES

PRESENT

M. C. Arnold, Vice Chairman  
D. G. Hill, C. F. Hoover, M. B. Weir, A. R. Pinkney,  
B. P. Foster, H. W. Andersen, C. Banks, L. Bevis,  
K. B. Bonutti, W. H. Bryant, E. E. Cade, E. C.  
Coaxum, J. C. Davis, W. De Lancey, J. J. Dwyer,  
N. M. Ellison, J. Feliciano, R. McCullough,  
A. P. Sanchez, D. J. Silver, G. V. Voinovich,  
W. B. Waetjen, J. M. Whitley, W. Winn, and  
S. S. Austin

Also attending - Steven Minter

The meeting was called to order by Mr. Arnold who informed the Board that Mr. de Windt was unable to attend the meeting because of family illness.

APPROVAL OF MINUTES

The minutes were approved as distributed.

ANNOUNCEMENTS

Mr. Arnold informed the Board that a luncheon was held in honor of the late W. O. Walker on February 19. The memorial resolution developed by the Board was presented to Mrs. Naomi Walker, his widow, at the luncheon. Mrs. Walker expressed her appreciation to the Roundtable for its thoughtfulness in presenting her the resolution in honor of her late husband. Reference was made to the newspaper articles on the luncheon which were distributed to the members of the Board.

ANNUAL MEETING

The Board regulations state that the annual meeting should be held during the first four months of the year. The Executive Committee has recommended that we hold the annual meeting in May. Therefore, Mr. Arnold said Board approval is needed to amend the regulations to extend the time to five months. This matter will be presented to the Board on April 13.

BOARD MEETING SCHEDULE

The proposed new Board meeting dates were distributed. It was noted that September 27 is Yom Kippur. It, therefore, was recommended that the meeting be changed to September 24.

STATE LIAISON COMMITTEE - RABBI SILVER

Rabbi Silver informed the group that as he looked around he discovered that there was no consistent body of information dealing with block grants. The staff was requested to develop a block grant primer which he indicated is in everyone's folder.

He stated that the problem has to do with the retooling of state government to deal with its new responsibilities. There is concern about how decisions will get made in Columbus. A good deal of research is required. No one can get a handle on the problem without adequate information. He feels that the Block Grant Primer is the first of its kind developed in the country. It is an excellent document. Sarah Austin should be applauded for her work. Even though she is listed as Executive Director, she has served as both writer and editor.

Reference was made to page 20 of the document which has to do with issues for the Greater Cleveland area. Rabbi Silver informed the group that it is important that everyone understand the extent of the structural changes that have taken place regarding federal, state, and local responsibilities. He also indicated that all the agencies in the area are interested in getting quick information from Columbus. He stated that he anticipated the situation will get worse before it gets better.

The Committee was not set up to be a line operation or a lobbying group but to serve as liaison with various other groups that are working on this issue. He also informed the Board that other groups are delighted that the Roundtable is familiarizing itself with this issue. We will continue talking to the professionals and decide how to proceed. Rabbi Silver recommended that the Block Grant Primer get wide circulation. It should go to the media as well as to the other agencies and organizations in the area.

Mr. Arnold indicated that Sarah Austin should be thanked for the staff work which was well done. The Primer was something he had been requesting and it represents a fine job. Mayor Voinovich said that Sarah Austin did an

outstanding job putting the document together. There are groups that have been working to ascertain the holes in the proposed safety net. The Mayor also indicated that he will be meeting with seven other Ohio mayors on March 10 who are represented in the Ohio Municipal League. The city health directors will also be meeting with their counterparts in the state. He further stated that the bottom line is that no one in Columbus seems to know what is going on and that there is no real mechanism in place at the state level to deal with the situation. Mr. Holmes stated that the report is an example of what a catalytic organization should do. Ms. Bevis said that the document has reminded her that we need to pay attention to those we elect to state offices. The leadership at the state level needs to be upgraded. Mr. Hill said now we hope this information will provide a basis for our understanding the complexities and the dimensions of new federalism.

COMMITTEE ON EDUCATION - ALLEN C. HOLMES

Mr. Holmes indicated efforts are being made to determine what is needed to get new leadership in place for the school system. Some of these efforts are related to the need to file a report with the court on the organizational structure. The order was issued on December 1, 1981. The reorganization plan is to be effective the Fall of 1982.

Our Committee has moved forward to work with other groups concerned with the involvement of parents. Reference was made to the League of Women Voters. We will also be supportive of the advisory committee which will be appointed to choose a new superintendent. He expects this committee will move forward very quickly.

COMMITTEE ON ECONOMIC DEVELOPMENT & JOBS CREATION - ARNOLD R. PINKNEY

Mr. Pinkney reported that the Subcommittee on Summer Jobs is being operationalized. A report will be made at the next Board meeting.

Minority Economic Development Subcommittee - Samuel K. Scovil & Thomas S. Watson

This Committee is also being operationalized. A staff document is being developed on the status of minority development activities in the area.

Mr. Foster also informed the Board that Jackie Presser had hosted a Cleveland Tomorrow briefing for labor at his office on March 1. The briefing was well received by the labor representatives.

COMMITTEE ON HOUSING & NEIGHBORHOOD DEVELOPMENT - BRUCE P. FOSTER

Mr. Foster reported that the Committee met on February 23. It was a good meeting. One of the questions considered was: Where would you move if you

wanted to live in Cleveland? The consensus was there is no place to move because no decent housing is being built. The Committee has also recommended that the city--the Mayor--instruct the City Planning Commission to develop a housing plan for Cleveland. There is the realization that no housing plan exists; the last plan was developed in 1949.

The other item reported on was revenue bonds for housing. Mr. Foster stated that this mechanism is very much needed in our state. Currently, there is no mechanism for financing housing in the state and in the area. He mentioned the current legislation that is being proposed in Columbus that has been introduced by State Representative Rankin of Cincinnati.

The following actions were taken at the meeting:

\*The Committee recommended that we support legislation proposing passage of an Ohio Constitutional amendment allowing the sale of tax-exempt bonds for new housing. Testimony is being given today before the House Ways and Means Committee. Representative Helen Rankin of Cincinnati has requested the support of the Roundtable in her efforts to obtain passage of the bill. Mr. Foster, therefore, recommended that we take action on this item. Ms. Bevis moved that we take a position favoring that kind of amendment. Mr. Davis questioned whether we know enough about the legislation to support it. Mr. Holmes indicated that the savings and loan banks which originally opposed the legislation are now supporting it.

Mayor Voinovich informed the Board that Ohio is one of the few states that does not allow revenue bonds for housing. He also made reference to a meeting he had at the White House. The Mayor indicated that the only thing on the agenda for dealing with housing is the voucher system. The President stated that revenue bonds are the way they intend to go. He informed the President that we do not have revenue bonds in Ohio and the President suggested that we need to develop this mechanism.

Mr. Weir indicated that he does not see any problems with the financial institutions at this point supporting the legislation. He did say, however, that revenue bonds may be preempted based on what is taking place in Washington.

Mr. Holmes stated that the issue is whether we should support the concept or the principal of tax-exempt revenue bonds; not whether we support a particular bill. It was unanimously agreed that the Roundtable would support the principal of tax-exempt bonds for new housing.

#### COMMITTEE ON RACE RELATIONS - DAVID G. HILL

Mr. Hill reported that the Race Relations Committee has been meeting regularly. It has reviewed proposals submitted by a couple of consulting firms including the most recent one submitted by Yankelovich, Skelly and White. He felt that the Committee has given careful consideration to questions raised

by its own members as well as other members of the Board. The Committee has provided satisfactory answers to the questions about the need for the survey, and the need to have the membership of the Race Relations Committee expanded.

Rabbi Silver asked if consideration had been given to how follow-up studies would be funded. Mr. Hill said no; that we are taking one step at a time. Mr. Dwyer expressed his concern that we will not get anything new from the study. Mr. Hill responded that he felt we would get some new data as well as credibility. Mr. Arnold made reference to the report developed by Dolph Norton and Paul Cox which talked about the dichotomy that exists in race relations in this community. He feels that the original impetus for the survey came from that report.

Mayor Voinovich said he still feels that not enough is known about the survey and that we should have one meeting devoted just to this matter. Mr. Davis indicated that he agrees with the Mayor. He also indicated that most of the representatives at the Race Relations Committee meetings have been black. There needs to be broader participation from the majority community which would hopefully bring about a better understanding of race relations in the community. Support is needed from both the black and white communities.

Mr. Arnold said he understands that some of the Board members have reservations about going forward until there is more discussion regarding our efforts to date. He also recommended that the survey be done as a benchmark against which future results could be measured.

Mr. Bryant said he supports the study, however, it needs to be structured in such a way so that follow-up work can be done. Careful consideration also needs to be given to the outcome and use of the information. Mr. Dwyer indicated that he is not opposed to providing the money, but he just doesn't see the need for the survey. Mr. Sanchez said that we might utilize the data from this study the same way we are attempting to utilize the data from Cleveland Tomorrow. Ms. Hoover indicated that the study is needed. She does not feel the cost is high for what we are getting. Dr. Bonutti stated that he supports the survey because we do not have the data in Cleveland which would help us develop a plan of action.

Approval was given to the Race Relations Committee and the staff to proceed with the implementation of the survey contingent upon the receipt of funding. It was also agreed that a meeting should be devoted to this matter so that all members of the Board would have an opportunity to discuss the scope of the survey.

#### BUDGET & FINANCE REPORT - M. BROCK WEIR

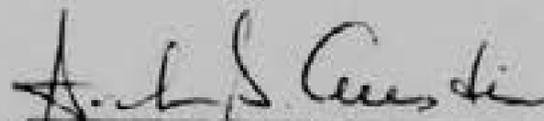
Mr. Weir indicated that he can testify to the current solvency of the organization. We have put together a good team to assist with our fundraising efforts. He does not have any grave reservations about whether we can raise the funds. He anticipates that we should be able to bring closure to the

Board of Trustees Meeting  
March 2, 1982  
Page 6

campaign within 30 to 35 days. He requested help from the members of the Board in serving as advocates to help the community better understand the work of the organization.

ADJOURNMENT

The meeting was adjourned at 8:59 a.m.



Sarah S. Austin  
Executive Director

SSA:kek

March 29, 1982

Mr. Mark Talisman  
227 Massachusetts Ave.  
Washington, D.C. 20002

Dear Mark:

I thought you would be interested in the first results of my involvement in the whole question of the new federalism. I appreciated the material that you sent and you will find some of it incorporated into this primer. The text has had wide distribution and will need frequent updating; but, at least, it defines the problem and the actors. Any suggestions, additions, changes that you might want to make will be deeply appreciated.

Our next step will be to try to coordinate a lobbying - information gathering - operation in Columbus.

I hope this finds you in good health. With all good wishes I remain

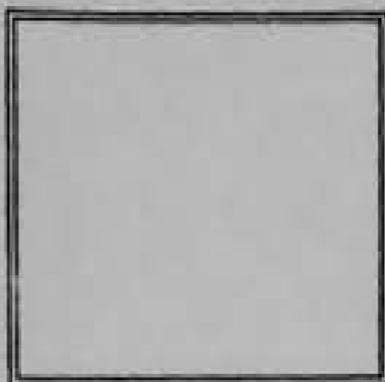
Sincerely,

Daniel Jeremy Silver

DJS:mp

Encl.

March 31, 1982



Honorable Francine M. Panehal  
Ohio Host Representatives  
State House  
Columbus, Ohio 43215

Dear Francine:

To follow up our meeting earlier this month, I am enclosing a preliminary list of faculty who might be called upon to advise you and your colleagues in planning a mechanism to administer block grant programs. We have spoken with some of the persons on this list, and know that they would be willing to serve in this capacity; others would be approached as needed. I expect that faculty from other areas of the University might also wish to help.

From our conversation, we presume that much, if not all, of the consultation to be provided would require that our faculty meet with you and your colleagues in Columbus. With this in mind, and in recognition of the tight budgets within which both you and we must work, we would consider approaching the Cleveland Foundation for a small grant to cover travel and related expenditures for these faculty. Your endorsement of this mechanism, perhaps in the form of a letter requesting this consultation addressed either to our President, David V. Ragone, or myself, would be very helpful in this approach to the Cleveland Foundation.

Please review the attachment and tell us whether it meets your needs. Should you have any questions, please feel free to call me at 216-368-2338; Professor John A. Yankey, Associate Dean of the School of Applied Social Sciences, at 216-368-2294; or Richard W. Lewis, Special Assistant to the Dean of the School of Medicine, at 216-368-3870.

Thank you once again for taking the time to meet with us. We look forward to hearing from you.

Sincerely,

Richard E. Baznik

REB:mam

Enclosure

cc: David V. Ragone  
Richard W. Lewis

Special Assistant to the President

John A. Yankey

bcc J.E. Silvers

[Mar 31, 1982]

Block Grant Technical Support for the Ohio General Assembly

Maternal and Child Health

Maternal and Child Health Services - Dr. Mortimer G. Rosen  
Dr. Avroy Fanaroff  
Prof. Ilga Zemzars

Crippled Children's Services - Dr. Morris Dixon

Hemophilia - Dr. E. Kurczynski

Sudden Infant Death Syndrome - Dr. Jeffery Blumer

Lead-Based Paint - Dr. Jerome Paulson

Genetic Diseases - Dr. Angus Muir

Adolescent Health Services - Dr. Bruce Gordon

Preventive Health

Emergency Medical Services - Mr. Stephen Smookler

Hypertension Control - Dr. Edward A. Mortimer

Rodent Control - Dr. Jerome Paulson

Fluoridation - Dr. Edward A. Mortimer  
Dr. Jerome Paulson

Health Education/Risk Reduction - Dr. Edward A. Mortimer

Home Health Services - Dr. Edward A. Mortimer  
Dr. Scott Inkley

Rape Prevention Services - TBA

General - Prof. Roger Ritvo

Alcohol, Drug Abuse, and Mental Health

Mental Health Services - Dr. Douglas Lenkoski

Drug Abuse Project Grants - Dr. Douglas Lenkoski

Drug Abuse State Formula Grants - Dr. Douglas Lenkoski

Alcoholism Project Grants - Dr. Douglas Lenkoski  
Prof. Lenore Vola  
Prof. Jack Johnson  
Prof. Thomas Holland

Alcoholism State Formula Grants - Dr. Douglas Lenkoski

Primary Care Block Grants

Community Health Centers - Mr. Philip Frieder

Primary Care Research Services - Dr. Jack Medalie  
Dr. David Schmidt

General - Prof. Roger Ritvo

Social Services

- Prof. Merl C. ("Terry") Hokenstad
- Prof. John A. Yankey
- Prof. Marvin Rosenberg

Child Welfare & Juvenile Justice and Corrections

- Prof. Richard E. Isralowitz
- Prof. John A. Yankey

Public Welfare--Organization & Training

- Prof. Merl C. Hokenstad
- Prof. John A. Yankey

Community Development Block Grants

- Prof. Arthur Blum

Case Western Reserve University

REB

March 31, 1982

ECONOMIC AND HUMAN RESOURCE DEVELOPMENT:  
ESSENTIAL PARTNERS IN PROGRESS

by

Dr. Nolen M. Ellison, President  
Cuyahoga Community College

April 14, 1982

Introduction

There is increasingly a clear and distinct relationship between the principles and actions required to bring about reindustrialization, the structural processes essential to support state and local economic development, and the effective and efficient delivery of job skills training and retraining. What is required most is leadership and a sense of focused strategic direction. This will be more critical for the nation and the states in the next decade than it was in the past forty years. The challenges ahead are clear. What is necessary at this time is a reinvestment in America's greatest asset--its human resources.

The growing consensus is that comprehensive economic development strategies--broad blueprints for action--are essential not only at the metropolitan level, but also statewide, if Ohio is to rebuild and revitalize its ailing economy. Greater Cleveland has taken significant steps in this regard, witness the recent Rand and McKinsey research and the dynamic partnership being built between government and the private sector.

It is also increasingly being recognized that human resource development--basically job skills training and retraining--is a critical ingredient in any recipe for economic revitalization. Although the tie between human resource and economic development has been tenuous up to now, there are "models" of such an integrated approach being created and tested in Ohio and Greater Cleveland, and the framework now exists for a truly comprehensive approach to economic development. It is likely that the full utilization of these emerging models in creating a comprehensive approach to development will depend more than anything else on the quality of leadership at the state and local level. Good thinking has been, and is being, done; to put it into action on a large scale will require a number of strategic decisions by top public and private leaders with a firm grasp on the issues.

#### The National Context

Even though considerable legislative work remains to be done, federal directions in the area of job skills training are crystalizing:

- Vocational education (largely for secondary school programs) and Comprehensive Employment and Training Act (CETA) dollars will flow as block grants to the states, which are expected to exert considerably more influence over their distribution than in the past. Both programs have been reduced, the most dramatic cut being in the CETA Public Service Employment Program. Indications at this time are that up to 30 percent of the federal vocational and adult education

funding traditionally channelled to the public school sector will be pegged to training programs related directly to local economic development needs. Set-aside funding is also being discussed for high priority demonstration projects which could serve as successful models for the nation.

- The private sector is likely to play a much larger role in planning, program development, and implementation in local CETA (or whatever its successor is called) programs, primarily through participation in local Private Industry Councils (PICs).
- The proposed Urban Enterprise Zone program, which provides tax incentives for businesses locating or expanding in the inner-city, will almost certainly have a strong job training component to address the need for skilled workers.

In general, although total federal allocations to job skills training programs will decrease, it is very likely that training will be more closely tied to economic development in at least one very real sense: that business leadership will have a larger voice in shaping such programs. A greater state government voice is likely to ensure both a broader view of the problems being addressed and a more effective use of available state resources.

### The Cleveland Arena

Locally, economic development strategies are only now emerging and so the incorporation of the human resource development component into such planning has not been addressed in detail. It will be no easy task, in light of the fragmentation characterizing the job skills training arena locally (and, it should be noted, characterizing the programs of communities throughout the nation). The reality is that there is no one "system" which can be linked to economic development. There are several systems with complex inter-relationships. For example:

- The City and County governments maintain separate CETA programs, with distinct administrative structures and governing bodies, each having its own planning and youth councils and PIC.
- Vocational education funding flows from the federal and state governments into public secondary and joint vocational systems via the State Department of Education.
- Cuyahoga Community College (CCC) provides an impressive array of technical/occupational programs, funded primarily through state subsidy (subject to Board of Regents oversight) and a local countywide tax base.

- Dozens of private, proprietary schools provide job skills training at rates intended to cover costs and return a reasonable profit.

The critical problem is not the lack of resources for human resource development locally, and it is not the fact there are many fingers in the pie. The real problem is that, up to now, there has been no top leadership body to provide strategic direction in order to ensure that the best use is being made of the very impressive resources we do have. In fact, there is no comprehensive, detailed inventory encompassing current and projected training needs and the full range of resources to address them. This absence of strategic and overall policy leadership is widely recognized, and as this is being written serious negotiations are underway to consolidate the City and County Private Industry Councils into a body with a strong mandate to provide strategic oversight to job skills training programs. This move is clearly in keeping with emerging federal and state directions.

#### The Developing Models

At the national level, one significant development has been the wider acknowledgement of the contribution of job skills training to economic development, in large measure as a result of research conducted by the Council of State Planning Agencies, a subsidiary of the National Governors' Association. For example, a recent study published by the Council (Litvak and Daniels' Innovations in Development Finance) has noted the growing evidence that a well-trained workforce is a greater incentive for business expansion or

relocation than lowering taxes. "In analyzing . . . potential state economic development policy, it is clear that many of the policies the states currently pursue are simply wrongheaded: lowering business taxes and providing tax incentives, it turns out, makes virtually no difference in business location decisions, yet the states consistently compete with each other to give away scarce taxpayer dollars . . . Since training adds to the cost of production, a state or sub-region that produces educated, skilled labor has an advantage over others. In fact, it has a double advantage, because high quality education can also cause more highly educated and skilled adult workers to migrate to the state or community, thereby enriching the labor pool."

Another significant national development is the increasingly aggressive posture of the two-year postsecondary education community in forging links between the tremendous resource that two-year colleges represent and the education and training requirements of American business and industry. Recently, for example, the American Association of Community and Junior Colleges (AACJC) issued a concept paper--"Putting America Back to Work"--that calls for a comprehensive national human resource development strategy which fully utilizes the resources of some 1,231 two-year community and technical colleges enrolling approximately 10 million students. This concept paper served as the focus for the national AACJC meeting held in St. Louis a few weeks ago.

At the state level, certain states, perhaps most notably North and South

Carolina, have for some time systematically promoted the relocation of industry by building a close, cooperative alliance with their two-year college system, which guarantees the delivery of high-quality job skills training tailored to the specific training needs of private sector firms. There is little question that this creative partnership between state government and the two-year college community has been a powerful incentive for economic expansion in the states employing it.

Ohio is making significant progress along these lines, and has the potential of becoming a national leader in creative use of job skills training resources. For example, the State Departments of Education and Economic and Community Development are collaborating on a program which provides funding and detailed technical assistance for the development and implementation of training programs custom-designed to meet the needs of new and expanding businesses. Several consortia of vocational and technical education institutions have been established throughout Ohio to promote this program; CCC is an active participant in the Greater Cleveland Consortium set up for this purpose.

Also at the state level, the Ohio Board of Regents (OBOR) is taking a more aggressive stance. It has recently issued an inventory of higher education resources available to business in Ohio--the "Ohio Resource Network"--and in its soon to be released five-year master plan strongly endorses the need to strengthen the education-business tie.

Locally, CCC continues to play an active leadership role on two fronts: (1) in the more effective mobilization and coordination of job skills training resources; and (2) in the development and testing of innovative projects, "models" if you wish. Before describing certain of CCC's more prominent initiatives, a word about the institution. CCC is a comprehensive community college, offering several two-year associate degrees and providing the opportunity for students to complete their baccalaureate degree at Cleveland State University and other four-year institutions. The over 40 technical/occupational programs that CCC offers are respected for their high quality. In the nearly 20 years since CCC was founded, some 300,000 County residents have enrolled for credit classes; 90 percent of our graduates are estimated to remain to live and work in Cuyahoga County, the great majority of whom have found jobs to which their studies at CCC have contributed. Modern, attractive campuses in Warrensville, downtown Cleveland, and Parma ensure easy access to top-notch, practical and affordable education.

Since roughly half of CCC's annual budget depends on state subsidy, the current state fiscal crisis continues to be a very real crisis for CCC, too. Fortunately, taxpayer-approved local tax levies have made it possible for CCC to maintain quality and accessibility while severely trimming costs.

For the past six or seven years, CCC has played an increasingly larger role in the non-degree job skills training arena, both because the need is great for high-quality, custom-tailored training for business and industry,

and because CCC represents a significant resource for addressing this need. During this period, CCC has become an active participant in both City and County CETA planning and program delivery and in the Greater Cleveland (Vocational Education) Consortium, being represented on the latter body's executive committee. In 1980, after considerable planning, CCC created a fourth "campus without walls" called the Urban Metropolitan Development Institute (UMDI), one of whose primary missions is to develop and deliver custom-designed job skills training to business and industry in Cuyahoga County. UMDI prides itself on its capability to respond rapidly to industry needs and its freedom from the often cumbersome processes of a large organization.

Allow me to describe briefly initiatives with which CCC is associated that hold out significant promise in terms of building a more comprehensive human resource development network in Cuyahoga County--one which is integrally tied to broader, countywide economic redevelopment strategies:

- In 1979, CCC received support from the City of Cleveland and the national Corporation for Public/Private Ventures in planning and implementing a highly successful large-scale machine trades training program for youth with strong business, labor, and government involvement in program planning, operation, and evaluation.
- With the assistance of a major state CETA planning grant, CCC has

developed the design of a comprehensive postsecondary skills training center, called the "Career Resources Academy." The state capital improvements budget includes an \$8.5 million appropriation for construction of the training center, which will be located close to CCC's Metropolitan Campus. We view this as a cooperative venture, with CCC brokering and coordinating the activities of a wide variety of public and private sector organizations to ensure the most effective resource utilization.

- A large-scale millwright training program is being conducted for CEI, and active planning is underway for several other custom-tailored skills training programs for local business. CCC's educational program developers are especially excited by the possibilities in the high-technology area which is, of course, vital to the community's future economic growth. In this regard, CCC is working closely with the State Department of Economic and Community Development and the Greater Cleveland Consortium to develop a major skills training program for the Technicare Corporation in Solon. Ultimately, CCC's plan is to use the interim Eastern Campus facility in Warrensville as a skills training center. This effort is contingent on CCC's reaching agreement with the City of Cleveland regarding use of the land on which the facility is located, and CCC's obtaining the necessary state support for renovation of the facility.

- CCC's current partnership with First Bank in implementation of the Bank Teller Training Program demonstrates the potential for productive government-education-business cooperation in addressing both economic and social ends.
- CCC officials are, at the invitation of the Mayor, working closely with the City's Department of Economic Development to ensure that the human resource development component of the City's Urban Enterprise Zone plan is carefully conceived.
- Following the completion of a major study of "articulation" between the vocational/occupational programs of CCC and the Cleveland Public Schools--conducted by the National Center for Research in Vocational Education and funded by the Cleveland and Gund Foundations--CCC and Cleveland School officials are engaged in active consideration of cooperative opportunities.

The common theme in all the foregoing activity is the importance of bringing to bear the substantial education and training resource of CCC in Greater Cleveland's overall economic revitalization effort, in alliance--not competition--with other community resources.

#### The Critical Challenge

The emerging federal, state and local models for cooperative, integrated

job skills training and retraining efforts are being created and tested. Whether they are fully used in building a more comprehensive system for economic and human resource development in Greater Cleveland depends largely on whether a top-level leadership body takes responsibility for the strategic planning and overall matching of resources with needs which must take place to ensure that the increasingly scarce resources are targeted toward their highest potential return on the investment. Perhaps the proposed "Super PIC" will be this group. Perhaps there is a role for the Greater Cleveland Roundtable. Whatever the solution, enduring progress cannot be made until a firm partnership design is confirmed. CCC is committed to joining in the common effort to find solutions to the emerging challenges.

1632B/bjj

GREATER CLEVELAND ROUNDTABLE

STATE LIAISON COMMITTEE

THE TEMPLE

FRIDAY, APRIL 16, 1982

8:00 A.M.

A T T E N D A N C E

Those Persons Attending

Rabbi Daniel J. Silver, Chairman

David G. Hill

Ralph Brody

William Plato

Those Persons Not Attending

Melvin C. Arnold

Leona Bevis

Philip Allen

[Apr 16, 1982]

FACTS ABOUT AMENDED SB 530

1. Most of the new revenue - \$437 million of \$519 million - comes from a surcharge on the income tax.
2. Basic education subsidies are cut 3.5 percent. Other education programs are cut more.
3. All other state programs including public assistance are cut 7 percent immediately. If planned tax collections decline further, another one percent will be cut.
4. The five percent increase in Aid to Dependent Children and General Relief due July 1 is eliminated.
5. Counties will be permitted to pay less than the \$96 minimum grant level for General Relief.
6. The bill may be as much as \$200 million short of meeting the actual deficit based on the latest revenue and caseload projections.

FOR MORE INFORMATION CONTACT:

Cindy Flaherty  
Associate Director  
Ohio Citizens' Council  
155 N. High Street  
Columbus, Ohio 43215  
  
(614) 224-8146



ROOM 2041 100 ERIEVIEW PLAZA CLEVELAND, OHIO 44114 (216) 579-9980

**Chairman**  
E. Mandell de Windt

**Vice Chairman**  
Melvin C. Arnold  
Carole F. Hoover  
Stanley C. Pace  
Jackie Presser

**Secretary**  
David G. Hill

**Treasurer**  
M. Brock Weir

**Committee Chairmen**  
Allen C. Holmes: Education  
Reverend Otis Moss, Jr.:  
Race Relations  
Arnold R. Pinkney: Economic  
Development & Jobs Creation  
Jackie Presser & Bruce Foster:  
Housing & Neighborhood  
Development

**Executive Director**  
Sarah S. Austin

**Members**  
Reverend Dr. Henry W. Andersen  
Claude Banks  
Leona Bevis  
Claude M. Blair  
Alva T. Bonda  
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Edward C. Coaxum, Jr.  
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William DeLancy  
John J. Dwyer  
Dr. Nolen M. Ellison  
Jose Feliciano  
Council President George L. Forbes  
John A. Gelbach  
Martin Hughes  
William E. MacDonald  
Morton L. Mandel  
Rubie McCullough  
The Right Reverend Anthony M. Pilla  
Richard W. Pogue  
Albert B. Ratner  
Edward H. Richard  
Alfonso P. Sanchez  
Samuel Scovil  
Rabbi Daniel J. Silver  
Frank Valenta  
Mayor George V. Voinovich  
Dr. Walter B. Waetjen  
Ronald G. Wallace  
Alton W. Whitehouse, Jr.  
James M. Whitley  
Dr. Willis Winn

## BLOCK GRANT PRIMER UPDATE - APRIL 16, 1982

### On the National Level

The Reagan administration has dropped plans for legislation turning over welfare and foodstamp programs to the states in FY 1983. Although the Administration is still firmly committed to the transfer, no agreement has yet been reached with state governors as to what would be involved in the transfer (New York Times, April 7, 1982 - see Block Grant Primer, p. 2). Congress has passed a continuing budget resolution extending FY 1982 current spending levels for health and human services, education, and community block grants through September 30, 1982. However, Administration block grants proposals for FY 1983 are now part of the Congressional budgetary hearings for the October 1, 1982 federal budget. In addition to those block grants already changed or added to by the 1981 Budget Reconciliation Act, the creation of a number of new block grants has been proposed; these new block grants are:

- The Vocational and Adult Education Block Grant, which consolidates the two existing programs.
- The Education and Services to the Handicapped Block Grant, which consolidates education for the handicapped programs and state education department services to the handicapped.
- The Job-Training (CETA) Program Block Grant, which will provide about \$900 million to the states to replace CETA; this block grant will not include job corps and programs targeted at special populations which will remain under federal control.
- The Administrative Block Grant for the cost of the Food Stamps, ADC, and Medicaid programs which changes the formula for federal monies from unlimited reimbursement of a percent of state expenditures to a fixed appropriation.
- The Child Welfare Services Block Grant which consolidates school breakfast programs and day care center child nutrition programs.

# OHIOANS ARE HURTING

## MEET AT THE STATE HOUSE ROTUNDA ON WEDNESDAY, APRIL 21st

- 10:00-11:00 a.m. Briefing by Legislative leaders. Fact sheets will be distributed.
- 11:00-12:30 p.m. Meetings with individual House members.
- 12:30- 1:15 p.m. Box lunch (available for \$3.00).
- 1:30- 2:15 p.m. Attend Floor Session of House of Representatives--Be acknowledged as we sit in the gallery.
- 2:30- 3:00 p.m. Instructions on actions to take back home.

### PROBLEM: UNEMPLOYMENT

- One in nine Ohioans is out of work today.
- Ohio has the second highest unemployment rate in the country.
- Ohio's unemployment rate is the highest since 1940.
- If Ohio's unemployment rate were at the national average, we would not have a state deficit.

### RESULT: VIOLENCE AND SUFFERING

- Reports of child abuse, wife-battering, alcoholism and mental health problems are increasing.
- The number of people in prison has reached a record high of over 14,000 while commitments are growing.

### NEED: PUBLIC ASSISTANCE

- One in nine of Ohio's children need and depend on public assistance - about 200,000 families.
- A typical family of a mother and two children receives \$263 a month for an average of 19 months.
- While 100,000 people were eliminated from public assistance last year due to tighter eligibility requirements, the economy has caused a continued increase in people on public assistance.

### CRISIS: THE STATE BUDGET

- Cuts totaling 5.5 percent have already been made in state programs this year, saving \$200 million.
- Facing a mushrooming deficit, the Ohio Senate passed a tax and budget cutting bill March 31, Amended SB 530.
- Amended SB 530 cuts over \$430 million more next year from welfare grants, human services and education, while raising taxes \$519 million.

### SOLUTION: COME TO COLUMBUS APRIL 21!

- NO FURTHER CUTS IN ESSENTIAL HUMAN SERVICES
- FAIR AND ADEQUATE TAXES TO SOLVE THE STATE'S BUDGET CRISIS NOW

Come prepared to let your legislator know that further budget cuts will hurt Ohioans and that you support fair and adequate taxes. Call (toll free) 1-800-282-0253 to make an appointment with your legislator. A vote on the House version of Amended SB 530 is possible before April 29.

[Apr 16, 1982]

Page 2

- The Services for Women, Infant and Children Block Grant, which consolidates the Maternal and Child Health Services Block Grant and the Women, Infants, and Children (WIC) Nutrition program.

Moreover, the following changes have been proposed for existing block grants:

- The expansion of the Primary Health Care Block Grant to include community health centers, family planning, black lung and migrant health programs.
- The targeting of the Low Income Energy Assistance Block Grant to the colder states and the granting of more flexibility to the state regarding eligibility requirements.

Finally, the President has already signed a bill providing an additional \$123 million in energy assistance funds. As result, Ohio's total appropriation has risen from \$89.9 million to \$96 million for FY 1982. Funding cuts and changes have been proposed for the following human services programs in FY 1983.

**MEDICAID** - The Administration has proposed a \$2.1 billion cut. Major changes include reducing by 3% the federal match on all optional services and on all services for the medically needy.

**ADC** - The Administration has proposed a \$1.2 billion cut, which would mean a real cut of over \$2 billion due to the lost state matching funds. Major changes include the elimination of the Emergency Assistance Fund by combining it with the Low-Income Energy Assistance Block Grant; the requirement that low income energy assistance funds be counted as income; the reduction of shelter and utility allowances to ADC families sharing housing with other families; the inclusion of the income of unrelated adults (eg. boarders) as family income; and the initiation of mandatory "workfare."

**FOODSTAMPS** - The Administration has proposed a \$2.8 billion cut. Major changes include the abolishment of the earned income deduction and the inclusion of fuel aid as income.

[Apr 16, 1982]

On the State Level

In Ohio major budgetary deficits, predicted at \$1.5 billion, have forced the Governor's office to implement across-the-board cuts in health and human services, education, and community development spending levels. Office of Budget and Management Director Howard Collier recently acknowledged that Ohio unemployment is at its highest level since 1940 and that in absolute numbers more employees are out of work now than in 1930. Collier predicts that the reduction in state revenues will continue in FY 1983, exacerbated by the large federal deficit and accompanying high interest rates, making the purchase of big-ticket items such as durables, heavy equipment and automobiles more difficult. Basically, this means that economic recovery will be pushed well into 1983.

In an effort to cope with budgetary deficits the Governor's office implemented budget cuts in recent months. On April 1, 1982, the third cut in state spending since February 1 went into effect, reducing all General Revenue Fund Expenditures by 6%. This latest cut is retroactive to July 1, 1981, and will effectively reduce spending in the last quarter of the FY by 24%. However, such "stop-gap" measures far from solved Ohio's fiscal problems, and as a result, Governor Rhodes and Mr. Collier recommended to the Ohio legislature an increased taxation and decreased spending package. Senator Gillmor (R-Columbus) led the proposal, Senate Bill No. 530, to quick passage on March 30, 1982. In addition to imposing a 25% surcharge on personal income taxes postponing the reduction of public utilities excess tax rates and extending trigger taxes on corporations, the proposed legislation makes great changes in present block grant spending. Effective July 1, 1982, it cuts state funding matches, thus further reducing corresponding federal payment and totally eliminates some health and human services and education proposed expenditures. More specifically, S.B. No. 530 entails:

- A \$105.3 million (average of 6.6%) cut in education funding, which means a \$16.8 million reduction in basic aid to schools, a \$76 million (9%) cut in aid for school buses, special and vocational education, and inner-city pupils, and a \$11.9 million (15%) cut in remaining school aid.
- The ear marking of revenues raised from the surcharges on personal income taxes for primary and secondary education.
- An across-the-board 7% reduction in funding to all health and human services agencies, including welfare and Medicaid.

[Apr 16, 1982]

Page 4

- The elimination of funding for both the Family Emergency Assistance and Adult Emergency Assistance programs for FY 1983.
- Allowing the Ohio Department of Public Welfare to decrease current grant levels if caseloads go up beyond projections and appropriations fail to meet obligations, which is almost certain to occur as more turn to public assistance.
- Allowing county welfare departments to adopt General Relief payment standards below the minimum set by ODPW for FY 1983.
- Allowing ODPW to reduce Medicaid reimbursement rates to health and human services providers if appropriations are insufficient to meet obligations.

What do these cuts mean? In the area of education Dr. Carla Edlefson the Director of the Citizen's Council for Ohio Schools, stated that a number of consequences appear likely. These include an imposition of user fees; and increased pressure on property tax levies (which have a low pass rate); the closing of schools; a reduction in personnel and transportation expenditures; and the postponed purchase and repair of buildings, vehicles, and teaching materials. Cindy Flaherty, the Associate Director of the Ohio Citizen's Council, noted that the effects of S.B. 530 in the health and human services fields will be widespread. Although no benefit cuts in ADC funding were made in FY 1982, S.B. 530 rules out any increase in FY 1983. As it stands, Ohio dispenses support equivalent to any 54% of the standard of need, with only Mississippi and Louisiana paying less. The General Relief Fund is already saddled with a \$33 million deficit for FY 1983 as a result of advanced funding, and S.B. 530 allows counties to pay less than the \$96.00 minimum welfare payment. Medical Emergency Assistance was deleted for FY 1983 and the elimination of Family and Adult Emergency Assistance programs (by the bill) would necessitate expenditures by local governments to serve the 471,000 families aided in FY 1982. In addition, Medical Funds currently being advanced from FY 1983 would have to be made up. The ability to give assistance would be diminished as a result of cuts in county and state welfare department administrative personnel. Finally in the area of corrections, nonessential programs would be curtailed and probation and parole staffs would be cut. In short, the entire field of health and human services which underwent an overall 36% cut in FY 1982, will suffer as a consequence of S.B. 530.

[Apr 16, 1982]

Page 5

The House Ways and Means Committee began consideration of S.B. 530 on Thursday, April 15. Budget Director Howard Collier told legislators that revenues are still falling short of estimates, and the Governor's office is even more pessimistic than they were in March. House leadership indicates they intend to take a long, hard look at the Senate Bill.

On the local level, the Budget Coalition is sponsoring a group lobbying effort in Columbus for April 21. The Budget Coalition is taking the position that the House should consider more constructive alternatives than offered by S.B. 530. The group is leaving from the parking lot behind Interchurch Council at 7:30 a.m. and reservations can be made with John Mattingly at 621-5925 or Gerda Freedheim at 781-2944.

/kek

April 26, 1982

Mr. Mark Talisman  
227 Massachusetts Ave.  
Washington D.C. 20002

Dear Mark:

Thought you'd like to see the first update of our Block Grant Primer. If you have any material which would be useful to us or any suggestions as to what we might be doing I would be delighted to hear from you.

Sincerely,

Daniel Jeremy Silver

DJS:mp

Encl.

# City of Cleveland

GEORGE V. VOINOVICH, MAYOR

April 28, 1982

The Honorable James A. Rhodes  
Governor, State of Ohio  
Statehouse  
Columbus, Ohio 43215

Dear Governor Rhodes:

I am very distressed over the fiscal condition of our State. Daily Ohioans hear of new money shortages and of consequent cuts in state services necessitated by such shortages. Important programs have been cut to the bone, and it is increasingly clear that the State of Ohio cannot meet its obligations to its citizens unless increased revenues are found. There has been enough budget slashing, and I am therefore urging you, as the Governor of this great State, to keep it great and support the passage of a permanent increase in the state income tax. We can no longer afford to pay today's bill with yesterday's revenues.

It has become readily apparent to me that the State Legislature realizes the need for increased revenues, but the enactment of another temporary tax merely puts a permanent increase off until tomorrow. Let's put away the bandaids and treat the financial ills of Ohio with the medicine required to do the job once and for all.

Even with the eventual recovery of Ohio's economy, it does not seem to me that the recovery will be sufficient enough to deal with the immense federal aid cutbacks as well as Ohio's permanent loss in jobs. Furthermore, as federal aid continues to decrease, the State of Ohio will have to develop mechanisms to continue many of these important and necessary programs. Otherwise, Ohioans will suffer more and more cutbacks in state services, and this not only includes Social Service programs, but also is of critical concern to our highways, parks, and etc. We cannot afford to wait until the last minute and must instead prepare now to meet the financial challenges of the near and distant future.

By 1984, all federal income taxpayers will have realized a 25% cut in their federal income tax obligation. As a result of this cut, the person earning an annual income of \$15,000 will pay approximately \$650 less in federal income taxes than he paid in 1981. For a worker making \$20,000, his savings will be over \$1,000. (Based upon a report by the U. S. House of Representatives House Ways and Means Committee.) My point is this: paying an increased state income tax will not encounter the resistance

which it would have normally received due to the more than off-setting decrease in the federal income tax. (Apr 28, 1982)

Furthermore, accompanying this decrease in federal income taxes will be a decrease in federal dollars flowing into Ohio as well as drastic cuts in programs traditionally funded by the federal government. Surely Ohioans understand the need to increase the state income tax in order to resolve this financial crisis as well as to minimize the impact of proposed federal cutbacks. At the same time, even with an increase in the state income tax, Ohioans will overall be paying less taxes due to the decrease in federal income taxes.

While the State is addressing the issue of a permanent state income tax increase, I strongly believe that concurrent with this move should be a candid evaluation of the tax burden on Ohio businesses, particularly manufacturers. We are competing with other states for jobs, and it is becoming increasingly clear that Ohio has a higher tax bill for businesses, especially for manufacturers, than do comparable states.

A recent study completed by the Rand Corporation of Ohio's corporate tax structure concludes that Ohio corporate taxes on durable goods manufacturing in a normal year exceeded the average of eight comparison states by approximately ten percent. (Comparison states: Indiana, Pennsylvania, Michigan, Kentucky, California, Texas, Tennessee, and New York.) Surely, Ohio is at a competitive disadvantage in attracting needed jobs when businesses in surrounding and comparable states pay on the average, ten percent less in corporate taxes.

Recently this lack of competitiveness was brought to my attention when pursuing the American Can Corporation to expand their operation in the City of Cleveland. It appears that, on just about every score, we are equal with the state of Wisconsin, our competitor. However, in the area of tangible personal property tax, we cannot compete. Because of this, it appears we are going to lose the American Can expansion.

I know that these are difficult issues, but we can no longer afford to postpone making them. Ohio faces many new challenges in the decade to come, and there is no question in my mind that by putting the State's financial house in order, we will be in a much better position to meet those challenges.

Governor, you have been a great governor, and one of the greatest gifts which you could make to the people of Ohio before you leave office would be to provide the leadership in developing a reasonable, progressive response to our tax structure for the remainder of the 1980's. I know that it will be controversial, especially in an election year for our gubernatorial and legislative candidates. However, we do not have the time to wait until next year or the year after that to put the State's financial house in order.

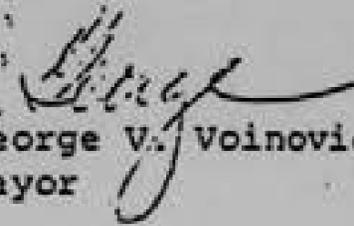
Your leadership at this time could be your greatest legacy to the citizens of Ohio. We know what needs to be done and you can count on me to follow your leadership. I assure you that I will do all in my power to encourage other large city mayors to follow suit. I will not hesitate to

[Apr 28, 1982]

stand up and speak out in support of this important issue.

I know that the citizens of Ohio can count on you to do what is right,  
as we have depended upon you for many years.

Sincerely yours,

  
George V. Voinovich  
Mayor

GVV:ljh

cc: Paul Gillmor, President of the Ohio Senate  
Harry Meshel, Senate Minority Leader  
Vernal G. Riffe, Speaker of the Ohio House of Representatives  
Corwin Nixon, House Minority Leader

April 28, 1982

The Honorable Vernal G. Riffe  
 Speaker of the Ohio House of Representatives  
 Statehouse  
 Columbus, Ohio 43215

Dear Vern:

As you well know, the House Ways and Means Committee is now considering S. B. 530 as the temporary fix to the State's immense financial problems. Although I know that this letter comes after most of the debate has been concluded in that Committee, I want you to know that if something more is not done for those persons dependent upon ADC and General Relief, it will be a long, hot, nervous summer here in the City of Cleveland as I am sure it will be in other urban centers devastated by the high unemployment rate.

I believe that the only real cure to these financial ills is a permanent increase in the state income tax, and I have expressed this view to Governor Rhodes in a letter, a copy of which is attached for your review. However, because S. B. 530 is the current vehicle dealing with these financial problems, I strongly urge you to deal adequately and fairly with the most pressing and immediate needs of the people of Ohio.

The Ohio General Assembly realized the serious plight of persons on ADC and GR by mandating in H. B. 694 a five percent and a ten percent increase, respectively, in these programs. S. B. 530, though rescinds this mandated increase and calls for further harm by reducing such aid by another eight percent. Just how much more can we expect these people to tolerate?

In a state by state ranking, Ohio ranks thirty-two in its ADC benefit levels. With the exception of Indiana, only states in the South and Southwest rank lower. For ADC benefits, Michigan pays \$395 per month for a family of three, Pennsylvania pays \$318 and Illinois pays \$302 per month. How in the world is a family of three expected to live on \$242 per month as provided in S. B. 530?

Although the Consumer Price Index has risen over 75% since 1975, ADC benefits have only risen 29%, which in real dollars means that benefits received today are much lower than eligible recipients received in 1975. Current Ohio ADC payments equal only 53% of the minimum amount of money needed to live on, as compared to the federal poverty guidelines. For General Relief, the current maximum payment is only 37% of the federal poverty guideline. Furthermore, everyone seems to agree that the current temporary state income tax increase in S. B. 530 is not enough to pay the State's bills, which means that in just a few months, more cuts will have to be made.

[Apr 28, 1982]

Where will it all end?

One other point of which I am sure you are aware is that if Ohio does indeed cut ADC/GR benefits by eight percent, the federal government will reduce its contribution for these programs by a like amount. Ohio already receives a poor return on its federal tax dollars. Are the leaders in this State willing to accept less and less?

Once again, it is obvious to me that the Governor and the State Legislature need to bite the bullet and raise the state income tax permanently. Instead of going from month to month, enacting temporary taxes and slashing the budget, let's do what has to be done and get it over with. The State of Ohio does not have enough time to wait for a new governor and a new legislative session. We are in the midst of a deep financial crisis, and instead of finding a way out, the hole is getting deeper.

Vern, I know how difficult this issue is, but I promise you that I will stand up and fight so that what must be done gets done. I am urging you, Governor Rhodes and Paul Gillmor to take up this fight and assure you that I and many others from around the State will give you our total support.

These are hard times for Ohioans and your leadership is desperately needed. Please, for the sake of the poor, the aged, and for all Ohioans, provide a way in which we can survive.

Sincerely,

  
George V. Voinovich, Mayor  
City of Cleveland

GVV/vb

Attached

cc: Governor James A. Rhodes  
Paul Gillmor, Ohio Senate President  
Representative William Hinig



STATE, LAW DEPT.

APR 29 1982

OHIO A

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VOLUME 55 - REPORT NO. 332

THURSDAY, APRIL 29, 1982

LEGISLATIVE REPORT

114TH GENERAL ASSEMBLY

SB530

BUDGET-TAX BILL CLEARED BY WAYS AND MEANS COMMITTEE FOR HOUSE VOTE NEXT WEEK

A budget balancing bill (SB 530) that raises taxes by nearly \$590 million and cuts state spending by an equal amount cleared the House Ways and Means Committee Thursday and is expected to be brought before the full House next week. The committee vote was 10-7.

If enacted, the proposal is said to be constructed in such a way as to balance the state's biennial budget, estimated to be underfunded by anywhere from \$1.3 billion to \$1.5 billion.

The full committee adopted nearly intact the proposal written by a three-member subcommittee that worked Tuesday and Wednesday.

There were, however, several substantial additions made by the full committee.

Those include:

- a so-called "workfare" amendment aimed to requiring employable adult recipients of Aid to Dependent Children and general relief to take on work in public and private employment. The program is estimated to cost \$26 million, but only \$6 million is available to fund it. It represents most of what is contained in a constitutional amendment being proposed by initiative petition that Rep. Michael Fox (R-Hamilton) is attempting to place on the statewide ballot. The amendment was offered by Mr. Fox, a member of the Ways and Means Committee.
- an amendment exempting Aid to Dependent Children benefits from the budget cuts. No estimated cost was available, making it uncertain if the budget actually will be in balance, as is constitutionally required, at the end of the biennium on June 30, 1983.
- an amendment that apparently frees-up roughly \$22 million through a certification procedure that will allow several so-called "habilitation centers" to qualify for federal Medicaid reimbursement. The \$22 million is targeted for use in providing additional funds for institutional agencies, such as mental health, mental retardation and corrections.
- an amendment exempting the Department of Agriculture from \$337,000 in budget cuts. That represents an unfunded appropriation.

BUDGET-TAX BILL CLEARED BY WAYS AND MEANS COMMITTEE FOR HOUSE VOTE (Cont.)

- an amendment transferring tourism promotion activities to the Department of Natural Resources, along with \$1.1 million, from the Department of Economic and Community Development.
- permissive language allowing county welfare departments to provide for the electronic transfer of ADC and general relief benefits directly to financial institutions, but only if the transfer is approved by the welfare recipient.
- authority given the Ohio Development Financing Commission to establish an industrial technology development program to help spur new product development. A transfer of \$150,000 was made from commission accounts to fund the program.
- a program of providing out-patient health care through neighborhood health clinics was restored with a \$1.5 million appropriation made available by a cut in the state energy assistance program for recipients who also receive energy payments from the federal program. The amendment merely incorporated provisions of HB 468, previously passed by the House, into SB 530. *Health Dept.*
- an amendment extending by two years until June 30, 1984, appropriation authority contained in the capital improvements act (HB 552) passed last year.
- an amendment qualifying certain corporations for eligibility in a liquor profits revenue bond program. The amendment was requested by the governor's office to allow a company wanting to continue operations in Ohio to qualify for the bond program. *Gov Purdy*

On paper, the bill balances the budget, but to accomplish that it relies on what have been termed optimistic revenue and expenditure estimates provided by the Legislative Budget Office. Moreover, the Office of Budget and Management still believes that at least \$91 million and perhaps as much as \$147 million more may be needed.

The OBM wants \$30 million more to provide increases in ADC benefits; another \$30 million to fully fund student subsidies for state universities and colleges; and as much as \$23 million more for the Department of Corrections. Additionally, the OBM believes that \$8 million should be set aside for emergency purposes.

Additionally, the Legislative Budget Office revenue estimates do not presume that \$57 million will be lost from a legal invalidation of the so-called "syrup tax" on fountain beverages. The law already has been held unconstitutional. However, the committee, in accepting the subcommittee's proposal, voted to reimpose the tax, but on an industry-wide basis by taxing flavored carbonated soft drinks, bringing the state approximately \$60 million.

By electing not to cut most welfare benefits, the House is on a collision course with the Senate. The Senate wanted to cut benefits by seven percent, seeing that as a trade-off for a substantial increase in the state personal income tax. The personal income tax increase will raise at least \$437 million and probably more by the time it expires next year.

Moreover, the committee voted to restore substantial funding for elementary and secondary education, reducing to 4.58 percent the Senate's seven percent cut in state funding and restoring a cost-of-doing-business formula that the Senate cut by \$15 million.



City of Cleveland

GEORGE V. VOINOVICH, MAYOR

delegation to Columbus

April 30, 1982

The Honorable Kenneth A. Rocco  
Ohio State Representative  
The Statehouse  
Columbus, Ohio 43215

Dear Ken:

Attached for your information and review are letters to House Speaker Vern Riffe and Governor Rhodes, calling for a permanent increase in the state income tax in order to generate sufficient revenues to operate the State of Ohio at an acceptable level.

In the very near future, you will be voting on S. B. 530, which even though it raises the state income tax temporarily, it fails to raise enough funds to keep the State going without more budget cuts having to be made down the road. I am relieved to see that ADC and General Relief recipients have been spared somewhat, however, the increase promised in H. B. 694 for these programs has been wiped out. As a result, our mutual constituents suffer more and more with each new round of cuts. There is no hope left for these people dependent upon ADC/GR, and when hope runs out, severe trouble for our City is just over the horizon.

I strongly urge you to consider my request to Governor Rhodes and Speaker Riffe concerning a permanent increase in the state income tax. It seems to me that it must be done and it is just a question of when and by whom. Let me assure you that this State can afford no more budget cuts.

I know that this is an election year, but I hope that you will realize that such measures can not wait any longer. I promise you my support if you will do what has to be done.

Sincerely,

George V. Voinovich, Mayor  
City of Cleveland

GVV/vb

Enclosure

MAY 14 1982



## City of Cleveland

GEORGE V. VOINOVICH  
MAYOR

May 11, 1982

Sarah S. Austin  
Executive Director  
The Greater Cleveland Roundtable  
Room 2041  
100 Erieview Plaza  
Cleveland, Ohio 44114

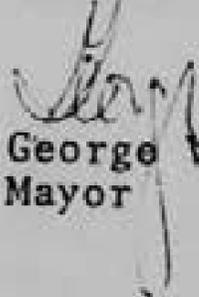
Dear Sarah:

Enclosed is some correspondence I have recently had with Governor Rhodes and legislative leaders in regard to Senate Bill 530. It is self-explanatory.

I am currently working with Bill Reidy who is heading up a task force with the Citizens League on coming up with some meaningful changes in Ohio's laws to provide adequate funding for state services. Bill Reidy is meeting with Howard Collier in the near future. Mr. Collier is a man having great concern for his fellow man and is committed to working with anyone who is willing to support a permanent solution to Ohio's funding problem.

I will keep you in touch with what we are doing. Hopefully, a concensus can be arrived at as to what tax structure is needed to adequately fund education, health and human services, and other state services that are now deplorably inadequate.

Sincerely,

  
George V. Voinovich  
Mayor

GVV:njd

cc: Phil Allen  
Rabbi Daniel J. Silver



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Dr. Willis Winn

May 11, 1982

STATE LIAISON COMMITTEE

Notice of Meeting

The State Liaison Committee on the Roundtable will meet on Friday, May 21, at 8 a.m. at the Temple, University Circle at Silver Park.

*P. Amegon*

The purpose of this meeting is to bring together those individuals who represent their organizations or agencies in Columbus to explore how we can work cooperatively on issues of common interest dealing with the allocation of resources for the Cleveland area.

Please confirm your attendance in order that the appropriate arrangements can be made. (579-9980)

Thank you for your continuing interest and participation.

  
\_\_\_\_\_  
Daniel J. Silver  
Chairman  
State Liaison Committee



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Ronald G. Wallace  
Alton W. Whitehouse, Jr.  
James M. Whitley  
Dr. Willis Winn

MEMORANDUM

TO: Rabbi Daniel J. Silver  
FROM: Sarah S. Austin *SSA*  
RE: Draft Section of Annual Report on State Liaison Committee  
DATE: May 11, 1982

The State Liaison Committee was established as an ad hoc Committee to explore how the Roundtable might relate to the state on issues of special significance to the Greater Cleveland area: the allocation of resources; federal cuts; and the federal block grants.

Accomplishments

\*Published Block Grant Primer to provide basic information for the Committee and the Board of Trustees on the federal, state, and local budget processes and the federal block grants. The Primer also identified key issues and major problem areas for Greater Cleveland. The booklet was distributed to the media and upon request to a variety of community organizations: social agencies, churches, universities, businesses, federal, state, and local governments.

\*Convened planning session with organizational representatives from agencies throughout the Greater Cleveland area to identify and develop a strategy and plan of action for representing Cleveland at the state level.

Should I expand on this in any way? If so, what are your recommendations?

SSA:kek



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VOLUME 55 - REPORT NO. 341

WEDNESDAY, MAY 12, 1982

LEGISLATIVE REPORT

114TH GENERAL ASSEMBLY

HOUSE VOTES TO RAISE STATE INCOME TAX BY ANOTHER \$77 MILLION TO  
\$100 MILLION

Nineteen Republicans joined 40 Democrats Wednesday as the House voted 59-39 to send the Senate a \$680 million tax increase bill (Am. Sub. SB 530) to help balance the state's bloated budget which is underfunded by an estimated \$1.3 billion.

The Senate is expected to reject the House version of the bill and send it to a joint conference committee for further work. It is not certain when the conference committee might be appointed or what schedule legislative leaders have for completing work on the proposal.

The House vote followed nearly three hours of calm debate and bipartisan support of major amendments offered by Republican members. Moreover, there was no trace of the acrimony that prompted three delays last week in bringing up the bill for a vote.

The major amendment, offered by Rep. Robert Brown (R-Bowling Green) and approved by an overwhelming 82-16 vote, raises the proposed 1983 personal income tax increase to 25 per cent from 12.5 per cent, generating additional revenues of \$77 million by one estimate, but closer to \$100 million by another estimate.

The Senate version of the bill provided for a 25 per cent increase in 1982, retroactive to January 1, and a 12.5 per cent increase in 1983. That would have produced additional personal income tax revenues of about \$437.5 million.

In addition to raising the 1983 income tax increase, the House also voted to establish a new tax bracket for persons earning incomes of \$80,000 a year or more, a new tax category expected to raise about \$25 million.

The House, then, approved an income tax increase package that raises about \$600 million.

Additionally, the measure contains business tax increases estimated to raise about \$90 million or more, for a total tax increase package of nearly \$700 million, an increase that follows by six months enactment of a \$1.2 billion tax increase last November.

Mr. Brown's amendment apparently played a crucial role in solidifying Republican support of the measure, defusing a planned Republican strategy to

HOUSE VOTES TO RAISE STATE INCOME TAX BY ANOTHER \$77 MILLION TO  
\$100 MILLION (Cont.)

politicize the debate, and, perhaps, bring the budget closer to the point of balancing by the end of the biennium. There are some members, however, who still maintain that come June 30, 1983, the end of the current budget period, the budget still be out of balance by approximately \$20 million.

Of the \$77 million or more that Mr. Brown's amendment will generate, \$42 million will be used to guarantee hospitals and nursing homes 100 per cent reimbursement for caring for Medicaid patients in fiscal 1983 rather than postponing total state payment of its Medicaid bills until fiscal 1984, the next budget period.

Moreover, the amendment eliminated what many members thought was a potential political problem. The bill included as expendable income for fiscal 1983 revenues of \$44 million attained by overwithholding from taxpayers, with the amount overwithheld returned as refunds in fiscal 1984.

Mr. Brown's amendment also specifies that \$35 million will be set aside in the emergency purposes account to meet unexpected expenses during the remaining 13 months of the current biennium. Additionally, \$3 million will be distributed to school districts that are forced to borrow money because of the unequal distribution of state school aid this biennium.

The House also adopted an amendment offered by Rep. Michael Fox (R-Hamilton) establishing a basic education fund with revenues generated by the personal income and corporate income taxes and state lottery set aside for the exclusive use of schools unless revenues come in at a faster pace than estimated. The vote was 57-40.

Another major amendment, offered by Rep. Robert Corbin (R-Dayton), was adopted removing language allowing businesses to use federal depreciation schedules for tax purposes. Mr. Corbin said the business interests objected to a nine per cent corporate income tax increase in return for whatever tax savings would have resulted from new federal accelerated depreciation schedules.

Rep. James Petro (R-Rocky River) won approval of an amendment eliminating on June 30, 1982, rather than a year later, the sales tax on home improvements. A 74-23 vote made it part of the bill.

An attempt by conservative Republicans to eliminate all tax increases contained in the measure and redistribute increased revenues from the existing tax structure to fund state operations was rejected by a 66-30 vote. Rep. Robert Netzley (R-Laura), the amendment's sponsor, claimed that every state agency would receive a budget increase of at least eight per cent through his amendment without benefit of a tax increase.

Except for a few technical amendments, Democratic House members did not offer a single substantive amendment that involved additional money.

INVALIDATION OF RULES ON DESEGREGATING NONPUBLIC SCHOOLS FAILS

An attempt to invalidate State Board of Education rules that seek to eliminate any discriminatory practices that might exist in state-chartered nonpublic schools has been squelched by the Ohio House.



## OHIO REPORT

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VOLUME 55 - REPORT NO. 342

THURSDAY, MAY 13, 1982

LEGISLATIVE REPORT

114TH GENERAL ASSEMBLYHOUSE AND SENATE HAVE PLENTY OF WORK TO DO ON TAX BILL

The House and Senate will have plenty of work to do to reach a compromise on a \$1.3 billion tax increase-budget bill (Am. Sub. SB 530) approved by the House Wednesday.

Although the Senate has yet to formally reject the House version, Senate President Paul Gillmor already has said Republican Senators Richard Finan of Cincinnati and Thomas Van Meter of Ashland, and Democratic Senator William Bowen of Cincinnati will serve as Senate conferees on a joint conference committee.

Whereas the Senate relied on deep cuts to help balance a bloated budget that is estimated to be underfunded by \$1.5 billion only six months after passage of a \$1.2 billion tax increase, the House instead voted to substantially increase the Senate's tax increase package to help preserve present spending levels.

Foremost, the House voted to boost the Senate's proposed tax increases by roughly \$143 million. That was accomplished in part by raising to 25 per cent from 12.5 per cent the 1983 personal income tax increase to raise \$125 million. Of the \$125 million, however, about \$44 million is to be used to remove a gimmick from the bill that called for taxpayers to make a sort of temporary loan to the state by having their earnings overwithheld next year, with refunds to be made in fiscal year 1984.

Additionally, the House established a new personal income tax bracket for persons earning \$80,000 or more a year, producing \$25 million in additional tax revenues.

Although the tax portion of the bill probably will provoke some senators, it is on the appropriation side of the proposal that the conferees will face difficulty in reaching an agreement.

The two versions of the bill represent a considerable difference of opinion on how the budget should be balanced through spending cutbacks.

The Senate provided for a seven per cent cut to be applied to an appropriation base of nearly \$4 billion, resulting in savings of more than \$202 million. Additionally a one per cent cut would be applied to fiscal 1983 appropriations to save another \$52 million if the budget shows signs of becoming out of balance next year.

HOUSE AND SENATE HAVE PLENTY OF WORK TO DO ON TAX BILL (Cont.)

The House provided for an initial eight per cent cut on an appropriation base of about \$2 billion, saving \$147.7 million. Following the first cut, a second one per cent cut would be applied to an expanded appropriation base to cut spending by about \$53 million more.

The House and Senate also differ greatly on education and welfare funding.

The Senate bill cuts spending on primary and secondary education by \$105.3 million, with \$88.5 million cut from so-called categorical aid programs. A 3.5 per cent cut is applied to basic education support, saving \$46.8 million. The Senate also specified that any school district receiving state money as a result of a court order requiring the state to share in the costs of implementing a desegregation order would have its state aid cut by an equal amount, an item estimated at \$50 million.

The House instead cut basic education support by \$74.6 million, rather than the \$16.8 million cut applied by the Senate version. In the House version, categorical aid is cut only \$51.9 million, insuring that mostly urban school districts receive more categorical aid money. A special cost-of-doing-business fund was partially restored. Overall, the House cut amounts to 5.58 per cent.

In both the House and Senate versions, welfare programs got more money largely because of estimated caseload increases for fiscal 1983.

The Senate, however, decided to cut welfare benefits along with the rest of the budget and also eliminate a scheduled benefit increase due next fiscal year.

The House preserved present welfare benefits, but went along with the Senate in eliminating the scheduled increase. The House version, however, specifies that welfare benefits will not be cut even if full funding is not available in fiscal 1983, a potential problem area if the language remains in the bill.

The House also inserted a so-called "workfare" provision requiring able-bodied adult recipients to take available public or private work. Insufficient funding probably will delay implementation of that program.

Even with its sizable tax increase, the House version still appears to be underfunded, presenting possible financial problems for the new Assembly next January. For instance, a floor amendment was approved eliminating the sales tax on home improvements on June 30, 1982, at a cost of \$20 million. No adjustment was made to accommodate the loss.

Moreover, the House used what are believed to be optimistic revenue and expenditure estimates for fiscal 1983 in drafting its version. Should those estimates not live up to expectations, as has been the case in the past few years, the 115th Assembly will be forced to continue a budgeting process that has literally consumed almost every waking hour in the House and Senate for the past three years.

SIGNED BY THE GOVERNOR AND FILED WITH THE SECRETARY OF STATE

Am.Sub.HB 536 Ballweg. Changes the named of the Department of Economic and Community Development to the Department of Development and creates an office of small business in the department. EFFECTIVE May 13, 1982 (certain sections effective August 12, 1982, and January 1, 1983).

May 14, 1982

Ms. Sarah S. Austin  
Greater Cleveland Round Table  
Rm. 2041, 100 Erieview Plaza  
Cleveland, Ohio 44114

Dear Sarah:

On the matter of the Annual Report, I would suggest that the paragraph which begins, convened planning sessions, . . .to identify and develop a plan of action to assure that all concerned community organizations receive up-to-date information as to the management of social welfare administration and legislation in Columbus and to assist them in coordinating a strategy to assure the highest possible level of support consonant with need.

It's a long and involved sentence, but I think it says it.

Sincerely,

Daniel Jeremy Silver

DJS:mp

GREATER CLEVELAND ROUNDTABLE

STATE LIAISON COMMITTEE

FRIDAY, MAY 21, 1982

8 A.M.

A T T E N D A N C E

Those Persons Attending

Melvin C. Arnold

Phillip Allen

Ralph Brody

William Plato

Richard Baznik, Case Western Reserve University

Charles Beard, Federation For Community Planning

Joel Fox, Jewish Community Federation

John Habat, City of Cleveland (Mayor's Office)

Mary Pfhardresher, Community Mental Health & Retardation Board  
(attending for John Wastak)

Peggy Siegel, Cuyahoga County

Clodus Smith, Cleveland State University

Sherry Suttles, United Way Services

Willie Verhoff, Ohio Catholic Conference (attending for Theodore  
Stoudt)

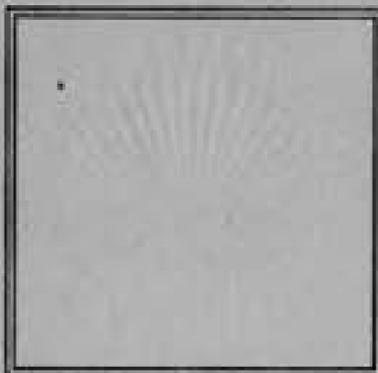
Bud Weidenthal, Cuyahoga Community College

Those Persons Not Attending

David G. Hill

James Spencer, University Hospital

May 21, 1982



Rabbi Daniel J. Silver  
The Temple  
University Circle &  
Silver Park  
Cleveland, Ohio 44106

Dear Rabbi Silver:

Thank you for inviting me to this morning's meeting of the Greater Cleveland Roundtable's State Liaison meeting. I am enclosing a copy of my letter to Representative Francine M. Panehal in which I described a mechanism which we referred to today as a "skills bank". This concept was quite appealing to Francine in our conversation, and it represents as well an appropriate way for this University to contribute to public discussion of these very complicated issues. We would be pleased to discuss the possibility of involving other institutions and agencies in such a mechanism.

Please let me know if I can provide additional information.

Sincerely,

Richard E. Baznik

REB:mam

Enclosure

cc: David V. Ragone  
Sarah S. Austin

May 24, 1982

Mr. Richard E. Baznik  
Special Assistant to the President  
Case Western Reserve University  
Cleveland, Ohio 44106

Dear Richard

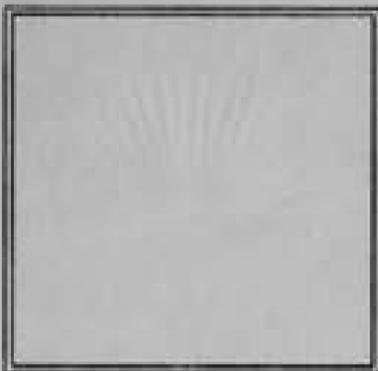
Thank you for sending me the "skills bank"  
material which I have added to our files.  
I appreciated your coming. Hope to see more  
of you.

Sincerely,

Daniel Jeremy Silver

DJS:mp

*State Bureau*



May 25, 1982

Rabbi Daniel J. Silver  
The Temple Branch  
26000 Shaker Boulevard  
Shaker Heights, Ohio 44122

Dear Dan:

During the Greater Cleveland Roundtable meeting on Monday Allen Holmes suggested that Dick Baznik might be of help to you on your State Liaison Committee. If he is not already on your committee, you may want to consider him for membership. He has an informed and sensible view of the situation in Columbus.

With best regards.

Sincerely,

  
David V. Ragone  
President

DVR:sg

May 27, 1982

Ms. Sarah Austin  
Greater Cleveland Round Table  
100 Erieview Plaza  
Cleveland, Ohio 44114

Dear Sarah:

I received this letter from David Ragone. I see no reason not to add Dick Baznik to our committee. If it is alright with Stan Pace I would be delighted to have him join us. With best regards,

Sincerely,

Daniel Jeremy Silver

DJS:mp

Encl.



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**Committee Chairmen**  
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Reverend Otis Moss, Jr.:  
Race Relations  
Arnold R. Pinkney: Economic  
Development & Jobs Creation  
Jackie Presser & Bruce Foster:  
Housing & Neighborhood  
Development

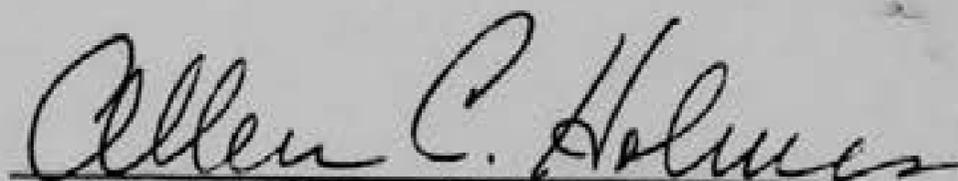
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Sarah S. Austin

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Dr. Walter B. Waetjen  
Ronald G. Wallace  
Alton W. Whitehouse, Jr.  
James M. Whitley  
Dr. Willis Winn

May, 1982

The purpose of this paper is to survey current citizen involvement in the Cleveland Public Schools for the Education Task Force of the Greater Cleveland Roundtable. It attempts to give an overview of the ways that individuals, organizations, and institutions are supportive of public education in Cleveland. The idea for this paper came about as a result of the Education Committee's need to become more familiar with the level of citizen support for public education. It is not meant to be all inclusive, but it does provide some important data in bringing about a better understanding about what exists; it will be updated from time to time.

We are indebted to Annie Lewis Garda for her long hours of research in making this document possible.

  
Allen C. Holmes, Chairman  
Education Committee

## Section I

### OVERVIEW

The Cleveland Public School System is divided into seven "clusters." A cluster is defined as a sub-division containing a group of school facilities -- elementary, junior high and high school -- which are in geographic proximity to each other. The primary derivation of the cluster is the geographic location of each of the high schools in the School System and has as a part of it that high school, the junior high schools that would have, geographically, fed the high school and the elementary schools that would have, geographically, fed those junior high schools. The clusters are then exchanged with paired clusters on the other side of town.

The groups and organizations that are involved in educational activities that are related to the Cleveland Public School System fall generally into one of the following categories:

- (1) Human service agencies
- (2) Groups of parents and other volunteers
- (3) Business/labor
- (4) Cultural institutions
- (5) Educational institutions

Literally hundreds of human service agencies are available in Cleveland to provide services to students and their families. The Cleveland Public School System and the National Association of Social Workers (NASW) published a Community Resource Directory early this year. For each cluster, the Directory lists all agencies that are available to provide services to schools and families in the cluster. This information fills a four-inch binder. Most of these agencies become involved with a school only upon request by the school. The Directory is an attempt to encourage school staff members to make greater use of these social service resources.

Some of these human service agencies are very much involved in education. Their activities vary considerably and, among other things, include teaching classes in the schools, tutoring and counseling students during or after school, training teachers in special areas, encouraging parent participation in the schools, providing legal advice regarding children's rights, resolving conflicts between staff and parents, and lobbying for a higher quality of education. A few of these agencies and projects (for example, the Citizens' Council for Ohio Schools) exist for the sole purpose of providing services related to education; those listed in Section II are examples of these. Many more agencies (for example, Greater Cleveland Interchurch Council) became involved in education as a part

of their larger program; those listed in Section III are examples of these.

Groups of parents and other volunteers, the second category, tend to organize around issues that frighten (desegregation), anger (truancy, quality of education), or potentially benefit (playground construction) them. Some groups of this kind organize independently; others are encouraged by staff members of agencies (who may themselves be parents); still others are organized by school personnel. The level of activity of such groups depends upon the issues which interest them. Some are not active now that have been active in the past or may become active again (for example, a coalition formed by the Greater Cleveland Growth Association existed solely to endorse and fund candidates for the 1981 election). Examples of those that are currently active are described in Section IV.

There are three parent/volunteer organizations which are supposed to exist in nearly all school buildings: Title I mandates that all schools have a School Advisory Council; as a result of court order, each school should have a School Community Council; and the PTA tries to have a unit in every school. These three organizations are discussed in Section V.

Over 100 business/labor organizations, cultural institutions, and educational institutions (the last three categories) are involved with the Cleveland Public Schools. Participation is varied and includes training for students and staff, donations of equipment, programs in the schools or at sites to which students are transported, research, and advice. All activities of this sort are supposed to be coordinated through the office of Bert L. Holt, Directing Supervisor, University, Business/Labor, and Cultural Involvement; Department of Community Involvement; Cleveland Public Schools (574-8159). In January, 1982 this office published a catalog of the current involvement of such organizations. A copy of the catalog is available through Ms. Holt's office.

This office has also commissioned the preparation of a directory by Margie Bray, Coordinator of School Community Resource Project, College of Urban Affairs, Cleveland State University, 44115 (687-2371.) It is titled University--Business/Labor--and Cultural Involvement and is a directory of business, labor, cultural and higher education institutions that have been or might become involved with the schools. Its purpose is to document for staff members of the Cleveland Public Schools the extent of the citizen involvement programs that are in place and what resources are available to them. Copies

of this publication may be obtained from Bert Holt or Margie Bray by calling 574-8159.

It is important to note the very significant contributions made to education in Cleveland by its foundations: particularly, The Cleveland Foundation, The George Gund Foundation, and The Jennings Foundation. For example, from 1974 to 1979, The Cleveland Foundation granted more than \$1 million to coalitions and agencies working to disseminate information and to develop responsible leadership for peaceful desegregation. Foundations have not been listed and described in this report because they do not generally initiate activity or provide direct service. They do, however, exert considerable influence through their grant decisions, and their contributions are noted frequently in the descriptions of specific projects.

## Section II

### OBSERVATIONS

As noted above, the remaining sections of this paper describe the education-related projects and activities of human service agencies and groups of parents or other volunteers in Cleveland. Perhaps a few observations will lend perspective to these descriptions.

Through the sixties, parental participation in the Cleveland Public Schools was primarily through the Parent/Teacher Association (PTA). Local units of the PTA usually engaged in fund-raising for special equipment or activities; parental influence in policy-making or school management was neither sought nor accepted. There were some groups of parents and activists who worked on issues of concern, primarily to reduce class size and to improve the reading skills of students. These were generally loosely organized groups from neighborhoods or churches, and there was no broad-scale coordination of these efforts.

This changed dramatically in the seventies. In December, 1973, suit was brought against the Cleveland School Board alleging it had taken willful action to segregate the schools. A growing concern about the outcome of the case and fear of the violence that had erupted in other communities led

to the formation of the Greater Cleveland Project (GCP) to work for peaceful desegregation and to promote equal quality educational opportunities for all children. The GCP was a coalition of over 70 organizations. Some of these had been involved in education; others had not. The project succeeded in focusing citywide attention and effort on peaceful desegregation and in uniting a broad segment of the population in this cause. Largely due to its leadership, desegregation in Cleveland has been peaceful.

Although the GCP disbanded in April, 1980, its influence is still strongly felt. Two of its legacies are particularly germane to this survey:

(1) much of the current citizen involvement in the Cleveland Public Schools had its roots in the GCP, and

(2) there is a very close working relationship among many of the individuals and organizations involved today--a continuation of the network developed through the GCP.

It is significant to note that although there is no longer one entity (such as the GCP) to focus opinion and coordinate efforts citywide, there is virtual unanimity among everyone concerned on the issues to be addressed within the system. Almost every person interviewed believes that the top priority is to improve the quality of education provided by

the Cleveland Public Schools. Most other issues derive from this one. Perhaps the most concise description of the school system and the issues which are of greatest concern are contained in a pamphlet, Cleveland Children, Cleveland Schools: The school system and how it's run. A copy of this pamphlet which was written by Nancy Oakley and published by the Greater Cleveland Interchurch Council is available free of charge from the Interchurch Council.

It is also important to note that many parents who care and want to see changes are not involved in the schools or in school-related activities. Many of these want to understand what is happening at their child's school and to communicate their concerns and opinions. Some feel that efforts are a waste because the Principal does not have sufficient authority to solve their problems (this is changing somewhat). Others are frustrated because the staff does not seem to listen or care. Still others must give so much attention to feeding, clothing, and sheltering their families that little time or energy is left for other things. These suffer the greatest upset when school problems cause problems at home; when there are transportation breakdowns, when students are on the streets because there are no extra-curricular activities or sports to keep them occupied and interested, or when students are suspended.

There seems to be a high correlation between satisfaction with a school and satisfaction with the Principal. When parents perceive that the Principal cares and cooperates, they generally feel good about the school. When the Principal seems to have little regard for the parents and students, the feeling is reciprocated.

Agencies, too, have experienced frustration with the schools. Many have offered much needed services to the schools, but have never been called upon to provide them. Ironically, just as the schools are making the effort to identify and use such resources, the agencies are experiencing cutbacks and are less able to provide them.

### Section III

#### AGENCIES WHICH FOCUS ON EDUCATION

The agencies described below are dedicated entirely to education.

1. Citizens' Council for Ohio Schools

The Citizens' Council for Ohio Schools began in 1974 as an independent citizen voice with the goal of improving public education in Ohio. It is a statewide organization devoted to raising public awareness and understanding of major issues in elementary and secondary education and supporting constructive action in dealing with them. It has addressed the issues of desegregation, vocational education, parent involvement in the schools, school finance reform, and children out of school (absentees and dropouts). Staff members have worked with the Coalition for Minimum Standards to encourage the Cleveland Public Schools to come into compliance with the minimum standards set by the State. The Council performs research, publishes reports, lobbies at the State level, and provides technical assistance to a wide variety of groups interested in education.

The Council has a broad-based Board of Trustees of 30 members from across the State. It has about ten staff members and maintains offices in Columbus and Cleveland. The budget, now in excess of \$250,000, is funded by national foundations,

corporations, community and local foundations (including the Cleveland and George Gund Foundations), and individuals.

Contact: Susan Kaeser, Citizens Council for Ohio Schools, 517 The Arcade, 44114 (621-5220).

## 2. Project: LEARN

Project: LEARN was started in 1974 by the Greater Cleveland Interchurch Council to attack the problems of adult illiteracy.

Initial efforts of the Project focused on recruiting and training volunteers to teach reading to adults (age 16 and over) who are out of school and reading on a third grade level or below. (In Cuyahoga County there are 40,000 people who have gone to school for five years or less). Currently Project: LEARN has about 300 tutors working one-on-one with more than 300 students. Each tutor is committed to two 2-1/2 hour lessons per week for each student for a minimum of one year. There is usually a list of 50-70 students waiting for space and a trained tutor. About 25 percent of those now being tutored are foreign speaking, and most are refugees. In fact, the Project has become a resource center for the groups which bring refugees to Cleveland and trains volunteers who help settle these families. Some tutoring is also provided at the Justice Center.

Project: LEARN also seeks to see that more and better reading materials are provided for adults who read at or below the seventh-grade level. It identifies, collects, and catalogs materials which have adult content. A bibliography which it published is now used in all libraries in Cuyahoga County and has been sold in all fifty states. Project: LEARN works with librarians to obtain appropriate materials and to get people to use them. In addition, Project: LEARN has its own writers' group (10-12 volunteers) which has produced more than 40 titles in 2-1/2 years. In addition to pleasure reading, it has re-written the driver's license manual and produced other helpful literature (a cook's helper, what to eat before the baby comes, etc.).

Although urged to provide tutoring for school children, Project: LEARN has consistently stressed that teaching reading is the school's responsibility. Instead, the Director of Project: LEARN is to spend up to one-half of her time working for reform in the Cleveland Public Schools, particularly in the area of reading instruction. As part of that commitment, the Director has written a widely-distributed pamphlet on the Cleveland Public School System and is active on the Public Education Task Force of the Greater Cleveland Interchurch Council.

Project: LEARN has its own Board and retains its affiliation with the Greater Cleveland Interchurch Council. It has two full-time staff members, two part-time staff members, and uses a consultant for evaluation. United Way Services provides about 60 percent of its \$110,000 budget. The balance is raised from foundations, individuals, churches and businesses. The time and materials provided by tutors is valued at about \$115,000 per year.

Contact: Nancy Oakley, Director, Project: LEARN, 2238 Euclid Ave., 44115 (621-9483).

### 3. Vocational Information Program

The objectives of the Vocational Information Program (VIP) remain the same today as at its founding in 1966 by Stephen P. Rose, a retired executive, to help disadvantaged young people from the eighth and ninth grades find the career of their choice; to help them learn about the world of work, its requirements and how to qualify for that career through proper education and training; and to develop skilled, productive workers and responsible community citizens.

Currently there are about 160 eighth and ninth grade participants from seven junior high schools. These boys and girls are generally average students who are not seriously troubled -- students who lack direction but are willing to work.

Students attend weekly classes taught by business and industry volunteers, go on tours of industries and vocational schools once a month, and assemble at a central location every Saturday for two-hour tutoring sessions and special pre-tutoring programs. VIP places participants in summer jobs in the area of their career interest. There are about 200 alumni of the program who are in high school; they meet monthly for a program planned by graduate alumni.

There are over 220 active volunteers for VIP -- 130 are tutors; others are job solicitors, classroom instructors, student advisors, guest speakers, tour hosts, tutor trainers, and administrative assistants.

About half of the \$70,000 budget is funded by corporate donations; the balance is raised from foundations (primarily smaller ones), individuals, service organizations, and churches. There are two full-time staff members and one part-time staff member.

Contact: Beverly J. Pyle, Director, Vocational Information Program, 10600 Quincy Ave., 44106 (421-4350).

#### 4. WELCOME

In 1978, people from the east side and west side came together to try to overcome racial division and to promote

peaceful desegregation. WELCOME was formed and worked to lessen racial tension through neighborhood meetings and three bridgewalks. WELCOME clubs were formed in secondary schools to promote racial harmony through social and other activities. In the Spring of 1980, the WELCOME Leadership Institute (WLI) was begun to bring junior high and high school students together from all over Cleveland to plan ways that young people can work for racial and economic equality. WLI meets two Saturday mornings a month at Cleveland State University. About 20 students attend each Saturday; 60-70 have been involved since the program began. WLI helps participants learn the skills necessary to influence public opinion and to become decision-makers -- students have worked on improving school lunches and on a project to get a sports program equal to suburban schools that will be funded by corporations. These students publish The Unity Bridge, a newspaper which is distributed free to 10,000 students in the Cleveland Public Schools several times a year.

WELCOME also sponsors other activities such as field trips, retreats, and social activities.

The WELCOME Leadership Institute has \$50,000 in second-year grants from the Cleveland and George Gund Foundations; the fiscal agent is the Neighborhood Centers Association. The County provides some money for field trips. Money for other expenses is raised through special activities. There is one

full-time staff person for WELCOME and five part-time people who help with the newspaper.

Contact: Michael Charney, Coordinator, WELCOME Leadership Institute, Merrick House, 1050 Starkweather, 44113 (281-4212).

Section IV  
OTHER AGENCIES

The agencies described below perform education-related functions as part of a broader program.

1. American Civil Liberties Union

One of the staff members of the American Civil Liberties Union (ACLU) spends half-time working as an advocate for children's rights within the Cleveland Public School System. She advises inquiring parents about their options in handling problems (suspension, expulsion, transfers, corporal punishment, etc.), accompanies parents to meetings at schools, and intervenes when correct procedures are not followed by the school. She participates on the School Community Council at Martin Luther King Junior High School and spends some time there each week. She has held a workshop on students' rights at the Parent Awareness Center.

Another ACLU staff member is a representative on a task force assembled by the Title IX Coordinator for the Cleveland Board of Education to assist in implementing the gender equality aspects of that law. The task force sponsors workshops for counselors and students on sex stereotyping, sex discrimination, and career choices.

Contact: Mary Murphy, ACLU, 1223 W. Sixth St., 44113 (781-6276).

## 2. Black Focus

Black Focus, an agency which provides social services for blacks on the near west side, is currently involved in the Cleveland Public Schools in three ways:

a) Black Focus has an outreach worker at Martin Luther King Junior High School who concentrates on the west side students who are having problems there. The worker provides on-site counseling and tries to involve students in agency programs. This position is funded with Federal money.

b) For two years Black Focus has sponsored monthly meetings of black parents and of principals and counselors from the junior high schools which have blacks from the near west side. They discuss how to deal effectively with the problems of these students.

c) Black Focus is currently seeking funding for an in-school suspension program at Martin Luther King Junior High School (most truants there are near west side blacks).

Contact: Bradley McDonald, Black Focus, 4115 Bridge Ave., 44113 (631-7660).

### 3. Center For Human Services

At the request of the Title I Coordinator for the Cleveland Public Schools, a staff member of the Center For Human Services (CHS) provided training for the technicians who are responsible for recruiting parents to serve on the School Councils mandated by Title I. She does some work for the schools in crisis intervention. As a member of the National Association of Social Workers (NASW), this same staff person has worked with school personnel to develop an audio-visual program to be used at the school level for training staff and parents in the use of the Resource Directory which was compiled by the NASW.

The West Unit of the Center provides staff development and referral assistance to the Guidance Department at John Marshall High School and training assistance to schools regarding the use of community resources. It participates on the Help Teams Network Planning Committee.

Contact: Claire Gilbert, Center for Human Services, 1001 Huron Road, 44113 (241-6400); Ami Nahshon, Center for Human Services, West Unit, 3929 Rocky River Drive, 44111 (252-5800).

### 4. Citizens To Bring Broadway Back

A staff person of Citizens To Bring Broadway Back (a non-profit neighborhood organization), spends part of her time working with the parents in that area on school-related issues.

This organization successfully lobbied to stop sending elementary school children to school by RTA, to get direct transportation to the junior high school for its Cluster, to change the locations of bus stops, and is also concerned about the truancy problem.

Contact: Karen Katzman, Citizens To Bring Broadway Back, 4947 Broadway, 44127 (429-1173).

#### 5. Clark-Fulton Center of Merrick House

A staff person from the Clark-Fulton Center of Merrick House meets once a week for eight to ten weeks with groups at Thomas Jefferson Junior High School and Lincoln West High School for group counseling, values clarification, decision making, etc. The groups are composed of students referred by the guidance departments. About three such groups convene during the year. The staff also assists parents and students who need help with problems at school.

Contact: Gail Long, Clark-Fulton Center of Merrick House, 3619 Walton Ave., 44113 (281-4212).

#### 6. The Cleveland Covenant

The Cleveland Covenant Design Team is composed of 16 members drawn from business, labor, academic and cultural institutions, and community groups. Alarmed at the dropout

rate, the Design Team has instituted a pilot project with the East Tech/South Cluster of schools to motivate students to remain in school to prepare for meaningful employment. The Covenant has formed partnerships between business participants and school building personnel. In the first year, more than 500 students and parents participated in the six projects of its pilot program. For example, the Cleveland Clinic offered a three-week internship to nine Jane Addams High School seniors who were studying to be medical secretaries. The Warner & Swasey Company hosted a luncheon in its employee cafeteria for honor students and their parents; outstanding teachers were also honored. Additional projects are now being planned.

The Covenant is staffed by the Rev. Rich Israel of the Greater Cleveland Interchurch Council, who is reimbursed by the Covenant for his time. The funds are raised by the Design Team, primarily from businesses.

Contact: Rich Israel, The Cleveland Covenant, Greater Cleveland Interchurch Council, 2230 Euclid Ave., 44115 (621-5925).

#### 7. Community Guidance and Human Services

Community Guidance and Human Services sponsors Project Chip, a drug education and values clarification program offered in the fourth, fifth and sixth grades of the 22 schools in its east-side service area. Staff members of the agency teach in

every class once a week. Two three-day workshops are being held for the regular classroom teachers. This program is in the second year of two-year grants from The Cleveland Foundation and The Jennings Foundation.

Contact: Gloria Freire, Community Guidance and Human Services, 3740 Euclid Ave., 44115 (431-7774).

8. Cudell Improvement, Inc.

Since 1977 Cudell Improvement, Inc. has sponsored a tutoring program in which junior and senior high school students tutor elementary school students in reading and math. The tutoring takes place every Saturday during the school year and twice a week in the summer. The program was designed primarily to benefit the tutors who are students that are skilled but near truancy. The tutors are paid \$2.50 per hour; they must maintain a C average to remain a tutor. Currently there are 15 tutors and 47 students.

The program is funded with Federal Juvenile Justice and Delinquency Prevention funds through the Youth Services Coordinating Council. The program is staffed by one part-time person.

Contact: Pat Denihan, Executive Director, Cudell Improvement, Inc., 11450 Franklin Blvd., 44102 (228-4383).

## 9. Federation for Community Planning

One goal of the Federation for Community Planning is to initiate and/or support efforts to improve the quality of education in Cleveland, giving priority to those activities which require coordinated community support. To attain this goal, it has created a Special Committee on Education composed of about 30 individuals representing a broad cross-section of the community. Through the media, the Special Committee will poll the Cleveland community in mid-May to identify and prioritize the elements considered necessary for an "adequately prepared student." The Cleveland School Board has agreed to develop curriculum goals based on this community consensus. Believing that it has the ability to reach into every segment of the community, the Special Committee is committed to work with the community and the Cleveland Public School System to achieve these goals.

The Special Committee has two staff members and is using consultants as needed. The Adequately Prepared Student Project has received \$55,000 in funding from The Cleveland Foundation, The George Gund Foundation, and United Way Services for six months. It has received additional assistance from several corporations and has submitted proposals to other foundations.

Contacts: The Chairman of the Special Committee on Education is Jerry Jarrett, President, AmeriTrust Company, 900 Euclid Ave., 44115 (687-5158.) Staff members are Kay Raffo and Pat Lindsley, Federation for Community Planning, 1001 Huron Road, 44115 (781-2944).

#### 10. Friendly Inn Settlement

A staff member of Friendly Inn Settlement works with the School Community Council at the Alfred A. Benesch Elementary School attempting to involve and develop leadership among parents, and to help identify issues. She also tries to involve parents in other activities such as the Coalition for Minimum Standards, School Board meetings, and candidate's nights. Part of her time is spent in one-to-one advocacy at the schools for parents and students.

Contact: Geraldine Burns, Friendly Inn Settlement, 2282 Unwin Road, 44104 (431-7656).

#### 11. Greater Cleveland Interchurch Council

The Greater Cleveland Interchurch Council (GCIC) is involved in education primarily through its Public Education Task Force. The Task Force currently has two priorities: the Coalition for Minimum Standards and a program to help parents improve the reading skills of their children.

GCIC is one of the primary (cost-bearing) sponsors of the Coalition for Minimum Standards (described in Section III). Its staff has been active in coalition planning, in publishing and mailing reports on minimum standards and school finance, and in providing staff work for a visit to Cleveland of the New York Education Priorities Commission.

GCIC is currently planning a program to help parents help their children read better. It is its intention to develop materials which will help parents evaluate their own child's reading ability and to develop materials for workshops in churches to help parents help their children.

These projects are included in the operating budget of GCIC.

Contact: Rev. Rich Israel, Director, Public Education Task Force, Greater Cleveland Interchurch Council, 2230 Euclid Ave., 44115 (621-5925); Nancy Oakley, Director, Project: LEARN, 2238 Euclid Ave., 44115 (621-9483.)

## 12. Harvard Community Services Center

The Harvard Community Services Center has a tutor at Miles Elementary School and another at Jamison Junior High School all day every school day. These tutors see students on a referral basis from teachers or parents. They are on the staff of the Center and funded by a block grant which ends in May. Another staff member provides a cultural arts program once a

week at Emile B. DeSauze Elementary School and Cranwood Elementary School.

There is a city-wide after-school tutoring program at the Center. There are 69 students currently enrolled and 24 tutors for adults and students. Two full-time staff members and one part-time staff member are funded with County money through the Youth Services Coordinating Council. The others are volunteers.

Contact: LaJean Ray, Harvard Community Services Center, 18240 Harvard Road, 44128 (991-8585).

### 13. Horizon Center

The Cleveland Public School System has recently contracted with the Community Outreach Department of Horizon Center Hospital to implement a comprehensive chemical dependency program which will provide:

a) in-service training for the faculty, counselors, and staff of each building in the system;

b) parent education meetings by cluster to provide information about chemical dependency;

c) direct classroom work with youngsters in K-12 geared to prevention, education, and identification of users or youngsters from chemically-dependent families; and

d) intensive specialized training with core faculty from each Cluster to give them skills to do referrals and to set up prevention, after-care, and "concerned others" groups.

There will be two full-time and six part-time staff members assigned to this comprehensive project. It is hoped that within three to five years, the School System can manage this program itself. The program is funded by Cuyahoga County through the Health and Human Services Levy.

Contact: Gail Channing, Coordinator of Community Outreach Program of Horizon Center, 1276 West Third St., Suite 319, 44113 (696-4141).

#### 14. League of Women Voters

Upon request, the League of Women Voters offers a Community Leadership Skills course to those community groups making the request. With three-year funding from The Cleveland Foundation, the course has been given to about 30 groups in two years, including PTAs, leaders of parents and community groups, and staff members of the Cleveland Public Schools who work with parent and citizen groups.

In most years, the League provides in-service training in registration and voting for social studies teachers of the Cleveland Public Schools. Upon request, it does voter

registration and orientation for high school seniors throughout Cuyahoga County.

Prior to the 1981 School Board election, the League sponsored B.A.S.I.C. (Better Awareness for School Evaluations in Cleveland) which was funded by The George Gund Foundation. B.A.S.I.C. was a coalition of community organizations and individuals called together to educate voters and endorsing organizations about the issues facing the Cleveland Public Schools and how to evaluate the candidates. It established and published criteria for the evaluation of candidates; sponsored two Saturday workshops for candidates; workers, and evaluation committees; and presented several candidate forums.

Contact: Charlotte Nichols, League of Women Voters, 1276 W. Third St., 44113 (781-8375).

15. Murtis H. Taylor Multi-Service Center

A full-time consultant to the Murtis H. Taylor Multi-Service Center is involved in the Adams/Rhodes Cluster and the Kennedy/Marshall Cluster. He does group work at Lafayette Academy (K-6) two days a week and at Hamilton Junior High School two days a week helping students adjust to the educational setting. He works with the School Community Councils and the PTA in trying to get parents to participate. He lobbies for a better quality of education.

Contact: Bob Loftin, Murtis H. Taylor Multi-Service Center,  
13422 Kinsman Road, 44120 (283-4400).

16. NAACP

The Education Committee of the NAACP meets once a month with about ten members attending regularly. This year it sponsored two evening programs: the first (sparsely attended) had three speakers to discuss the financial accountability of the Cleveland Public School System and the second (about 25 attendees) featured administrators from various levels who discussed administrative accountability. The Committee's members work with other committees of the NAACP (for example, the Youth Work Council).

Contact: Janice Hill, Chairperson, NAACP Education Committee  
(421-6236).

17. Nottingham Career Resource Center

A counselor from Nottingham Career Resource Center meets with two to three groups of students a year at Collinwood High School for career counseling. Each group meets twice a week during study halls or at lunch time. Discussions cover self-awareness, career awareness, what jobs are available, and what training is necessary for these jobs. There are field trips to industries and hospitals.

Last year a training course for the Scholastic Aptitude Test (SAT) was offered.

At the Center, 10 percent of the individual counseling is with dropouts.

Contact: Robin Clark, Nottingham Career Resource Center, 17877 St. Clair Ave. (486-2625).

18. The Urban League of Greater Cleveland

Among many programs, The Urban League has two that are particularly involved with the public schools throughout the Greater Cleveland Area:

a) The Business Industry and Education Council (B.I.E.C.) is a group of about 25 educators and business and industry representatives who are concerned about the employment of minority and disadvantaged youth. It has sponsored an annual two-day Job Fair for selected, non-college-bound graduates; provided career orientation seminars for students and their parents; and sponsored two workshops for dialogue between teachers and businessmen. Most recently, it sponsored, with the Council on Human Relations, a seminar on youth unemployment. Its members visit schools to discuss course offerings with students and teachers. Members' business facilities are used

for on-site tours and seminars to assist students in identifying and accomplishing career objectives.

b) Project 2000 is a pilot program which currently exists in two high schools in the Cleveland Public School System as well as in several suburban schools. Its purpose is to identify youth with leadership potential, develop leadership skills, provide career counseling, and encourage peer group involvement in serving youth and the community. In each school 20-30 students are selected by the staff of the Student Council to participate. The groups meet weekly during school hours at each school then come together once a month at The Urban League. Project 2000 students conducted school surveys which they presented at the Seminar on Youth Unemployment mentioned above. They will conduct further surveys regarding employment.

Contact: Donald W. Morris, Assistant Director, Career Training and Economic Resources, The Urban League of Greater Cleveland, 11900 Shaker Blvd., 44120 (861-4200).

19. The West Side Mental Health Center

The West Side Mental Health Center has been involved in two projects with schools this year:

a) School Presentation Series. In each of the five junior and senior high schools in its service area, the West Side Mental Health Center presents a one week series on mental health, drugs, sexuality, etc. One grade level is selected

in each school, and all students in that grade level participate in the series. The classes are taught by staff members of the Mental Health Center.

b) Small Group Contact. In selected schools, staff members of the Mental Health Center meet weekly with a group of 12 to 15 students referred to the group by the school counselors for group counseling and behavior modification.

Contact: Claire Farnsworth, West Side Mental Health Center, 2031 W. 30th St., 44113 (281-8600).

## 20. West Side Ecumenical Ministry

The West Side Ecumenical Ministry (WSEM) is sponsoring a Quality Education Program, a pilot project in grass roots organization for improvement of public education in Cleveland. A Public Policy Advocate is being hired by WSEM to organize and coordinate one parents' group and one group of concerned church people from the WSEM service area. The Advocate will interpret school information developed by other resources for these groups and help them to plan and carry out action for improvement. If the program is successful, foundation funding will be sought for broader implementation.

Contact: Rev. David Miller, Executive Director, West Side Ecumenical Ministry, 4315 Bridge Ave., 44113 (651-2037).

Section V  
PARENT/VOLUNTEER GROUPS

The following descriptions are of groups of parents and volunteers who are involved with the Cleveland Public Schools.

1. Clevelanders for Quality Education Now

**Composition:** A group of about ten parents and community activists. Larger numbers are mobilized for special activities (letter writing, telephoning, election activities, etc).

**Purpose:** To work for quality education in the Cleveland Public Schools.

**Activities:** This group has worked on various issues affecting education for about five years (for example, focusing attention on the school strike, encouraging parents to present written demands, and endorsing and supporting School Board candidates). Feeling that it is essential for the School System to meet the minimum standards set by the State, this Group helped to found and actively supports the Coalition for Minimum Standards. It is currently active in opposing the retention of Peter Carlin after his resignation as Superintendent and in encouraging parent representation on the Search Committee for Mr. Carlin's

successor. It has been meeting individually with School Board members to press its views.

**Sponsor:** There is no formal sponsor. A parent, Mary Connor, chairs the group. Staff work is shared by members. Flyers are usually produced at Merrick House.

**Contact:** Gail Long or Mary Connor, Clark-Fulton Center of Merrick House, 3619 Walton Ave., 44113 (281-4212).

## 2. Coalition for Minimum Standards

**Composition:** Representatives of The Greater Cleveland Interchurch Council, the Neighborhood Centers Association, The Citizens' Council for Ohio Schools, Clevelanders for Quality Education Now, and the Commission on Catholic Community Action. Usually three to four professionals and ten parents meet to set strategies. From 75 to 100 parents and some students attend Coalition meetings. (Ten of these meetings have been held in the last five years).

**Purpose:** To encourage the Cleveland Public School System to meet the minimum standards set by the State and to push for a program budget.

**Activities:** The Coalition held a rally to educate parents on the minimum standards and to inform them of the 1000+ deficiencies found in an inspection ordered by the Court.

Parents went to the State Legislature and the State School Board to urge that the Cleveland Public Schools be required to meet these minimum standards by February, 1982; members have testified before the State Monitoring Board that it must also monitor compliance with these minimum standards. They have urged parents to be at local schools when inspections are made and to push for compliance within the local school and at the School Board level. The Coalition has also lobbied for a program budget.

Sponsors: Costs are absorbed by the Greater Cleveland Interchurch Council and the Neighborhood Centers Association.

Contacts: Rev. Rich Israel, Greater Cleveland Interchurch Council, 2230 Euclid Ave., 44115 (621-5925); Joe Garcia, Neighborhood Centers Association, 1001 Huron Road, 44115 (781-0725).

### 3. Collinwood Volunteers

Composition: Approximately 27 parent volunteers.

Purpose: To help with problems at Collinwood High School.

Activities: From one to four volunteers go to Collinwood High School each morning to call parents about behavior and attendance problems, to keep attendance cards up to date, to inform parents when and for what reason a student is suspended, and to patrol the halls.

**Sponsor:** These volunteers were recruited (with the Principal's help) and are organized by Betty Little, the School Board's Community Coordinator for Collinwood.

**Contact:** Betty Little, Collinwood High School, 15210 St. Clair Ave., 44112 (249-7240).

#### 4. Help Teams Network

**Composition:** 56 institutions (primarily churches and neighborhood centers) which serve both the east side and west side constituents of the East Tech/South Cluster.

**Purpose:** To assist youngsters who have needs (food, clothing, counseling, etc.) which can be met by member agencies.

**Activities:** When a Principal has a youngster with needs, he calls the Help Team Captain assigned to his School. The Captain then works with the Team agencies to find appropriate help.

**Sponsor:** Community Guidance and Human Services. This year the project has a mini-grant from The George Gund Foundation to demonstrate schools' use of the network.

**Contact:** Gloria Freire, Community Guidance and Human Services, 3740 Euclid Ave., 44115 (431-7774).

## 5. Hispanic Parents Union

**Composition:** 300 dues-paying parents who are Spanish American (predominantly Puerto Rican). There are about 50 active members.

**Purpose:** The Hispanic Parents Union was formed in June, 1981 to improve the education and living conditions of the Spanish American community. The Union encourages and trains parents to become involved.

**Activities:** Through monitoring of the School Board, letter writing, boycotting, and a meeting with School Board members, the Union has successfully pressed for solutions to its most immediate needs: yellow bus transportation for children limited in English, a halt to suspensions of children who are late because of transportation difficulties, Spanish-speaking aids in bilingual classes, and bilingual kindergartens. It is working to have more Hispanics hired at all levels of the Cleveland School System and to have bilingual announcements of important activities, particularly of the magnet school programs. A mini-marathon is being planned to fund a scholarship. It hopes to have a school named for a Puerto Rican or Spanish educator.

**Sponsor:** There is no formal sponsor. Nestar Rivera of the Cleveland Public Schools System has taken the lead in recruiting the Group. She and Natividad Pagan of the Spanish American Day Care Center provide leadership and technical assistance.

Contact: Natividad Pagan, Spanish American Day Care Center, 2284 Professor St., 44113 (696-8215).

#### 6. Hough Concerned Parents

Composition: A group of 12-20 parents and concerned people of the Hough Community.

Purpose: Originally formed to protest the closing of Addison Junior High School and to prepare for busing, the group now monitors the Cleveland School Board and local schools and keeps the community informed on pertinent issues.

Activities: It meets once a month at Bell Center. It established and supports Project Save, and it helped organize and supports the School Community Council at Martin Luther King Junior High School. It sponsored a Candidates' Forum prior to the School Board election.

Sponsor: There is no sponsor. Postage is covered by dues. Paperwork is done at League Park Center.

Contact: Miriam Gibson, League Park Center, 6601 Lexington Ave., 44103 (432-2790). Carole King is President.

#### 7. Project Save

Composition: 10-15 volunteers from the Hough Area.

**Purpose:** To contact the parents of truant students from Martin Luther King Junior High School and East High School so that they can deal with the truancy before it leads to suspension or failure.

**Activities:** Parents contact the staff at Martin Luther King Junior High School and at East High School to obtain the names of truant students. Volunteers contact the parents of these children by phone or letter. Currently the volunteers are receiving little cooperation from the staff at King; consequently, more effort is going into getting names than into telephoning.

**Sponsor:** Hough Concerned Parents

**Contact:** Chairperson is Miriam Gibson, League Park Center, 6601 Lexington Ave., 44103 (432-2790).

#### 8. Tremont Concerned Parents

**Composition:** A group of parents who live in the Tremont Area (near west side). Many have children bused to Myron T. Herrick Junior High School.

**Purpose:** Originally formed to deal with apprehension about busing, the group now works to increase parental involvement

in the schools and to sensitize the school staff to the needs of students and desires of parents.

**Activities:** Meetings are held once a month in the Tremont Area. A core of about 15 parents is very involved; many more attend meetings when an authority figure (the school Principal) attends. This year the Group sponsored a tour through the neighborhood for teachers from Herrick. They hope to have a potluck for teachers, parents, and community workers to show teachers that parents are concerned. As individuals and as a group, they press the school staff to understand and accommodate the particular problems of poverty-level students (to extend deadlines for fees, to accept non-regulation gym shorts, etc.)

**Sponsor:** As part of her staff work at Merrick House (a neighborhood center) Rosetta Neal provides staff work for this Group. There is no special funding.

**Contact:** Rosetta Neal, Merrick House, 1050 Starkweather, 44113 (771-5077).

## Section VI

### BUILDING-BASED PARENT GROUPS

There are three kinds of parent groups that are supposed to exist in most school buildings: Title I Councils, School Community Councils, and PTA. For reasons of economy, the school buildings remain open into the evening only one night a month. All three groups are encouraged to meet on that night.

#### 1. Title I Councils

Title I is a federally funded program that provides compensatory math and reading in schools that fall below a certain income level. Since busing began, every school in the Cleveland Public School System qualifies for these funds. Currently, Title I programs are offered in every elementary and junior high school in the Cleveland Public School System.

Title I mandates that parents participate in planning, monitoring, and evaluating Title I programs. In Cleveland this has been done with a local council in each school. These councils are not called Title I Councils; however, they have also been known as Parent Advisory Councils (PACs) and School Advisory Councils (SACs). Each Council meets once a month in the local building. It generally focuses on the curriculum provided by the program. There is also a district-wide council meeting (District Advisory Council or DAC) once a month. This

is attended by elected representatives from each school and any others who would like to attend.

The Councils are organized by staff members of the Community Involvement for Compensatory Education Program of the Cleveland Public School System's Department of Community Involvement. There is approximately one staff person for every four to six buildings. The staff person recruits parents, facilitates meetings, and serves as a resource person. These staff positions are funded by the State through the Disadvantaged Pupil Program Funds (DPPF).

The success of the Councils varies greatly from one school to the next and seems to depend upon the skill level of the parents, the involvement of the Principal, the history of school-community relations in the building, and the length of the program (it has existed in some schools only since busing, in others since 1965). Currently, 93 of the 112 elementary and junior high schools have Title I Councils.

Contact: Florence Carter, Director, Community Involvement for Compensatory Education Program, Department of Community Involvement, 1380 East Sixth Street, 44114 (574-8154).

## 2. School Community Councils

A plan for a School-Community Relations Program for Desegregation of the Cleveland Public Schools was ordered by

the Court in its Remedial Order dated February 6, 1978. As part of its compliance, the Division of Community Organization of the Cleveland Public School System's Department of Community Involvement is developing a School Community Council (SCC) in every school, in each Cluster, and system-wide. According to the Department, "these organizations, comprised of parents, students, community representatives, and school personnel, will share the responsibility for providing the best possible educational programs."

Two staff members of the Department of Community Involvement work with building and Cluster personnel to recruit parents, to facilitate meetings, and to try to get parents to take leadership roles. Actual participation seems to depend on the local school leadership, leaders among parents, the history of the school, and the issues being addressed. Each Council is encouraged to meet once a month on the night the school is open. Thus far, parents have worked through these Councils to improve building facilities, attendance, playgrounds, security, bus routes, and curriculum.

Currently there are School Community Councils in 96 of the 133 schools in the School System. Councils are being organized at the Cluster and district levels.

Contacts: C. J. Prentiss (574-8697) and Chuck Novak (574-8698), Directors of Community Organization, Department of Community Involvement, 1380 East Sixth Street, 44114.

### 3. Parent/Teacher Association

The Parent/Teacher Association (PTA) has as its goal to join parents, teachers, and others in working together to improve public education. Throughout the country there are local units in almost every school building. Representatives of the local units form PTA Councils at the school district level. Representatives of the districts join forces at the State and National levels.

At the State and National levels, the PTA is primarily concerned about legislation. It lobbies strongly on both levels for legislation affecting education and children.

At the District level, the Cleveland PTA Council is composed of representatives of the local units and serves as a link between the local units and the State level. It, too, is interested in legislation and has been particularly concerned about legislation affecting school funding. Through a city-wide institute in the Fall and another in the Spring (attended by 60-100 people), it provided workshops in the areas of its greatest concern: legislation, leadership, by-laws and procedures, drug and chemical abuse, venereal disease as it relates to teenagers, and technical and vocational education.

The Cleveland PTA Council is smaller than in prior years because there are fewer local units.

In the local units, some want to see the PTA address the issues which affect education. However, most PTAs in Cleveland primarily provide services to the schools; for example, parents raise funds in order to send classes on field trips or do something special for the school.

In the 1980-81 school year there were 92 local PTA units. This is down from 130 units in 1973. Part of this decline is due to school closings, and part is perhaps attributable to the School Community Councils. Staff members actively recruit parents for the SCCs; some of these parents have been, or would otherwise be, active in the PTA.

Contact: Louise Porter, President, Cleveland PTA Council (561-7850).

## INTERVIEWS

### On Site

Gail Channing, Horizon House, 696-4141

Michael Charney, WELCOME, 281-4212

Jim Coleman, Cleveland Board of Education, 574-8149

Juanita Dalton, Center for Human Services, 252-5800

Joe Garcia, Neighborhood Centers Association, 781-0725

Miriam Gibson, League Park Center, 432-2790

Terry Gidley, ACLU, 781-6276

Bert Holt, Cleveland Board of Education, 574-8159

Fran Hunter, YWCA, 881-6878

Rev. Rich Israel, Greater Cleveland Interchurch Council,  
621-5925

Susie Kaeser, Citizens Council for Ohio Schools, 621-5220

Pat Lindsley, Federation for Community Planning, 781-2944

Gail Long, Clark Fulton Center of Merrick House, 281-4212

Donald Morris, Urban League, 861-4200

Mary Murphy, ACLU, 781-6276

Ami Nashan, Center for Human Services, 252-5800

Rosetta Neal, Merrick House, 771-5077

Charlotte Nichols, League of Women Voters, 781-8375

Chuck Novak, Cleveland Board of Education, 574-8149

Nancy Oakley, Project: LEARN, 621-9483

Natividad Pagan, Spanish American Day Care Center, 696-8215

C. J. Prentiss, Cleveland Board of Education, 574-8697

Kay Raffo, Federation for Community Planning, 781-2944

Daisy Rivera (employee of school board, interviewed at Spanish American Day Care Center), 696-8215

Janie Rollins, Title IX Compliance Officer, Cleveland Public Schools, 574-8386

Leonard Stevens, Office on School Monitoring and Community Relations, 522-7300

Mike Stringer, Youth Services Coordinating Council, 623-7723

Telephone

Margie Bray, Coordinator of School Community Resource Project, CSU, 687-2371

Geraldine Burns, Friendly Inn Settlement, 431-7656

Pat Denihan, Cudell Improvement, Inc., 228-4383

Claire Farnsworth, West Side Mental Health Center, 281-8600

Gloria Freire, Community Guidance and Human Services, 432-7774

Claire Gilbert, Center for Human Services, 241-6400

Karen Katzman, Citizens to bring Broadway Back, 429-1173

Karen Kordisch Greater Cleveland Interchurch Council, Hunger Task Force, 621-5925

Betty Little, Collinwood High School, 249-7240

Bob Loftin, Murtis H. Taylor Multi-Services Center, 283-4040

Bradley McDonald, Black Focus, 631-7660

Rev. David Miller, West Side Ecumenical Ministry, 651-2037

Delores Minter, The Cleveland Covenant, 621-5925

Michael Murphy, United Labor Agency and Committee on Catholic Community Action, 361-1800

Mary Ostendorf, Board of Education

Laurie Porter, PTA, 561-7850

Beverly Pyle, Vocational Information Program, 421-4350

LaJean Ray, Harvard Community Services Center, 991-8585

Father Joseph Romansky, Catholic Diocese

Kathy Singer, Community Guidance and Human Services, 431-7774

At Home

Robin Clark, Nottingham Career Resource Center, 486-2625

Liz: a mother at League Park Center

*Parentable* Block Grant Primer

Annual Report, May, 1982

Development of this document was made possible with the assistance of Anita L. Morse, Professor of Law, Cleveland-Marshall College of Law and Hans C. Kuenzi, research assistant Cleveland-Marshall College of Law.

*Anita  
Morse  
a professor*

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When the Roundtable first published the Block Grant Primer in February, 1982, it was intended to alert our members and the community to dramatic funding decreases and programmatic changes in federally supported health and human services programs on the state level that would further erode the economic condition of Ohio and Cleveland, already weakened by increasing unemployment and decreasing revenues. That report documented the impact of decreasing federal funds on primary health and human services programs as reflected in Ohio state cuts *in aid* to Cuyahoga County and to Cleveland. It pointed out the ripple effects on Cleveland's economic development programs caused by layoffs of city and county employees and *CONVULSANT SERVICE* reductions; deferral of capital spending on needed infrastructure improvements in sewers, water systems, and streets and bridges; and increased taxes, all of which would deter new economic growth and investment.

Mayor Voinovich, in an interview concerning the Reagan Administration's "New Federalism: issued at the time of that Report stated,

"The economic condition of the country will have a major impact on this whole dialogue on New Federalism. If we have massive unemployment in this country--over 10%--no one is going to be talking about New Federalism. They are going to be worried about getting people back to work and they aren't going to give a damn whether it is the federal, state or local government doing it." (Cleveland Press, Feb. 21, 1982)

In our April 16, 1982 update, the Roundtable reported that, indeed, states were resisting a massive turnover of health and human services programs, and little action on New Federalism was *foreseen* for fiscal year, 1983. On May 5, however, officials of the National Governor's Association announced that a tentative agreement had been reached with the White House for a framework for realigning Federal and State responsibilities for Welfare and Medicaid. Cautioning that many details need to be worked out, Governor Richard A. Snelling of Vermont, chairman of the group, reported that states might be willing to assume more responsibility for underwriting Aid to Families with Dependent Children, which assists more than 3.8 million families as the primary welfare program, if Washington agreed to create a "safety net supplemental assistance fund" to help states cope with special problems such as high unemployment. The fund would also aid states having a high concentration of poor people but limited ability to generate revenue. The Governors also insisted in a repeal of the Federal law under which food stamp benefits are reduced

by thirty cents for each additional dollar of cash assistance or other income received by a poor family. This change was proposed by Governor Scott M. Matheson of Utah after he observed that a state would, in effect, be penalized by the reduction in food stamp benefits if it decided to raise welfare payments to residents. Department of Agriculture officials said that this change would add \$3-4 billion to the cost of the food stamp program, currently operating on a budget of \$10.3 billion.

The compromise was characterized as tentative because the group was still awaiting the details of the proposed federal take-over of the Medicaid program. The states currently share the cost of welfare and Medicaid with Washington, and standards for Medicaid eligibility and extent of benefits vary widely among the states. The White House has yet to disclose how it would administer the Medicaid program.

In the areas of block grants and federal funding, our April 16 update also reported that the Reagan Administration was pushing ahead to further consolidate categorical programs into new block grants and turn these over to the states for administration, while, at the same time, further decreasing federal funding of these and other health and human services grants. More recently, a Presidential advisory committee has proposed the creation of a "housing payments program" in the already existing Community Development Block Grant to give local communities a means to distribute direct cash payments to low-income families in the form of vouchers, a system which has been devised to replace low-income housing construction programs. And locally, Mayor Voinovich received assurances on May 6 that Urban Development Action Grants would not be merged into the Community Development Block Grant. By keeping these grants separate and administered at the federal level, Cleveland is likely to continue receiving its fair share in urban development grants, although the size of the grants themselves will surely be reduced.

#### On the National Level

With the collapse of the bipartisan budget negotiations between Capitol Hill and the White House in late April, the task of putting together a FY 1983 budget has fallen to the leaders and committees of Congress. Republicans and Democrats in both the House and Senate recognize that unless major savings are achieved, the FY 1983 deficit could reach \$182 billion and continue to grow to \$216 billion in FY'84 and \$233 billion in FY'85. The leaders of both parties

have indicated that they are trying to find a budget formula to reduce the FY '83 deficit to about \$110 billion, but the central issue lies in where the cuts should be made and whether a steady downward trend can be achieved beyond that. The stakes are high, not the least of them being the strength and staying power of an economic recovery. Economists in and out of the Administration now admit that high federal deficits tend to produce high interest rates and, in turn, high unemployment rates. The latter figure has reached a forty-year high of 9.4% (10 million unemployed), with Ohio reeling under a rate of 12.4%.

The current leading Republican budget plan, developed by Senator Peter Domenici, chairman of the Senate Budget Committee, and endorsed by President Reagan, carries a deficit of \$106.1 billion for FY'83, \$70 billion for FY'84, and \$42 billion for FY'85. It calls for a three year tax increase of \$95 billion (thereby cancelling the third year of the income tax cut which was a centerpiece of the Administration's economic recovery plan), a \$22 billion reduction in the proposed increase in military spending, and a three year freeze in nonmilitary discretionary programs including education and health, for a savings of \$39 billion. Lastly, in addition to a reduction in social programs, a controversial \$40 billion cut in Social Security benefits over the next three years was proposed.

Predictably, this compromise plan was assailed by the House Republicans and Democrats. House GOP Leader Bob Michel characterized the bill as "unacceptable" and promised to renew efforts to fashion an alternative budget. To this end, House Republican Leaders on May 12, urged that Social Security be removed altogether from the budget battle, thereby reducing the FY'83 deficit proposed by the Senate by \$10 billion and substantially reducing the overall size of the budget. President Reagan expressed his willingness to consider this proposal during his May 13 news conference. <sup>Some</sup> Moderate Republican Congressmen from the Northeast and Middle West, known as the "Gypsy Moths," likewise rejected the Domenici-Reagan plan and released an alternative FY '83 budget that would make significantly deeper reductions in military spending, hold the line on some discretionary programs and increase others along FY'82 guidelines, and increase revenues by \$10 billion. More significantly, the "Gypsy Moth" plan rejects any changes in Social Security benefits.

The Democratically-controlled House Budget Committee, as well, released an alternative budget on May 13. This plan envisions a deficit of \$102.9 billion for FY'83, a \$147 billion increase in new taxes; a \$47 billion, three-year reduction in the Administration's planned increase in military spending; and a freeze on discretionary programs, albeit less intrusive than the proposed Republican freeze. The House Panel also recommended a \$14 billion reduction in social programs, a figure of less than half of the amount called for by the Senate Committee. Finally, the Democratic plan leaves Social Security benefits untouched. In spite of the plan's purported viability, Democratic House Speaker Tip O'Neill conceded that neither party alone can pass any kind of budgetary provisions in this volatile election year without bipartisan cooperation. An instance of this requisite unity surfaced on May 12 as the House of Representatives approved a supplemental spending bill that adds nearly \$6 billion to this year's budget. The money was earmarked for student loans, mortgage subsidies and other government functions as part of a broader drive on Capitol Hill to provide immediate help to sectors of the economy that are suffering severely from the recession. However, the bill faces critical questioning in the Senate and a possible veto from the White House.

In all, Congress is being tested on its capacity to make what its members call the "hard decisions". At the present time, the basic proposals of the compromise Domenici-Reagan budget plan appear to have the best chance of passage, based on the administration's past successes. However, members of neither party are anxious to lend their approval to a Budget that will have a detrimental impact on the lives of their constituents, especially in an election year. It is for this reason that Congressional passage of a budget package will almost certainly be postponed until after the primaries and quite possibly past the September 30 deadline.

#### On the State Level

April saw Ohio's unemployment rate at its highest level since 1940, indeed exceeding that 10% level predicted by Mayor Voinovich to be the break point for New Federalism. Ohio's tax revenues declined precipitously, forcing the governors to implement further reductions in state health and human services expenditures. Both the Ohio House and Senate have now passed the Governor's proposal for increases in taxes and decreases in spending.

The House bill was passed on May 12, after a week of stalling by Democrats who successfully sought more Republican votes to assure a bipartisan label and head off a partisan campaign issue. The following are highlights in this budget package:

\*Imposes a 25% income tax surcharge for the years 1982 and 1983. Because the surtax would be collected only from July 1, 1982 to June 30, 1983, the end of the budget period--collecting two year's tax in one year--the amount withheld from paychecks would increase 50%.

\*Creates a higher income-tax level for people earning \$80,000 a year or more.

\*Requires employable adult welfare recipients to work for cash assistance they get under general relief or Aid to Dependent Children.

\*Revises soft-drink excise taxes and applies them to soft drinks sold in bottles, cans, and at fountains through June 30, 1983.

\*Cuts most state spending 9% from July 1, 1982 to June 30, 1983. Education would be cut 5.58% and welfare 1%. Earmarks lottery, income tax and corporate taxes for schools, but does not increase aid if earmarked revenues exceed promised amounts. The Senate would have varying cuts in education and an 8% slash in welfare.

\*Increases the corporate franchise tax from 5.5 mills to 6 mills on net worth, from 4.6% to 5% on the first \$25,000 of net income and from 8.7% to 9.5% on net income over \$25,000.

\*Extends the temporary corporate and utility taxes enacted last year until June 30, 1983, the end of the current budget period.

Agenda: Economic ~~Development~~ Recovery

Cleveland's public-private partnership faces hard choices in the future. Mayor Voinovich pointed that out in his interview when he stated,

"I think one of the grave errors that this city made over the years was that when it fell upon bad times, (city officials) ignored planning and economic development. This is being penny wise and pound foolish. At a time like this the most important hedge against the terrible problems for the community is to have the tax dollars to respond to those problems.

If the economy fails, then taxes fall. When its taxes fall, the services fall. And when the services fall, the people move out of their neighborhoods and the businesses move out of the community." (Cleveland Press, February 21, 1982).

INSERT:

However, because the bill constitutes a modified version of SB 530, which was passed by the Ohio Senate on March 30, the Senate plans to reject this house version, thereby forcing a conference committee, which is expected to withhold the announcement of a compromise until after the June primaries. Neither party is eager to implement a tax hike during an election year in a state whose economy is being skewered by the double-edged sword of high unemployment and high interest rates. By postponing the announcement of a compromise package until after the June primaries, both parties aspire to curb voter backlash which they hope will dissipate by the November elections. However, no matter what legislative package emerges, it will certainly mean further ~~burdens~~ on the Cleveland area economy.

↑  
burdens

June 4, 1982

Mr. Mark Talisman  
227 Massachusetts Ave.  
Washington, D.C. 20002

Dear Mark:

I thought you might like to see our Primer Update.  
We intend to do this every month.

I hope you are feeling better. If there is any  
way that The Temple can cooperate in the Czech  
Museum project, I would love us to be one of the  
places it is displayed.

Sincerely,

Daniel Jeremy Silver

DJS:mp

GREATER CLEVELAND ROUNDTABLE

Board of Trustees

Eaton Corporation - 27th Floor

June 28, 1982

MINUTES

PRESENT

S. C. Pace, Chairman  
M. C. Arnold, D. G. Hill, C. F. Hoover, A. C. Holmes,  
A. R. Pinkney, B. P. Foster, C. M. Blair, K. B. Bonutti,  
W. H. Bryant, E. E. Cade, J. J. Dwyer, N. M. Ellison,  
J. Feliciano, R. McCullough, G. I. Meisel, A. M. Pilla,  
R. W. Pogue, D. V. Ragone, A. B. Ratner, A. P. Sanchez,  
L. H. Treadway, W. B. Waetjen, J. M. Whitley, and  
S. S. Austin.

VIDEO TAPE OF MEETING - CHANNEL 8

It was noted that Channel 8 was present to make a video tape of our meeting. The taping is part of a segment that is being done by Storer Broadcasting on the re-birth of cities. The program will involve six cities; Atlanta, Cleveland, Detroit, Milwaukee, San Diego, and Toledo. In addition to the video tape of the Board meeting, individual sessions have been held with several leaders from the community including Mr. Pace who talked about what Cleveland is doing to revitalize itself.

INTRODUCTION OF NEW MEMBERS

George Meisel, Managing Partner of Squire, Sanders & Dempsey, was introduced and welcomed to the Board.

COMMITTEE ON EDUCATION - ALLEN C. HOLMES

The current primary activity of the Committee is participation in the selection process for a new superintendent of schools. This process has involved the development of criteria for the selection of candidates and public meetings. The criteria have been delivered to the consultants. On July 16 the consultants will submit their list of candidates. On July 23, interviews will begin with ten to twelve candidates. Three finalists will be selected from this group. It was stated that

one of the key issues is the extent to which the responsibility for running the school will be returned to the school board. It is the feeling of some persons that the Judge has recognized the reality of not being able to have a unitary structure without major changes. The school board's responsibilities need to be clearly defined to attract qualified candidates.

David McClurkin and Joseph Tegreene will brief the Education Committee on the financial status of the school system at its meeting on July 1. It was stated that a levy probably would not be on the ballot this Fall. The situation will probably require a special election. The legislation which has been signed into law does provide additional support to the school system. The anticipated shortfall, therefore, will be rectified.

COMMITTEE ON ECONOMIC DEVELOPMENT & JOBS CREATION - ARNOLD R. PINKNEY

The Minority Purchasing Trade Fair is scheduled to take place on July 22-23. The Trade Fair is a vehicle for bringing together majority and minority companies in a meaningful way. Mr. Pinkney requested the participation of those companies represented on the Roundtable's Board. He also requested that they invite their purchasing staff to participate.

Youth Employment - Lyman H. Treadway

An analysis of the youth employment initiatives in the Cleveland area was prepared for the Youth Employment Committee. About 50 agencies were identified. The report indicated that some agencies are doing effective jobs. However, there needs to be a more comprehensive study of their efforts to determine why some have been effective and others have not. The study could help the community make more effective use of limited resources.

The Youth Employment Committee has developed a plan to provide summer jobs. It is proposed that several organizations would work together. The purpose of the plan is to provide jobs for low-income youth and to assist neighborhood improvement efforts. Mr. Pace stated that the program developed by Mr. Treadway and his Committee was very positive. It has the potential to impact the youth unemployment situation in a major way.

Because of time constraints, the Executive Committee determined that it would not be possible to implement the program this summer. It was recommended that we begin now to put the plan in place for 1983. It was reported that Steve Minter had recommended that the Youth Employment Committee make a site visit to New York to study the private sector efforts there.

Steve Minter informed the Board that as a result of the Mayor's statement on summer jobs at the last Roundtable Board meeting, the Cleveland Foundation has allocated an additional \$225,000 for summer employment.

Mr. Ragone also added that Case Western Reserve University has expanded its minority engineering program to include 25 more students in response to the last Board meeting. Mr. Pace indicated that the Case Western Reserve program will add a new dimension in that it will provide some much needed skills to the participants.

It was stated that CETA provided 8,000 jobs in 1981; 6,500 for 1982. It is uncertain as to what level of funding, if any, will be available from the federal government in 1983.

It was noted that even though the major thrusts of the Committee efforts will be for 1983, it is still not too late for some private sector participation in 1982.

Labor/Management Forum - Richard W. Pogue

The Forum met on June 23. It was an excellent meeting and was well attended. Bradley Jones was welcomed as a new member of the Committee. Charles Pinzone, Executive Secretary of the Building Trades Council, Thomas Kerr, President of the Industrial Construction Company, and Terry Donaley of the Industrial Construction Company made a presentation on the status and background of the collective bargaining negotiations in the construction industry in Cleveland. The current contract calls for a \$2 increase per year for the next three years.

The next meeting is scheduled for July 26 at which time there will be a presentation by Peter J. Pestillo, Vice President, Labor-Relations Staff, Ford Motor Company, and Donald F. Ethlin, Vice President of UAW. The presentation will be on labor management harmony initiatives. The August meeting will be devoted to developing specific objectives and target areas for the future.

The situation regarding the use of 32 young people on the Cleveland 500 project was noted. These were young people who were hired for \$5 an hour. Union rates would have been \$17. Initially there was some difficulty regarding this situation. It has since been resolved.

It was stated that the Forum has helped to establish mutual respect and understanding between labor and management because a lot of the groundwork has been laid to help bring this about. The overall goal of the Forum is to establish a favorable labor-management environment.

The situation regarding Brookpark, which may involve 10,000 jobs, was noted. It was stated that this is an extremely difficult issue for which there are no easy answers.

COMMITTEE ON HOUSING & NEIGHBORHOOD DEVELOPMENT - BRUCE FOSTER & ALBERT RATNER

The fact sheet on the revenue bond issue was distributed to the Board and noted by Mr. Ratner. House Joint Resolution 14 passed the Ohio Senate on April 30, 1982. It is a proposed constitutional amendment which if passed would allow the state to issue tax-free bonds for the purchase or rehabilitation for single family houses and multi-family housing for senior citizens. The state would channel funds through the financial institutions by using low interest bonds to provide funds for banks, savings associations, mortgage companies and similar institutions. The issue will be on the ballot in November.

Previously, the issue was defined as a low and moderate income housing issue which was not widely supported. A statewide campaign effort to pass the constitutional amendment is being spearheaded by the Ohio Association of Realtors. Mr. Ratner indicated that various organizations need to be mobilized to support the effort and that a media campaign needs to be launched. One of the greatest difficulties in the past has been the drafting of language for the ballot. It is, therefore, very important that the right kind of language be developed. He informed the Board that this is a very important effort.

The State Housing Board has only assisted with the development of 6,500 units. The current legislation should make the agency more effective. Should the amendment pass, the agency could go to the Ohio Legislature to obtain broader powers enabling it to become the state agency in charge of overseeing the implementations and operation of the new program. Mr. Ratner informed the Board that the federal government is retreating totally from providing subsidy for housing. This responsibility is being passed to state governments. It is important to remember that this is a revenue issue. It is not a tax issue. It is a credit lending instrument, not a money lending instrument.

The Roundtable has put together an excellent Task Force on Revenue Bonds. This is a real opportunity for us to show how we can mold the community together. The Mayor is also very concerned with this issue. The first meeting of the Task Force is scheduled for July 22.

It was stated that the cities have often bypassed the states in previous years. We have complained about the amount of money that has gone to the federal government and that we have received back into Ohio only 75% of the tax dollars sent to Washington. We must, therefore, increase our efforts to work at the state level and recognize that Ohio will keep in Ohio 100% of each of its tax dollars.

#### COMMITTEE ON RACE RELATIONS - SARAH S. AUSTIN

Final revisions have been made on the general public and leadership questionnaires. Interviews will begin the week of July 5. The planning has been rather thorough, and Ms. Austin expressed appreciation to the members of the Race Relations Committee for their thoughtful input on the questionnaires and their support of this effort.

#### BUDGET & FINANCE REPORT

The Statement of Revenue and Expenses for the month was distributed. Revenue for the month - \$39,274.09; Expenses for the month - \$38,092.26; Total cash on hand as of June 24, 1982, - \$197,054.85. Of this amount, \$105,000 - restricted; \$92,054.85 - unrestricted.

We have received good cooperation with our fundraising efforts. However, we still have a shortfall of \$43,065. All the original prospects have been exhausted. We need to get an expanded list. A Finance Committee meeting is scheduled for July 8.

CHAIRMAN'S REMARKS

Mr. Pace reminded the Board that we have a small staff. It was at the Board's direction that the staff of the organization be kept to a minimum. Therefore, the Roundtable cannot operate as other civic organizations with large staffs. He requested that the Board members provide as much assistance as possible so that the Executive Director's time can be applied to substantive matters.

The members of the Board are representatives of organizations and constituents. It is, therefore, expected that they share the views of their constituents and organizations with the Board, and will take actions of the Board back to their groups. This is extremely important in order to facilitate communication.

Mr. Pace indicated that he wanted the Board meetings to be working sessions. He does not want to have meetings solely for the chairmen of the committees to make reports. The Board meetings should provide an opportunity to explore and discuss the ideas and concepts presented. He, therefore, encouraged the members to share their thoughts with the Board.

The meeting schedules for 1982 and 1983 were noted. The schedules have been submitted to all members of the Board. It was requested that the dates on the schedules be reserved in order to assure maximum participation.

REMARKS BY DR. NOLEN M. ELLISON

Dr. Ellison expressed appreciation to the individual members of the Board for their assistance on Issue 8. He said that it was important that Issue 8 passed. The college is placing emphasis on training and retraining. He has made a presentation to the Economic Development & Jobs Creation Committee. He feels the Roundtable does provide an opportunity for helping to shape key questions regarding technology and training.

NEW BUSINESS

Appointment of Co-chairpersons

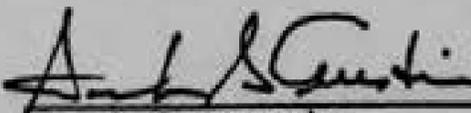
John J. Dwyer has been appointed Co-chairman of the Economic Development & Jobs Creation Committee. Mr. Pace indicated that it is important that we have co-chairmen of all committees so that the workload can be shared.

Retreat

Mr. Pace indicated that we have been in existence for one year and we need to think about whether we need a retreat to review progress made to date and plans for the future.

ADJOURNMENT

The meeting was adjourned at 9 a.m.

  
\_\_\_\_\_  
Sarah S. Austin  
Executive Director

**The Greater Cleveland Roundtable**

Room 2041  
100 Erieview Plaza  
Cleveland, Ohio 44114

(216) 579-9980

**Sarah S. Austin**  
Executive Director

June 28, 1982

Rabbi Daniel J. Silver  
The Temple Branch  
26000 Shaker Boulevard  
Beachwood, Ohio 44122

Dear Rabbi Silver:

We missed you at the Board meeting this morning.

This is to let you know that George Meisel, the managing partner of Squires, Sander & Dempsey, has agreed to serve on your Committee. Would you like me to draft a note for your signature welcoming him to the Committee?

Sincerely,



Sarah S. Austin  
Executive Director

SSA:kek

June 30, 1982

Ms. Sarah S. Austin  
Executive Director  
The Greater Cleveland Roundtable  
Room 2041  
100 Erieview Plaza  
Cleveland, Ohio 44114

Dear Sarah:

Will you write the letter to George Meisel, welcoming him to the Committee? I'll talk to you right after the Fourth. Thanks.

Sincerely,

Daniel Jeremy Silver

DJS:mp



File

ROOM 2041 100 ERIEVIEW PLAZA CLEVELAND, OHIO 44114 (216) 579-9980

**Chairman**  
E. Mandell de Windt

**Vice Chairman**  
Melvin C. Arnold  
Carole F. Hoover  
Stanley C. Pace  
Jackie Presser

**Secretary**  
David G. Hill

**Treasurer**  
M. Brock Weir

**Committee Chairmen**  
Allen C. Holmes: Education  
Reverend Otis Moss, Jr.:  
Race Relations  
Arnold R. Pinkney: Economic  
Development & Jobs Creation  
Jackie Presser & Bruce Foster:  
Housing & Neighborhood  
Development

**Executive Director**  
Sarah S. Austin

**Members**  
Reverend Dr. Henry W. Andersen  
Claude Banks  
Leona Bevis  
Claude M. Blair  
Alva T. Bonda  
Dr. Karl B. Bonutti  
Commissioner Virgil E. Brown  
William H. Bryant  
John H. Bustamante  
Erskine E. Cade  
Edward C. Coaxum, Jr.  
James C. Davis  
William DeLancy  
John J. Dwyer  
Dr. Nolen M. Ellison  
Jose Feliciano  
Council President George L. Forbes  
John A. Gelbach  
Martin Hughes  
William E. MacDonald  
Morton L. Mandel  
Rubie McCullough  
The Right Reverend Anthony M. Pilla  
Richard W. Pogue  
Albert B. Ratner  
Edward H. Richard  
Alfonso P. Sanchez  
Samuel Scovil  
Rabbi Daniel J. Silver  
Frank Valenta  
Mayor George V. Voinovich  
Dr. Walter B. Waetjen  
Ronald G. Wallace  
Alton W. Whitehouse, Jr.  
James M. Whitley  
Dr. Willis Winn

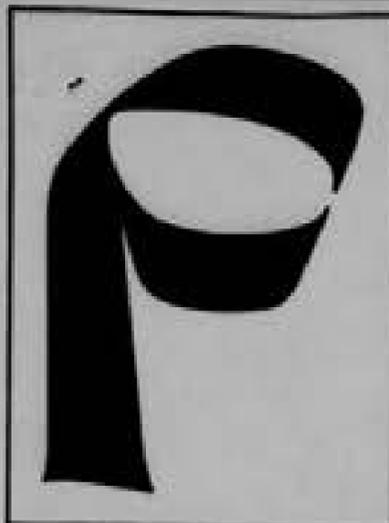
MEMORANDUM

**TO:** Board of Trustees  
**FROM:** Sarah S. Austin *SSA*  
**RE:** July 26 Board Meeting  
**DATE:** July 22, 1982

Enclosed is a copy of the minutes from the last Board of Trustees' meeting. I do hope you will be able to review prior to the next meeting scheduled for Monday, July 26, at 7:30 a.m.

SSA:kek

Enclosure



# FEDERATION FOR COMMUNITY PLANNING

July 22, 1982

1001 Huron Road  
Cleveland, Ohio 44115  
Telephone 216-781-2944

R. Bruce Campbell  
President

Edward C. Coaxum, Jr.  
Vice President

Ann Ford  
Vice President

John A. Hadden, Jr., M.D.  
Vice President

Jerry V. Jarrett  
Vice President

Frances King  
Vice President

Anker C. Studsgaard  
Treasurer

Richard S. Gray  
Assistant Treasurer

Ralph Brody, Ph.D.  
Executive Director

Mrs. Sarah Austin, Director  
Greater Cleveland Roundtable  
100 Erieview Plaza  
Room 2041  
Cleveland, Ohio 44114

Dear Sarah,

As I mentioned to you on the phone, representatives from six major institutions in our community have been meeting to plan a briefing session with candidates for Governor and the State Legislature from Cuyahoga County. These institutions are the Jewish Community Federation, the Federation for Catholic Community Services and the Commission for Catholic Community Action (representing the Catholic Diocese of Cleveland), United Way Services, the Greater Cleveland Interchurch Council, and the Federation for Community Planning.

We would like to invite you to participate in planning and co-sponsoring the candidates' briefing session which is tentatively set for Monday, September 13, 1982. Our next planning meeting will be Tuesday, August 3, 1982, at 8:30 a.m., Community Services Building, 1001 Huron Road, Room 300.

The purpose of the briefing session is to develop a sensitivity and awareness among the candidates about education, health, and human service issues. The session will be an educational forum where the citizen and volunteer leadership of the sponsoring organizations will present major facts on Ohio's financial situation and spending for education, health, and human services. \*As I mentioned to you earlier, Rabbi Daniel Silver has been suggested as one of the presenters.

I am attaching a list of propositions or conclusions that the planning group prepared at its last meeting. These propositions are stated in broad terms and will provide a basis for the presentations. They also will be the basis for a "Candidates' Briefing Book" that will contain supporting documentation.

Much planning needs to be done within the next two to three weeks. The program must be finalized, the speakers lined up, and the candidates contacted.

We view this as a rare opportunity during election time for the major institutions in our community with an interest in health, education, and

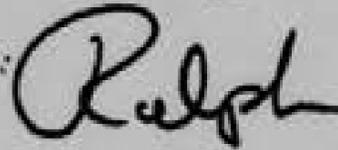


[July 22, 1982]

human services to join together and to share our views with candidates for state office. We hope that you will join us in planning and co-sponsoring this important session.

I hope to see you on August 3rd.

Sincerely,

A handwritten signature in cursive script that reads "Ralph".

Ralph Brody  
Executive Director

RB/cm  
Enclosure

JUL 29 1982

*Squire, Sanders & Dempsey*

*Additional Offices:  
Brussels, Belgium  
Columbus, Ohio  
Miami, Florida  
Phoenix, Arizona  
Washington, D.C.*

*Counsellors at Law  
1800 Union Commerce Building  
Cleveland, Ohio 44115*

*Telephone (216) 687-8500  
Cable "Squinsand"  
Telex 985-681  
Telex 1 (216) 687-8777  
Telex 2 (216) 687-8780*

*Direct Dial Number  
687-8554*

July 23, 1982

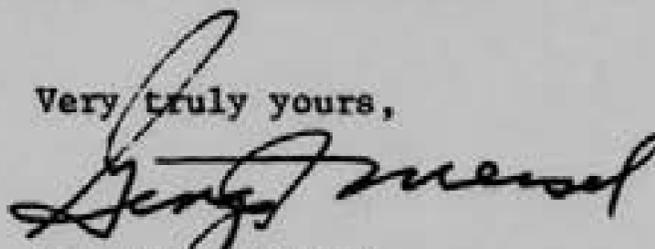
8 AM Mon. 20<sup>th</sup>

Rabbi Daniel J. Silver  
Greater Cleveland Roundtable  
100 Erieview Plaza - Room 2041  
Cleveland, Ohio 44114

Dear Rabbi Silver:

I was very pleased at Stan Pace's invitation to serve on the State Liaison Committee of which you are the Chairman. I shall do my best to be of assistance to the Committee and look forward to reviewing the staff document which is being prepared.

Very truly yours,

  
George I. Meisel

GIM:gle



# COUNTY INFORMATION AND DATA SERVICE

51 NORTH HIGH STREET • SUITE 501 • COLUMBUS, OHIO 43215 • 614/221-5627

A. R. MASLAR, EXECUTIVE DIRECTOR

PUBLISHED WEEKLY BY COUNTY COMMISSIONERS' ASSOCIATION OF OHIO

## BLOCK GRANT NEWS

JULY 23, 1982

CCAO REVISES BLOCK GRANT PROPOSALS

BULLETIN #9

Block Grant News # 7 of January 29, 1982 contained a conceptual outline for county optional health and human service blockgrant legislation. This proposal has undergone hearings before the Joint Legislative Committee on Federal Funds and has also been discussed with numerous other interested groups.

To say the least, there has been many concerns about our recommended approach. It became clear that modifications would be necessary if there was to be any chance for adoption by the General Assembly.

CCAO has thus been working with a variety of groups in an effort to develop a proposal that would obtain more support or less opposition. In April a second draft was prepared and we have just completed a third and (hopefully) final draft. Following is a summary of the third draft which still must receive formal approval by the CCAO Board of Trustees. Comments are encouraged.

### OBJECTIVE

To permit boards of county commissioners and cities to oversee the planning, coordination, administration, implementation and evaluation of the health and human service block grants.

Such a plan would enable local officials to:

1. Eliminate overlapping and duplicating programs and unnecessary administrative costs.
2. Streamline and provide for more efficient delivery of services.
3. Encourage the sharing of information and decision-making between the public and private sectors.
4. Implement local community self-determination of vital programs and services.

Such a plan would insure, in a time of reduced federal dollars, that diverse and unique community priorities are addressed, while avoiding costly and unnecessary duplication of effort.

### ELIGIBILITY

Eligibility would be open to any county currently serviced by single agency delivery systems in the health and human services areas (i.e., single county 648 boards and/or CAP agencies).

Four counties currently being served by multi-county 648 boards and/or CAP agencies the State would provide small, first year incentive planning grants to interested boards of county commissioners to study resolving the boundary and service delivery issues, with input from the affected agencies. The State would approve such plans, if offered the second year and thereafter, on a case-by-case basis.

All other counties would simply maintain existing relationships with the State.

### JOINT CITY/COUNTY VENTURES

Prior to signing a "letter of intent" to apply for the block grants, a board of county commissioners would be required to approach the city in that county in which the largest expenditure of health and human service block grants is being spent. The city would have three options. Within forty-five days, it could:

1. Approve the county's letter of intent, thereby agreeing to serve as an equal partner in the planning and administration of the block grants (in co-signing the letter of intent to the state; in providing staff support; in jointly selecting the local advisory committee; in agreeing to the same maintenance-of-effort standards; and in approving the final plan.
2. Decline to participate, making the county the sole applicant. (The City would still be represented on the Technical Advisory Group).
3. Decline to participate, retaining control over those block grant programs it now administers and for which it now receives direct funding from the State. Such a city would also forfeit any role over the remainder of the countywide block grants.

[July 23, 1982]

Hereafter, the county commissioners and the city are referred at "applicants."

**SCOPE OF THE GRANTS**

Once they decided to apply, the applicants would be required to accept responsibility for all health and human service block grants, approved for eligibility by the General Assembly. Subject to legislative action, this would include the following block grants:

1. Preventive Health
2. Maternal and Child Health
3. Primary Care
4. Alcohol, Drug Abuse and Mental Health
5. Social Services
6. Community Services
7. Home Energy Assistance
8. Subsequent block grants relating to health and human services.

(This excludes the existing education and community development block grants).

Applicant(s) choosing not to accept responsibility for one or more of the eligible block grants would be required to show cause to the State.

**STATE ROLE**

1. The Governor, with the approval of the Joint Committee on Federal Funds, would be responsible for the following:
  - a. Setting the initial criteria for countywide block grant applications, including provisions through which applicant(s) could demonstrate how they would avoid administrative and program duplication.
  - b. Establishing criteria for eligibility of services, including required services and those provided on a fee-for-service basis.
  - c. Defining target populations (e.g., the elderly, pre-school, low income, deinstitutionalized) and administrative costs (based on reasonable cost-of-living and regional differentials).
  - d. Providing uniformity in definitions, grant application procedures, reporting requirements, and auditing and accounting procedures, including those used for purchase of service contracts.

Points a. through d. above would be published in a uniform block grant procedures manual, made available subsequent to having compiled with the Administrative Procedures Act.

2. The Executive Office would also provide the following services and perform the following functions:
  - a. Technical assistance to local governments in administering the block grants, including maintaining the names of local experts and administrators so that cities and counties could share their experience.
  - b. Issue an annual report on the implementation of the block grants.
  - c. Receive the applicant(s)' letter of intent and approve the countywide block grant proposals.
  - d. Work with the Statewide Joint Block Grant Committee to monitor and evaluate the implementation of the block grants and offer its recommendations for improvement to the Joint Committee on Federal funds, (or the Legislature) each year.
3. For joint city-county participants, there would be a single Executive Office or Department to approve the plan and work with these applicant(s). Uniform procedures and standards would be coordinated through this office. Non-participating counties and/or cities would maintain relationships with each lead state agency, as determined by the Governor and the General Assembly.

**LOCAL APPLICATION PROCEDURES**

To assume responsibility, the applicant(s) would submit a two-year plan to the Governor, to be approved annually. The thrust of the plan would be, in light of diminished federal dollars, how to assess and meet countywide needs efficiently without duplicating programs and services. The plan would:

1. Define the level of needs throughout the county, based on each area and service to be provided.
2. Require the assessment of existing countywide resources from the public, private, and non-profit sector.
3. Develop a coordinated strategy to address the identified needs and to avoid duplication and fragmentation.
4. Provide citizens and consumers of services with input throughout the decision-making process.

[July 23, 1982]

5. Demonstrate a strategy for assessing and monitoring the effectiveness of the services.

The applicant(s) at their option, may delegate the staff responsibility for development of the plan to their own staffs, to existing county and/or city departments or agencies, or they may contract out for such services.

#### CITIZENS' ADVISORY COMMITTEE

The applicant(s) would appoint an eight member Citizens' Advisory Committee to formulate the county wide block grant plan, subject to their final approval. One-half of the membership would be appointed by the board of county commissioners. The other one-half would be appointed by the municipal chief executive who agreed to initiate the joint venture. If the population of the second largest city is at least 50% of the largest city, the second largest city shall then have the opportunity to appoint one member, and the largest city shall then only make three appointments. These eight persons then appoint one other person to serve as the chair. If the county commissioners are the sole applicant, they would appoint all nine members. No member could be employed by nor serve on the board of any agency which distributes block grant funds. In addition, area legislators would be encouraged to serve as ex-official members.

#### TECHNICAL ADVISORY GROUP

Each Citizens' Advisory Committee would have access to a formal technical advisory group composed of the executive directors or their designees of the following organizations:

1. Mental Health Board
2. Board of Mental Retardation/Developmental Disabilities
3. Welfare Department and/or Children Service Board
4. Aging Agency
5. Public, Private and Non-profit Service Providers
6. Private Sector Funding Agencies
7. Community Action Agency
8. Regional Council on Alcoholism
9. City Health Department, Board of Health and/or Regional Health District
10. Other representatives as determined by the applicant(s)

Representation on the Technical Advisory Group would include all agencies which now distribute block grant dollars or otherwise have administrative responsibilities for such programs.

#### NEGOTIATED INVESTMENT STRATEGY

The applicant(s) would designate, based on existing program, administrative and funding responsibilities, the local lead agency for each block grant. Each such representative on the Technical Advisory Group would have initial responsibilities for recommending to the citizen's advisory committee the funding levels and program decisions for those agencies and groups under its jurisdiction (e.g., 648 board-mental health; CAP agency - HEAP and community services; welfare department and/or children services board - social services; city, county, health district - health; United Way - private dollars). The process would be modeled after a negotiated investment strategy.

Based on this information and the public hearings (see below) the citizens' advisory committee would make collective decisions in recommending a plan and a course of action to the applicant(s). The citizens' advisory committee would also have at its disposal, the staff assigned to it by the applicant(s).

In addition the plan would include:

1. Recommendation to reduce duplication in programs and service delivery, as well as ways to combine services being provided to the same populations.
2. Contingency plans for rationing services and making cutbacks in the event of reduced state dollars.
3. Contingency plans for setting priorities, should additional dollars become available.

#### COUNTY PLAN APPROVAL AND SUBMISSION TO THE STATE

The two-year plan would be prepared by the Citizens' Advisory Committee, which would hold at least two public hearings on the plan. The first hearing would be to gather community input in developing the plan. The second hearing would encourage public testimony on the plan, prior to its adoption by the advisory committee. The plan, as recommended by the advisory committee, would then be submitted to the applicant(s) with the following attachments:

1. A summary of changes made as a result of the public hearings.
2. A summary of hearing testimony and comments
3. Copies of letters and statements received in relation to the plan.

[July 23, 1982].

The applicant(s) would hold a joint public hearing on the plan, make changes as needed, and then submit the plan for approval to the Governor. The Governor would then review the plan and, within 45 days, must either:

1. Approve the entire plan as submitted.
2. Approve portions of the plan and disapprove other parts with a written explanation.
3. Return plan and request additional information.
4. Disapprove plan with a written explanation.

If the Governor disapproves the plan or any portion thereof, he must document, through substantial evidence, that priority service needs of the county were not being addressed. Such a disapproval would be subject to review under either Chapter 2506 or 119 of the Revised Code.

If the city and county fail to agree on the plan, each of the block grants would be treated separately and the funds would flow via the traditional relationships with each lead state agency.

#### MAINTENANCE OF EFFORT

Applicant(s) would not be able to reduce their previous local human service financial commitments nor use the new federal dollars simply to supplant previous local effort. This prohibition would not apply, however, under the following circumstances:

1. A special levy expires, is not renewed, or is repealed.
2. The applicant(s) document that there exists a severe fiscal problem and show the reasonableness of the reductions in relation to cuts in the entire city and/or county budget.

The Citizen's Advisory Committee would be responsible for notifying the public of the scope of and the reasons for the reductions. Finally, no funds could be used for capital improvements nor direct payments. Reductions in local effort would be coordinated through the Citizen's Advisory Committee.

#### ONE-YEAR GRACE PERIOD

Once the applicant(s) accept responsibility for administering the block grants, there would be a one-year grace period for all agencies and groups who are currently providing services under these programs, unless a particular agency or group no longer wishes to participate. At the end of this period, the applicant(s) would have to show cause why they wish to terminate such arrangements.

#### CONTINUED PARTICIPATION

Annually, the eligible applicant(s) would be given the option to participate; to renew their participation, or to discontinue their participation. By January 30th of each year, the applicant(s) would have to notify the state as well as the local participants, of their intent for the next fiscal year.

A procedure would be established to honor existing contracts in order to provide for a smooth transition in continuing the program and services.

#### STATEWIDE JOINT BLOCK GRANT COMMITTEE

There shall be established a statewide joint block grant committee to review and monitor the impact of the new federalism on state and local governments in Ohio. It shall be composed of:

1. Legislative Budget Office
2. Office of Budget and Management
3. Four legislators, each appointed by the leadership for each party and each house
4. Two Commissioners selected by CCAO
5. Six general citizen members to represent various health and human service interests
6. Two local officials selected by the Ohio Municipal League

Staffing would be provided by the Governor's Block Grant Office, OMB and/or LBO. The Statewide Joint Block Grant Committee would issue an annual report to the General Assembly evaluating the block grant programs and including its recommendations for improvements.

August 4, 1982

Mr. George I. Meisel  
Squire, Sanders & Dempsey  
1800 Union Commerce Building  
Cleveland, Ohio 44115

Dear ~~George~~ Meisel:

I am delighted that you have agreed to be a member of the State Liason Committee. The next meeting will be at 8 A.M. on Monday, September 20, in the Parlor of The Temple, University Circle at Silver Park. You will be receiving some material on this meeting shortly. I look forward to seeing you there.

I know it's an ungodly hour but at least it's a Godly place.

Very truly yours,

Daniel Jeremy Silver

DJS:mp

Ted Bonda stated that the new superintendent is a very exciting person. Even though he will not report for duty until sometime in November, he has been coming in three times a week. He will be developing a position paper which will outline his plan of action.

It is anticipated that the schools will open on time.

Mr. Pace reminded the Board that education has been identified by the Roundtable as a very key problem in this community. He is, therefore, pleased at the level of support the organization has given this issue. Mr. Bonda indicated that the Roundtable has been quite helpful to the school system. He expressed his appreciation to the Board for its support.

COMMITTEE ON YOUTH EMPLOYMENT - LYMAN H. TREADWAY

Mr. Treadway reported that at the suggestion of Steven Minter of the Cleveland Foundation, members of the Youth Employment Committee met with the New York Partnership to become acquainted with their summer youth employment program. Mr. Treadway indicated that we need to accelerate our youth employment programmatic efforts here in Cleveland. Along this line, we will soon have to think about the fundraising aspect of our proposed program.

Jose Feliciano indicated that he was impressed with the level of enthusiasm that was expressed by the staff of Citibank Corporation. The Partnership program there was supplemental to the New York City CETA efforts. The City provided 50,000 to 60,000 CETA jobs; and the private sector provided 13,000. He further indicated that he was particularly interested in the way that the partnership has obtained corporate sponsors over the past two years. The sponsors are chosen in advance. For example, while Citibank had the lead for 1982, Phillip Morris was very much apart of the program and can benefit from this year's experience as they will have the lead role for 1983.

A question was raised as to whether any of the jobs in New York were newly created. Mr. Feliciano stated that while there were no hard figures, Mr. Kolterjahn of Citibank indicated that some of the jobs were new.

Mr. Treadway indicated that the New York Partnership Committee very actively solicited employers and the program was very well organized. Citibank committed 20 of its permanent staff to coordinate the city-wide effort. There was heavy involvement of the banks and utilities, particularly Citibank, Chemical Bank, Manufacturers Hanover, and the New York Telephone Company. They all used their customer statements to include information regarding the program. Over 700,000 statement enclosures were mailed to employers.

Mr. Treadway reviewed the central concept of his proposed program and indicated that consideration is now being given to having a two-prong approach. The first part being a neighborhood effort, and the second part a direct private sector effort such as the one implemented in New York City. Questions regarding local organizational relationships were raised. Mr. Treadway indicated that the Committee will

be giving consideration to this matter before making its recommendations.

COMMITTEE ON HOUSING & NEIGHBORHOOD DEVELOPMENT - BRUCE P. FOSTER

Mr. Pace reminded the Board that Al Ratner was appointed to head the Revenue Bond Task Force for the Roundtable. It was decided, however, that a separate committee was also needed. There are currently two committees in place; the Roundtable's Revenue Bond Task Force and a broader group--the Committee to Lower Mortgage Rates, which is not a committee of the Roundtable. The Chairman stated that Mr. Ratner has been asked to assume a difficult assignment and continuing support is needed from the Board. The important objective is getting adequate support for housing for the Cleveland area.

Mr. Foster reported that the Committee to Lower Mortgage Rates has met twice this month. Mayor Voinovich has agreed to serve as Chairman of this group.

COMMITTEE ON RACE RELATIONS - DAVID G. HILL

Survey interviews began on July 7 and were concluded on August 13. Yankelovich, Skelly & White is now compiling, processing, and analyzing the data. The Executive Committee has requested that the preliminary draft of the report be reviewed by the Race Relations and Executive Committees before it is presented to the Board. The following dates have been suggested:

Top-line findings presentation - Race Relations Committee  
- Friday, October 15

Preliminary draft of final report - Executive Committee  
- Tuesday, October 19

Final Report - Board of Trustees  
- Monday, October 25

A press conference is being considered.

Bishop Pilla informed the Board that the matter regarding a couple of the interviews was resolved.

Mr. Pace reminded the Board that the Race/Ethnic Relations Survey is a major undertaking by the organization. These are issues which have to be faced by this community as well as the country. The survey represents the first step in an effort to get a plan of action in place. The organization's ability to handle the outcome of the survey could well determine our ability to work together in the future. He stated that he will be looking to members of the Board for their insights and direction.

It was recommended that no attempt should be made to release the survey data until after the November election.

BOARD RESPONSIBILITIES

A statement of duties and responsibilities for members of the Board was distributed. It was reviewed and unanimously approved. (See Attachment)

NEW BUSINESS

Enterprise Zone Concept

The question was raised as to whether the Roundtable had endorsed the enterprise zone concept? It was indicated that some of the members of the Board of Education had objected to the City's enterprise zone proposal. Some of the unions also objected to it because they feel it will lower the cost of labor.

Based on the work of our Economic Development Committee, there is a sense of support by the Roundtable for the enterprise zone concept. After some discussion it was recommended that this matter be presented to the Labor/Management Forum.

Future Board Meetings

The new superintendent of schools, Dr. Frederick Holliday, has been invited to speak to the Board on September 30.

Mr. William Norris, Chief Executive Officer of Control Data Corporation, is scheduled to speak at our December meeting.

ADJOURNMENT

The meeting was adjourned at 9 a.m.

  
Sarah S. Austin  
Executive Director

SSA:kek

Attachment

GREATER CLEVELAND ROUNDTABLE

Responsibilities of Trustees

Effective Board members are advocates for the organization. Therefore, a Trustee must:

- understand and be committed to the mission of the organization--specifically, to provide a forum in which key leaders of the community encourage, advocate and support the development and implementation of credible and feasible plans for the revitalization and re-development of the quality of life for the residents of Greater Cleveland
- serve as channel of communication with his/her constituency, agency, corporation, or organization
- attend and participate in regular Board meetings; a Trustee's presence as well as his/her ideas and points of view are needed
- serve on at least one committee
- assist the organization in achieving its financial requirements
- consult as appropriate with Executive Director in area of particular knowledge, skill, or expertise
- maintain the confidential nature of Board deliberations as appropriate

8/26/82



100 ERIEVIEW PLAZA ROOM 2041 CLEVELAND, OHIO 44114 216) 579-9980

*Chairman*  
Stanley C. Pace

*Executive Director*  
Sarah Short Austin

*Vice Chairmen*  
Melvin C. Arnold  
E. Mandell de Windt  
Carole F. Hoover  
Jackie Presser

*Secretary*  
David G. Hill

*Treasurer*  
M. Brock Weir

*Committee Chairmen*  
Arnold R. Pinkney & John J. Dwyer:  
Economic Development &  
Jobs Creation  
Allen C. Holmes: Education  
Jackie Presser & Bruce P. Foster:  
Housing & Neighborhood  
Development  
Reverend Otis Moss, Jr. &  
Bishop Anthony M. Pilla:  
Race Relations

*Members*  
Reverend Dr. Henry W. Andersen  
Claude B. Banks  
Alva T. Bonda  
Dr. Karl B. Bonutti  
Commissioner Virgil E. Brown  
William H. Bryant  
John H. Bustamante  
Erskine E. Cade  
Edward C. Coaxum, Jr.  
Dr. Nolen M. Ellison  
Jose C. Feliciano  
Council President George L. Forbes  
Roy A. Gentles  
Ray J. Groves  
Martin J. Hughes  
E. Bradley Jones  
William E. MacDonald  
Morton L. Mandel  
Julien L. McCall  
Ruble McCullough  
George I. Meisel  
John R. Miller  
Bishop Floyd E. Perry  
Richard W. Pogue  
David V. Ragone  
Albert B. Ratner  
Alfonso P. Sanchez  
Samuel K. Scovil  
Rabbi Daniel J. Silver  
Lyman H. Treadway  
Frank J. Valenta  
Mayor George V. Voinovich  
Dr. Walter B. Waetjen  
Ronald G. Wallace  
James M. Whitley

September 14, 1982

STATE LIAISON COMMITTEE

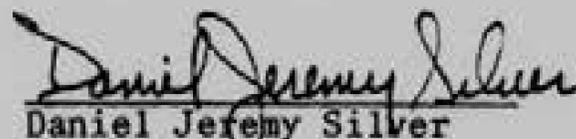
Notice of Meeting

The State Liaison Committee of the Roundtable will meet on Friday, October 15 at 8 a.m. at The Temple, University Circle at Silver Park.

Please review the attached materials and be prepared to discuss at the meeting.

PLEASE CONFIRM YOUR ATTENDANCE IN ORDER THAT THE APPROPRIATE ARRANGEMENTS CAN BE MADE. (579-9980)

Thank you for your continuing interest and participation.

  
Daniel Jeremy Silver  
Chairman  
State Liaison Committee

/kek

Greater Cleveland Roundtable  
State Liaison Committee Meeting

The Temple

October 15, 1982

MINUTES

Rabbi Daniel Silver began the meeting by recalling that funding changes at the federal and state levels generated the need for the Block Grant Primer, the first document of its kind in the country. To date, the Primer and its updates have greatly facilitated the efforts of those involved with the coordination and administration of block grant funding. Yet four major areas of concern remain to be addressed by the Committee:

1. the identification of needs of local agencies
2. the proper role of the Roundtable in helping to satisfy such needs
3. the monitoring of activities in Columbus
4. the understanding of how the needs of local agencies impact upon the Greater Cleveland community.

In short, Rabbi Silver proposed a general query: How may the Roundtable best marshal its efforts and divergent interests in order to deal with the above concerns?

In reviewing these concerns in light of current events, Phil Allen noted that state departmental plans to administer block grant funding are woefully inadequate. Typically, the state has found itself using appropriated block grant funds to solve fiscal imbalances, as was the case this summer when funds set aside for the Preventive Health Block Grant were skimmed. Mr. Allen asserted that the most viable solution to this disorganization at the present time is the County Block Grant Proposal which could serve to facilitate the allocation and administration of block grant dollars. Despite the fact that both gubernatorial candidates have indicated their preference for a state-local nexus for the administration of block grants, Mr. Allen recommended that the Roundtable support the County Proposal for the time being, for it assures large urban areas of their fair share. The state legislature, he added, has failed to address the proposal since its members feel uneasy about fighting for federal dollars and then diffusing their authority to administer such funds.

In view of these comments, Mel Arnold indicated that the Roundtable should direct its efforts toward the administrative issues surrounding block grant funding, stating that the highest probability of success lies in the initiation of a "fair share" campaign.

In response, Rabbi Silver proposed that initially the objective of the Roundtable should be the broadening of its informational function, which entails the consolidation of periodic updates into an expanded Block Grant Primer, an enlargement of the Primer's distribution, and the solicitation of broader media coverage. Additionally, he suggested that the Roundtable consult with other concerned parties to obtain their ideas and suggestions which would benefit not only the Roundtable but the Greater Cleveland community as a whole. The placing of a full-time staff member in Columbus to act as the "eyes and ears," rather than the "mouth-piece," of the Roundtable could aid in the realization of its objectives. Such efforts he felt would promote the enhancement of routine channels and informational linkages between disparate bodies currently working toward similar ends. Mr. Baznick agreed, stating that a representative of the Roundtable, acting in this capacity, could well serve as a clearinghouse both for those acquiring and desiring information as to current events in Columbus.

Phil Allen, in support of this idea, informed the Committee that a general feeling of frustration presently exists statewide; all those concerned acknowledge that the current budget allocation and administrative process does not allow either local input or an ordered flow of information. Consequently, he recommended that the Roundtable direct its efforts toward the construction of an informational network to bring representatives and lobbyists together in local briefing sessions. Such meetings would allow issues of community concern to be aired and addressed, and hopefully incorporated into courses of action for the state legislature to consider.

George Meisel noted that the Great Lakes Commission plays this role on a multi-state level, but that in the Greater Cleveland area only the Greater Cleveland Growth Association approaches this function. As a result, he acknowledged the need for dynamic leadership in formulating an innovative administrative plan through the exchange and coalescence of views. In support of this assertion, he recalled that the rural sectors of the state remain aloof to the needs of Ohio's urban areas.

Rabbi Silver, therefore, recommended that the Roundtable seek the assistance of agency representatives and lobbyists in the construction of an informational network to aid city and county officials; community planning and consensus building, he stressed, should become the primary objective of the Roundtable.

In recognizing that the implementation of the Administration's New Federalism has decelerated considerably, Phil Allen confirmed that structural changes are rapidly becoming necessary; President Reagan in fact has requested that the states indicate what type of structural changes may best meet local needs and prevent skimming by state governments, most often through the imposition of exorbitant administrative fees.

Sarah Austin reminded the Committee that other proposals have been advanced to address this need for structural change, most notably the Report of the Citizens League's Ohio Tax Policy Committee; with the election of Dick Celeste as governor, she noted, fiscal maneuvering will become inevitable if campaign promises of retaining current health and human services are to be met.

Rabbi Silver then began to conclude the meeting by proposing that in the short-run the Roundtable should:

1. continue its informational and educational service by distributing regular updates of the Block Grant Primer, consolidated, if possible into a "desk top" manual;
2. compile and study a flow chart of how federal dollars travel to state and local levels, identifying the major decision-making points along the way; and,
3. review its lists of those who receive materials produced by the Roundtable, and ascertain its chances of convening a meeting of those involved with health and human services at the state and local levels to discuss the County Block Grant Proposal and the construction of an informational network; possible sponsors might include the Cleveland Foundation, the Gund Foundation, the City of Cleveland, and Cuyahoga County.

George Meisel remarked that this course of action would be the most appropriate since it will take from three to six months before a majority can be formed to enact the County Proposal; hence, it is essential that local consensus be generated before the proposal is voted upon.

Sarah Austin concluded by stating that the annual meeting of the Roundtable in April would be a proper forum to review the progress made by the Committee and consider long-term proposals for the future.

**Greater Cleveland Roundtable**

100 Erieview Plaza  
Room 2041  
Cleveland, Ohio 44114

**Sarah Short Austin**  
Executive Director

(216) 579-9980

November 5, 1982

Rabbi Daniel J. Silver  
The Temple Branch  
26000 Shaker Boulevard  
Beachwood, Ohio 44122

Dear Rabbi Silver:

Enclosed are the minutes from the last State Liaison Committee meeting and a summary of interviews conducted by Hans Kuenzi to ascertain the status of things. We are now in the process of putting together an expanded list for the distribution of the Block Grant Primer update.

In view of our research, I feel that the revision of the Block Grant Primer will be somewhat premature until final figures are released from Washington. However, I feel the Roundtable might concentrate its efforts on establishing a dialogue between those who are both for and against the county block grant proposal which seems to have generated some controversy. The widely divergent views I have encountered urgently need to be addressed and some consensus to be formulated before the proposal reaches the legislature.

What do you think?

Sincerely,

*Sarah S. Austin /kek*

Sarah S. Austin  
Executive Director

SSA:kek

Enclosure

RACE AND  
ETHNIC RELATIONS  
IN CLEVELAND

Summary and Conclusions

November 16, 1982

## SUMMARY AND CONCLUSIONS

This study reveals clearly, in our judgment, that Greater Cleveland is in an extraordinarily good position to improve its race and ethnic relations. The reasons for this general conclusion include the richly diverse ethnic population which Clevelanders consider to be a source of strength; a minority population whose leaders are perceived to enjoy positions of responsibility in the political, social and economic spheres; strong and influential leadership, especially in the government, business and religious communities; a strong community service tradition; and, perhaps most important, a general recognition among both leaders and public that Clevelanders have learned to deal with adversity and that something should and can be done to improve race relations.

While this conclusion suggests hope it should not be interpreted to mean that the problems will be solved easily. America has severe problems in race relations and Cleveland has not escaped them. Part of the problem is that as a group, Cleveland's minorities have long been disadvantaged. But contrary to the belief of some, Cleveland's minorities are not generally worse off than minorities in other metropolitan areas, nor are the attitudes of the White population substantially different from those of Whites in other communities.

The summary of findings which follows describes attitudes of the general public and Cleveland's leaders with respect to life in Cleveland and race relations. It is followed by a series of specific conclusions.

A. The Current Situation

1. Though most of the Cleveland population is relatively satisfied with life in the Cleveland area, when different racial groups are viewed separately, there is a substantial gap between White (74% satisfied) and Black (39% satisfied) residents.

...Two-thirds of all Cleveland residents express a high level of satisfaction with life in the area, up from prior years in Cleveland and higher than the national average.

...And Whites and Blacks agree on many of the key strengths of Cleveland as a place to live -- specifically, cultural offerings, medical facilities and recreation.

2. Clearly, however, life is harsher, on average, for Blacks and Hispanics in the Cleveland area.

...Blacks are substantially less satisfied than Whites with several key factors.

-- Just over half as many Blacks (41%)  
as Whites (75%) consider Cleveland a  
good place to raise a family

-- Only 16% of Blacks (vs. 35% of Whites)  
view police protection in Cleveland  
as good

...Blacks and Hispanics also are more affected by  
economic hard times (lower incomes, more in  
poverty, higher unemployment), and reflect  
this in their concerns about life in Cleveland.

-- Over half of employed Blacks, and two-  
thirds of Hispanics vs. one-third of  
Whites, worry about losing their jobs

3. There is substantial agreement across the community  
about the major challenges that Cleveland faces:

...Creating jobs to boost the local economy.

...Improving the quality of the public schools.

...Reducing crime and improving the effectiveness/  
sensitivity of the police.

...Providing affordable and adequate housing.

4. Racial tension is perceived to contribute to the serious-  
ness of these major Cleveland problems.

...While a majority of Cleveland residents -- of all races -- report that race relations have improved in the past five years, an even larger majority agrees that considerably more progress is needed.

...Cleveland's Black and Hispanic populations are more concerned about race relations than is its White population.

-- An increase in racial conflict in Cleveland is of considerable concern to 40% of Blacks, 52% of Hispanics and 28% of Whites

-- Cleveland leaders share the concern

- Four of five view race relations as at least a moderate problem

5. The current state of race relations in Cleveland is attributed to a complex array of factors.

...Economic competition. The current recession, coupled with the longer-term difficulties of the Cleveland economy might be expected to heighten racial tension. But while Blacks and Hispanics are clearly more heavily impacted by economic difficulties, the poor state of the

economy is viewed as a problem affecting everyone. Though a significant number of Blacks and Hispanics report discrimination in trying to obtain jobs, the private sector workplace is said by most Clevelanders who work -- both Black (89%) and White (76%) -- to be relatively free of such tension among employees. However, almost six in ten Blacks express concern about being excluded from middle and upper management.

...Patterns of Adversarial Relations. Many Cleveland residents and leaders believe that some political and other leaders have characterized public issues as racial in nature and have created an atmosphere in which race is used as an easy explanation for the existence of other problems. This perception is a factor in the generally low level of respect for city officials (excepting the Mayor). The media have the opportunity to focus attention on the many positive interactions that do occur. Many Cleveland leaders, in contrast to the public perception, believe that, to date, the media have often contributed to racial tensions by focusing excessively on divisive situations.

...City/Suburban. City/suburban differences account for at least some differences in satisfaction and levels of concern about race and other Cleveland problems among the White population.

-- City/suburban differences illustrate this clearly, with many White suburban residents appearing to be almost immune to many of Cleveland's more serious problems

-- White suburban residents express far higher levels of satisfaction and lower levels of concern about most aspects of Cleveland life, including race relations

-- Importantly, suburban Blacks' concerns differ little from those of city Blacks

...Social Contact. Lack of consistent, non-threatening contact between people of different races heightens perceptions of racial tension and breeds uncertainty and even fear. In Cleveland, most residents live and interact predominantly with people of their own race. Not surprisingly, both Blacks and Whites are somewhat apprehensive about moving about in "other" areas of the community. Those White residents with the most negative racial attitudes tend to be most isolated, socially and physically, from Blacks.

...Racial Discrimination. A significant proportion of the White population of Cleveland -- perhaps one-third or more -- hold attitudes about Blacks that can be considered discriminatory.

- These attitudes appear most acute in the housing area, where "discriminators" indicate negative views about housing integration of any kind
  - They are considerably less negative about school integration
- Discriminatory attitudes appear to be targeted toward Blacks. "Discriminators" do not have similar views about other minority groups such as Hispanics or Asians, and virtually no Blacks express such views about Whites
- "Discriminators" live throughout the Cleveland area, though more often they live in the western suburbs
- "Discriminators'" personal characteristics are similar to those throughout the country with similar views. They tend to be:

- Older
- More strongly attached to their own ethnic group (in Cleveland, people of Southern and Eastern European heritage fit this category most often)
- Less well off economically
- "Discriminators" are among those least receptive to ideas aimed at reducing racial tension

6. Many individuals and institutions provide leadership in Cleveland, but there does not appear to be a clear coalescence of leadership for improved race relations.

...Two-thirds of the population express great confidence in the judgment of their religious leaders.

- This extraordinary attitude suggests that the religious leaders can play an important role in carrying out programs designed to reduce racial tensions

...Nearly half of the population, both Black and White, have confidence that the mayor will make the right decisions on race relations issues.

-- No effective program of race relations improvement can be carried out in a community without the support of the mayor. Additionally, however, the exceptional, broad respect for Mayor Voinovich makes it possible to hope that if he will play a key role Cleveland can be a leader in the nation's progress on race relations improvement.

...The media, TV and the major newspaper, have equally broad support among the public, though they are viewed negatively by many leaders.

-- The important role of the media as a vehicle for communicating to the public goals and progress in attaining goals related to race relations cannot be overemphasized

7. Leaders and the public were asked to suggest and react to specific ideas in several areas of Cleveland life. Reactions to the most popular concepts are as follows:

- ...Crime/Police Relations. There is strong support across the board for programs that facilitate better police/community relations, especially in the minority community. Expanded minority recruitment is supported especially among Blacks and leaders.
- ...Housing/Neighborhood Integration. Strong community support for neighborhood organizations oriented toward improving race relations exists. There is moderate support among the public and leaders for mortgage assistance programs to encourage integrated neighborhood stability. Strong leadership support is also apparent for realtor monitoring.
- ...Jobs. Employment is the top concern of Clevelanders, and there is strong support for any job development program.
- ...Education. Quality of education is a major concern of the total population, which is only partially related to the problems of race relations. There is considerable agreement among leaders and all sectors of the community on the need for school improvements, as well as an effort to improve the current busing program. There is also an expectation that the whole community -- especially key leadership groups -- needs to focus on school problems.

B. Conclusions

These findings support the view that racial tension is a pervasive problem. It is one that is recognized in Cleveland, however, and the community is in a good position to make substantial progress towards improvement. In order to make this progress, we suggest that consideration be given to the following:

1. There is a strong need for a coordinated community effort to:

- ...Articulate specific goals in improving race relations.

- ...Measure progress over time.

- ...Communicate goals and progress in achieving them to the people of Cleveland.

There are now (and have been in the past) efforts made to reduce racial problems. But in the absence of a coordinated effort with the features noted above, the results have been limited and understanding the progress even more limited.

2. It is important that decisions be made about which individuals and institutions will concentrate on which program areas.

...The specialization will also take into account and build upon the many good programs (including, but not limited to, the Cuyahoga Plan and the Cleveland Tomorrow program) that already exist. It also will help to stretch necessary limited resources.

3. Based on this and prior studies, efforts aimed at improving race relations should focus on Cleveland's major problem areas:

...Crime/police relations.

...Public education.

...Housing and neighborhood integration.

...Jobs and economic revitalization.

Specific recommendations with respect to alleviating these problems, have been made elsewhere. Here, however, it is important to note in conclusion that, this study has found considerable agreement among the entire Cleveland population about its major community problems. Race is perceived clearly to be a part of the issue. The opportunity exists to direct the public's attention at the real underlying causes of these problems thereby reducing misplaced emphasis upon race. And, through the mobilization of leadership, articulation of goals and a unified communications strategy related to programs and their success, racial tension can be greatly reduced.

**Greater Cleveland Roundtable**

100 Erieview Plaza  
Room 2041  
Cleveland, Ohio 44114

Sarah Short Austin  
Executive Director

(216) 579-9980

December 6, 1982

Rabbi Daniel J. Silver  
The Temple Branch  
26000 Shaker Boulevard  
Beachwood, Ohio 44122

7/10/11

Dear Rabbi Silver:

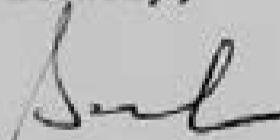
As follow-up to our recent conversation, I spoke with Bill Plato regarding the County's proposal to administer the Block Grant Program for the area. He indicated that it would be helpful if the Roundtable would host a meeting to review and discuss all aspects of the County's proposal. Hans and I can begin to put the meeting in place if you would let us know your recommendation and schedule.

INVITED  
LIST

I am also enclosing a copy of the Washington/Columbus lobbying plan to be implemented by the Growth Association. Your thoughts regarding it would be much appreciated.

Best wishes.

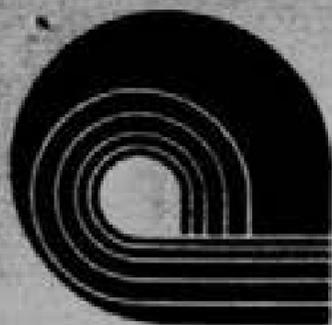
Sincerely,



Sarah S. Austin  
Executive Director

SSA:kek

Enclosure



COUNTY OF  
CUYAHOGA

## Legislative Office

Peggy M. Siegel  
Legislative Liaison  
Columbus, Ohio

December 27, 1982

**Commissioners**  
Virgil E. Brown  
Vincent C. Campanella  
Edward F. Feighan

Ms. Sarah Austin, Executive Director  
Greater Cleveland Roundtable  
100 Erieview Plaza, Room 2041  
Cleveland, Ohio 44114

Dear Sarah:

It was good talking to you again. As per your request, this letter will bring you up to date on the status of the permissive county-city block grant proposal initiated by the County Commissioners' Association of Ohio.

The proposal is currently being rewritten into draft legislation, which involves a fairly lengthy process of ironing out all of the structural and scheduling concerns as well as the policy issues. Particularly since the Cuyahoga County Commissioners and Mayor Voinovich have both endorsed the block grant proposal, the Roundtable's interest in holding a forum is well-founded, once the proposal is in final form. I will be happy to keep you up to date on its status so that you can react accordingly.

Please do not hesitate to contact me again if I can be of further assistance. Best wishes for a healthy, happy New Year!

All good wishes,

Legislative Liaison  
Board of County Commissioners

PMS/mp

cc: William Plato

Columbus: 587 S. Grant Avenue (Rear) Columbus, Ohio 43206 (614) 228-4089



LEE I. FISHER  
STATE HOUSE  
COLUMBUS, OHIO 43215  
(614) 466-1405  
16TH HOUSE DISTRICT  
CUYAHOGA COUNTY

Columbus  
43215

COMMITTEES:  
JUDICIARY AND CRIMINAL JUSTICE  
CIVIL AND COMMERCIAL LAW  
EDUCATION  
HIGHWAYS AND HIGHWAY SAFETY

3333 E. Scarborough Road  
Cleveland, Ohio 44118  
December 28, 1982

MEMO

TO: David Sweet, Dean, College of Urban Affairs, Cleveland State University  
Sara Austin, Executive Director, Greater Cleveland Roundtable  
Richard Shatten, Senior Associate, Cleveland Tomorrow  
Peggy Segal, Director of Legislative Office, Board of County  
Commissioners

FROM: Betsy Tabac, Legislative Project Director for State Senator Lee  
Fisher

I spoke on the phone with each of you recently about Lee's idea to open an office in Cleveland for the Cuyahoga County state legislative delegation. Your comments and the comments of a few others are very appreciated, especially at this early stage of the project.

Would you please put your thoughts on this idea in writing so that we may proceed in an orderly fashion to build support for the office. The areas we would like to know about include the following: What needs could the office serve? Who might support it both financially and with time? Is this a duplication of effort? Do you know of a similar effort elsewhere in Ohio or the nation? Who else should be contacted for support and ideas?

Thank you for your observations about this idea. We appreciate your taking the time to help make the office a reality. Please address your response to this memo to my address which is at the top right of this page.

DISTRICT OFFICE  
20120 CHAGRIN BLVD.  
SHAKER HTS., OHIO 44122  
(216) 491-8221

CLEVELAND OFFICE  
800 NATIONAL CITY E. 6TH BLDG.  
CLEVELAND, OHIO 44114  
(216) 621-0150

RESIDENCE  
3286 ENDERBY RD.  
SHAKER HTS., OHIO 44120  
(216) 751-8229

[1982]

GREATER CLEVELAND ROUNDTABLE

STATE LIAISON COMMITTEE

Comments solicited in response to my request for up-to-date information regarding the federal block grant program.

Al Koson, Aide to U.S. Representative Mary Rose Oakar

- informed me that congressional appropriations for FY 1983 block grant programs will likely remain at FY 1982 levels; rather than debating funding amounts, battleweary congressmen will almost certainly "rubber-stamp" last fiscal year's figures. Moreover, all indications suggest that the CBGC and UDAG programs will be left intact.
- was unable to provide me with any updated federal agenda for the administration of the block grant program, due to the fact that at present one has not been released.

Pat Ruayne, Legislative Aide to State Representative Francine Panehal

- confirmed that all state agencies are currently operating on federal funds that were authorized and released by the Continuing Budget Resolution approved by Congress in late September. For example, the Home Energy Assistance Program (HEAP) has received \$65 million of its anticipated FY 1983 budget of \$93 million, a figure which is nearly identical to its FY 1982 budget. She agreed that Congress will most likely approve program funding at FY 1982 levels.
- informed me that an amendment to the State Community Services Block Grant (CSBG) was recently passed, authorizing the distribution of 90%, rather than 75% of program funding to Community Action Agency (CAA) service areas and 1982 providers.
- was unaware of any new developments regarding the County Block Grant Proposal advanced by the County Commissioners Association of Ohio (CCAO).
- agreed to send the Roundtable any materials she has concerning block grant funding allocations.

Sandy Darrow, Lobbyist for the Jewish Community Federation

- contended that the County Block Grant Proposal enjoys very little support among lobbyists in Columbus, noting that audience reaction to a recent presentation of the Plan by Lany Long of the CCA was very negative in tone. Despite the fact that bureaucratic elements in the CCAO are very supportive of the proposal, she asserted that the Commissioners themselves are leery of its enactment, which would force them to bear unwanted administrative burdens. Is it no coincidence, she asked, that many of the Commissioners are running for other public office?

-rather than embracing the County Block Grant Proposal, she felt local officials should focus their efforts on identifying what obstacles in the current system prevent better coordination. As it stands, she argued, Title XX guidelines at the local level currently allow sufficient flexibility in the allocation and administration of funds; the enactment of the County Proposal, on the other hand, would impose upon local officials a sense of guidelines too narrow in scope and too rigid in format to allow any improvement in services. Consequently, she contended that more could be done at the local level in terms of evaluating the current system and reviewing the County Proposal.

-identified the leading state issues regarding block grants as the following:

- \*the formulation of a truly equitable plan for the distribution of block grant funds. The current plan has prompted repeated attacks by the state's rural sectors and was in fact the subject of a lawsuit that, albeit meritorious, was dismissed due only to the plaintiff's lack of standing. A properly-filed suit stands a good chance of overturning the present distribution formula.

- \*the reevaluation of "earmarking" policies, which set aside fixed amounts of funds for certain functions. Lobbyists have begun advocating that earmarked federal monies be replaced at the state level with state funds, thereby the entirety of federal block grant funding to be passed along to local governments.

-informed me that once the State Legislature reconvenes on November 9 it intends to tie-up loose ends resulting from the latest budget bill, which includes defining group eligibility for the elderly, continuing its work on the recently enacted "workfare" program, and ironing-out various administrative difficulties.

Mary Pereno, Secretary to Peggy Siegal, Legislative Liaison for Cuyahoga County

-informed me that Ms. Siegal will not return from her studies at Harvard University until December 12, and that in the meantime she is not at liberty to comment upon current matters.

HK:kek

## GREATER CLEVELAND ROUNDTABLE

## STATE LIAISON COMMITTEE

Events that occur in the next few months will be vital to the growth and development of the Greater Cleveland area. For it is our ability to provide education, health, and social services to the area--in conjunction with economic growth--that will determine our future ability to attract new industry and maintain our position as a manufacturing and service center. It will be the combined efforts of community leaders from all sectors--business, labor, government, religious, community organizations, and residents--that determine Cleveland's future.

Combined efforts are the key words. It is only a unity of purpose that will bring Cleveland and Cuyahoga County's message to legislators and decision makers in Columbus and Washington. To achieve this unity there must be a sharing of information, and education of the citizenry, and a focal point for presenting our needs, particularly at the state level since there is no doubt that money and allocation decisions will primarily be made in Columbus. As it stands, the existing informational network may best be termed chaotic. The Joint Legislative Committee on Federal Funds has provide ineffective as a platform for the airing of community needs; information relating to important matters are to be voted upon. Likewise, informational literature emanating from various lobbyist and citizens groups often is sketchy and out-of-date by the time it is distributed to the public. Great amounts of money and effort are wasted through the lack of a coordinative network as the same skeletal information is compiled and then hurriedly distributed by diverse organizations. Clearly, a viable, broadly based informational network to ensure legislative input and feedback is urgently needed if a community agenda is to be formulated and publicized prior to crucial legislative decision making.

This objective raises a number of issues for the Roundtable to consider, the first of which asks what areas of community interest require further discussion vis-a-vis the current legislative agenda. From this determination, the issue becomes one of how the Roundtable could best serve as catalyst to encourage a high degree of consensus building in these areas. In other words, by what means could a single non-partisan accord be reached when considering the multiplicity of interests involved? How may the Roundtable focus the diverse attentions of city and county officials, as well as those of the various health and human services departmental lobbyists? In resolving this query, it must be remembered that our objective entails a broadly-based consensus reflecting the desires of both the public and elected officials, and not merely those of bureaucrats and government functionaries. Actual community input is a necessity if a true community consensus is to be achieved.

Once this issue is resolved, the next query asks how may the Roundtable best serve as a liaison to facilitate the translation of such a consensus to the legislators in a manner rapid enough to allow legislative reflection. What type of lobbyist effort would be most suitable, and what members would

ALSO  
ADMINISTRATIVE  
check

be most appropriate to serve our objective. Effective legislative input, as opposed to administrative input (which the County Block Grant Plan addresses), is essential if our efforts are to bear fruit. The final issue deals with the establishment of a feedback mechanism. By what means may legislative visibility and accountability best be promoted, and our efforts assured a reasonable probability of success?

Implicit in these considerations, however, is the recognition that the November elections are just around the corner. The executive leadership of the various health and human services agencies, with the exception of education due to its status independent of the state executive branch, will almost certainly change hands after the elections. Therefore, when weighing the above issues in the context of this election year, a further query arises: how may the Roundtable assess the candidates' positions with regard to future budgetary decisions while remaining nonpartisan in character and scope, which is crucial in order to maintain a broad basis of support? The resolution of these issues would be a primary goal if the Roundtable is to formulate some means of dynamic consensus building and to promote the free and ordered flow of information to and from Columbus.

NO 3

Comments self determined

but make policy!

Big TC of money next volume

Nothing til after election -

BeIT check to make  
changes before business  
glacier holds -

④ should have been well  
ahead to get more out of  
panel joint.

4) Structure Director - 4 ||  
Walter support  
Blair Grant

---

State Line Com | <sup>LOST</sup> STAFFING  
PANEL - CURRU  
MARIO AVALLANU  
EXPERTS

\* BLOCK GRANT COUNTY PROPOSAL [1982]

EVALUATE —

POSITION OPEN OR NEEDS OF COUNTY

MEETING WITH DELEGATE - COUNTY

MEETING TO SEE IF

SKILLS BANK For COLUMBUS (1982)

Together w/ Cong. President

Learning already plus

experience -

O.C.C. - as separate entity

eyes

NO ONE SEEMS TO KNOW !!

NOT WITH gov. CONTACTS -

- CWEV
- 1) Block grant
  - 2) Skills grant
  - 3) Local grants

Real network

[1992]

LOBBY FOR ALL —

1) A position to take to  
COUNTY PROLEGATION

2) People who go down  
to Columbus ~~meet~~

3) SALL Bark — brander

4) specific <sup>with</sup> ~~blue~~ grant  
John Habot

5) meet as Roundtable  
WITH LEGISLATION

6) CONSENSUS  
COMMITTEE OF

GREATER CLEVELAND ROUNDTABLE

STATE LIAISON COMMITTEE

Opinions solicited in response to my general query as to how may Roundtable serve a catalytic role in facilitating the development of a community agenda by means of formulating a state wide informational network to ensure legislative input and feedback.

John Habat, Executive Assistant to Mayor George Voinovich

- recognizes that an informational vacuum exists on the state level and sees definite need for the empanelment of a non-partisan or bi-partisan lobbyist group composed of representatives from city, county, and health and human services administrations.
- the information he does receive from various bodies e.g. State Department of Health, Ohio Health Commission, Bureau of Maternal Health, Governor's Office, etc., is often repetitive and out of date.
- contends that the County Commissioners and Ohio Municipal Leagues could best serve as springboards for legislative input, and feels that the third draft of the County Block Grant Proposal, which provides, among other things, for the empanelment of a formal advisory group composed of lay representatives with grassroots connections, looks promising to serve our proposed objective. ] ?

Russell Tatro, Greater Cleveland Interchurch Council

- agrees that existing channels of communication may best be characterized as chaotic i.e. duplicity of efforts, lack of coordination, problems of timing.
- although his group has concentrated its focus on the federal, rather than state level, he questioned the ability of any new information conveyor to generate confidence and credibility, which he termed as integral to the establishment of a truly non- or bi-partisan body; expressed reservations about the "money clout" a lobbyist group coordinated by the Roundtable would be forced to carry. Emphasized the need for an exceptionally credible broadly/based lobbyist, despite the inherent conflict of interests that would result.

Joe Ferrante, Federation for Community Planning

- although he receives information from the Joint Legislative Committee on Federal Funds, Ohio Citizens Council, etc., he recognizes that sources are too general and timing is a problem despite the fact that they serve his purposes.
- lacks confidence in the ability of lobbyists to have much impact at public hearings conducted by Joint Legislative Committee. Due to his impression that the OBM Interdepartmental Task Force discourages legislative input from the public, he characterizes public hearings as

mere "window dressing," maintaining that the crucial decisions are made behind-closed doors by legislators with privy information, and then "presented" for public "consideration."

- recognizes definite need for a coordinating committee between the state and local levels, and highly endorsed third draft of the County Block Grant Proposal which establishes a coordinating and administrative body composed of county commissioners and a lay advisory board, which may not totally alleviate political conflicts, but at least is the only viable step forward.

Margaret Fissinger, aligned with University Hospitals of Cleveland

- not presently involved with block grants issues, but from past experiences agrees that informational networks are insufficient, discouraging, despite expressing her confidence in some federal literature, the OCC, etc. Portrays Joint Legislative Committee efforts as superficial and lacking clout, providing only an "information bridge" for the public.
- suggests the establishment of direct communications with legislators in Columbus, who she characterizes as most helpful when approached, via influential Roundtable members if funds and time are available.

Karen Lieske, Deputy Director of The Urban Recovery Project

- acknowledges that existing channels of communication in her field of housing and urban development are satisfactory, numerous sources provide both information and means of input, with most information coming from the federal level e.g. Housing and Development Reporter, and most input facilitated by state-wide professional organizations.
- could not suggest any alternative channels of communication with respect to the Roundtable's objectives.

Peggy Siegal, Legislative Liaison for Cuyahoga County

- although citing a number of good informational sources, e.g. OCC and the Gongwer News Service, she sees the definite need for a lobbyist and informational body which could encompass both public and private interests.
- despite characterizing the approaches of others involved in the block grant field as a bit too fatalistic, she acknowledges that legislators are willing to listen only when presented with coherent proposals and specific suggestions, i.e. ideas, rather than complaints.
- highly endorses the third draft of the County Plan, which she contends is almost universally supported, and is currently involved with its drafting as a bill for legislative presentment. Once completed, the bill will also be presented to both gubernatorial camps so as to familiarize the candidates and promote a conducive atmosphere for its passage.
- portrays the county plan as the only viable plan to coordinate lobbyist efforts since it embodies a broad based coalition detached from bureaucratic vested interests. Moreover, she sees the Plan as a means to streamline the use of funds and efforts and to encourage the participation of public officials and lay persons with grass-root ties in a coordinative framework so as to guarantee that vital services would not be cut. Lastly, she contends that the Plan

promotes high public visibility and accountability with respect to elected officials.

-maintains that the Plan, although administrative in nature, will provide for a substantial degree of legislative input due to the broadness of its base; feels that legislators will look favorably upon a process which can effectively translate community needs and interests, and hence vote accordingly after meeting informally with members of the Board and gathering the tenor of community desires.

[1982]

To: Frank Austin

Growth Assoc.

**INCREASING GREATER CLEVELAND'S  
PRESENCE IN  
WASHINGTON/COLUMBUS**

## **CURRENT EFFORTS**

### **WASHINGTON, D.C.**

- City man in Washington program
- Great Lakes Economic Policies Council
- Gubernatorial candidates pledge to strengthen Washington Office
- Individual issue centered efforts

### **COLUMBUS, OHIO**

- City direct lobbying
  - County retained representation
  - Private sector direct lobbying
  - Urban Chamber Caucus -- local leadership
  - Educational direct lobby efforts
- Coordination is often ad-hoc, last minute, and inefficient, yet major efforts estimated to cost between \$170-\$275,000 yearly.
  - Other areas are using sophisticated approaches while Greater Cleveland lacks an overall game plan.
  - Local efforts to develop and lobby a consensus capital improvements list for the state budget process represent the type of effort needed over a sustained time period.

## **DEVELOPING A COORDINATED RESPONSE**

### **A SIX-STEP ACTION PROGRAM TO**

- Strengthen Greater Cleveland's presence
- Accomplish objectives on priority agenda
- Better utilize existing resources

### **GOVERNMENT RELATIONS CONSORTIUM**

- To direct the action programs
- Public and private sector leaders involved in planning for the area's long-term economic future
- Supported by key staff executives responsible for ongoing government relations

## A SIX-POINT ACTION PROGRAM

1. Create a prioritized agenda for action in Washington/Columbus.
  - Increased presence
  - Specific issues for early attention
2. Create and direct effective networks for communication.
  - Ohio Washington Office
  - Greater Cleveland Office
  - Full-time Columbus representation
  - Contact type program
3. Assist in increasing the clout of locally elected officials.
  - Roles in organizations like Northeast-Midwest Coalition
  - Committee assignments
  - Controlling Board, etc.
4. Monitor issues and progress on agenda items more closely.
  - On-site committee and sub-committee actions
  - Public opinion surveys
5. Support officials who play leadership roles in agenda.
  - Media coverage
  - Informal support through appropriate means
  - Public acknowledgement
6. Leverage local efforts through coalition building.
  - Urban Chamber Caucus
  - State, regional, and national organizations

## **RESULTS**

- Forum for local agenda building
- Coordination of existing resources
- Increased voice in Washington and  
Columbus
- Action on priority community issues

## **POTENTIAL PRIORITIES FOR WASHINGTON ACTION**

### **GREATER CLEVELAND-IMMEDIATE**

- Terminal Tower Bridge Work
- Lewis Research Center
- Federal Facilities
  - FM&CS
  - Currency
  - Coast Guard
  - Corps of Engineers
  - Great Lakes Weather Unit
- Major contracts - area firms
- Federal urban enterprise zone designation
- Maybank Amendment

### **GREATER CLEVELAND-LONGER TERM**

- Formulization
- Medical development
- Research center

### **GREAT LAKES**

- Clean Air Amendment
- Maybank Amendment
- St. Lawrence Seaway
- IRB's
- Energy including water

## **POTENTIAL PRIORITIES FOR COLUMBUS ACTION**

### **GREATER CLEVELAND-IMMEDIATE**

- Downtown sports arena (CSU)
- Implementation of capital improvements
- Direct support for Cleveland's Washington Office
- State facilities in Greater Cleveland

### **GREATER CLEVELAND-LONGER TERM**

- State enterprise zone support
- Technology center location and support
- Minority business center
- Small business development center

### **STATEWIDE**

- Formulization favorable to urban areas
- Education support
- Housing authority - support
- Infrastructure support
- Economic development emphasis and support
- Business finance and technology support
- Establishment of Ohio Economic Mobilization  
Committee and program

## **IMPLEMENTATION**

- Formation of consortium and advisory groups
- Program refinement, priority setting
- Resource development
- Implementation

## **ESTIMATED COSTS**

- Start-up \$50,000 (coordination, staffing for Consortium)
- Minimal program range \$250-\$370,000 yearly
- Comprehensive program range \$400-\$640,000 yearly

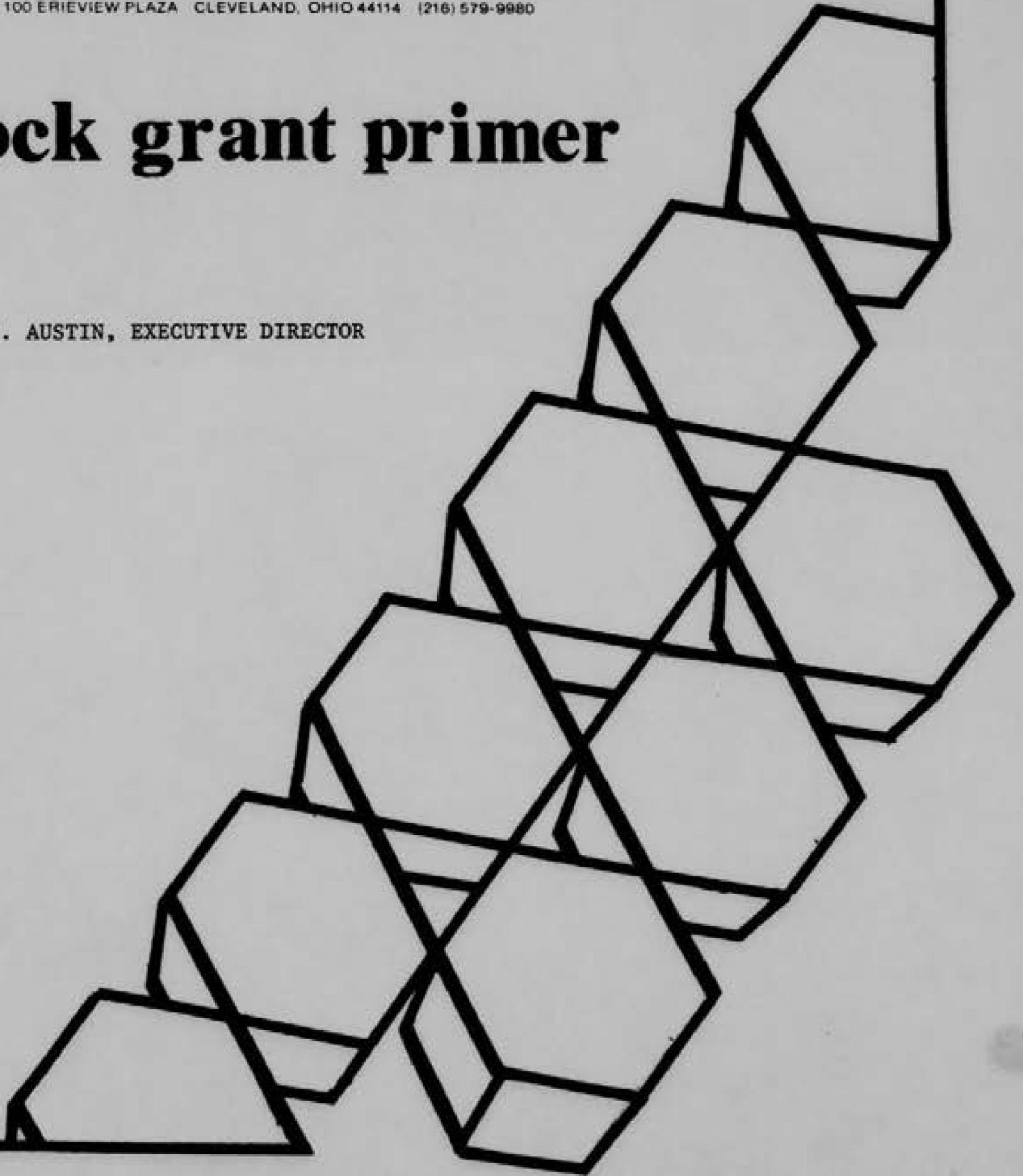
[1982]



ROOM 2041 100 ERIEVIEW PLAZA CLEVELAND, OHIO 44114 (216) 579-9980

# **block grant primer**

SARAH S. AUSTIN, EXECUTIVE DIRECTOR



## BLOCK GRANT PRIMER

### Introduction

This primer was put together at the request of the State Liaison Committee of the Greater Cleveland Roundtable. It attempts to provide for our members basic information on block grants.

The Omnibus Reconciliation Act of 1981 created nine block grants by consolidating 67 categorical programs. Many of the previous categorical programs involved a federal-state relationship. However, one of the significant features of the block grants is the designation of the state as primary grant recipient and decision-maker.

Most analysts believe the nine block grants represent the beginning of an important trend in shifting responsibilities from the federal to the state level. Not only will the states be responsible for administering more programs, they will be faced with doing so with fewer federal dollars. They will be required to make decisions involving the allocation of scarce resources among competing interests; pinpointing intergovernmental issues which need study; and for resolving conflicts.

It is difficult at this point to determine the exact funding levels because the block grant program is still operating under a continuing resolution from Congress. This will require further action--either cuts or additions--to complete the fiscal year. The problem is further exacerbated because the state projects a fiscal deficit of over a billion dollars which will result in additional cuts.

x ?  
which one

Even though we do not have the exact figure, it is important for the Roundtable as an urban coalition to discuss the issues and to explore ways to facilitate more effective state-local relations.

A recent newspaper interview with Mayor George V. Voinovich is included to give you a better understanding of the potential impact of the federal cuts on the City of Cleveland.

\*Development of this document was made possible with the assistance of: Anita L. Morse, Professor of Law, Cleveland-Marshall College of Law; Judith A. Kaul, A/V Librarian, Cleveland-Marshall College of Law; and Hans Kuenzi, student, Cleveland-Marshall College of Law.

# GOP mayor speaks against Reagan's budget cuts

By MARK HOPWOOD

*No matter how sedate or outlandish their style, Cleveland's mayors seem to attract national attention. Remember Ralph Perk's pornography poll or the days of Dennis Kucinich as L'Enfant Terrible?*

*Mayor Voinovich, despite his reticence, pulled some national notice in his first term for turning around Cleveland's fiscal fortunes. And early in his second term, the mayor hasn't dropped out of sight.*

*He made a splash in November with his opinions on President Reagan's budget maneuvers and his call for New Federalism — the shifting of many federal programs and responsibilities back to the state and local governments.*

*In this Press interview, the mayor speaks strongly about the budget cuts and New Federalism. He considers their effect on Cleveland's growing unemployment and the resolve needed to overcome a possible economic tragedy here.*

*Leading public officials remain enamored with Voinovich. In fact, he is one of only three mayors invited to attend the National Governors Association meeting in Washington today to discuss the Reagan plan.*

*Some of this prominence is based on Voinovich's appearance of being a critic of the Republican president — a novel stance for the top big city Republican mayor to take. To some degree, it is a calculated appearance, cultivated since the presidential primary days when Voinovich favored George Bush over Reagan.*

*But lately Voinovich has become earnestly concerned about the welfare of America's cities and their inhabitants, especially in light of Reagan's 1983 budget proposal. He has not hesitated to voice his views.*

*In his comments before the governors, Voinovich said he will draw "a firm distinction between my beliefs in New Federalism and my concerns toward the 1983 federal budget."*

**Q: You seem to like Reagan's New Federalism, so why are you so critical of the budget cuts he is advocating?**

**A:** First of all, people shouldn't confuse the 1983 budget proposal with New Federalism — they aren't the same thing. It's not New Federalism — it's budget cutting that we're dealing with. We haven't had any New Federalism to respond to, yet.

We can't tolerate any more cuts in the allotments for cities or for social service programs in the 1983 budget. If we have to balance the budget then we should do it on the back of the Defense Department.

It makes me sick to see how much one of those Trident submarines costs when you consider what that money could do for all of the cities in this country and for the people who live in those cities. You can't have great national defense if you have

hunger, poverty, unrest and unemployment in your major cities — communist leaders in Central and South America can point to the deteriorating condition of this country's cities. (Correcting this) ought to be the first order in our effort to win the hearts and minds of other people.

On the other hand, there is a separate issue of which level of government is most capable of providing services to the citizens of the country. How can we best utilize the dollars that are being poured out for the local, state and federal governments? I think this question is worthy of debate.

Unfortunately, the media has jumped out and written articles without even paying attention to what was being proposed by the president. Before people take positions that are cast in stone, they ought to at least dialogue on this question of New Federalism.

In order to have a realignment of responsibilities, there's got to be a general national consensus that the final plan is both fair and needed.

**Q: Do you think the final plan is both fair and needed?**

**A:** I have a lot of questions — about the speed of the change, how it will be funded, what level of government should be responsible for administering programs, will the federal government give up certain taxes and shift them back to local governments?

You can't undo in three or four years something that was started 40 years ago. Many programs should operate on the state or local level, but it is going to take time for state and local governments to develop the facilities and resources to handle such programs.

**Q: So is the president's 1983 budget proposal staking New Federalism?**

**A:** The federalism issue may be confused with the cuts in the budget. In terms of timing, this discussion (of New Federalism) would have been better seven or eight years ago. I think the drift we have followed for the past 10 years or so without the debate on who ought to be delivering these services, how they should be paid for, has been unhealthy for the country.

As (Vermont's governor) said: "There should be a serious discourse on New Federalism, similar to the dialogue that took place 200 years ago prior to the ratification of the U.S. Constitution."

**Q: Will we ever have a New Federalism discussion?**

**A:** The economic condition of the country will have a major impact on this whole dialogue on New Federalism. If we have massive unemployment in this country — over 10% — no one is going to be talking about New Federalism. They are going to be worried about getting people back to work and they aren't going to give a damn whether it is the federal, state or local government doing it. Unless the pre-

dictions (of the president's advisors) are right and the economy is going to take an upturn at the end of this year, you can forget about the debate over New Federalism.

Besides, if they are not able to answer the questions of critics and if they aren't able to gain the support of state and local officials, the program will never work and the president won't have the votes in Congress to pass it.

**Q: You've said you are worried about there being a "safety net" for those who could suffer under Reagan's proposals. Are you sure it's in place?**

**A:** I said initially that I perceived holes in the safety net — holes that those of us in Cleveland are trying to mend. We can mend them locally, assuming the economic condition of the country picks up.

I recommended to the leadership of the National League of Cities and Congress of Mayors that what we ought to be doing now is getting together the ideas from our major cities in terms of how they are responding to the cuts that have taken place in the budget, how they are responding locally to those cuts, and what are they doing to help the people in their community survive during this period in time?

**Q: You have said Cleveland's unemployment rate is 17%. How is that problem affecting us?**

**A:** When the bread winner is out of work, that is a scary situation. How would you like to be one of those people out at Fisher Body who have been there 25 years and now don't know whether they are going to have a job in a year or two years from now?

There is no community in the country today that is trying harder to respond to human concerns that have developed as a result of cutting back the federal budget. There are greater demands on city services when people are not employed — for instance, we're seeing a greater number of people coming through our health centers. When you have high unemployment, you have a higher demand for police protection, higher demands for social services, there are more alcoholics and there is more family stress.

Most of the social services are provided by (Cuyahoga County), which handles things like welfare and mental health funding. We are putting a program together looking at what the county is doing, what the Federation for Community Planning is doing and what United Way and others are doing. As time goes on in terms of the economy, a lot of agencies are going to have to look at things a different way than they used to.

But I think we are progressing. The getting together and the talking about the problems of the community has been worthwhile, fruitful and has helped.

**Q: How is the city participating in this effort?**

**A:** We have put together our Community Development Block Grant with a major emphasis on uti-

lizing dollars for programs that are absolutely essential to this community, starting with housing, food, shelter, and medical care. I asked for a waiver (of federal regulations) so we could spend as much of our money as possible for social services to show the sincerity of our concern about these problems in the community.

**Q: But why does the city's budget emphasize the Planning and Economic Development departments and not basic city services or social services?**

**A:** I think one of the grave errors that this city made over the years was that when it fell upon bad times, (city officials) ignored planning and economic development. This is being penny wise and pound foolish. At a time like this the most important hedge against the terrible problems for the community is to have the tax dollars to respond to those problems.

We've got more dollars but it is a question of how you allocate those dollars. You might not be able to pave as many streets as you want or to mow the grass every week. But mowing the grass every week versus not being able to stimulate jobs in this community is a small price to pay for keeping the economy alive and well.

If the economy falls, then the taxes fall. When the taxes fall, the services fall. And when the services fall, the people move out of their neighborhoods and the businesses move out of the community.

**Q: So you support less social services spending by the city in favor of aiding business?**

**A:** If you're not out trying to cause business to stay in your community, through Urban Development Action Grants, or Economic Development Administration grants or packaging Small Business Administration loans and all the other benefits that are available (to convince) industry to stay in the city or to get them to expand, then you net only low tax dollars, but United Way contributions and contributions to various churches — it is a rippling effect.

For every job we have in the city, we take 2% of the top that goes into the pot that is used to provide services to many in our community who are unable to provide tax dollars.

**Q: Have you seen any evidence that this is working?**

**A:** I think the fact that this town has a public-private partnership that is working, that (the town) has come together, that our national image has changed substantially, that people in this community feel a lot different than they did three years ago is a healthy sign that bodes well for the future.

But in terms of what other cities are doing in terms of economic development, Cleveland looks like a sick sister. Even with the increased spending for economic development, we are still way behind other cities.

## THE REAGAN ADMINISTRATION BUDGET

The 1981 Omnibus Budget Reconciliation Act radically changed the federal-state and federal-city relationship, reducing federal monetary assistance upon which most urban areas are dependent. The largest change was the consolidation of 57 categorical grants into block grants, but other statutory changes make further inroads into the already deteriorating fiscal positions of cities and states. Important changes include:

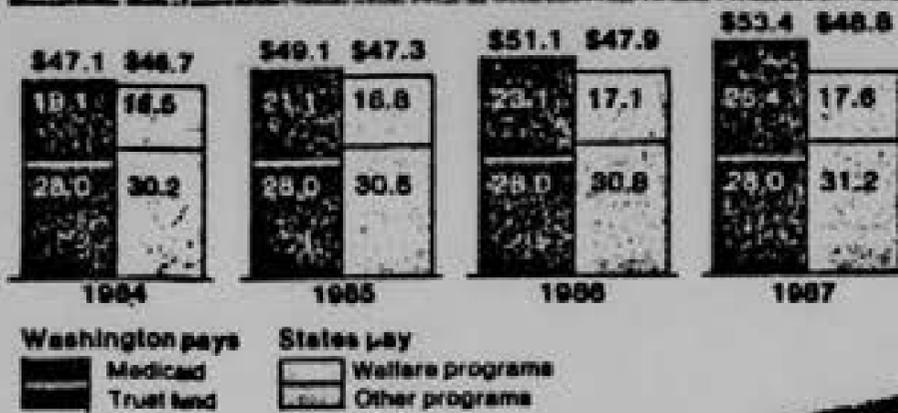
- a reduction of food stamp benefits which will increase local general assistance outlays.
- a reduction of federal Medicaid payments to the states and of medicare reimbursements to individuals or payees.
- a reduction of extended unemployment benefits and trade adjustment assistance benefits to laid-off workers and to economically distressed businesses.
- a reduction of funding for subsidized housing under Urban Development Action Grants.
- an end to rehabilitation loans used for community development programs.
- an increase in interest rates on Small Business Administration Loans.

Even more sweeping changes have been proposed for FY84. The Administration wants to federalize Medicaid and turn full responsibility for Aid to Families With Dependent Children and Food Stamps to the States. A four-year trust fund based on federal excise taxes will initiate the program; however, in 1988, full responsibility for both programs and tax maintenance will be placed on the states. T2 4/2

The reality of this program is a disaster for the cities of hard-pressed Northeastern and Middlewestern States, according to governors who have commented on the proposal. In urban areas like Cleveland service costs are the highest and yet revenues have been chronically low for several years. Ohio's cities and counties are raising taxes, increasing user fees, and deferring capital expenditures as federal funds are reduced, out of sheer necessity to make ends meet. But even with increased taxes, virtually every service level has been drastically reduced.

## Give and take, Reagan-style

President Reagan wants states to assume all costs of food stamps, aid to families with dependent children and about 40 other federally funded programs. In return, Washington would pick up the full tab for Medicaid and establish a temporary trust fund to help states shoulder their new burdens. Administration projections, charted below, indicate the states would come out ahead through September 1988, but many challenge the economic assumptions behind these figures. (Fiscal years, in billions of dollars)

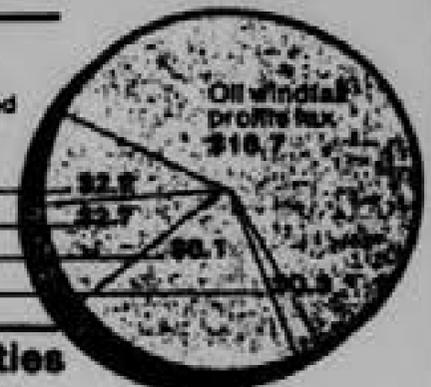


Source: The White House

## Trust-fund sources

Total: \$28 billion annually  
Tax receipts that would be earmarked to help states pay for programs. (in billions of dollars)

- Gasoline
- Tobacco
- Alcohol
- Telephone



## States' responsibilities

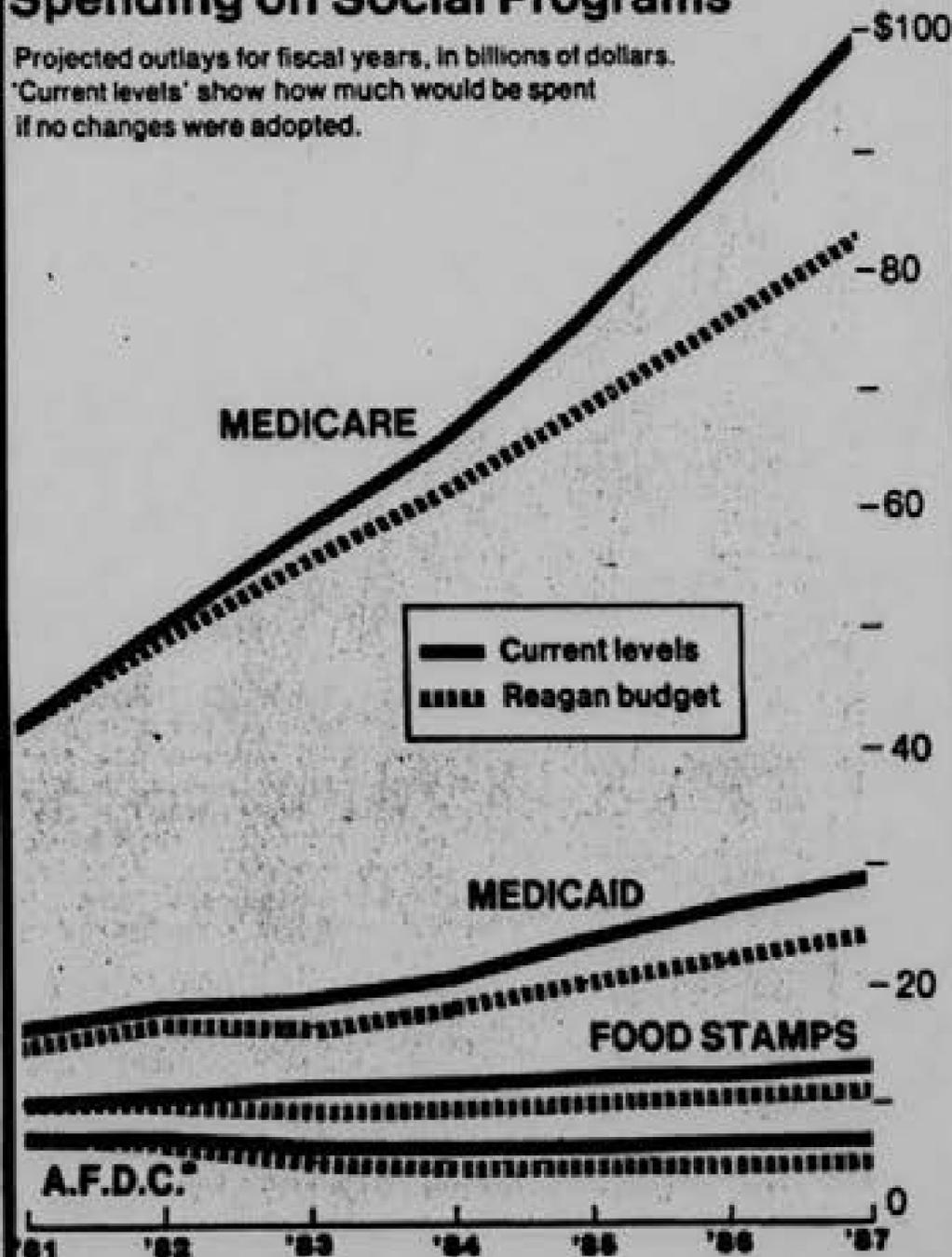
Total: \$30.2 billion in 1984  
Kinds and costs of programs, besides welfare, that would be shifted out of Washington. (in billions of dollars)

- Low-income home energy assistance
- Education and training
- Revenue sharing and occupational safety assistance



## Spending on Social Programs

Projected outlays for fiscal years, in billions of dollars.  
'Current levels' show how much would be spent if no changes were adopted.



\* Aid to Families With Dependent Children

Source: Office of Management and Budget

## THE PRESIDENT'S PLAN

### BASIC PROGRAM GOALS

The President and his advisors have been forthright in saying that they hope to remove the Federal government entirely from authority over and financial responsibility for human services. A clear strategy to accomplish this objective is now emerging as reflected in the chart and timetable below.

<u>Timetable</u>	<u>Block Grants</u>	<u>Income Maintenance</u>	<u>Funding</u>	<u>Other</u>
FY 1982	57 programs consolidated into 9 block grants with authority transferred to states.	Eligibility narrowed; services diminished; tough administrative requirements.	25% reduction in dollars;	Deregulation of new and some existing programs. Abolition of some reporting and audit requirements. Staffing reductions in Federal agencies. Curtailment of research and professional development.
FY 1983	Several more programs consolidated into block grants.	Further reductions in eligibility and services. Even tougher administrative requirements.	Further reduction in dollars.	Further deregulation. Further reductions in Federal staff. Further curtailment of research and professional development.
FY 1984	Trust Fund of \$28 billion which states may use to buy Federal programs, take them over, or use for other purposes.	Federal government assumes Medicaid. States take over AFDC and Food Stamps.	Further reductions in dollars.	Close to total deregulation. Virtually no Federal staff help or monitoring.
FY 1987	Most federal administration of service programs and block grants ends.		Begin phase out of trust funds.	
FY 1991			Federal funding of services ends.	
Speculative	Local education and handicapped programs end? Programs for the aged altered?	Social Security changes. Ending of Medicaid/Medicare?		Federal role in research further curtailed?

Source: Jule M. Sugarman, President Reagan's 1982 Proposals. (White Paper No. IV for Citizens and Government Officials.) Human Services Information Center.

## THE BLOCK GRANT PROGRAM

- Block Grants:** The Block Grant occupies a middleground position between Categorical Aid and General Revenue Sharing. A Block Grant is a program where funds are provided chiefly to general purpose governmental units in accordance with a statutory formula for use in a broad functional area largely at the recipient's discretion.
- General Revenue Sharing:** Automatic distribution of funds on a statutory formula basis to general purpose units of governments with little or no restriction on how the money is to be spent.
- Categorical Grants:** The primary purpose of a federal-grant-in aid or categorical grant is to provide the state with financial support to carry out a program's objectives. These grants are usually distributed by federal agencies under strict regulation and oversight for specifically targeted purposes.

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Type of Grant	Recipient Discretion	Program Scope	Funding Criteria
Categorical	Lowest	Narrow	Federal Administrative Review
Categorical Formula	Low	Narrow	Legislative Formula
Block	Medium	Broad, Functional area	Legislative Formula
General Revenue Sharing	High	Broadest governmental operations	Legislative Formula

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## BACKGROUND OF FEDERAL FUNDING TO STATE AND LOCAL GOVERNMENTS

Block grants first emerged in the Nixon administration to centralize federal administrative authority under the Executive Office of the President. The plan was to diminish federal agency responsibility over domestic programs through both centralization of fiscal control under a new Office of Management and Budget and decentralization of programs. State and local governmental institutions were to be strengthened in setting

priorities and in making decisions considered to be rightfully theirs.

Block grants were intended to simplify and coordinate under elected officials the numerous grant-in-aid programs launched by administrations from the New Deal to the Great Society. A myriad of special purpose districts, community programs--independent power centers--had been created that circumvented local and state government. OMB Circular A-95 procedure for project review which set up regional and state clearinghouses remains as the most noteworthy accomplishment of the Nixon administration in providing federal coordination. However, whether state-local coordination in Ohio was effected is doubtful; the Ohio Joint Committee on Federal Funds of the Ohio Legislature reported that little is known as to who now hold federal funds and will now be competing for state and local replacement funds.

#### GENERAL AND SPECIAL REVENUE SHARING

General Revenue Sharing looked towards more than coordination and decentralization; it was intended to eliminate programmatic efforts and substitute money for programs. Unlike grants-in-aid or consolidated block grants, general revenue sharing is a totally "no strings" program. It removes conditions, such as citizen participation and focused programs, associated with categorical grants and placed power over funds in established political institutions. It was an answer to two growing problems of the 1960's: first the intense fiscal pressure on state and local government brought on by increased demand for urban services; second the lack of income-elastic revenue sources in the states. There was a fiscal mismatch between state and federal resources and needs. As conceived the program divided federal funds into general and special revenue sharing; however, only two Special Revenue Sharing programs, CETA and Housing and Community Development passed, and General Revenue Sharing formulas maintained federal controls through limiting the duration of appropriations rather than establishing a continuing trust fund.

Revenue sharing formulas had the effect of maintaining fragmented local government structures through a reliance on flat or minimal level funding rather than utilizing project applications. The formulas induced declining governmental structures to maintain their existence rather than to regionalize services. In Ohio where Home Rule permits competitive governmental units to exist in the same metropolitan area and where state and local tax limitations have been bypassed by special purpose districts, user fees, and levies, there are over 3,000 local governments competing for funds.

#### THE 1982 FEDERAL BLOCK GRANTS

The New Federalism is more than block grants and revenue sharing; its goal is to reduce the size of federal government. This means reducing the federal budget, cutting programs, eliminating federal regulations, and returning power and resources to states and local governments. To date, however, these goals have not been fully achieved.

CHART OF MAJOR FEATURES OF BLOCK GRANTS CREATED OR ALTERED BY OMNIBUS BUDGET RECONCILIATION ACT OF 1981 (PL 97-35)

	ALCOHOL, DRUG ABUSE AND MENTAL HEALTH	COMMUNITY DEVELOPMENT SUPPORT ASSISTANCE	COMMUNITY SERVICES	ELEMENTARY AND SECONDARY EDUCATION	LOW-INCOME HOME ENERGY ASSISTANCE	MATERIAL AND CHILD HEALTH SERVICES	PREVENTIVE HEALTH AND HEALTH SERVICES	PRIMARY CARE	SOCIAL SERVICES
FY 1981 FUNDING FOR OMO AS CATEGORICAL PROGRAMS (IN MILLIONS OF DOLLARS)	37.5	NOT REPORTED	15.2	NOT REPORTED	93.7	17.1	5.8	13.35	145.95
FY 1982 FUNDING FOR OMO AS BLOCK GRANTS (IN MILLIONS OF DOLLARS)	22.4	NOT REPORTED (PRELIM. EST. = 50.0)	12.7	FUNDS RECEIVED WILL BE AS CATEGORICAL GRANTS (BLOCK GRANTS NOT EFFECTIVE UNTIL FY 1983)	81.9	12.2	3.8	10.2 WILL BE RECEIVED AS CAT. GRANTS (BLOCK GRANTS NOT EFFECTIVE UNTIL FY 1983)	113.7
LOSS (IN MILLIONS OF DOLLARS)	(15.1) -40.0%	NOT REPORTED	(2.5) -16.4%	NOT REPORTED	(3.8) -4.4%	(4.9) -28.6%	(2.0) -34%	(3.2) -24%	(32.3) -22%
NON-FEDERAL MATCHING	NONE	10% BY STATE IF IT ELECTS TO ADMINISTER PAYMENT	NONE	NONE	NONE	STATE MUST SPEND \$3 OF STATE FUNDS FOR EACH \$4 OF FEDERAL BLOCK GRANTS	NONE	20% STATE MATCH REQUIRED IN FY 1983; 33% IN FY 1984	NONE
USE OF FUNDS	STATE MUST ALLOCATE FUNDS BETWEEN MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES IN SAME PROPORTION AS FEDERAL FUNDS WERE VOTED FROM TO BLOCK GRANT; FEASIBLE TO 100% OF STATE ALLOCATION IN FY 1982, 75% IN FY 1983, 50% IN FY 1984  OF SUBSTANCE ABUSE FUNDS, AT LEAST 55% MUST BE FOR ALCOHOL ABUSE, 15% FOR DRUG ABUSE, AND 20% FOR PREVENTION AND EARLY INTERVENTION  FOR FY 1982, 1983, AND 1984, STATES MUST FUND EACH COMMUNITY MENTAL HEALTH CENTER FEASIBLY FUNDED IN 1980	SMALL TOWN PORTION OF GRANT MUST BE USED BY LOCAL GOVERNMENTS OUTSIDE OF METROPOLITAN AREAS, WITH POPULATIONS LESS THAN 50,000 FOR COMMUNITY DEVELOPMENT ACTIVITIES TO SUPPORT LOW AND MODERATE INCOME FAMILIES, AND IN THE PREVENTION OR ELIMINATION OF SUICIDE AND SUICIDE, OR OTHER URGENT COMMUNITY DEVELOPMENT NEEDS	50% OF ALLOCATION MUST BE FUNDED TO LOCAL GOVERNMENTS OR TO COMMUNITY ORGANIZATIONS WITH BOARD OF DIRECTIVES MADE UP OF 1/3 PUBLIC OFFICIALS, 1/3 REPRESENTATIVES OF THE COMMUNITY, AND 1/3 REPRESENTATIVES OF OTHER LOCAL COMMUNITY GROUPS, OR TO VOUCHER PARTICIPATING ORGANIZATIONS  STATES MAY ONLY OVER ALL OR PART OF THE YEAR'S ALLOCATION TO THE FOLLOWING YEAR	STATE MUST PAY THROUGH A MINIMUM OF 50% OF BLOCK GRANT TO LOCAL EDUCATION AGENCIES BASED ON PERCENTAGES WHICH INCLUDE ENROLLMENT AND THE NUMBER OF STUDENTS WITH LOWER THAN AVAILABLE EDUCATIONAL COSTS	STATE IS TO PROVIDE BENEFITS ONLY TO RECIPIENTS OF SSI, AFDC, FOOD STAMPS, VETERAN'S PENSIONS OR TO HOUSEHOLDS WITH INCOME BELOW 150% OF POVERTY LEVEL OR 60% OF STATE MEDIAN INCOME. HIGHEST LEVEL OF BENEFITS MUST BE PROVIDED TO FAMILIES WITH THE LOWEST INCOME AND HIGHEST ENERGY COSTS  STATES MAY CARRY OVER 15% OF FUNDS FROM THE FISCAL YEAR TO THE NEXT. OTHER UNVOTED FUNDS ARE REALLOCATED TO OTHER STATES. AT LEAST 50% OF FUNDS MUST BE USED TO AID LOW INCOME HOUSEHOLDS IN HEATING AND ENERGY COSTS; UP TO 15% MAY BE USED FOR VOUCHERS	STATE MUST USE A "REASONABLE" PORTION OF FUNDS TO PROVIDE HEALTH SERVICES TO MOTHERS AND CHILDREN, AND A "REASONABLE" PORTION TO ADDRESS MENTAL ILLNESS AND ADDICTIVE DISORDERS, INCLUDING MENTAL ILLNESS, CRISIS INTERVENTION AND ASSISTANCE OF, AND SERVICES TO LOW-INCOME CHILDREN  FUNDS MAY BE USED FOR PLANNING, ADMINISTRATION, EVALUATION, EDUCATION AND PREVENTION OF DEMENTIA OR OTHER MENTAL ILLNESS FROM THE FEDERAL GOVERNMENT  MATERIAL FUNDS TO BE USED FOR PERSONAL SERVICES, FOR HOME CARE AND RELATED SERVICES TO MOTHERS AND CHILDREN, OUTPATIENT AND INPATIENT SERVICES, AND OTHER SERVICES WHICH ARE BENEFICIAL TO MOTHERS, CHILDREN AND EDUCATIONAL AND COMMUNITY SERVICES	IN FY 1982, STATE MUST FUND AT UNDEPLETED LEVELS EXISTING FEDERAL SERVICES FUNDED IN FY 1981; FIRST FUND ADDITIONAL PROGRAMS AT 75% OF FEDERAL FUNDING LEVEL IN FY 1982, IN 1983 AT 70%, AND IN 1984 AT 60%	IN FY 1983, ALL EXISTING, LEGALLY REQUIRED COMMUNITY MENTAL HEALTH CENTERS (CMHC) IN 1982 MUST RECEIVE GRANTS IN AMOUNTS NOT LESS THAN THOSE RECEIVED IN 1982  NO GUARANTEE OF FUNDING IN FY 1984, BUT STATE MUST MAINTAIN MINIMUM UNDEPLETED FUNDING LEVELS BY FY 1984. CMHC'S WILL OUTLIVE IN EXISTENCE  STATE MUST NOT DISRUPT EXISTING FUNDING-PAYMENT RELATIONSHIP TO THE EXTENT FEASIBLE	BASIC KIND OF TITLE II SERVICES, VOUCHER PROGRAMS, COMMUNITY MENTAL HEALTH CENTERS, FOOD, HOUSING AND CARE SERVICES, FUNDING FOR THESE PROGRAMS MUST BE AT LEAST 75% OF FY 1981 LEVELS. STATES REQUIRE MINIMUM UNDEPLETED FUNDING LEVELS BY FY 1984. STATES MUST MAINTAIN 75% OF FY 1981 LEVELS. STATES MUST MAINTAIN 75% OF FY 1981 LEVELS. STATES MUST MAINTAIN 75% OF FY 1981 LEVELS.
LEAD AGENCY	DEPARTMENT OF HEALTH SERVICES	ADMINISTRATIVE, UNDER WHICH MAY BE ASSUME RESPONSIBILITY FOR THE "SMALL TOWN" PORTION OF THE GRANT, UNDER FEDERAL ASSISTANCE. DEPARTMENT OF EDUCATION AND COMMUNITY DEVELOPMENT WILL BE STATE'S LEAD AGENCY	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	ASSUMPTION OF THIS GRANT MUST BE WITH FEDERAL APPROVAL AND ACCOUNTS ARE CLASSIFIED IN DEPARTMENT OF EDUCATION A LEAD AGENCY	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	DEPARTMENT OF HOUSING	DEPARTMENT OF HEALTH	DEPARTMENT OF HEALTH & FAMILY SERVICES	DEPARTMENT OF PUBLIC WELFARE
APPLICATION AND REPORTING	THE SECRETARY OF HIS DEPARTMENT HAS DATE OF APPLICATION STATE MUST FILE REPORT ON ANNUAL USE AND METHOD OF DISTRIBUTION FUNDS.	THE GRANTOR MUST VERIFY THE STATE INDUSTRY COMMUNITY PLANNING, FEDERAL TRAINING ASSISTANCE TO LOCAL GOVERNMENTS, AND CONTACT WITH LOCAL EDUCATION INSTITUTIONS. STATE MUST SUBMIT A STATEMENT ON THE PORTION OF FUNDS AND DISTRIBUTION OF FUNDS. PERFORMANCE REPORT MUST BE SUBMITTED AT A TIME DETERMINED BY SECRETARY OF OMO	THE STATE MUST SUBMIT AN APPLICATION AND A PLAN EACH YEAR, TO THE SECRETARY OF OMO. TO THE APPLICATION, STATE MUST MAKE USE OF FUNDS TO PROVIDE SERVICES UNDER A MATCH GRANT TO THE LOCAL GOVERNMENT.	STATE GRANTS MUST BE USED TO PROVIDE SERVICES TO LOW INCOME HOUSEHOLDS IN HEATING AND ENERGY COSTS; UP TO 15% MAY BE USED FOR VOUCHERS	GRANTS MUST APPLY TO SELECTION OF THE COMMUNITY THAT LIVE WITH IN SUBURBAN, COMMUNITY ACTIVITIES WITH PROGRAMS, AND FEDERAL PROGRAMS. STATE GRANTS MUST BE USED TO PROVIDE SERVICES TO LOW INCOME HOUSEHOLDS IN HEATING AND ENERGY COSTS; UP TO 15% MAY BE USED FOR VOUCHERS	STATE MUST FILE REPORT TO SECRETARY OF HIS DEPARTMENT ON ANNUAL USE AND DISTRIBUTION OF FUNDS, WITH INDICATION OF HOW UNDERSTAND A NEED ASSESSMENT AND HOW FUNDS WERE USED IN THE YEAR	SECRETARY OF HIS DEPARTMENT MUST FILE REPORT TO SECRETARY OF HIS DEPARTMENT ON ANNUAL USE AND DISTRIBUTION OF FUNDS, WITH INDICATION OF HOW UNDERSTAND A NEED ASSESSMENT AND HOW FUNDS WERE USED IN THE YEAR	STATE MUST APPLY TO THE SECRETARY OF HIS DEPARTMENT ON ANNUAL USE AND DISTRIBUTION OF FUNDS, WITH INDICATION OF HOW UNDERSTAND A NEED ASSESSMENT AND HOW FUNDS WERE USED IN THE YEAR	STATE MUST SUBMIT REPORT ON ANNUAL USE AND DISTRIBUTION OF FUNDS, WITH INDICATION OF HOW UNDERSTAND A NEED ASSESSMENT AND HOW FUNDS WERE USED IN THE YEAR

We are seeing--

- A massive shift of spending priorities within the federal budget and not a reduction.
- A reluctance on the part of Congress to fully return programs to state and local government or to give up total control over programs.
- Modest gains in the reduction of federal regulations.
- Maintenance of scaled-back programs in mass transit, employment, and Economic Development Administration economic development.

The 1981 Budget Reconciliation Act created or revised nine block grants and replaced existing city-federal relationships with direct state control over programs.

- Community Development consolidates entitlement city monies (Cleveland) with nonentitlement, small cities and rural areas monies and decreases the entitlement share of funds from 80% to 70% from a much reduced total allocation.
- Four of the block grants are for health.
- Three of the block grants are for social services and cash payments for the poor.
- The remaining block grant is for education.
- Federal funds have been drastically reduced. Ohio's share of federal funds for fiscal 1982 shows significant reductions.

### The Budget and Social Programs: Costs and Proposed Cuts

Rounded figures are in billions of dollars for each fiscal year.

The 1981 figures are actual outlays; the other figures are projected spending.

The cost									The proposed '83 cuts	
<b>FOOD STAMPS*</b>		'81	'82	'83	'84	'85	'86	'87	<b>PROGRAMS FOR THE POOR</b>	
Without Reagan cuts		\$10.3	\$10.6	\$11.8	\$12.1	\$12.5	\$12.8	\$13.1	Child nutrition.....	9.4%
With Reagan cuts		10.5	10.3	9.6	9.7	10.0	10.2	10.4	Medicaid.....	10.4
<b>WELFARE†</b>									Welfare†.....	17.5
Without Reagan cuts		8.1	7.8	8.8	8.6	8.7	8.8	8.9	Social services block grant.....	17.8
With Reagan cuts		8.1	7.6	6.8	6.5	6.8	6.6	6.7	Education aid.....	17.9
<b>MEDICAID</b>									Food stamps.....	19.1
Without Reagan cuts		18.8	18.1	19.0	21.0	24.2	26.5	29.2	Low-income energy assistance.....	25.6
With Reagan cuts		16.4	17.8	17.0	18.6	20.4	22.1	24.3	Training, employment.....	46.2
<b>MEDICARE</b>									<b>Other programs</b>	
Without Reagan cuts		42.5	49.9	57.8	66.3	76.2	87.0	99.1	Social Security.....	0%
With Reagan cuts		42.5	49.6	55.4	61.2	68.4	75.6	83.1	Veterans disability compensation.....	1.4
									Medicare.....	4.3
									Civil Service retirement.....	2.2
									Guaranteed student loans.....	23.0

\* Figures do not include Puerto Rico † Aid to Families with Dependent Children

Source: Office of Management and Budget

The 1982 Block Grants give the states a strong role in decision making about allocations and reduces the local role in the federal grant system. Local government officials, business leaders, and community leaders must now direct their efforts to influence plans for Ohio allocations at the state legislative and executive departments level.

#### OHIO STATE CONTROL OVER BLOCK GRANTS

In Ohio, control over block grant disposition is divided between the legislative and the executive branches of state government. The Joint Legislative Committee on Federal Funds, chaired by Representative Francine Panehal of Cleveland, was established by both houses of the legislature to monitor and review distribution of and recommend programs for federal monies and state matching funds. The Governor's Executive Order accepting eight of the nine block grants, primary health excepted, established lead executive agencies to act on behalf of the Governor in dealing with federal agencies and with local government in allocating block grant funds. Relationships between the Joint Committee and the lead executive agencies are still unclear. No veto power was granted to the Joint Committee; however, it is assuming an aggressive role in monitoring agency program proposals and in providing a forum for public interest lobbying.

#### IMPLEMENTATION OF THE BLOCK GRANT PROGRAM

##### AT THE STATE AND LOCAL LEVELS

##### THE BUDGET CYCLE

Federal, state and local governments operate on different fiscal years. The differences in funding years, combined with multi-year commitments under some federal grants, will make program planning more difficult. At present no complete base of information exists on the state of Ohio level as to whom holds federal grants and how great the loss will be in terms of services shifted to state and local funding.

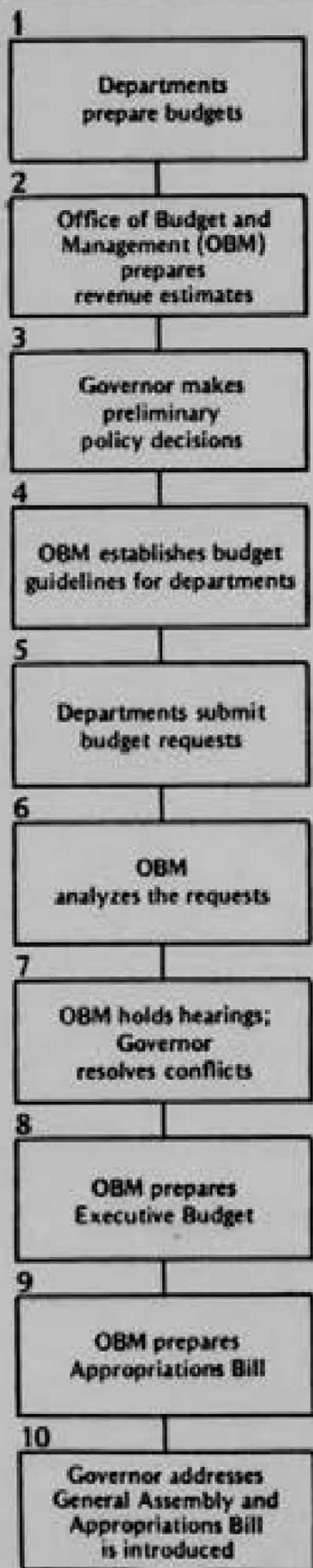
##### BUDGET YEARS

--Federal Government	October 1 to September 30
--State of Ohio	July 1 to June 30
--City of Cleveland	January 1 to December 31

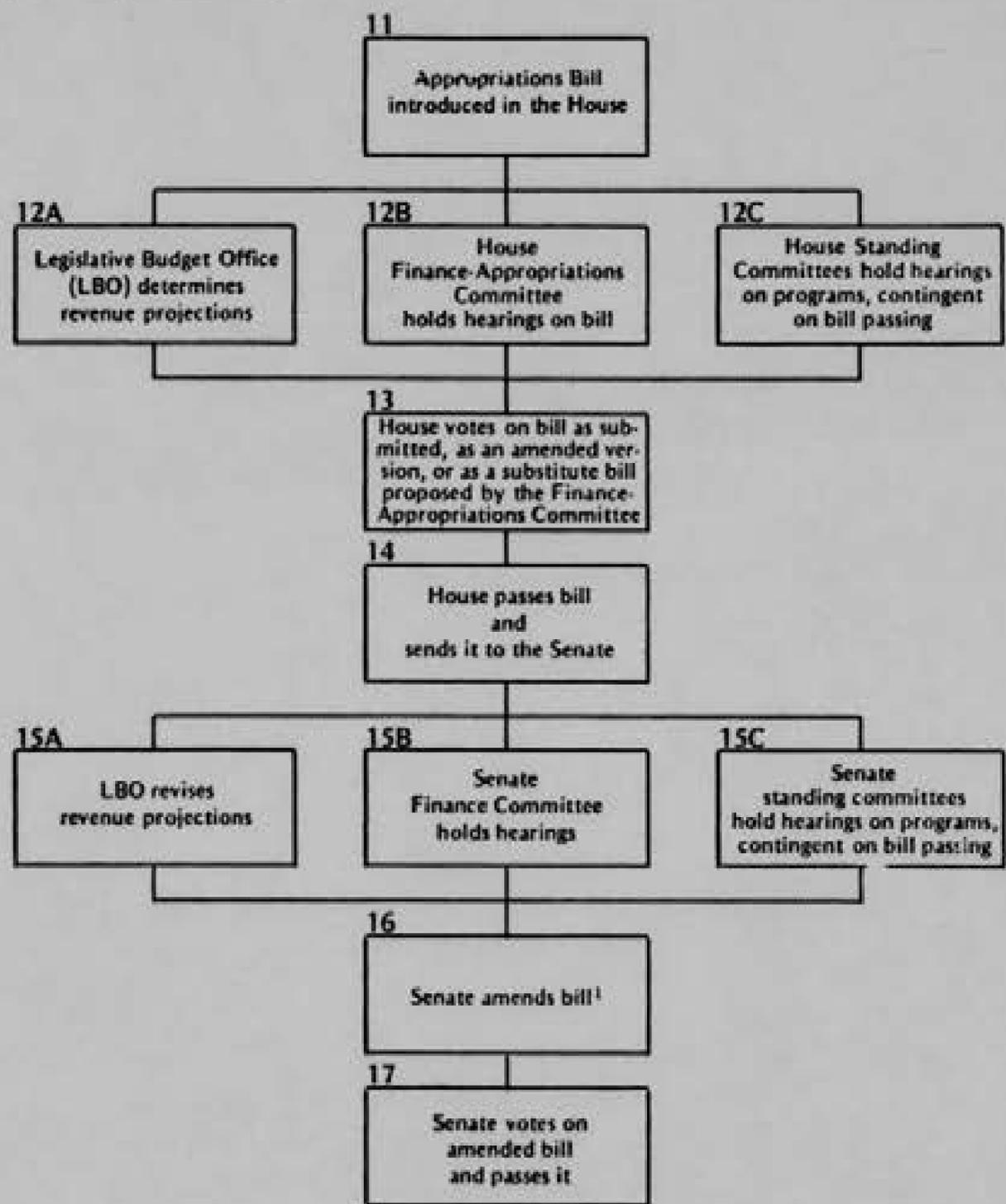
BLOCK GRANT RESOURCE PERSONS			
BLOCKING, DRUG ABUSE, MENTAL HEALTH	SOCIAL SERVICES	COMMUNITY SERVICES	PREVENTIVE HEALTH
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<b>PRIMARY HEALTH CARE</b>	<b>HOME ENERGY ASSISTANCE</b>	<b>COMMUNITY DEVELOPMENT</b>	
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THE BUDGETARY PROCESS

The Administration



The Legislature

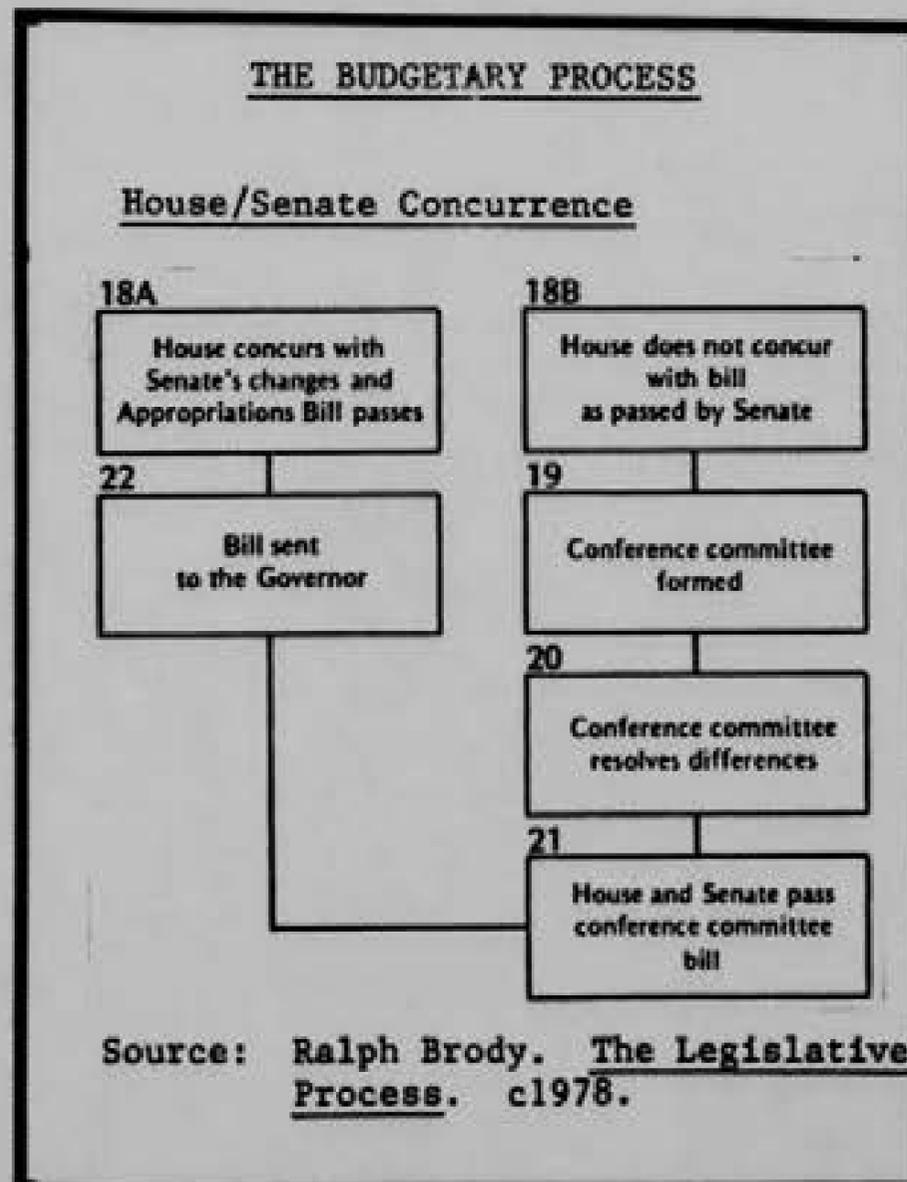


<sup>1</sup> The Senate does not have to amend the bill, but it usually does.

Source: Ralph Brody. The Legislative Process. c1978.

## OHIO'S BUDGET PROCESS

1. Executive agencies prepare budget analyses and budget requests for submission to the Office of Budget and Management in the Governor's Office from January to August, 1982.
2. The Office of Budget and Management holds budget hearings in September, 1982.
3. The Governor submits the Executive Budget to the General Assembly of the State Legislature within four weeks of the convening of the General Assembly. In the case of a new Governor, as in 1983, by March 15, 1983.
4. The Legislative Budget Office of the General Assembly prepares detailed revenue estimates for the Legislature.
5. The House of Representatives Finance Committee, where budget bills are initiated, holds hearings.
6. The Budget Bill passed by the House is sent to the Senate, where the Senate Finance Committee holds hearings.
7. After the General Assembly passes the budget bill, it is sent to the Governor for action.
8. Ohio's Constitution provides that no appropriation shall be made for longer than two years.



## ISSUES OF OHIO BUDGET MAKING

A survey of the National Conference of State Legislatures reported in the New York Times by economist Leonard Silk said that twelve states, including Ohio, are forecasting deficits for the current fiscal year. Ohio is struggling to balance its budget, in the face of reduced federal funds, by raising taxes and cutting expenditures, thus further eroding the incomes and employment of its residents. Budget cuts in Ohio for FY82 and FY83 will continue as tax revenues continue to decline. About 61% of revenues, where most expenditures for health, education, welfare, and human services included in block grants come from, are from Ohio's declining general revenue fund. The remainder of Ohio's revenues from licenses, fees, sales, and charges for goods and services are earmarked by statutory or Constitutional provisions for specific purposes--highways, for example--and cannot be used to cover shortfalls in general revenues available for state and local service expenditures.

Ohio as legislative and executive branches traditionally equalizes the fiscal pie among its 99 counties rather than targeting funds. The County Commissioners Association of Ohio strongly supports formula allocations of block grants which would equalize funds rather than competitive grant applications which would target funds. Competition through grant application allows focused or targeted funding to reach areas like Cleveland with greater need whereas formula distribution tends to equalize distribution over all governmental units.

Ohio and the Reagan Administration have proposed changing the formulas themselves, to the detriment of urban areas. The difference between formulas can drastically reduce funds to cities. For example the Reagan Administration proposes to eliminate age of housing as a part of the Community Development Block Grant formula, which would critically hurt Cleveland, where housing is primarily pre-1940 stock and the present formula has given Cleveland more funds for housing.

In Ohio, Representative Brown of Perrysburg, a member of the Joint Committee on Federal funds, Subcommittee on Medicaid and Welfare, has submitted legislation on the Social Services Block Grant that would change the distribution formula from a county-based need standard to a state-based need standard, thus possibly lowering the amount of funds that would come to Cuyahoga County and to Cleveland.

The Ohio Legislature, in both considering formula distribution which decreases the chances for targeted programs and changing the formulas to equalize distribution on a statewide basis rather than on a county or urban need basis, is contemplating a program that will further shrink aid to Cleveland.

--Decreased levels of service will be experienced as Cleveland is forced to lay off workers because of reduced departmental budgets.

--Deferring capital improvements spending will further weaken the infrastructure. Federal reductions in water projects, transportation, and economic development will rebound through the public and private sectors.

### Budget Comparisons, 1965-85

Figures are rounded, in billions of dollars, for each fiscal year. Data for 1982-1985 are estimates.

	Receipts	Outlays	Surplus or deficit	Surplus or deficit as % of G.N.P.	Surplus or deficit as % of outlays
1965	\$116.833	\$118.430	- 1.598	0.2%	13.5%
1966	130.856	134.652	- 3.796	0.5	2.8
1967	148.906	157.608	- 8.702	1.1	5.5
1968	152.973	178.134	- 25.161	3.0	14.1
1969	186.882	183.645	+ 3.238	0.4	1.7
1970	192.807	195.852	- 2.845	0.3	1.4
1971	187.139	210.172	- 23.033	2.2	10.9
1972	207.309	230.681	- 23.373	2.1	10.1
1973	230.799	245.647	- 14.849	1.2	6.0
1974	263.244	287.912	- 4.668	0.3	1.8
1975	279.090	324.245	- 45.154	3.1	13.9
1976	298.060	364.473	- 66.413	4.0	18.2
T.Q.*	81.232	94.188	- 12.956	N.A.	N.A.
1977	355.559	400.508	- 44.948	2.4	11.2
1978	399.561	448.368	- 48.807	2.3	10.9
1979	463.302	490.997	- 27.694	1.2	5.6
1980	517.112	576.675	- 59.563	2.3	10.3
1981	599.272	657.204	- 57.932	2.0	8.8
1982	626.753	725.331	- 98.578	3.2	13.8
1983	666.118	757.636	- 91.520	2.7	12.1
1984	723.017	805.935	- 82.918	2.2	10.3
1985	796.583	868.466	- 71.883	1.7	8.3

\* In calendar year 1976, the Federal fiscal year was converted from a July 1- June 30 basis to an Oct. 1- Sept. 30 basis. T.Q. refers to the transition quarter from July 1 to Sept. 30, 1976. Source: Office of Management and Budget

### OHIO BLOCK GRANT PROPOSALS BY LEGISLATIVE AND EXECUTIVE AGENCIES

The Legislative Joint Committee on Federal Funds recommended that Ohio assume responsibility for seven of the nine block grants on October 1, 1981, and the remainder of the grants when federal regulations and fundings levels are defined. The seven block grants are:

**ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH BLOCK GRANT**

Lead Agency: Department of Mental Health.  
 Associated Agency: Department of Health.  
 Subcommittee: Education, Health and Human Services.

**PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANT**

Lead Agency: Department of Health.  
 Subcommittee: Education, Health and Human Services.

**COMMUNITY SERVICES BLOCK GRANT**

Lead Agency: Department of Economic and Community  
 Development.  
 Subcommittee: Energy, Employment, and Economic and  
 Community Development.

**MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT**

Lead Agency: Department of Health.  
 Subcommittee: Education, Health, and Human Services.

**SOCIAL SERVICES BLOCK GRANT**

Lead Agency: Department of Public Welfare.  
 Associated Agencies: Department of Mental Health.  
 Department of Mental Retardation  
 and Developmental Disabilities.  
 Subcommittee: Medicaid and Welfare.

**LOW-INCOME ENERGY ASSISTANCE PROGRAM BLOCK GRANT**

Lead Agency: Department of Economic and Community  
 Development.  
 Subcommittee: Energy, Employment and Economic and  
 Community Development.

**COMMUNITY DEVELOPMENT BLOCK GRANT** under which Ohio will assume  
 responsibility for the "Small Cities" portion of the CDBG  
 program.

Lead Agency: Department of Economic and Community  
 Development.  
 Subcommittee: Energy, Employment, and Economic and  
 Community Development.

The remaining Block Grants are:

PRIMARY HEALTH CARE BLOCK GRANTS for which no funds are available until FY83

Lead Agency: Department of Health.

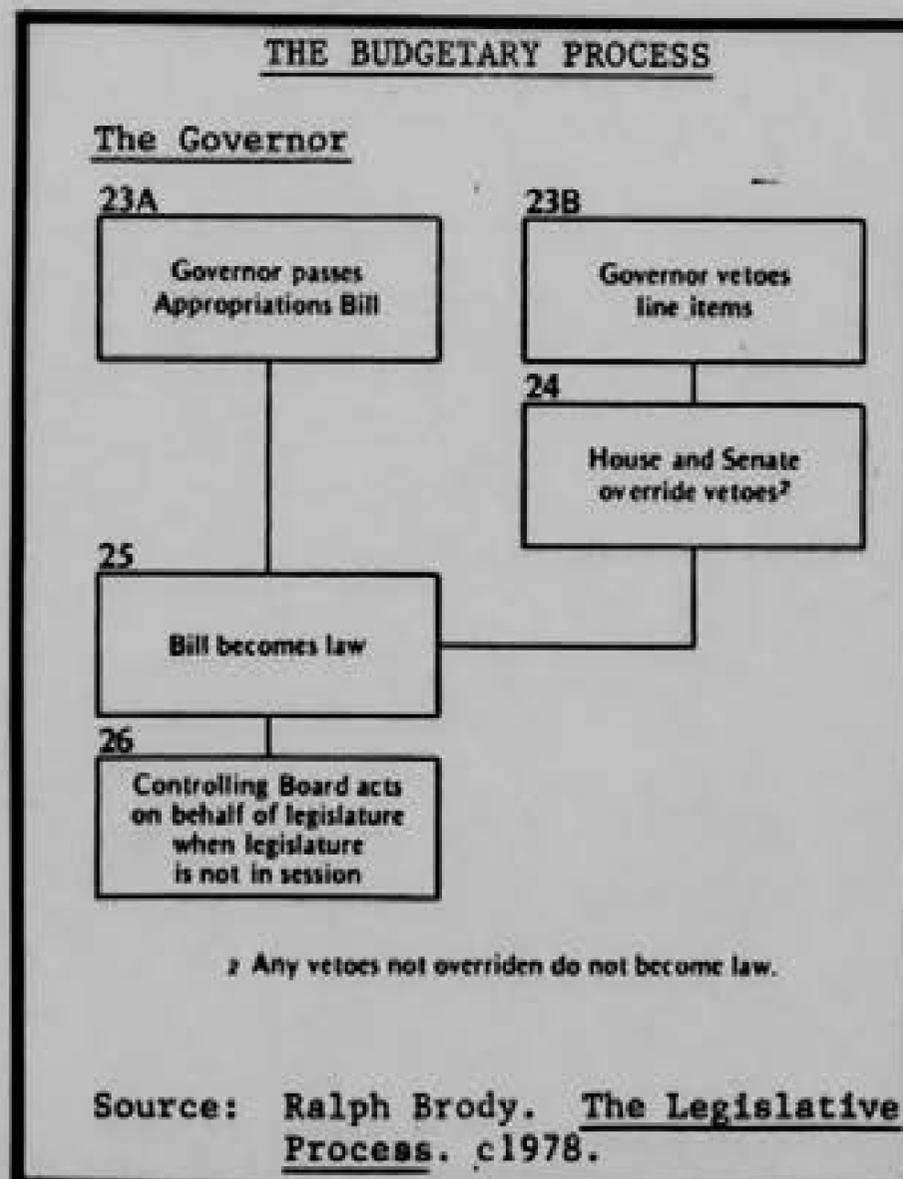
Subcommittee: Education, Health and Human Services.

EDUCATION BLOCK GRANT

Lead Agency: Department of Education.

Subcommittee: Education, Health, and Human Services.

The Joint Committee on Federal Funds began consideration of block grant proposals in January of 1982. The Ohio State Controlling Board, composed of the Director of the Office of Budget and Management and House and Senate leaders, acts for the Governor and the Legislature in the disbursement of state funds. A Board resolution requiring all departments to submit block grant programs to the Joint Committee on Federal Funds for review and approval before the Controlling Board will release funds to the Department has greatly strengthened the powers of the Legislature in block grant process. A further development was the replacement of Senator Stanley Aronoff (R) Cincinnati on the Joint Committee by Senator Ben Skall (R) South Euclid, which gives the Greater Cleveland area two committee members but removes a major urban center from the deliberative process. However, Senator Aronoff's position on the Finance Committee is essential to final legislative process when the legislature finally considers block grant legislative proposals.



Major block grant proposals have been initiated by three Ohio political institutions: the Executive Departments in charge of Block Grants, the Legislature, and the County Commissioners Association of Ohio. Although the Ohio Citizen's Council has served as an interest group lobby for the metropolitan areas in human services grants, the Council has not actively introduced proposals. No urban coalition has been active in representing the interests of the major Ohio cities in the block grant process. The needs to each group represent radically different legislative programs as to who should receive block grant funds, how block grant funds should be allocated, and what controls should be placed on block grant funds at the local level by the state.

#### COUNTY COMMISSIONERS ASSOCIATION OF OHIO

The County Commissioners support distribution and control of block grants by Boards and County Commissioners. In Block Grant News No. 7, published by the County Commissioners Association of Ohio, the CCAO stated:

"The state: 1. Should make the board of county commissioners the primary recipient and local decision-making authority for allocation of block grant funds; and 2. Should not allocate funds directly to appointed agencies without prior review and approval by local elected officials." The CCAO has recommended direct pass-through of funds to counties with little or no review or control on the part of the state.

Counties are also supportive of equalization of funds on the county level rather than targeted or focused funding through competitive grant applications. The CCAO supported a proposal for Small Cities Community Development Block Grants including a guaranteed allocation to all cities and counties with a larger allocation going to communities who show a greater need through a distress factor formula.

#### DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT

The Small Cities Community Development Block Grant proposal came from the Department of Economic and Community Development of the State of Ohio. DECD is supporting equalization formulas and noncompetitive allocations.

#### THE JOINT COMMITTEE

The Joint Committee on Federal Funds of the Legislature adopted an amended DECD proposal for the Community Development Block Grant which changed the goal statement to stress the primary objective of creating a viable urban community with decent housing and suitable economic conditions for low and moderate income persons. The Joint Committee established an Evaluation Committee, including representatives of urban and small cities interests and Senator Ted Gray and

Representative Thomas Gilmartin of the Joint Committee, to report in Spring 1983 on the effectiveness of the CDBG.

#### LEGISLATURE

State legislation has been passed on the Social Services Block Grant and can be analyzed to measure legislative feelings on distribution, control, and recipients. Current law divided administration of funds among the Ohio Department of Public Welfare, the Department of Mental Health, and the Department of Mental Retardation/Developmental Disabilities. The Department of Public Welfare is required to allocate its share of funds to County Welfare Departments, and distribution of funds is made on the basis of (1) total population; (2) population with income and resources below 100% of the standard of need of each county; and (3) the county's history and ability to utilize the funds.

Legislative proposals now before the Joint Committee on Federal Funds from Representative Brown (R) Perrysburg, a member of the Joint Committee, would earmark funds for the Ohio Commission on Aging, ODPW, DMH, and DMR/DD but place direct administrative powers in the Ohio Department of Public Welfare. The Brown proposal revises the allocation formula for distributing funds to counties to be based on the number of people in the county with incomes below the poverty level as compared to the state, which would change the present standard of county need level and possibly reduce allocations to Cuyahoga County which has a greater need level than the state need level.

A Senate proposal by Senator Steven Maurer (D-Botkins) calls for allocation of funds to counties on a strictly per capita basis. These proposals show the conflicting interests between nonmetropolitan state areas and urban areas like Cleveland when competing for block grant funds.

#### URBAN AREAS

The former city-federal relationship provided for a direct voice from the city to the federal government on the distribution of funds; however, the new state-city relationship means competition over funds by political institutions--legislative interests, executive departments, county governments, rural and urban metropolitan governments, and specialpurpose governments--at the state level.

The issue is one of reduced funds for allocation. Many groups now benefitting from federal programs will find themselves with fewer funds than before; with no funds at all; and competing with other groups at the state house. As yet no urban coalition in Ohio has surfaced to present its point of view on distribution, allocation, recipients, and control to the state through the Joint Legislative Committee on Federal Funds or in the Executive Departments.

The U.S. Conference of Mayors in "The FY82 Budget and the Cities," stated, that, "Recently enacted federal budget cuts are imposing immense burdens on city budgets, resulting in massive layoffs, service reductions, tax increases, and postponement of needed capital investments." In Cleveland deferral of capital spending on the infrastructure was noted to be a major problem. It is estimated that \$700 million dollars would be needed to bring roads, sewers, water system, and bridges up to acceptable levels of service.

The Conference says local governments are dependent on federal resources for financing public services and capital improvements. There is a direct local-federal relationship which has sustained local dependence on federal aid over the last two decades. The end of a program like CETA's Public Service Employment program came as a crushing financial blow to Cleveland and other cities at a time of fiscal distress. If state and local economic growth do not produce enough tax revenue to replace drastically reduced federal aid then state and local government will be forced to raise taxes and cut services.

Cleveland's local economic problems are more likely to be structural problems resulting from changes in economic activity and population movement rather than economic cycles, and the structural problems must be addressed in order to counter the end of federal aid. The past two decades of federal resources were aimed at counter-cyclical aid, not at underlying economic problems; their demise will mean an exposure of the persistent structural problem that must be addressed by local effort for future economic prosperity.

## Fiscal Burden on the States from the New Federalism

State	Additional annual state revenues required to maintain the 43 programs (in millions of \$)	State government tax collection (1981)* (in millions of \$)	Percent increase in state taxes required to maintain programs	State	Additional annual state revenues required to maintain the 43 programs (in millions of \$)	State government tax collection (1981)* (in millions of \$)	Percent increase in state taxes required to maintain programs
Alabama	\$219.7	\$2,148	10.24%	Nebraska	88.2	804	10.95
Alaska	72.5	2,317	3.10	Nevada	42.4	515	8.23
Arizona	133.2	1,788	7.45	New Hampshire	55.0	289	20.45
Arkansas	134.5	1,189	11.27	New Jersey	453.4	5,029	9.01
California	1,152.4	20,505	5.62	New Mexico	82.1	1,179	6.96
Colorado	156.4	1,446	10.79	New York	1,362.1	13,918	9.79
Connecticut	170.4	2,072	8.20	North Carolina	315.4	3,413	9.23
Delaware	46.3	555	8.30	North Dakota	46.7	451	10.42
D.C.	170.4	1,131	15.07	Ohio	583.2	5,241	11.10
Florida	503.2	5,314	9.46	Oklahoma	145.0	2,232	8.50
Georgia	294.4	3,020	9.74	Oregon	155.5	1,608	9.64
Hawaii	58.1	1,088	5.33	Pennsylvania	764.5	7,597	10.06
Idaho	57.2	537	10.60	Rhode Island	61.6	608	10.13
Illinois	683.7	7,323	9.34	South Carolina	174.3	1,826	9.55
Indiana	267.3	2,809	9.51	South Dakota	53.7	298	18.02
Iowa	155.5	1,836	8.47	Tennessee	247.7	1,958	12.65
Kansas	118.8	1,392	8.55	Texas	636.9	8,174	7.79
Kentucky	222.4	2,276	9.75	Utah	79.9	849	9.40
Louisiana	246.4	2,805	8.77	Vermont	42.4	294	14.42
Maine	95.7	674	14.74	Virginia	252.9	3,027	8.36
Maryland	247.3	2,956	8.36	Washington	219.3	3,126	7.02
Massachusetts	429.4	4,336	9.89	West Virginia	147.7	1,270	11.63
Michigan	518.1	6,177	8.38	Wisconsin	249.9	3,829	6.89
Minnesota	233.7	3,374	6.94	Wyoming	32.8	469	6.99
Mississippi	165.6	1,397	11.88				
Missouri	284.8	2,143	13.30				
Montana	57.7	467	12.40	All States	\$13.2 bil.	\$149.74 bil.	8.81

\* State tax figures are from the Census Bureau. "State Government Tax Collection: 1981" (forthcoming). They do not include non-tax state revenues, such as highway tolls, fines, fees for state universities or parks use, and from sales of state property.

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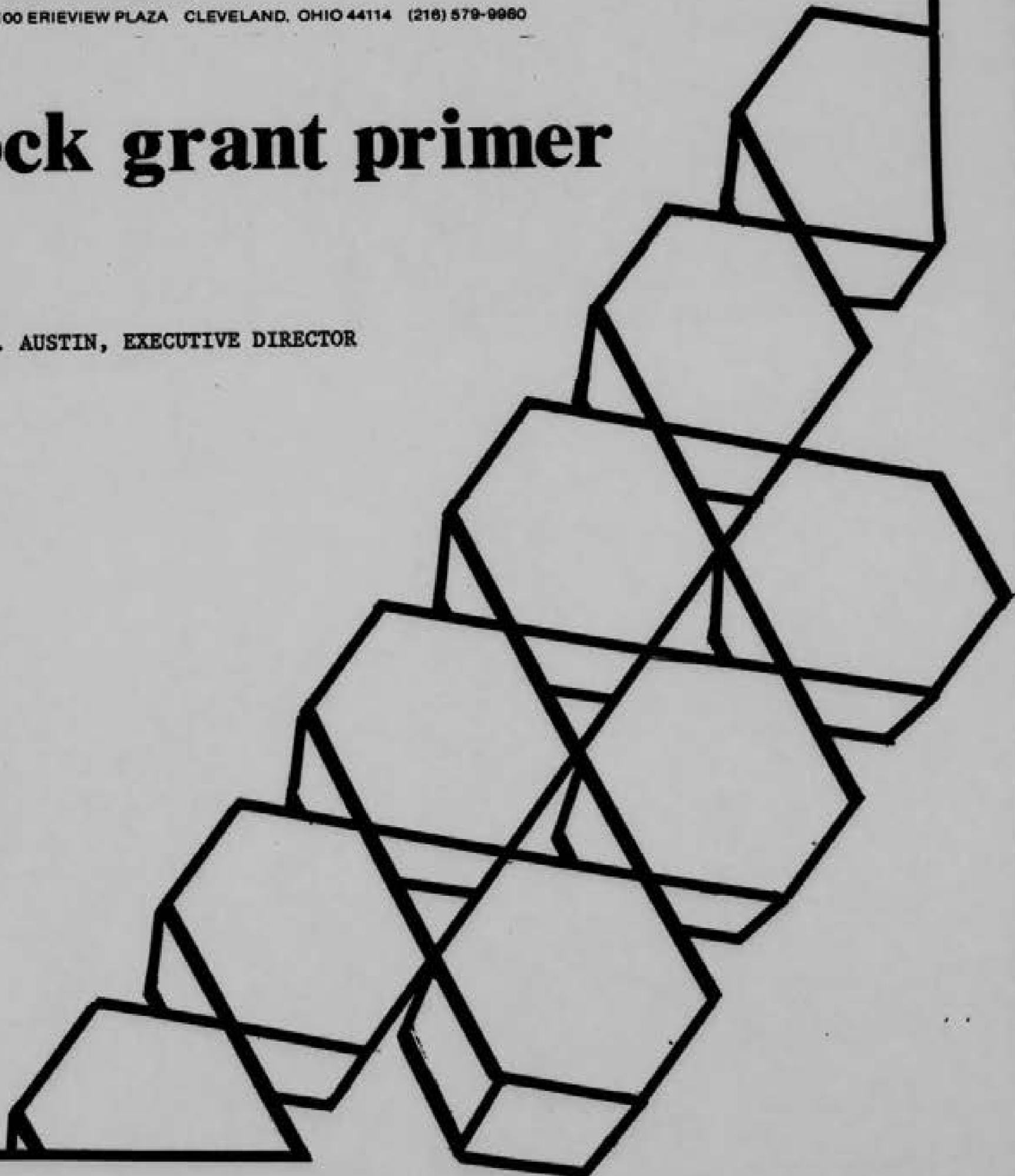
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# **block grant primer**

SARAH S. AUSTIN, EXECUTIVE DIRECTOR



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## I. INTRODUCTION

This primer was put together at the request of the State Liaison Committee of the Greater Cleveland Roundtable. It attempts to provide for our members basic information on block grants.

The Omnibus Reconciliation Act of 1981 created nine block grants by consolidating 57 categorical programs. Many of the previous categorical programs involved a federal-city relationship. However, one of the significant features of the block grants is the designation of the state as primary grant recipient and decision-maker.

Most analysts believe the nine block grants represent the beginning of an important trend in shifting responsibilities from the federal to the state level. Not only will the states be responsible for administering more programs, they must do so with fewer federal dollars. They will be required to make decisions involving the allocation of scarce resources among competing interests; to pinpoint intergovernmental issues which need study; and to resolve conflicts.

It is difficult at this point to determine the exact funding levels because the block grant program is still operating under a continuing budget resolution from Congress which expires March 31, 1982, and must be renewed by that date if funding is to be continued. The problem is further exacerbated because Ohio projects a state fiscal deficit of over a billion dollars.

Even though we do not have the exact figure, it is important for the Roundtable as an urban coalition to discuss the issues and to explore ways to facilitate more effective state-local relations.

\*Development of this document was made possible with the assistance of: Anita L. Morse, Professor of Law, Cleveland-Marshall College of Law; Judith A. Kaul, A/V Librarian, Cleveland-Marshall College of Law; and Hans C. Kuenzi, student, Cleveland-Marshall College of Law.

## II. THE REAGAN ADMINISTRATION BUDGET

The 1981 Omnibus Budget Reconciliation Act radically changed the federal-state and federal-city relationship, reducing federal monetary assistance upon which most urban areas are dependent. The largest change was the consolidation of 57 categorical grants into block grants, but other statutory changes make further inroads into the already deteriorating fiscal positions of cities and states. Important changes include:

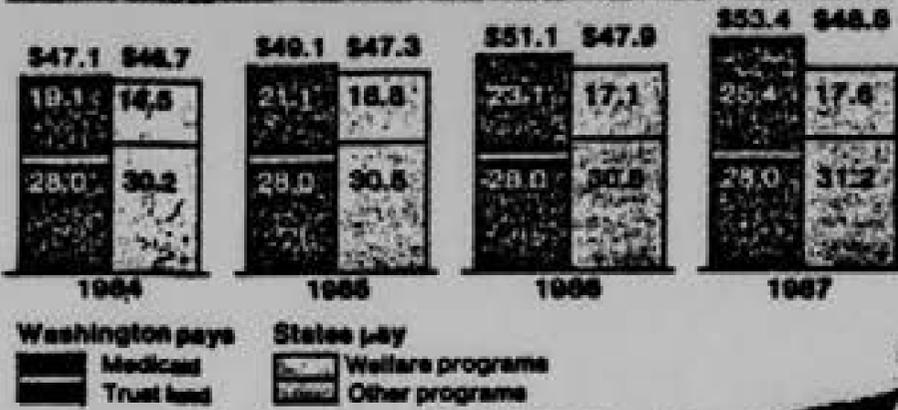
- a reduction of food stamp benefits which will increase local general assistance outlays.
- a reduction of federal Medicaid payments to the states and of medicare reimbursements to individuals or payees.
- a reduction of extended unemployment benefits and trade adjustment assistance benefits to laid-off workers and to economically distressed businesses.
- a reduction of funding for subsidized housing under Urban Development Action Grants.
- An end to rehabilitation loans used for community development programs.
- an increase in interest rates on Small Business Administration Loans.

Even more sweeping changes have been proposed for FY84. The Administration wants to federalize Medicaid and turn full responsibility for Aid to Families With Dependent Children and Food Stamps to the States. A four-year trust fund based on federal excise taxes will initiate the program; however, in 1988, full responsibility for both programs and tax effort maintenance will be placed on the states.

The reality of this program is a disaster for the cities of hard-pressed Northeastern and Middlewestern States, according to governors who have commented on the proposal. In urban areas like Cleveland service costs are the highest and yet revenues have been chronically low for several years. Ohio's cities and counties are raising taxes, increasing user fees, and deferring capital expenditures as federal funds are reduced, out of sheer necessity to make ends meet. But even with increased taxes, virtually every service level has been drastically reduced.

# Give and take, Reagan-style

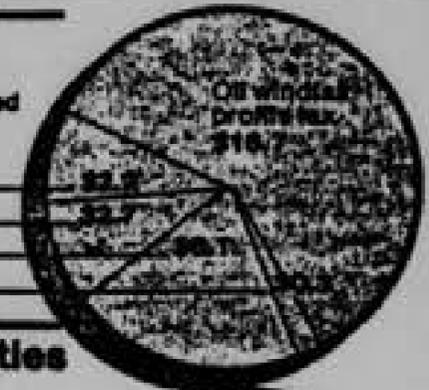
President Reagan wants states to assume all costs of food stamps, aid to families with dependent children and about 40 other federally funded programs. In return, Washington would pick up the full tab for Medicaid and establish a temporary trust fund to help states shoulder their new burdens. Administration projections, charted below, indicate the states would come out ahead through September 1988, but many challenge the economic assumptions behind these figures. (Fiscal years, in billions of dollars)



# Trust-fund sources

Total: \$28 billion annually  
Tax receipts that would be earmarked to help states pay for programs. (in billions of dollars)

- Gasoline
- Tobacco
- Alcohol
- Telephone



# States' responsibilities

Total: \$30.2 billion in 1984  
Kinds and costs of programs, besides welfare, that would be shifted out of Washington. (in billions of dollars)

- Low-income home energy assistance
- Education and training
- Revenue sharing and occupational safety assistance

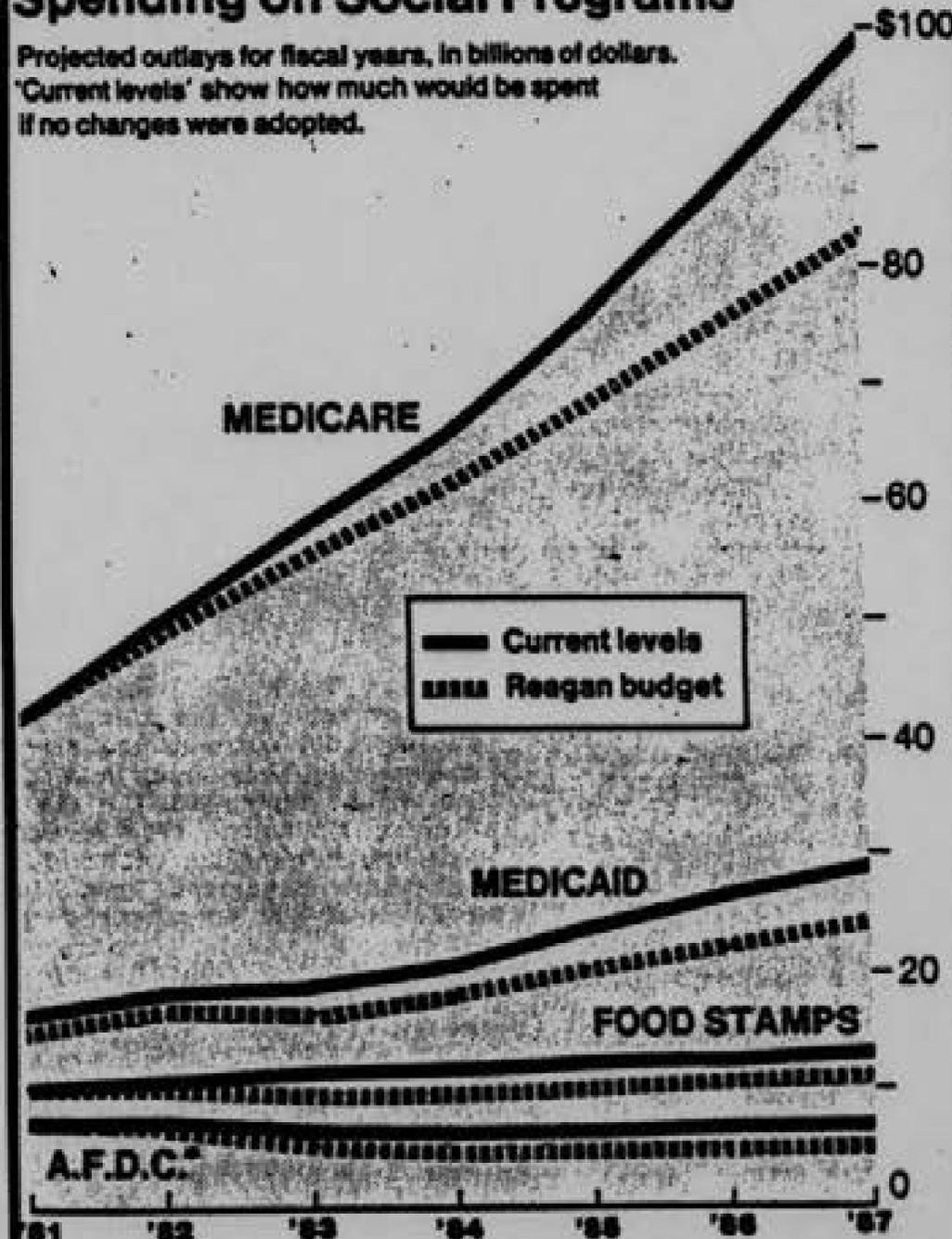


Source: The White House



# Spending on Social Programs

Projected outlays for fiscal years, in billions of dollars. 'Current levels' show how much would be spent if no changes were adopted.



\* Aid to Families With Dependent Children

Source: Office of Management and Budget

## THE PRESIDENT'S PLAN

### BASIC PROGRAM GOALS

The President and his advisors have been forthright in saying that they hope to remove the Federal government entirely from authority over and financial responsibility for human services. A clear strategy to accomplish this objective is now emerging as reflected in the chart and timetable below.

<u>Timetable</u>	<u>Block Grants</u>	<u>Income Maintenance</u>	<u>Funding</u>	<u>Other</u>
FY 1982	57 programs consolidated into 9 block grants with authority transferred to states.	Eligibility narrowed; services diminished; tough administrative requirements.	25% reduction in dollars;	Deregulation of new and some existing programs. Abolition of some reporting and audit requirements. Staffing reductions in Federal agencies. Curtailment of research and professional development.
FY 1983	Several more programs consolidated into block grants.	Further reductions in eligibility and services. Even tougher administrative requirements.	Further reduction in dollars.	Further deregulation. Further reductions in Federal staff. Further curtailment of research and professional development.
FY 1984	Trust Fund of \$28 billion which states may use to buy Federal programs, take them over, or use for other purposes.	Federal government assumes Medicaid. States take over AFDC and Food Stamps.	Further reductions in dollars.	Close to total deregulation. Virtually no Federal staff help or monitoring.
FY 1987	Most federal administration of service programs and block grants ends.		Begin phase out of trust funds.	
FY 1991			Federal funding of services ends.	
Speculative	Local education and handicapped programs end? Programs for the aged altered?	Social Security changes. Ending of Medicaid/Medicare?		Federal role in research further curtailed?

Source: Jule M. Sugarman, President Reagan's 1982 Proposals. (White Paper No. IV for Citizens and Government Officials.) Human Services Information Center.

## THE BLOCK GRANT PROGRAM

- Block Grants:** The Block Grant occupies a middleground position between Categorical Aid and General Revenue Sharing. A Block Grant is a program where funds are provided chiefly to general purpose governmental units in accordance with a statutory formula for use in a broad functional area largely at the recipient's discretion.
- General Revenue Sharing:** Automatic distribution of funds on a statutory formula basis to general purpose units of governments with little or no restriction on how the money is to be spent.
- Categorical Grants:** The primary purpose of a federal-grant-in aid or categorical grant is to provide the state with financial support to carry out a program's objectives. These grants are usually distributed by federal agencies under strict regulation and oversight for specifically targeted purposes.

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<u>Type of Grant</u>	<u>Recipient Discretion</u>	<u>Program Scope</u>	<u>Funding Criteria</u>
Categorical Project	Lowest	Narrow	Federal Administrative Review
Categorical Formula	Low	Narrow	Legislative Formula
Block	Medium	Broad, Functional area	Legislative Formula
General Revenue Sharing	High	Broadest governmental operations	Legislative Formula

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## BACKGROUND OF FEDERAL FUNDING TO STATE AND LOCAL GOVERNMENTS

Block grants first emerged in the Nixon administration to centralize federal administrative authority under the Executive Office of the President. The plan was to diminish federal agency responsibility over domestic programs through both centralization of fiscal control under a new Office of Management and Budget and decentralization of programs. State and local governmental institutions were to be

strengthened in setting priorities and in making decisions considered to be rightfully theirs.

Block grants were intended to simplify and coordinate under elected officials the numerous grant-in-aid programs launched by administrations from the New Deal to the Great Society. A myriad of special purpose districts, community programs--independent power centers--had been created that circumvented local and state government. OMB Circular A-95 procedure for project review which set up regional and state clearinghouses remains as the most noteworthy accomplishment of the Nixon administration in providing federal coordination. However, whether state-local coordination in Ohio was effected is doubtful; the Ohio Joint Committee on Federal Funds of the Ohio Legislature reported that little is known as to who now holds federal funds and will be competing for state and local replacement funds.

#### GENERAL AND SPECIAL REVENUE SHARING

General Revenue Sharing eliminated many federally-mandated programs and replaced them with funds that could be used for general purposes by the state. Unlike grants-in-aid or consolidated block grants, general revenue sharing is a totally "no strings" program. It removes conditions, such as citizen participation and focused programs, associated with categorical grants, and placed power over funds in established political institutions. It was an answer to two growing problems of the 1960's: first, the intense fiscal pressure on state and local government brought on by increased demand for urban services; second, the lack of income-elastic revenue sources in the states. There was a fiscal mismatch between state and federal resources and needs. As conceived the program divided federal funds into general and special revenue sharing; however, only two Special Revenue Sharing programs, CETA and Housing and Community Development passed, and General Revenue Sharing formulas maintained federal controls through limiting the duration of appropriations rather than establishing a continuing trust fund.

Revenue sharing formulas had the effect of maintaining multiple local government structures by guaranteeing a minimum level of funding to all governmental units. In Ohio, a Home Rule state, there are over 3,000 local governments competing for funds.

### III. THE 1982 FEDERAL BLOCK GRANTS

The New Federalism is more than block grants and revenue sharing; its goal is to reduce the size of federal government. This means reducing the federal budget, cutting programs, eliminating federal regulations, and returning power and resources to states and local governments. To date, however, these goals have not been fully achieved.

CHART OF MAJOR FEATURES OF BLOCK GRANTS CREATED OR ALTERED BY OMNIBUS BUDGET RECONCILIATION ACT OF 1981 (PL 97-35)

	ALCOHOL, DRUG ABUSE AND MENTAL HEALTH	COMMUNITY DEVELOPMENT SUPPORT ASSISTANCE (SMALL CITIES)	COMMUNITY SERVICES	ELEMENTARY AND SECONDARY EDUCATION	LOW-INCOME HOME ENERGY ASSISTANCE	MATERNAL AND CHILD HEALTH SERVICES	PREVENTIVE HEALTH AND HEALTH SERVICES	PRIMARY CARE	SOCIAL SERVICES
FY 1981 FUNDING FOR OHIO AS CATEGORICAL PROGRAMS (IN MILLIONS OF DOLLARS)	37.5	NOT REPORTED	15.2	NOT REPORTED	93.7	17.1	5.8	13.35	145.95
FY 1982 FUNDING FOR OHIO AS BLOCK GRANTS (IN MILLIONS OF DOLLARS)	22.4	44.04	13.8	FUNDS RECEIVED WILL BE AS CATEGORICAL GRANTS (BLOCK GRANTS NOT EFFECTIVE UNTIL FY 1983)	82.9	12.2	3.8	10.2 WILL BE RECEIVED AS CATEGORICAL GRANTS (BLOCK GRANTS NOT EFFECTIVE UNTIL FY 1983)	113.7
LOSS (IN MILLIONS OF DOLLARS)	(15.1) -40.0%	NOT REPORTED	(1.4) -9.2%	NOT REPORTED	(3.8) -4.4%	(4.9) -28.6%	(2.0) -34%	(3.2) -24%	(32.3) -22%
NON-FEDERAL MATCHING	NONE	10% BY STATE IF IT ELECTS TO ADMINISTER PAYMENT	NONE	NONE	NONE	STATE MUST SEND \$3 OF STATE FUNDS FOR EACH \$4 OF FEDERAL BLOCK GRANTS	NONE	20% STATE MATCH REQUIRED IN FY 1983; 33% IN FY 1984	NONE
USE OF FUNDS	STATE MUST ALLOCATE FUNDS BETWEEN MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES IN SAME PROPORTION AS FEDERAL FUNDS WERE USED (FEDERAL FUNDS WERE USED 70% TO BLOCK GRANT); FUNDING FOR 100% OF STATE ALLOCATION IN FY 1982, 75% IN FY 1983, 50% IN FY 84  OF SUBSTANCE ABUSE FUNDS, AT LEAST 35% MUST BE USED FOR ALCOHOL ABUSE, 35% FOR DRUG ABUSE, AND 30% FOR PREVENTION AND EARLY INTERVENTION  FOR FY 1981, 1983, AND 1984, STATES MUST FUND EARLY COMMUNITY MENTAL HEALTH CARE, FEDERALLY FUNDED IN 1980	SMALL CITIES PORTION OF GRANT MUST BE USED BY LOCAL GOVERNMENTS OUTSIDE OF METROPOLITAN AREAS, WITH POPULATION LESS THAN 50,000 FOR COMMUNITY DEVELOPMENT ACTIVITIES IN GRANT AREA AND MEDIAN INCOME FAMILIES, AND IN THE PREVENTION OR ELIMINATION OF SUBSTANCE ABUSE, OR OTHER URGENT COMMUNITY DEVELOPMENT NEEDS	70% OF ALLOCATION MUST BE DISTRIBUTED TO LOCAL GOVERNMENTS OR TO COMMUNITY ORGANIZATIONS WITH BUDGETS OF LESS THAN \$100,000, 1/3 FEDERAL OFFICIALS, 1/3 REPRESENTATIVES OF OTHER MEDIA COMMUNITY GROUPS, 1/3 TO VOUCHER PROGRAMS, COLLEGIATE ORGANIZATIONS  STATES MAY CARRY OVER ALL OR PART OF AN YEAR'S ALLOCATION TO THE FOLLOWING YEAR	STATE MUST PAY THROUGH A MINIMUM OF 50% OF BLOCK GRANT TO LOCAL EDUCATIONAL AGENCIES BASED ON FACTORS WHICH INCLUDE ENROLLMENT AND THE NUMBER OF STUDENT WITH ABOVE AVERAGE EDUCATIONAL COSTS	STATE IS TO PROVIDE BENEFITS ONLY TO RECIPIENTS OF SSI, AFDC, FOOD STAMPS, VETERANS' PENSIONS OR TO HOUSEHOLDS WITH INCOME BELOW 150% OF POVERTY LEVEL OR 60% OF STATE MEDIUM INCOME. HIGHEST LEVEL OF BENEFITS MUST BE PROVIDED TO FAMILIES WITH THE LOWEST INCOME AND HIGHEST ENERGY COSTS  STATES MAY CARRY OVER 25% OF FUNDS FROM ONE FISCAL YEAR TO THE NEXT. OTHER UNLAPSED FUNDS ARE REALLOCATED TO OTHER YEARS. AT LEAST 50% OF FUNDS MUST BE USED TO ADDRESS HOME HEATING AND ENERGY COSTS; UP TO 15% MAY BE USED FOR WATERHEATING	STATE MUST USE A "WARRANTY PROGRAM" OF FUNDS TO PROVIDE HEALTH SERVICES TO INFANTS AND CHILDREN, AND A "NEED-BASED" PROGRAM TO ADDRESS INFANT MORTALITY, SEVERE RHEUMATOID DISEASES AND HEMOPHYLIC CONDITIONS, INCREASE MATERNITY CARE, CHILD DEVELOPMENT AND ASSISTANCE OF, AND SERVICES TO LOW-INCOME WOMEN.  FUNDS MAY BE USED FOR PLANNING, ADMINISTRATION, EVALUATION, AND PREVENTIVE EQUIPMENT OR MATERIALS PURCHASED FROM THE FEDERAL GOVERNMENT  NOT ALLOWED FUNDS TO BE USED FOR: PERSONAL SERVICES FOR HOME CARE AND RELATED SERVICES TO infants and children, prenatal and postnatal care, health and dental services, food, health, dental, vision, counseling and educational and occupational rehabilitative services, and treatment costs	FOR FY 1982, STATE MUST FUND AT UNLAPSED LEVELS EXISTING FEDERAL SERVICES FUNDED IN FY 1981, MUST FUND REPERCUSSION PROGRAMS BY 75% OF FEDERAL FUNDING LEVEL IN FY 1981, IN 1983 AT 70%, AND IN 1984 AT 65%	IN FY 1983, ALL EXISTING, LEGALLY REQUIRED COMMUNITY HEALTH CENTERS (CHCs) IN 1982 MUST RECEIVE GRANTS IN AMOUNTS NOT LESS THAN THOSE RECEIVED IN 1982.  NO GUARANTEE OF REVENUE IN FY 1984, BUT STATE MUST MAINTAIN MINIMUMLY EXISTING POPULATION SERVED BY EXISTING CHCs. STATE MUST MAINTAIN IN EXISTING CARE  STATE MUST NOT REDUCE EXISTING PROVIDED HEALTH SERVICES TO THE EXTENT POSSIBLE	BASED ON THE TYPE OF SERVICE PROVIDED, FEDERAL INCENTIVE-CATALYTIC GRANTS FOR PROVIDERS OF ADDITIONAL SERVICES, FUNDS FOR ADDITIONAL HEALTH SERVICES, FUNDS FOR THESE SERVICES MUST BE AT LEAST 20% OF FY 1981 LEVEL. SERVICE REQUIREMENT THAT AT LEAST 50% OF FUNDS BE USED FOR HEALTH SERVICES AND PROVIDERS WITH INCOME BELOW 150% OF STATE'S MEDIUM INCOME.
LEAD AGENCY	DEPARTMENT OF MENTAL HEALTH	ADMINISTRATOR, UNDER WHOM ONE MAY ASSUME RESPONSIBILITY FOR THE "SMALL CITIES" PORTION OF THE GRANT, SHOULD BE FROM DEPARTMENT OF EDUCATION AND COMMUNITY DEVELOPMENT OR THE STATE'S LEAD AGENCY	DEPARTMENT OF COMMUNITY AND COMMUNITY DEVELOPMENT	ADMINISTRATOR OF THIS GRANT MUST BE FROM FEDERAL AGENCIES AND DEPARTMENT OF EDUCATION IS LEAD AGENCY	DEPARTMENT OF EDUCATION AND COMMUNITY DEVELOPMENT	DEPARTMENT OF HEALTH	DEPARTMENT OF HEALTH	DEPARTMENT OF HEALTH & FAMILY CARE	DEPARTMENT OF PUBLIC WELFARE
APPLICATION AND REPORTING	THE SECRETARY OF HIS DEPARTMENT MUST FILE APPLICATION WITH THE SECRETARY OF HEALTH AND HUMAN SERVICES BY THE DATE OF FISCAL YEAR END.	THE GRANTEES MUST SUBMIT THE STATE WIDE COMMUNITY PLANNING REPORTS TO LOCAL GOVERNMENTS AND CONSULT WITH LOCAL ELECTED OFFICIALS. STATES MUST SUBMIT A STATEMENT ON THE RECEIPT OF FUNDS, THE DISTRIBUTION OF FUNDS, PERFORMANCE REPORTS TO BE SUBMITTED AT A TIME DETERMINED BY SECRETARY OF HHS.	THE STATE MUST SUBMIT AN APPLICATION AND A PLAN EACH YEAR IN THE SECOND QUARTER OF FISCAL YEAR. THE STATE MUST MAKE USE OF FUNDS TO ADDRESS URGENT NEEDS OF THE LOWEST INCOME AND HIGHEST ENERGY COSTS.	STATE GRANTEES MUST SUBMIT AN APPLICATION AND A PLAN FOR A PERIOD OF 2-3 YEARS WITH SECRETARY OF THE DEPARTMENT OF EDUCATION, INCLUDING PLANNING ACTIVITIES OF FUNDS, ANNUAL REPORTS, STATE WIDE COMMUNITY PLANNING REPORTS, AND OTHER REPORTS. LOCAL EDUCATIONAL AGENCIES MUST FILE A 3 YEAR PLAN WITH THE LEAD AGENCY	GRANTEES MUST APPLY TO SECRETARY OF HHS, REPORTING THAT STATE WILL DO OUTREACH, COORDINATE ACTIVITIES WITH LOCAL, STATE AND FEDERAL PROGRAMS, AND COOPERATION IN PROVIDING ADMINISTRATIVE SERVICES TO THE STATE, AND REPORTS ADMINISTRATION ACTIVITIES FOR THESE FUNDS TO HHS.	STATE MUST FILE REPORT TO SECRETARY OF HHS ON RECEIPT OF FUNDS AND DISTRIBUTION OF FUNDS, WITH ANNUAL REPORT OF HHS UNDERSTANDING A NEED STATEMENT AND HOW FUNDS WILL BE USED TO ADDRESS THIS NEED.	SECRETARY OF HHS DETERMINES THE PLAN AND DATE OF APPLICATION, WHICH MUST INCLUDE REPORT ON RECEIPT OF FUNDS, IDENTIFYING POPULATION, NEEDS AND LOCALITIES WITH A NEED FOR SERVICE	STATE MUST APPLY TO THE SECRETARY OF HHS AND FILE APPLICATION WITH SECRETARY OF HEALTH AND HUMAN SERVICES FOR FUNDS TO BE USED FOR HEALTH SERVICES TO THE EXTENT POSSIBLE.	STATE MUST SUBMIT REPORT ON HOW FUNDS ARE TO BE USED, INCLUDING ACTIVITIES TO BE FUNDED AND CHARACTERISTICS OF PEOPLE TO BE SERVED, TO THE SECRETARY OF HHS.

We are seeing--

- A massive shift of spending priorities within the federal budget and not a reduction.
- A reluctance on the part of Congress to fully return programs to state and local government or to give up total control over programs.
- Modest gains in the reduction of federal regulations.
- Maintenance of scaled-back programs in mass transit, employment, and Economic Development Administration economic development.

The 1981 Budget Reconciliation Act created or revised nine block grants and replaced existing city-federal relationships with direct state control over programs.

- The Community Development Block Grant consolidates entitlement city monies (Cleveland) with nonentitlement, small cities and rural areas monies and decreases the entitlement share of funds from 80% to 70% from a much reduced total allocation, which has meant a four-million dollar loss in funds for Cleveland.
- Four of the block grants are for health.
- Three of the block grants are for social services and cash payments for the poor.
- The remaining block grant is for education.

Federal funds have been drastically reduced. Ohio's share of federal funds for fiscal 1982 shows significant reductions.

<b>The Budget and Social Programs: Costs and Proposed Cuts</b>							
Rounded figures are in billions of dollars for each fiscal year.							
The 1981 figures are actual outlays; the other figures are projected spending.							
<b>The cost</b>				<b>The proposed '83 cuts</b>			
<b>FOOD STAMPS*</b>							
Without Reagan cuts	\$10.3	\$10.6	\$11.8	\$12.1	\$12.5	\$12.8	\$13.1
With Reagan cuts	10.3	10.3	9.8	9.7	10.0	10.2	10.4
<b>WELFARE†</b>							
Without Reagan cuts	8.3	7.8	8.8	8.8	8.7	8.8	8.9
With Reagan cuts	8.1	7.6	8.5	8.5	8.8	8.8	8.7
<b>MEDICAID</b>							
Without Reagan cuts	18.3	18.1	19.0	21.0	24.2	26.5	28.2
With Reagan cuts	18.4	17.8	17.0	18.8	20.4	22.1	24.3
<b>MEDICARE</b>							
Without Reagan cuts	42.5	49.9	57.8	66.3	76.2	87.0	98.1
With Reagan cuts	42.5	49.8	55.4	61.2	68.4	75.8	83.1
							<b>PROGRAMS FOR THE POOR</b>
							Child nutrition.....9.4%
							Medicaid.....10.4
							Welfare†.....17.5
							Social services block grant.....17.8
							Education aid.....17.9
							Food stamps.....19.1
							Low-income
							energy assistance.....25.8
							Training, employment.....48.2
							<b>Other programs</b>
							Social Security.....0%
							Veterans disability
							compensation.....1.4
							Medicare.....4.3
							Civil Service retirement.....2.2
							Guaranteed student loans.....23.0

\* Figures do not include Puerto Rico † Aid to Families with Dependent Children

Source: Office of Management and Budget

The 1982 Block Grants give the states a strong role in decision making about allocations and reduces the local role in the federal grant system. Local government officials, business leaders, and community leaders must now direct their efforts to influence plans for Ohio allocations at the state legislative and executive departments level.

#### OHIO STATE CONTROL OVER BLOCK GRANTS

In Ohio, control over block grant disposition is divided between the legislative and the executive branches of state government. The Joint Legislative Committee on Federal Funds, chaired by Representative Francine Panehal of Cleveland, was established by both houses of the legislature to monitor and review distribution of and recommend programs for federal monies and state matching funds. The Governor's Executive Order accepting eight of the nine block grants, primary health excepted, established lead executive agencies to act on behalf of the Governor in dealing with federal agencies and with local government in allocating block grant funds. Relationships between the Joint Committee and the lead executive agencies are still unclear. No veto power was granted to the Joint Committee; however, it is assuming an aggressive role in monitoring agency program proposals and in providing a forum for public interest lobbying.

#### IMPLEMENTATION OF THE BLOCK GRANT PROGRAM

##### AT THE STATE AND LOCAL LEVELS

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##### THE BUDGET CYCLE

Federal, state and local governments operate on different fiscal years. The differences in funding years, combined with multi-year commitments under some federal grants, will make program planning more difficult. At present no complete base of information exists on the state of Ohio level as to who holds federal grants and how great the loss will be in terms of services shifted to state and local funding.

BUDGET YEARS	
--Federal Government	October 1 to September 30
--State of Ohio	July 1 to June 30
--City of Cleveland	January 1 to December 31
--Cuyahoga County	January 1 to December 31

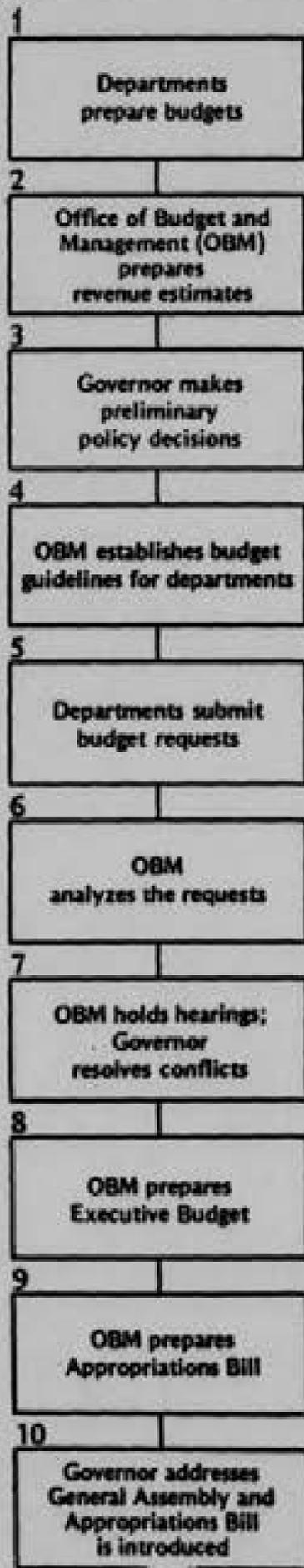
<u>BLOCK GRANT RESOURCE PERSONS</u>			
<u>ALCOHOL, DRUG ABUSE, MENTAL HEALTH</u>	<u>SOCIAL SERVICES</u>	<u>COMMUNITY SERVICES</u>	<u>PREVENTIVE HEALTH</u>
<p><b>CONTACT:</b></p> <p>Jim Myers, Coordinator Block Grants Transition Team Ohio Dept. of Mental Health 30 East Broad Street Columbus, Ohio 43215 Phone: 466-7570</p> <p>Paul Lanham, Chief Bureau of Alcoholism Ohio Dept. of Health 246 N. High Street Columbus, Ohio 43215 Phone: 466-3443</p>	<p><b>CONTACT:</b></p> <p>Jerry Collamore, Director Public Information Office -ODPW 30 E. Broad Street (32nd floor) Columbus, Ohio 43215 Phone: 466-6650</p> <p>Mary Turney, Deputy Director Program Development -ODPW 30 E. Broad Street (32nd floor) Columbus, Ohio 43215 Phone: 466-6124</p> <p>Martin Williams, Title XI Coordinator 30 E. Broad Street (33rd floor) Phone: 466-1213</p>	<p><b>CONTACT:</b></p> <p>Robert Freedman, Deputy Director, Com. Dev. 30 East Broad St. (floor 24) Columbus, Ohio 43215 Phone: 466-5863</p> <p>Tom Williams, Administrator DECD 30 East Broad St. (floor 24) Columbus, Ohio 43215 Phone: 466-5863</p> <p>D.G. Russell Community Services Office of Human Services P.O. Box 1001 24th Floor Columbus, Ohio 43216 Phone: 466-6014</p>	<p><b>CONTACT:</b></p> <p>Jesse Drake, Chief Administrative Services 246 N. High Street Columbus, Ohio 43216 Phone: 466-4237</p> <p>Dr. Thomas Halpin, Div. of Communicable Diseases 246 N. High Street Columbus, Ohio 43216 Phone: 466-4643</p>
<u>PRIMARY HEALTH CARE</u>	<u>HOME ENERGY ASSISTANCE</u>	<u>COMMUNITY DEVELOPMENT</u>	
<p><b>CONTACT:</b></p> <p>Jesse Drake, Chief Administrative Services Ohio Dept. of Health 246 N. High Street Columbus, Ohio 43215 Phone: 466-4237</p>	<p><b>CONTACT:</b></p> <p>Steve Gladman, Director HEAP Program, DECD P.O. Box 1001 Columbus, Ohio 43216 Phone: 466-6207</p>	<p><b>CONTACT:</b></p> <p>Robert Freedman, Deputy Director, Com. Dev. 30 East Broad St. (floor 24) Columbus, Ohio 43215 Phone: 466-5863</p> <p>Jane Schoedinger Local Government Services DECD P.O. Box 1001 Columbus, Ohio 43216 Phone: 466-2285</p>	
<u>EDUCATION</u>	<u>MATERNAL &amp; CHILD HEALTH</u>		
<p><b>CONTACT:</b></p> <p>Jim Miller Division of Federal Assistance Dept. of Education 65 S. Front Street Columbus, Ohio 43215 Phone: 466-4161</p>	<p><b>CONTACT:</b></p> <p>Dr. Jim Quilty, Chief Division Maternal &amp; Child Health 246 N. High Street P.O. Box 118 Columbus, Ohio 43216 Phone: 466-3263</p> <p>Dr. Thomas Gardner, Assistant Director, ODM 246 N. High Street P.O. Box 118 Columbus, Ohio 43216 Phone: 466-3263</p>		

## OHIO'S BUDGET PROCESS

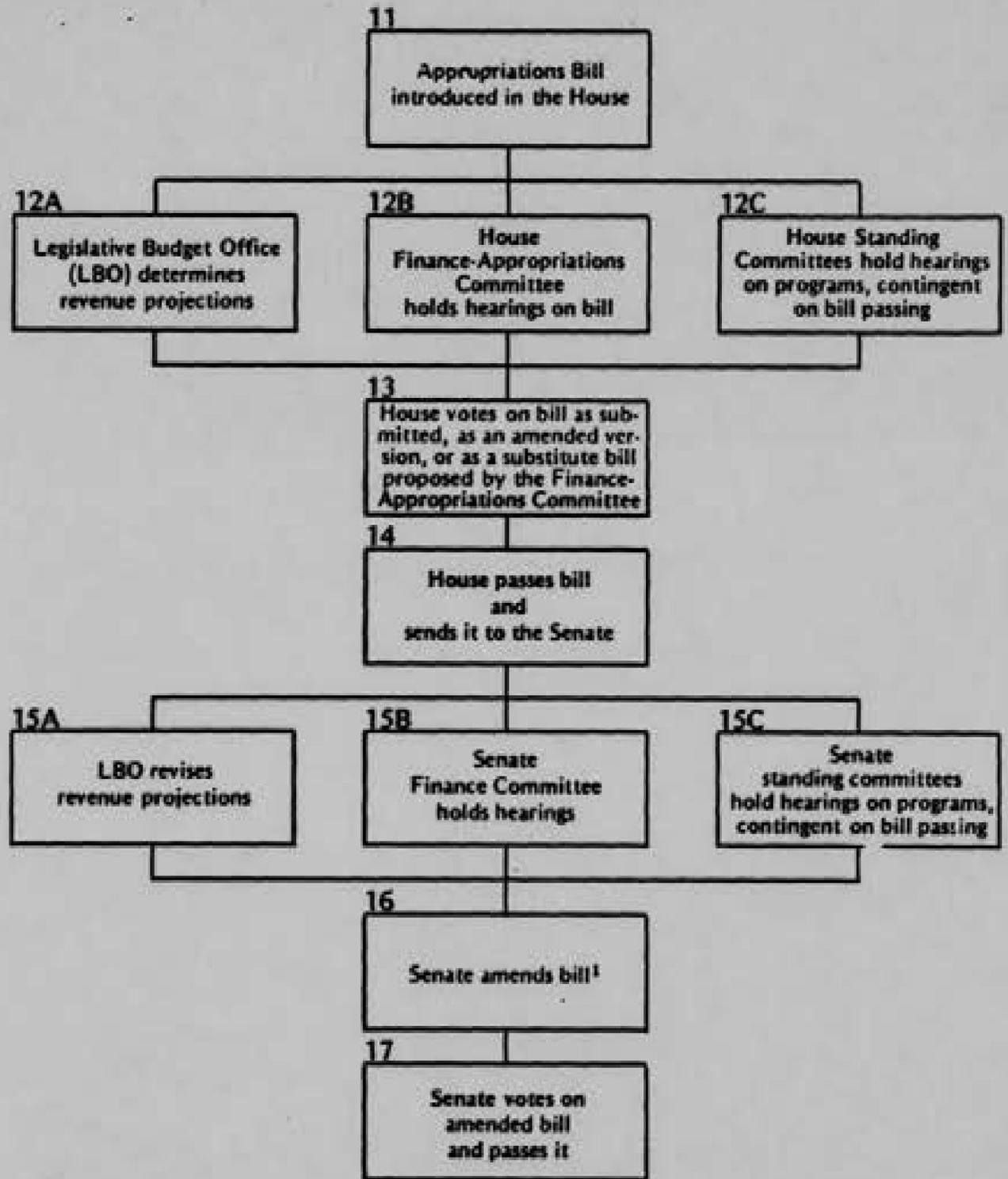
1. Executive agencies prepare budget analyses and budget requests for submission to the Office of Budget and Management in the Governor's Office from January to August, 1982.
2. The Office of Budget and Management holds budget hearings in September, 1982.
3. The Governor submits the Executive Budget to the General Assembly of the State Legislature within four weeks of the convening of the General Assembly. In the case of a new Governor, as in 1983, by March 15, 1983.
4. The Legislative Budget Office of the General Assembly prepares detailed revenue estimates for the Legislature.
5. The House of Representatives Finance Committee, where budget bills are initiated, holds hearings.
6. The Budget Bill passed by the House is sent to the Senate, where the Senate Finance Committee holds hearings.
7. After the General Assembly passes the budget bill, it is sent to the Governor for action.
8. Ohio's Constitution provides that no appropriation shall be made for longer than two years.

THE BUDGETARY PROCESS  
OF OHIO

The Administration

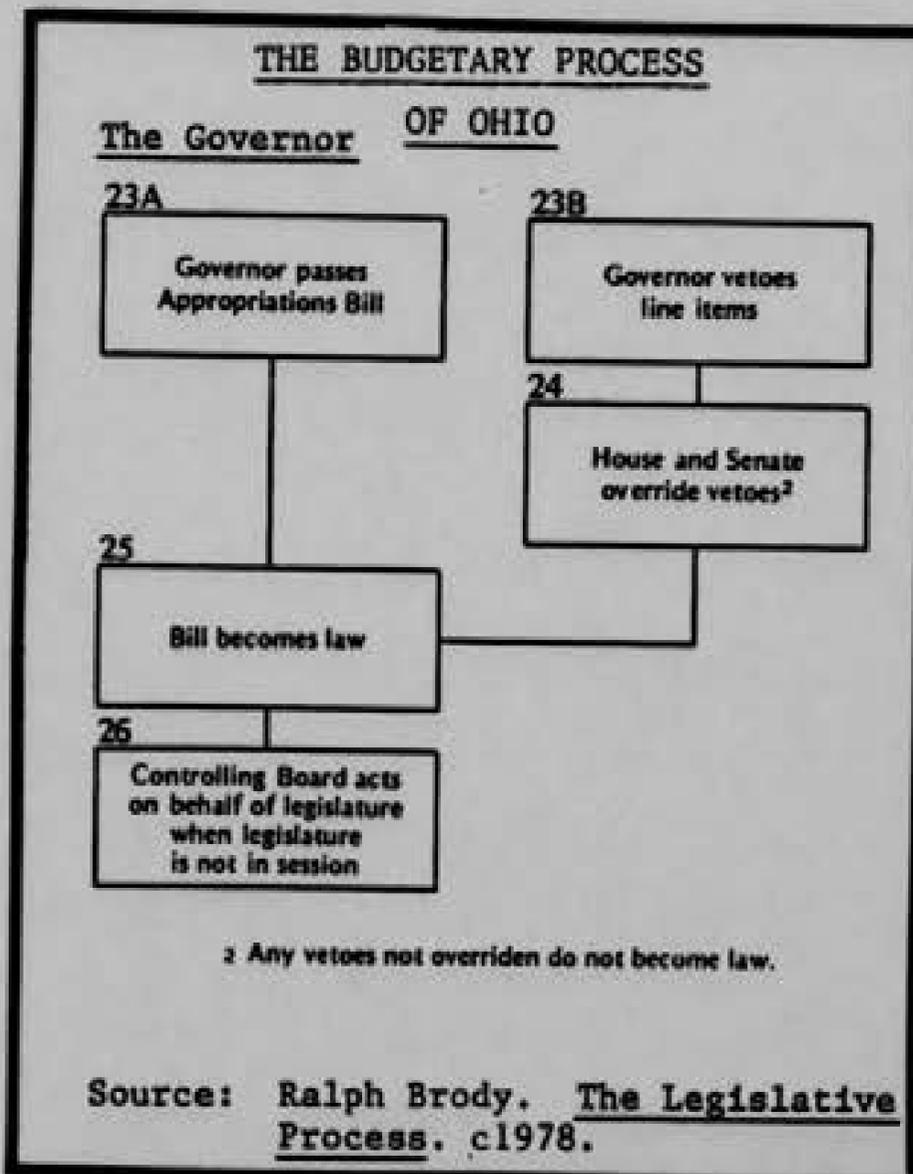
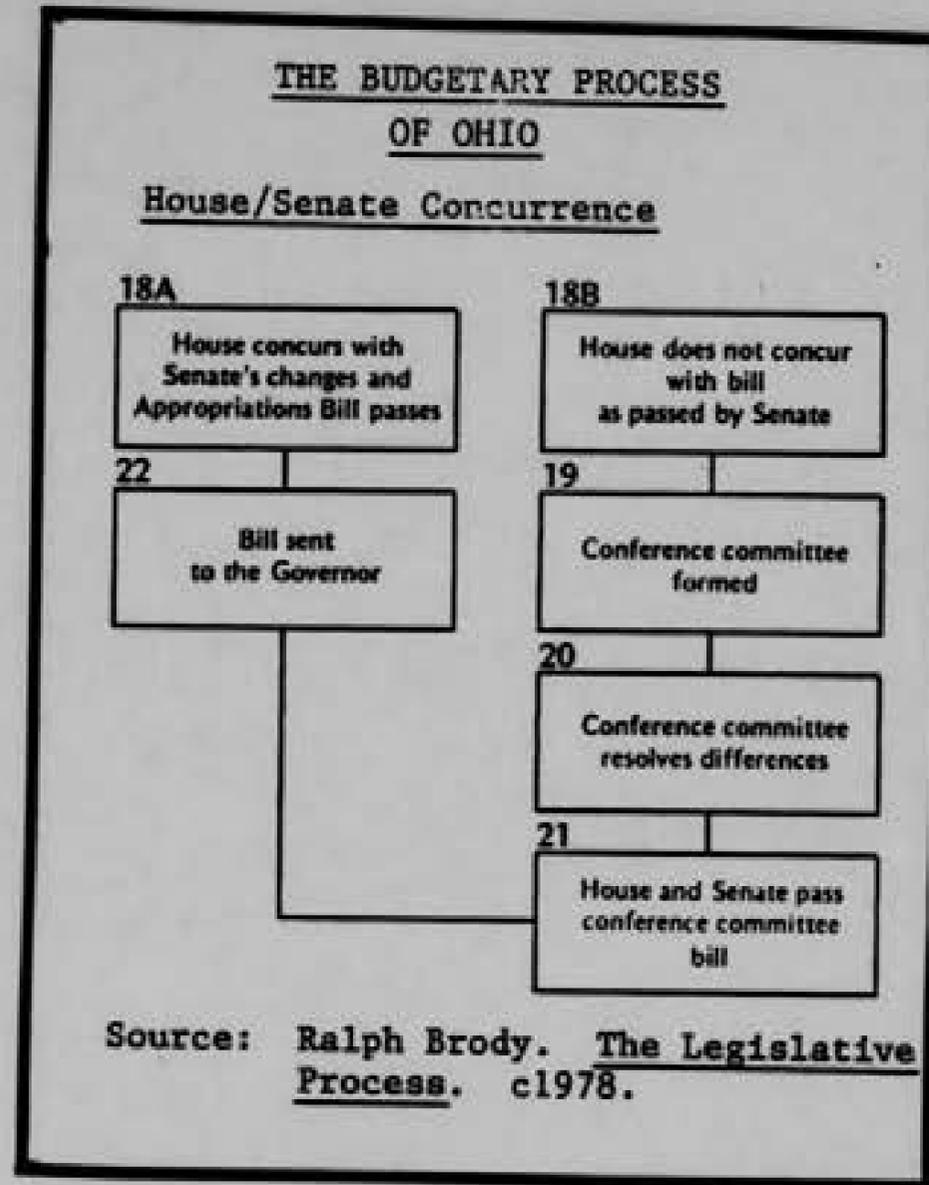


The Legislature



<sup>1</sup> The Senate does not have to amend the bill, but it usually does.

Source: Ralph Brody. The Legislative Process. c1978.



#### IV. ISSUES OF OHIO BUDGET MAKING

A survey of the National Conference of State Legislatures reported in the New York Times by economist Leonard Silk said that twelve states, including Ohio, are forecasting deficits for the current fiscal year. Ohio is struggling to balance its budget, in the face of reduced federal funds, by raising taxes and cutting expenditures, thus further eroding the incomes and employment of its residents. Budget cuts in Ohio for FY82 and FY83 will continue as tax revenues continue to decline. About 61% of revenues, where most expenditures for health, education, welfare, and human services included in block grants come from, are from Ohio's declining general revenue fund. The remainder of Ohio's revenues from licenses, fees, sales, and charges for goods and services are earmarked by statutory or Constitutional provisions for specific purposes--highways, for example--and cannot be used to cover shortfalls in general revenues available for state and local service expenditures.

Ohio's legislative and executive branches traditionally equalize the fiscal pie among its 99 counties rather than targeting funds. The County Commissioners Association of Ohio strongly supports formula allocations of block grants which would equalize funds rather than competitive grant applications which would target funds. Competition through grant application allows targeted funding to reach areas like Cleveland with greater need whereas formula distribution tends to equalize funds among government units. Another means to equate funds to need is in the definition of the formula.

Ohio and the Reagan Administration have proposed changing the formulas to the detriment of urban areas. The difference between formulas can drastically reduce funds to cities. For example the Reagan Administration proposes to eliminate age of housing as a part of the Community Development Block Grant formula, which would critically hurt Cleveland, where housing is primarily pre-1940 stock and the present formula has given Cleveland more funds for housing.

In Ohio, Representative Brown of Perrysburg, a member of the Joint Committee on Federal Funds, has submitted legislation on the Social Services Block Grant that would change the current distribution formula. The existing formula is based on each county's separate income and poverty level. The proposed state-based formula would average income and poverty level on a statewide basis. Thus, Cuyahoga County stands to lose funding under the proposed legislation that has been introduced by Representative Brown.

The Ohio Legislature, in both considering formula distribution which decreases the chances for targeted programs and changing the formulas to equalize distribution on a statewide basis rather than on a county or urban need basis, is contemplating a program that will further shrink aid to Cleveland.

THE LEGISLATIVE JOINT COMMITTEE ON FEDERAL FUNDS

The Legislative Joint Committee on Federal Funds recommended that Ohio assume responsibility for seven of the nine block grants on October 1, 1981, and the remainder of the grants when federal regulations and fundings levels are defined. The Committee's authority over block grants was strengthened by the Ohio State Controlling Board, composed of the Director of the Office of Budget and Management and House and Senate leaders which acts for the Governor and the Legislature in the disbursement of state funds. A Board resolution requiring all departments to submit block grant programs to the Joint Committee on Federal Funds for review and approval before the Controlling Board will release funds to the Department has greatly strengthened the powers of the Legislature in block grant process. A further development was the replacement of Senator Stanley Aronoff (R) Cincinnati on the Joint Committee by Senator Ben Skall (R) South Euclid, which gives the Greater Cleveland area two committee members but removes a major urban center from the deliberative process. However, Senator Aronoff's position on the Finance Committee is essential to final legislative process when the legislature finally considers block grant legislative proposals.

THE LEGISLATIVE JOINT COMMITTEE ON FEDERAL FUNDS

COMMITTEE CHAIRMAN: Representative Francine Panehal (D), Cleveland

SENATE MEMBERS: Ben Skall (R), South Euclid; William F. Bowen (D), Cincinnati; Theodore Gray (R), Columbus; Marigene Valiquette (D), Toledo; Donald Lukens (R), Middletown.

HOUSE MEMBERS: Robert Brown (R), Perrysburg; Dean Conley (D), Columbus; Robert Corbin (R), Dayton; Thomas Gilmartin (D), Youngstown.

OHIO BLOCK GRANT PROPOSALS

The Joint Committee on Federal Funds began consideration of block grant proposals in January of 1982. Major block grant proposals have been initiated by three Ohio political institutions: the Executive Departments in charge of block grants, the Legislature, and the County Commissioners Association of Ohio. Although the Ohio Citizen's Council has served as an interest group lobby for the metropolitan areas in

human services grants, the Council has not actively introduced proposals. No urban coalition has been active in representing the interests of the major Ohio cities in the block grant process. The needs of each group represent radically different legislative programs as to who should receive block grant funds, how block grant funds should be allocated, and what controls should be placed on block grant funds at the local level by the state.

#### COUNTY COMMISSIONERS ASSOCIATION OF OHIO

The County Commissioners support distribution and control of block grants by Boards and County Commissioners. In Block Grant News No. 7, published by the County Commissioners Association of Ohio, the CCAO stated:

"The state: 1. Should make the board of county commissioners the primary recipient and local decision-making authority for allocation of block grant funds; and 2. Should not allocate funds directly to appointed agencies without prior review and approval by local elected officials." The CCAO has recommended direct pass-through of funds to counties with little or no review or control on the part of the state.

Counties are also supportive of equalization of funds on the county level rather than targeted or focused funding through competitive grant applications. The CCAO supported a proposal for Small Cities Community Development Block Grants including a guaranteed allocation to all cities and counties with a larger allocation going to communities which show a greater need through a distress factor formula.

#### DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT

The Small Cities Community Development Block Grant proposal came from the Department of Economic and Community Development of the State of Ohio. DECD is supporting equalization formulas and noncompetitive allocations.

#### THE JOINT COMMITTEE

The Joint Committee on Federal Funds of the Legislature adopted an amended DECD proposal for the Community Development Block Grant which changed the goal statement to stress the primary objective of creating a viable urban community with decent housing and suitable economic conditions for low and moderate income persons.

"The primary objective of Ohio's Community Development Block Grant Small Cities Program is the development of viable urban communities by providing decent housing and a suitable living environment, and expanding economic opportunities, principally for persons of low and moderate incomes. This overall objective is achieved through the undertaking of eligible activities each of which carries out one of three broad national objectives set out in Section 104(b)(3) of the Community Development Act of 1974 of benefitting low- and moderate-income families; aiding in the prevention or elimination of slums or blight; or meeting other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs."

The Joint Committee established an Evaluation Committee, consisting of two representatives of the County Commissioners Association of Ohio; two representatives of the Ohio Municipal League; Senator Ted Gray (R) and Representative Thomas Gilmartin (D) of the Joint Legislative Committee on Federal Funds to report in Spring 1983 on the effectiveness of the CDBG.

#### LEGISLATURE

State legislation has been passed on the Social Services Block Grant and can be analyzed to measure legislative feelings on distribution, control, and recipients. Current law divided administration of funds among the Ohio Department of Public Welfare, the Department of Mental Health, and the Department of Mental Retardation/Developmental Disabilities. The Department of Public Welfare is required to allocate its share of funds to County Welfare Departments, and distribution of funds is made on the basis of (1) total population; (2) population with income and resources below 100% of the standard of need of each county; and (3) the county's history and ability to utilize the funds.

Legislative proposals now before the Joint Committee on Federal Funds from Representative Brown (R) Perrysburg, a member of the Joint Committee, would earmark funds for the Ohio Commission on Aging, ODPW, DMH, and MDR/DD but place direct administrative powers in the Ohio Department of Public Welfare. The Brown proposal revises the allocation formula for distributing funds to counties to be based on the number of people in the county with incomes below the poverty level as compared to the state, which would change the present standard of county need level and possibly reduce allocations to Cuyahoga County which has a greater need level than the state need level.

A Senate proposal by Senator Steven Maurer (D-Botkins) calls for allocation of funds to counties on a strictly per capita basis. These proposals show the conflicting interests between nonmetropolitan state areas and urban areas like Cleveland when competing for block grant funds.

#### URBAN AREAS

The former city-federal relationship provided for a direct voice from the city to the federal government on the distribution of funds; however, the new state-city relationship means competition over funds by political institutions--legislative interests, executive departments, county governments, rural and urban metropolitan governments, and special purpose governments--at the state level.

The issue is one of reduced funds for allocation. Many groups now benefitting from federal programs will find themselves with fewer funds than before; with no funds at all; and competing with other groups at the state house. As yet no urban coalition in Ohio has surfaced to present its point of view on distribution, allocation, recipients, and control, to the state through the Joint Legislative Committee on Federal Funds or in the Executive Departments.

The U.S. Conference of Mayors in "The FY82 Budget and the Cities," stated that, "Recently enacted federal budget cuts are imposing immense burdens on city budgets, resulting in massive layoffs, service reductions, tax increases, and postponement of needed capital investments." In Cleveland deferral of capital spending on the infrastructure was noted to be a major problem. It is estimated that \$700 million dollars would be needed to bring roads, sewers, water system, and bridges up to acceptable levels of service.

The Conference says local governments are dependent on federal resources for financing public services and capital improvements. There is a direct local-federal relationship which has sustained local dependence on federal aid over the last two decades. The end of a program like CETA's Public Service Employment program increased financial pressures on Cleveland and other urban areas. If state and local economic growth do not produce enough tax revenue to replace reduced federal aid then state and local government will be forced to raise taxes and cut services.

Cleveland's local economic problems are more likely to be structural problems resulting from changes in economic activity and population movement rather than economic cycles, and the structural problems must be addressed in order to counter the end of federal aid. The past two decades of federal resources were aimed at countercyclical aid, not at underlying economic problems; their demise will mean an exposure of the persistent structural problem that must be addressed by local effort for future economic prosperity.

## Fiscal Burden on the States from the New Federalism

State	Additional annual state revenues required to maintain the 43 programs (in millions of \$)	State government tax collection (1981)* (in millions of \$)	Percent increase in state taxes required to maintain programs	State	Additional annual state revenues required to maintain the 43 programs (in millions of \$)	State government tax collection (1981)* (in millions of \$)	Percent increase in state taxes required to maintain programs
Alabama	\$219.7	\$2,148	10.24%	Nebraska	88.2	804	10.95
Alaska	72.5	2,317	3.10	Nevada	42.4	515	8.23
Arizona	133.2	1,786	7.45	New Hampshire	55.0	269	20.45
Arkansas	134.5	1,189	11.27	New Jersey	453.4	5,029	9.01
California	1,152.4	20,505	5.62	New Mexico	82.1	1,179	6.96
Colorado	156.4	1,446	10.79	New York	1,362.1	13,918	9.79
Connecticut	170.4	2,072	8.20	North Carolina	315.4	3,413	9.23
Delaware	48.3	555	8.30	North Dakota	46.7	451	10.42
D.C.	170.4	1,131	15.07	Ohio	583.2	5,241	11.10
Florida	503.2	5,314	9.46	Oklahoma	145.0	2,232	6.50
Georgia	294.4	3,020	9.74	Oregon	155.5	1,608	9.64
Hawaii	58.1	1,088	5.33	Pennsylvania	764.5	7,597	10.08
Idaho	57.2	537	10.60	Rhode Island	61.6	608	10.13
Illinois	683.7	7,323	9.34	South Carolina	174.3	1,826	9.55
Indiana	267.3	2,809	9.51	South Dakota	53.7	298	18.02
Iowa	155.5	1,836	8.47	Tennessee	247.7	1,958	12.65
Kansas	118.8	1,392	8.55	Texas	636.9	8,174	7.79
Kentucky	222.4	2,276	9.75	Utah	79.9	849	9.40
Louisiana	248.4	2,805	8.77	Vermont	42.4	294	14.42
Maine	95.7	674	14.74	Virginia	252.9	3,027	8.38
Maryland	247.3	2,956	8.36	Washington	219.3	3,126	7.02
Massachusetts	429.4	4,336	9.89	West Virginia	147.7	1,270	11.63
Michigan	518.1	6,177	8.38	Wisconsin	249.9	3,629	6.89
Minnesota	233.7	3,374	6.94	Wyoming	32.6	469	6.99
Mississippi	165.6	1,397	11.88				
Missouri	284.8	2,143	13.30				
Montana	57.7	467	12.40				
				<b>All States</b>	<b>\$13.2 bil.</b>	<b>\$149.74 bil.</b>	<b>8.81</b>

\* State tax figures are from the Census Bureau, "State Government Tax Collection: 1981" (forthcoming). They do not include non-tax state revenues, such as highway tolls, fines, fees for state universities or parks use, and from sales of state property.

## V. ISSUES FOR THE GREATER CLEVELAND AREA

The Committee has identified a number of problem areas which it may wish to address:

- Current Legislative efforts to change the health and human services distribution formula from a county-based need level favoring urban areas to a lower state-based need level will hurt Cuyahoga County.
- Considering the state's current budget deficit, the matching funds required by some of the Block Grants are likely to cause state monies to be diverted from other program areas.
- The absence of fully effective coordination of local community efforts to ensure that the Cleveland area obtains its fair share of funding.
- The existence of adequate liaison between local groups and the legislative Joint Committee on Federal Funding or the lead state agencies on Block Grants?
- The lack of a public information program to inform the community of what the cutback in funding means to the Cleveland area.
- Consideration of the degree to which private sector funding can be expected to replace the shortfall created by cutbacks.
- Consideration of the extent to which the state, county, and local taxing authorities can be expected to replace funds.
- The maintenance by the state of current matching funds in various programs.

## VI. LOCAL BLOCK GRANT CONTACTS

1. County Commissioner's Block Grant Steering Committee
2. Federation For Community Planning
3. Greater Cleveland Growth Association
4. Ohio Citizen's Council Block Grant Task Force
5. State Budget Coalition of Greater Cleveland
6. The City of Cleveland:
  - \*Community Development Department
  - \*Office on Aging
  - \*Office on Budget and Management
7. United Way Services

## VII. APPENDIX

"GOP Mayor speaks against Reagan's budget cuts:" An Interview with Cleveland Mayor George Voinovich

# GOP mayor speaks against Reagan's budget cuts

By MARK HOPWOOD

*No matter how sedate or outlandish their style, Cleveland's mayors seem to attract national attention. Remember Ralph Perk's pornography poll or the days of Dennis Kucinich as L'Enfant Terrible?*

*Mayor Voinovich, despite his reticence, pulled some national notice in his first term for turning around Cleveland's fiscal fortunes. And early in his second term, the mayor hasn't dropped out of sight.*

*He made a splash in November with his opinions on President Reagan's budget maneuvers and his call for New Federalism — the shifting of many federal programs and responsibilities back to the state and local governments.*

*In this Press interview, the mayor speaks strongly about the budget cuts and New Federalism. He considers their effect on Cleveland's growing unemployment and the resolve needed to overcome a possible economic tragedy here.*

*Leading public officials remain enamored with Voinovich. In fact, he is one of only three mayors invited to attend the National Governors Association meeting in Washington today to discuss the Reagan plan.*

*Some of this prominence is based on Voinovich's appearance of being a critic of the Republican president — a novel stance for the top big city Republican mayor to take. To some degree, it is a calculated appearance, cultivated since the presidential primary days when Voinovich favored George Bush over Reagan.*

*But lately Voinovich has become earnestly concerned about the welfare of America's cities and their inhabitants, especially in light of Reagan's 1983 budget proposal. He has not hesitated to voice his views.*

*In his comments before the governors, Voinovich said he will draw "a firm distinction between my beliefs in New Federalism and my concerns toward the 1983 federal budget."*

**Q:** You seem to like Reagan's New Federalism, so why are you so critical of the budget cuts he is advocating?

**A:** First of all, people shouldn't confuse the 1983 budget proposal with New Federalism — they aren't the same thing. It's not New Federalism — it's budget cutting that we're dealing with. We haven't had any New Federalism to respond to, yet.

We can't tolerate any more cuts in the allotments for cities or for social service programs in the 1983 budget. If we have to balance the budget then we should do it on the back of the Defense Department.

It makes me sick to see how much one of those Trident submarines costs when you consider what that money could do for all of the cities in this country and for the people who live in those cities. You can't have great national defense if you have

hunger, poverty, unrest and unemployment in your major cities — communist leaders in Central and South America can point to the deteriorating condition of this country's cities. (Correcting this) ought to be the first order in our effort to win the hearts and minds of other people.

On the other hand, there is a separate issue of which level of government is most capable of providing services to the citizens of the country. How can we best utilize the dollars that are being poured out for the local, state and federal governments? I think this question is worthy of debate.

Unfortunately, the media has jumped out and written articles without even paying attention to what was being proposed by the president. Before people take positions that are cast in stone, they ought to at least dialogue on this question of New Federalism.

In order to have a realignment of responsibilities, there's got to be a general national consensus that the final plan is both fair and needed.

**Q:** Do you think the final plan is both fair and needed?

**A:** I have a lot of questions — about the speed of the change, how it will be funded, what level of government should be responsible for administering programs, will the federal government give up certain taxes and shift them back to local governments?

You can't undo in three or four years something that was started 40 years ago. Many programs should operate on the state or local level, but it is going to take time for state and local governments to develop the facilities and resources to handle such programs.

**Q:** So is the president's 1983 budget proposal sinking New Federalism?

**A:** The federalism issue may be confused with the cuts in the budget. In terms of timing, this discussion (of New Federalism) would have been better seven or eight years ago. I think the drift we have followed for the past 10 years or so without the debate on who ought to be delivering these services, how they should be paid for, has been unhealthy for the country.

As (Vermont's governor) said: "There should be a serious discourse on New Federalism, similar to the dialogue that took place 200 years ago prior to the ratification of the U.S. Constitution."

**Q:** Will we ever have a New Federalism discussion?

**A:** The economic condition of the country will have a major impact on this whole dialogue on New Federalism. If we have massive unemployment in this country — over 10% — no one is going to be talking about New Federalism. They are going to be worried about getting people back to work and they aren't going to give a damn whether it is the federal, state or local government doing it. Unless the pre-

dictions (of the president's advisors) are right and the economy is going to take an upturn at the end of this year, you can forget about the debate over New Federalism.

Besides, if they are not able to answer the questions of critics and if they aren't able to gain the support of state and local officials, the program will never work and the president won't have the votes in Congress to pass it.

**Q:** You've said you are worried about there being a "safety net" for those who could suffer under Reagan's proposals. Are you sure it's in place?

**A:** I said initially that I perceived holes in the safety net — holes that those of us in Cleveland are trying to mend. We can mend them locally, assuming the economic condition of the country picks up.

I recommended to the leadership of the National League of Cities and Congress of Mayors that what we ought to be doing now is getting together the ideas from our major cities in terms of how they are responding to the cuts that have taken place in the budget, how they are responding locally to those cuts, and what are they doing to help the people in their community survive during this period in time?

**Q:** You have said Cleveland's unemployment rate is 17%. How is that problem affecting us?

**A:** When the bread winner is out of work, that is a scary situation. How would you like to be one of those people out at Fisher Body who have been there 25 years and now don't know whether they are going to have a job in a year or two years from now?

There is no community in the country today that is trying harder to respond to human concerns that have developed as a result of cutting back the federal budget. There are greater demands on city services when people are not employed — for instance, we're seeing a greater number of people coming through our health centers. When you have high unemployment, you have a higher demand for police protection, higher demands for social services, there are more alcoholics and there is more family stress.

Most of the social services are provided by (Cuyahoga County), which handles things like welfare and mental health funding. We are putting a program together looking at what the county is doing, what the Federation for Community Planning is doing and what United Way and others are doing. As time goes on in terms of the economy, a lot of agencies are going to have to look at things a different way than they used to.

But I think we are progressing. The getting together and the talking about the problems of the community has been worthwhile, fruitful and has helped.

**Q:** How is the city participating in this effort?

**A:** We have put together our Community Development Block Grant with a major emphasis on uti-

lizing dollars for programs that are absolutely essential to this community, starting with housing, food, shelter, and medical care. I asked for a waiver (of federal regulations) so we could spend as much of our money as possible for social services to show the sincerity of our concern about these problems in the community.

**Q:** But why does the city's budget emphasize the Planning and Economic Development departments and not basic city services or social services?

**A:** I think one of the grave errors that this city made over the years was that when it fell upon bad times, (city officials) ignored planning and economic development. This is being penny wise and pound foolish. At a time like this the most important hedge against the terrible problems for the community is to have the tax dollars to respond to those problems.

We've got more dollars but it is a question of how you allocate those dollars. You might not be able to pave as many streets as you want or to mow the grass every week. But mowing the grass every week versus not being able to stimulate jobs in this community is a small price to pay for keeping the economy alive and well.

If the economy falls, then the taxes fall. When the taxes fall, the services fall. And when the services fall, the people move out of their neighborhoods and the businesses move out of the community.

**Q:** So you support less social services spending by the city in favor of aiding business?

**A:** If you're not out trying to cause business to stay in your community, through Urban Development Action Grants, or Economic Development Administration grants or packaging Small Business Administration loans and all the other benefits that are available (to convince) industry to stay in the city or to get them to expand, then you not only lose tax dollars, but United Way contributions and contributions to various churches — it is a rippling effect.

For every job we have in the city, we take 2% off the top that goes into the pot that is used to provide services to many in our community who are unable to provide tax dollars.

**Q:** Have you seen any evidence that this is working?

**A:** I think the fact that this town has a public-private partnership that is working, that (the town) has come together, that our national image has changed substantially, that people in this community feel a lot different than they did three years ago is a healthy sign that bodes well for the future.

But in terms of what other cities are doing in terms of economic development, Cleveland looks like a sick sister. Even with the increased spending for economic development, we are still way behind other cities.

## VIII. RESOURCES

1. Advisory Commission on Intergovernmental Relations. Block Grants and the Budget Reconciliation Act of 1981. January 7, 1982.
2. Advisory Commission on Intergovernmental Relations. Measuring Local Discretionary Authority. November, 1981.
3. Bradbury, et.al. Futures for a Declining City: Simulations for the Cleveland Area. 1981.
4. Cleveland Press, Interview with Mayor George Voinovich, Sunday February 21, 1982.
5. County Information and Data Service. Block Grant News, January 29, 1982.
6. County Information and Data Service. Block Grant News, January 4, 1982.
7. County Information and Data Service. Block Grant News, November 18, 1981.
8. County Information and Data Service. Block Grant News, November 12, 1981.
9. Human Services Information Center. Human Services in the 1980's: President Reagan's 1982 Proposals.
10. New York Times (various issues).
11. Ohio Citizen's Council. Block Grants In Ohio. A Status Report. January, 1982.
12. Ohio Citizen's Council. Fact Sheet: Title XX.
13. Ohio Citizen's Council. Block Grant Briefs (various issues).
14. Omnibus Budget Reconciliation Act of 1981, Pub. L. 97-35, 95 Stat. 357 to 933; Sen. Rep. No. 97-139; House Conf. Rep. No. 97-208.
15. State Government News, January 1982, p. 8-9.
16. U.S. Conference of Mayors. The FY82 Budget and the Cities: A Hundred City Survey. (November 20, 1981).
17. U.S. Conference of Mayors. The Federal Budget and the Cities: A Review of the President's Budget in Light of Urban Needs and National Priorities. (March, 1981)

July 22, 1987

Mr. Richard W. Pogue,  
Jones, Day, Reavis & Pogue  
901 Lakeside Road  
Cleveland, Ohio 44114

Dear Dick:

I notice by the agenda I received today about the July Board of Trustees meeting that the following meeting is scheduled for Thursday, September 24th. Thursday, September 24th happens to be Rosh Hashana and I am sure that in respect for your Jewish members you do not want to schedule a meeting that morning. I hope this finds you in good health.

As ever,

Daniel Jewmy Silver

DJS:mt

Progress Through Unity



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**BOARD OF TRUSTEES MEETING**

**Wednesday, July 29, 1987 -- 7:30 a.m.  
Eaton Conference Center, 24th Floor**

**AGENDA**

**I. APPROVAL OF MINUTES OF MAY 28, 1987 MEETING**

**II. BUDGET AND FINANCE STATEMENT -- Karen N. Horn**

**III. PRESENTATION ON ASIAN COMMUNITY -- David Namkoong,  
Roundtable Trustee**

**IV. EXECUTIVE DIRECTOR'S REVIEW -- One year after the  
Retreat**

**V. CONSIDERATION OF SCHOLARSHIP-IN-ESCROW PROGRAM**

**VI. COMMITTEE REPORTS:**

- Education -- John F. Lewis
- Labor/Management Forum -- David H. Hoag
- Minority Economic Development -- Alfonso P. Sanchez
- Race Relations -- Edward F. Bell

**VII. OTHER BUSINESS:**

- Review of Executive Committee Actions
- Update on CSU Civic Committee
- Update on Barricades Between Cleveland and Shaker Heights
- 1987 Fundraising Update

**VIII. NEXT BOARD MEETING:** Thursday, September 24, 1987 at  
7:30 a.m. in the Eaton Conference  
Center, 1111 Superior Avenue, 24th  
Floor.

/dav  
7/13/87

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April 7, 1988

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Rabbi Daniel J. Silver  
The Temple Branch  
26000 Shaker Boulevard  
Beachwood, OH 44122

*Dan*  
Dear Rabbi Silver:

I am pleased to inform you that you have been recommended for a new three-year term as a Trustee of the Greater Cleveland Roundtable. I trust and hope that you are willing to serve and, unless I hear from you to the contrary, we will plan to present your name for re-election as a Trustee at the Annual Meeting of the Board of Trustees on May 26.

Your dedication to and support for the Roundtable's activities is greatly appreciated. Your continued involvement is truly valued.

I look forward to seeing you on May 26.

Sincerely,

Richard W. Pogue  
Chairman

cc: Ralph S. Tyler, Jr.