

Wyandot County Office of Economic Development

BOARD MEETING MINUTES Monday, May14, 2018

Attendees: John Barnes, Brian Barr, Andy Bishop, Lisa Bricely, Lenny Clouse, LuAnn Cooke, Chris Daris, Joe Faine, Duane Frey, Frank Gibson, Doug Frisch, Rex Grasz, Kurt Kimmel, Greg Knestrick, Ken Lucious, Terry Mazzone, Rob McClure, Greg Moon, Jessica Moon, Jennifer Rathburn, Steve Seitz, Shawn Stober, Katie Treadway, Elaine Tschanen, Laurie Vent, Paul Wagner, Matt Wood

Meeting Called to Order: President Paul Wagner

Introduction of Guests: Dan Hayman, Riordan McClain

Approval of Meeting Minutes: Motion to Approve March 12, 2018 Minutes: Lenny Clouse;
Second: Matt Wood; Minutes Approved

Financial Budget Update: Motion to Approve Financial report as presented in the meeting packet: John Barnes; Second: Jessica Moon; Financials were accepted

WCOED Director's Update

Old Business

- Project Updates
 - Project Mobile (Transglobal)
 - Greg continues to work with Transglobal on its move to the former Blackhawk Automotive building in Upper Sandusky and specifically with the Revitalization team from JobsOhio to identify applicable expenses the company will take on with this project which include such items as the roof, HVAC, security, etc. for revitalization assistance.
 - Since the last meeting Transglobal has gathered the needed quotes and background information for this project which led to a \$1.3 million assistance offer to the company last week. The offer includes a \$250,000 revitalization grant as well as a \$1,000,000 revitalization loan from JobsOhio. An offer of up to \$110,000 in assistance from the Ohio Means Jobs of Wyandot County office was also included in the assistance package.
 - If the company accepts the assistance package, it will commit to the creation of 50 new jobs with an associated \$1.8 million in new annual payroll and the retention of 60 jobs and \$3.9 million in annual payroll. In addition, the company will invest a total of \$6 million in this project which includes \$4.4 million in building costs and \$1.6 million in machinery and equipment.
 - Project Winter 2
 - Greg has been working several months with Hanon Systems USA in Carey on the potential expansion project and he was happy to report that the company has now committed to carrying out the expansion project in Carey instead of a site

in Michigan. John Barnes stated that they are just waiting on dry weather to begin the project.

- WCOED along with the state-level partners assembled the largest assistance package WCOED has ever had to bring this project to fruition. The roughly \$2.1 million package consisted of a \$500,000 grant plus a \$570,000 JCTC from JobsOhio. Since talent acquisition is a main concern for this expansion, JobsOhio also placed over \$300,000 of talent marketing and attraction services on the table.
 - The Village of Carey offered a maximum property tax abatement for the new building worth nearly \$640,000 and Ohio Means Jobs Office of Wyandot County offered \$138,000 worth of assistance through their On-the-Job Training dollars as well as employee recruitment and screening services.
- All of this coordination and communication between WCOED, JobsOhio, Hanon Systems and the team at Vaughn Industries has led to a huge win for Wyandot County. The project will involve a physical building expansion of roughly 137,000 square foot including over \$12 million in real property investment and nearly \$18 million in personal property capital investment. The company also committed to 242 new full-time permanent jobs by the end of 2021 that will bring an additional \$8 million in annual payroll. This is by far the largest job creation project WCOED has been a part of. This expansion will solidify the company's commitment to Wyandot County, and there is a good chance this will lead to future local investment here. The plant manager has already expressed his intention to bring foreign production to Carey.
- Later this month Greg will help facilitate meetings between JobsOhio's talent staff and local Hanon HR to begin the discussions on how their awarded dollars can be best used to expand Hanon's current talent sourcing practices and marketing capabilities.
- Qualified Opportunity Zone
 - At the previous meeting, Greg discussed the new Qualified Opportunity Zone program that was created as part of the federal tax reform bill, and the application he made for the single census tract that was eligible for the program. He was happy to report Governor Kasich nominated the tract to the U.S. Treasury Dept., and was subsequently approved as a Qualified Opportunity Zone.
 - The census tract covers primarily the southern half of the City of Upper Sandusky and the surrounding outlying areas and it allows third parties the ability to establish "Opportunity Funds" which are investment vehicles organized with the specific purpose of investing in assets in the designated Opportunity Zone.
 - As an example Greg said that Custom Solutions by Guardian or Fairhaven, which reside in this area, could establish an opportunity fund and make investments in assets there. They could then receive a tax deferral for capital gains reinvested in that opportunity fund, a step-up basis for capital gains reinvested in an opportunity fund, and/or a permanent exclusion from taxable income of capital gains from the sale or exchange of an investment in that opportunity fund if the investment is held for at least 10 years. The longer the hold the greater the benefit.
 - The US Department of Treasury is still defining the exact rules surrounding the program but this is another great tool WCOED now has that the county can use to encourage investment or reinvestment.
- Transportation Improvement District
 - Last month Greg submitted the necessary documentation for the creation of the Wyandot County TID, which creates a group of trustees that look at area

roadwork projects on an annual basis. The project application window is open only in May of each year and half of the scoring for the application is based on economic development factors. Earlier today the first meeting was facilitated to discuss outstanding transportation issues and to identify a project that made sense to submit for funding assistance this year.

- The consensus was that for this year a project from the County Engineer's office that already had estimates for and funding ready to go would be submitted. Next year the group will most likely be looking at a project surrounding the Love's Travel Stop area or Commerce Way in Upper Sandusky.
- Project Lead Tracking
 - Since the last meeting there were 4 new leads for existing buildings and 2 new leads for sites. This is down considerably from the previous 2 months. Greg was able to submit RFI's for both site leads. One has already been excluded but the other is still out there.

New Business

- New Member
 - One Energy (of Findlay) has joined as a gold level member. They will be represented by Katie Treadway, Head of Regulatory Affairs
- Sheriden Subdivision
 - A new 23 acre park is being developed in Carey by Vaughn Property Services. It will include 2 new interior roads, curbing, lighting, and utilities. The park will be available to prospective businesses in August 2018 or sooner per John Barnes.
 - Blanchard Valley Health Systems
 - Blanchard Valley will be the first tenant in the new business park with the construction of its new 15,800 SF, \$7 million facility, which is expected to be in operation by August 2019.
 - Casey's General Store
 - A new gas and convenience store operation has been planned and approved by the Village of Carey on the boarder of the new business park, where the former Ike's Restaurant was located. Casey's General Store was approved to construct a roughly 5,750 SF store, accommodating 13 parking spaces and 10+ gas pumps. Greg noted that the real estate has not been purchased yet so it is not a done deal at this point.
 - Casey's has over 2,000 stores in 16 states, and if this Carey project moves forward it will be the company's furthest eastward location.
 - Greg is working with the Village of Carey to establish a TIF (Tax Increment Financing district) for the Sheriden subdivision. This would lock in the property values as they currently stand, and offset 75% of the increased real property tax dollars into a fund that can be used for public infrastructure improvements serving the TIF area.
- AEP Ohio LEAP Grant
 - Greg submitted a grant application in late March for AEP Ohio's annual Local Economic Advancement Program (LEAP), and was notified last week that the proposal was awarded full funding.
 - The \$5,900 grant is to carry out a multi-faceted marketing campaign related to the new Community Opportunity workforce development effort.
 - With the assistance of the City of Upper Sandusky, one portion of the funds will be used to print and install a new 12' x 42.8' billboard on US-23/30 on the north side of Upper Sandusky. This will be a combined billboard promoting

the City as well as Community Opportunity. While the grant will pay for the new sign, the City of Upper Sandusky has agreed to continue paying the annual lease for the billboard space.

- Another portion on the funds will be used to create one to three promotional videos for various online usage.
- The last piece of the project includes a \$3,000 agreement with iHeartMedia to carry out a 3-month online advertising campaign that will use marketplace and audience targeting and retargeting to serve 250,000 impressions to nearly 30,000 residents who fit a specific demographic profile. These impressions will be served on all devices and desktops. iHeartMedia has access to 98% of the advertisement areas in all applications and websites.
- Creative Plastic Concepts Acquisition
 - CPC, the plastic injection molding operation that was initiated in the former Toledo Molding and Die facility in the Village of Sycamore was acquired in mid-April by American Plastics. American Plastics is a St. Louis based production and logistics company that also makes consumer plastic products as well as commercial cleaning products. American Plastics is owned by both Los Angeles-based and Chicago-based equity firms.
 - The previous owner of Creative Plastic Concepts has been named the new Chief Innovation Officer, and still retains ownership of the Sycamore facility. Greg did meet with local plant leadership and St. Louis based corporate development officials last week to identify planned changes, and primary needs they have in Sycamore.
 - WCOED will work to alleviate any of the challenges they identify as well as promote the area for opportunities in the coming months as they plan their future strategy for the company.
 - Currently the Sycamore plant employs 146 full-time individuals.
- Upper Sandusky Schools Business Advisory Council
 - Laurie Vent reported that they are currently working on the curriculum for next year and she brought a short survey asking attendees to fill out what their 5 most important skills were for employees. She said that this will help them with the planning for next year.
- Miscellaneous Items
 - Annual Meeting Committee
 - Greg reported that it was time to begin the planning for this year's annual dinner, which will be our 10th Year celebration. John Barnes and Jennifer Rathburn have agreed to be on the planning committee, and he welcomed anyone else who was interested in being a part of this committee.
 - New Airport Committee
 - The county is considering the assembly of a new group, or 'airport commission' that would be responsible for general planning and oversight of the county airfield. Greg has been asked to be a part of that team as he is a pilot with some aviation education. Shawn Stober is also a pilot and will be involved in the group.
 - Upper Sandusky Retail Prospect
 - Greg has been contacted by another developer who does work with a large retailer looking at sites on E. Wyandot Ave corridor near the freeway.

- Updates From WCOED Members
 - Each member present had the opportunity to share with the board what's happening with their business.

Motion to Adjourned: Lenny Clouse; Second by Rex Grasz; meeting adjourned

Next Meeting: July 9, 2018