

DELAWARE COUNTY ECONOMIC DEVELOPMENT ACTION PLAN

**delaware
county**

ECONOMIC DEVELOPMENT

DAVID J. ROBINSON
NATHAN V. GREEN
THE MONTROSE GROUP, LLC
JANUARY, 2017



The Montrose Group, LLC

CONTENTS

ABOUT THE MONTROSE GROUP, LLC	1
<i>THE ASSIGNMENT</i>	1
EXECUTIVE SUMMARY	3
<i>DELAWARE COUNTY ACTION STEP #1- CREATE PUBLIC/PRIVATE PARTNERSHIPS TO FOSTER THE DEVELOPMENT OF INDUSTRIAL & OFFICE SITES</i>	4
<i>DELAWARE COUNTY ACTION STEP #2 - DELAWARE COUNTY COMMISSIONERS, COUNTY ENGINEER AND COUNTY AUDITOR SHOULD WORK TOGETHER TO FUND AND DEVELOP CRITICAL INFRASTRUCTURE FROM LOCAL, STATE AND FEDERAL SOURCES</i>	4
<i>DELAWARE COUNTY ACTION STEP #3- STANDARDIZE DEVELOPMENT PROCESS INCLUDING COMMON ZONING STANDARDS AND TAX INCENTIVE AGREEMENTS WITH TOWNSHIPS, CITIES AND SCHOOL DISTRICTS WITHIN DELAWARE COUNTY FOR HIGH-WAGE JOBS AND LAUNCH A BRGE CAMPAIGN</i>	4
VALUE OF HIGH-WAGE JOBS FOR DELAWARE COUNTY	5
SUMMARY OF ECONOMIC ASSESSMENT	8
Delaware County High-Wage Job Creation Corridors	
COMMUNITY ASSESSMENT	11
<i>LISTENING SESSIONS REPORT</i>	11
Economic development efforts of the county, past and present	
Impediments to growth	
Industry sectors to focus attraction efforts	
Economic development objectives for the next decade	
<i>ONLINE PUBLIC SURVEY</i>	13
Survey Results	
GOALS, OBJECTIVES & STRATEGIES	17
Manufacturing:	
Professional and business services:	



The Montrose Group, LLC

ACTION STEPS/TACTICS	19
DELAWARE COUNTY ACTION STEP #1- CREATE PUBLIC/PRIVATE PARTNERSHIPS TO FOSTER THE DEVELOPMENT OF INDUSTRIAL & OFFICE SITES	19
Delaware County Development Corridors	
DELAWARE COUNTY ACTION STEP #2- DELAWARE COUNTY COMMISSIONERS, COUNTY ENGINEER AND COUNTY AUDITOR TO WORK TOGETHER TO FUND AND DEVELOP CRITICAL INFRASTRUCTURE WITHIN THE COUNTY THROUGH LOCAL, STATE AND FEDERAL FUNDING OPTIONS	23
Infrastructure Funding Advocacy Model	
DELAWARE COUNTY ACTION STEP #3- STANDARDIZE DEVELOPMENT PROCESS INCLUDING COMMON ZONING STANDARDS AND TAX INCENTIVE AGREEMENTS WITH TOWNSHIPS, CITIES AND SCHOOL DISTRICTS WITHIN DELAWARE COUNTY FOR HIGH-WAGE JOBS	32
LONGER TERM IDEAS	36
GROW INWARD BY INVESTING IN ENTREPRENEURSHIP	36
CREATE AND FOSTER PARTNERSHIPS WITH COUNTY BASED ORGANIZATIONS TO MARKET THE VALUE OF HIGH-WAGE JOBS TO DELAWARE COUNTY RESIDENTS AND MARKET THE REGION TO TARGETED INDUSTRIES.	40
APPENDIX A: COMMUNITY AND BUSINESS LEADER QUESTIONNAIRE	43
APPENDIX B: GUIDELINES FOR ECONOMIC DEVELOPMENT ASSISTANCE	44
TIF	45
CRA	46
ENTERPRISE ZONE	46
JEDD	47
PACE	47
DESIGNATED SPECIAL IMPROVEMENT DISTRICTS	48
FINANCIAL SUPPORT	48
ENDNOTES	50

ABOUT THE MONTROSE GROUP, LLC

The Montrose Group, LLC (Montrose) provides economic development planning, lobbying, marketing and public finance and incentive consulting services. **Dave Robinson, Principal and Founder**, serves customers based upon 20 years of experience as an economic development executive, lobbyist, lawyer and public relations executive before the federal, state and local governments. **Nate Green, Partner and Director of Economic Development**, has over 17 years of economic development experience and provides economic development services, site selection, economic incentive, financial advisory, and infrastructure finance. **Michelle Bretscher, Director of Client Marketing**, brings more than 20 years of experience in high-level marketing and communications.



THE ASSIGNMENT

Delaware County, Ohio adopted an economic development strategy that lacked a comprehensive action plan. Montrose was retained to develop Delaware County's comprehensive economic development action plan. Montrose utilizes a Learn, Listen and Do approach to economic development planning that starts with fundamental economic development research to understand who a community or site is then listens to what the community wants the region or site to be and then develops a detailed action plan tied to local and outside funding sources centered on the business retention and attraction of high wage jobs and capital investment.

Learn	Listen	Do
<p>Economic development plans first need to define exactly who a community is through research from primary data sources to determine the assets and liabilities of a community.</p> <p>ELEMENTS</p> <ul style="list-style-type: none"> • asset inventory • industry cluster & labor analysis <ul style="list-style-type: none"> ◊ company verification • cost competitive analysis • SWOT analysis 	<p>The second step is to listen to community, political and business leaders and the public for what direction the community wants to go.</p> <p>ELEMENTS</p> <ul style="list-style-type: none"> • one on one interviews • focus groups • surveys • public meetings 	<p>Finally, mixing who a community is with what they want to become needs to turn into a concrete action plan to develop high-wage jobs and capital investment.</p> <p>ELEMENTS</p> <ul style="list-style-type: none"> • land use and site development plan <ul style="list-style-type: none"> ◊ zoning & funding advocacy ◊ real estate market analysis • infrastructure funding & tax strategy <ul style="list-style-type: none"> ◊ public finance and government funding advocacy • workforce program <ul style="list-style-type: none"> ◊ funding advocacy • marketing <ul style="list-style-type: none"> ◊ community branding campaign ◊ industry campaigns through social, earned and paid media ◊ company targeting <ul style="list-style-type: none"> ▶ direct mail ▶ meeting solicitation ▶ meetings



EXECUTIVE SUMMARY

Delaware County, Ohio is an American economic success story with a 10% population growth since 2010, and median home value and household income and college graduate rate double the Ohio average. However, Delaware County would gain substantially from the creation of more high-wage jobs as their residential taxpayers share a heavier burden of the tax load than like, Ohio high-wealth communities. Community listening sessions reflects the positives of the area's economic success but also the challenges created by explosive growth. In fact, the Delaware County Engineer's Capital Improvement Plan includes over \$200 M worth of county roadway infrastructure improvements within the next 5 years to address critical roadway projects, but at least \$100 M of the program will require state and federal funding assistance. In addition, local governments within Delaware County are struggling to meet transportation demands and there is a sizable infrastructure gap between needs and available funding. The State of Ohio has historically under-invested in Delaware County, evidenced by the fact that *Delaware County ranks dead last among Ohio's 88 counties in state government expenditures*. The County is pursuing the development of two new interchanges. These projects could cost \$200 M. Further, Delaware County need to increase current capacity and service areas for its Sanitary Sewer. The proposed capital plan for Sanitary Sewer is approximately \$130 M. Finally, the County will need to continue to pursue opportunities to work with partners to find ways to attract new investment in water, fiber optics and cellular infrastructure. These infrastructure needs result in a capital improvement demand in excess of \$500 million. By working with its partners and making smart financial decisions Delaware County can guarantee that the infrastructure backbone will be in place to maintain the quality of life its residents expect.



To capitalize on Delaware County's success but address the challenges created by this explosive growth, Delaware County should focus on top line goals and objectives for 2030 by creating 56,000 net new jobs and increasing the median family income to \$115,000. To achieve these goals and objectives, Delaware County should adopt three strategies: focusing on high-wage targeted industries; funding the infrastructure gap; and building a public-private-partnership to develop and market Delaware County to residents and companies alike. Three tactics can achieve the goals of this action plan.

DELAWARE COUNTY ACTION STEP #1- CREATE PUBLIC/PRIVATE PARTNERSHIPS TO FOSTER THE DEVELOPMENT OF INDUSTRIAL & OFFICE SITES.

1. Delaware County should purchase and/or partner with developers for land on along the I-71 Corridor, US, 23 and State Route 36/37 to develop an office complex.
2. Delaware County should work with local governments to plan and build the infrastructure along St. Rt. 229, St. Rt. 36/37, US 23, and St. Rt. 42 for industrial development.

DELAWARE COUNTY ACTION STEP #2 – DELAWARE COUNTY COMMISSIONERS, COUNTY ENGINEER AND COUNTY AUDITOR SHOULD WORK TOGETHER TO FUND AND DEVELOP CRITICAL INFRASTRUCTURE FROM LOCAL, STATE AND FEDERAL SOURCES.

1. Delaware County Commissioners and Engineer should consider a Transportation Improvement District (TID) and public finance strategies to fund targeted infrastructure.
2. Delaware County should aggressively lobby state and federal government elected and appointed leaders to address their infrastructure gap with policy and funding support.

DELAWARE COUNTY ACTION STEP #3- STANDARDIZE DEVELOPMENT PROCESS INCLUDING COMMON ZONING STANDARDS AND TAX INCENTIVE AGREEMENTS WITH TOWNSHIPS, CITIES AND SCHOOL DISTRICTS WITHIN DELAWARE COUNTY FOR HIGH-WAGE JOBS AND LAUNCH A BR&E CAMPAIGN.

1. Form a Delaware County Land Use Advisory Board.
2. Delaware County should coordinate a common enterprise zone, CRA and TIF agreement for each of the six school districts within Delaware County.
3. Delaware County should coordinate a common set of township tax incentives and zoning regulations to foster economic development and protect the region's quality of life.
4. Delaware County should work with its densely populated townships to develop common planning and zoning standards and processes that includes aligning zoning codes.
5. Launch a common Business & Retention Campaign with all economic development leaders within Delaware County.

VALUE OF HIGH-WAGE JOBS FOR DELAWARE COUNTY

Delaware County is an economic success story but needs to embrace the value of high-wage jobs by attracting more commercial and industrial projects. The financial benefit to residents of attracting commercial investment to the County cannot be understated. The addition of commercial development will lower the real estate tax burden for residents. High-wage jobs provide more tax revenues for the county, municipalities, townships and school districts by waging the standard of living for all. Increased wages result in greater sales of goods, home values and amenities in a community. Further, higher wages result in an overall improvement in the standard of living enjoyed by area residents. From an economic development standpoint, these high-wage jobs have a “multiplier” effect and spur the growth and development of other jobs in the region. When examining how high-wage jobs impact school districts we look at the intersection between the assessed value of commercial property in a school district and the total real property tax rate in a school district. High wage jobs are those that are defined as paying more than the national average hourly wage for private sector jobs of \$25.37.

Comparison of Delaware County’s Commercial Property Impact on Local Taxpayers

	Total Assessed Value	Principal Commercial Taxpayers Value	Commercial Percentage of Total Value	Total Direct Property Tax Rate
Olentangy Schools	\$3,232,700,030.00	\$103,763,450.00	3.21%	78.62
Dublin Schools	\$2,914,821,560.00	\$191,447,930.00	6.57%	60.53
Westerville Schools	\$2,319,980,730.00	\$101,784,020.00	4.39%	80.6
New Albany	\$849,472,320.00	\$100,773,700.00	11.86%	74.74
Lakota Schools (Butler County)	\$2,469,690,500.00	\$149,498,510.00	6.05%	71.14
SW Schools (Franklin County)	\$2,324,059,180.00	\$237,683,010.00	10.23%	73.25
Northwest Local (Hamilton County)	\$1,431,543,850.00	\$93,689,480.00	6.54%	59.57

Those school districts that have a higher percentage of assessed real property value in commercial properties tend to have a lower total direct property tax rate. Property tax is spread amongst higher value properties in the community and there is less reliance on residential real estate to carry the load. For instance, a \$50,000,000 industrial building on 10 acres produces more property tax and is less burdensome on the school district than is 10 homes with a total value of \$4,000,000 on 10 acres. The impact on school districts in Delaware County of Commercial versus Residential structures is telling.



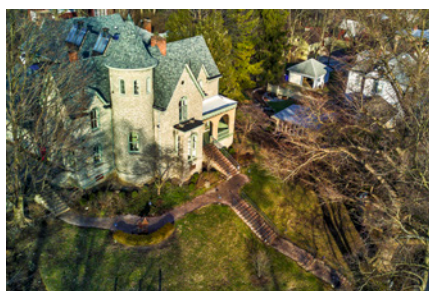
Delaware School Districts, Value of High Wage Jobs

	Olentangy	Big Walnut	City of Delaware	Buckeye Valley
Total Commercial Direct Tax Rate	0.07862	0.03255	0.07741	0.069
Property Tax Generated Annually, \$50 Commercial Investment	\$1,375,850	\$569,625	\$1,354,675	\$1,207,500
Property Tax Generated Annually, \$4M Residential Investment	\$110,068	\$42,980	\$101,402	\$96,600

**sample estimates*

That commercial property also produces tax payments to the schools and its workers may not send their children to that school district. Olentangy Schools, with only 3.21% of its value coming from commercial properties has a direct property tax rate that is 25% greater than Dublin Schools or Northwest Local Schools in Hamilton County. Dublin Schools and Northwest Local Schools are able to offer a property tax rate that is lower for residential and commercial property owners alike by having a good mix between the property types. Lakota Schools in Butler County which is very similar in size and growth to Olentangy Schools has 2 times more commercial property than does Olentangy and has a direct property tax rate that is 10% less than does Olentangy. All the school districts in this comparison are high-wealth and high-quality and, in fact, are among the best performing public school districts in the state of Ohio. **However, if Delaware County increases the amount of its property used for high-wage commercial ventures, it can reduce the tax burden on local residents while providing additional funding for their growing school districts.**

The attraction of high-wage jobs produces substantially higher taxes to fund the local, state and federal government as well. High-wage earners become major consumers of services that produce sales and property tax for a region. A \$250,000 house with two children produces substantially more property tax revenue for a local school district than does a \$50,000 house with two children but the school district has a set cost to cover the cost of the public education of the children of those two houses regardless of the income in each. The same is true for companies with property taxes. A thriving company pays income and property taxes to local governments in the region in which it is located even though they may require few if any services from that local government. In a state like Ohio that permits a state and local income tax at the site of the job as well as at the taxpayer's residence, high-wage jobs produce income tax for the government no matter where the resident sleeps. It is clear the attraction of high wage jobs impacts the life expectancy of residents and the amount of tax revenue produced for local governments which in turn is used to provide a higher quality of life for the region.



Regions looking to attract these high-wage jobs focus on the booming industry sectors of energy, technology, globalism, advanced manufacturing and advanced services that provide high-wage jobs. Per the U.S. Energy Department, Energy Information Agency, electricity demands will grow 28 percent from 2011 to 2040. From 1996 to 2007 economic development studies indicate, university licensing agreements based on product sales contributed \$47,000,000,000 to \$187,000,000,000 to the U.S. GDP. Research and development in total generates \$1,238,000,000,000 for the U.S. economy. Per the U.S. Department of Commerce, 70% of the world's customers are outside of the United States and workers for firms that export or are owned by global parents pay workers higher than average wages. The Brookings Institution found manufacturing workers, **from 2008-2010, averaged \$943.06 a week, 19.9 percent higher, than the non-manufacturing average of \$786.40.** Regions with a large pool of college and university educated workers are well positioned to recruit high-wage financial services, insurance, health care and professional service firms that dominate the advanced services marketplace.

SUMMARY OF ECONOMIC ASSESSMENT

As Delaware County completed a separate economic development strategy that contained a thorough demographic and economic analysis of the county, this report will not focus substantially on the economic analysis of the nation, state or county. However, it is important to note a couple economic data points that impact this action plan. First, Delaware County, Ohio is an American economic success story. Delaware County has:

- grown by 10% since 2010;
- has a median home value nearly double the Ohio median;
- a 51% college graduation rate which nearly doubles the Ohio rate;
- a median household income over just over \$90,000 nearly double the Ohio median; and
- a poverty rate under 5% which is one third the Ohio rate.

Delaware County is home to high-wage jobs with a strong base in growing private sector markets. Delaware County has a healthy private sector economy with success in the advanced services industry categories of business services and financial accounting. Most importantly, unlike many other regions, **Delaware County is not dependent upon government, education and health care for a large share of their economic output.** In fact, Delaware County is home to more high-wage jobs than their peers of “ex-urban counties” across the state of Ohio.

Economic Comparison of Ohio's Ex-Urban Counties

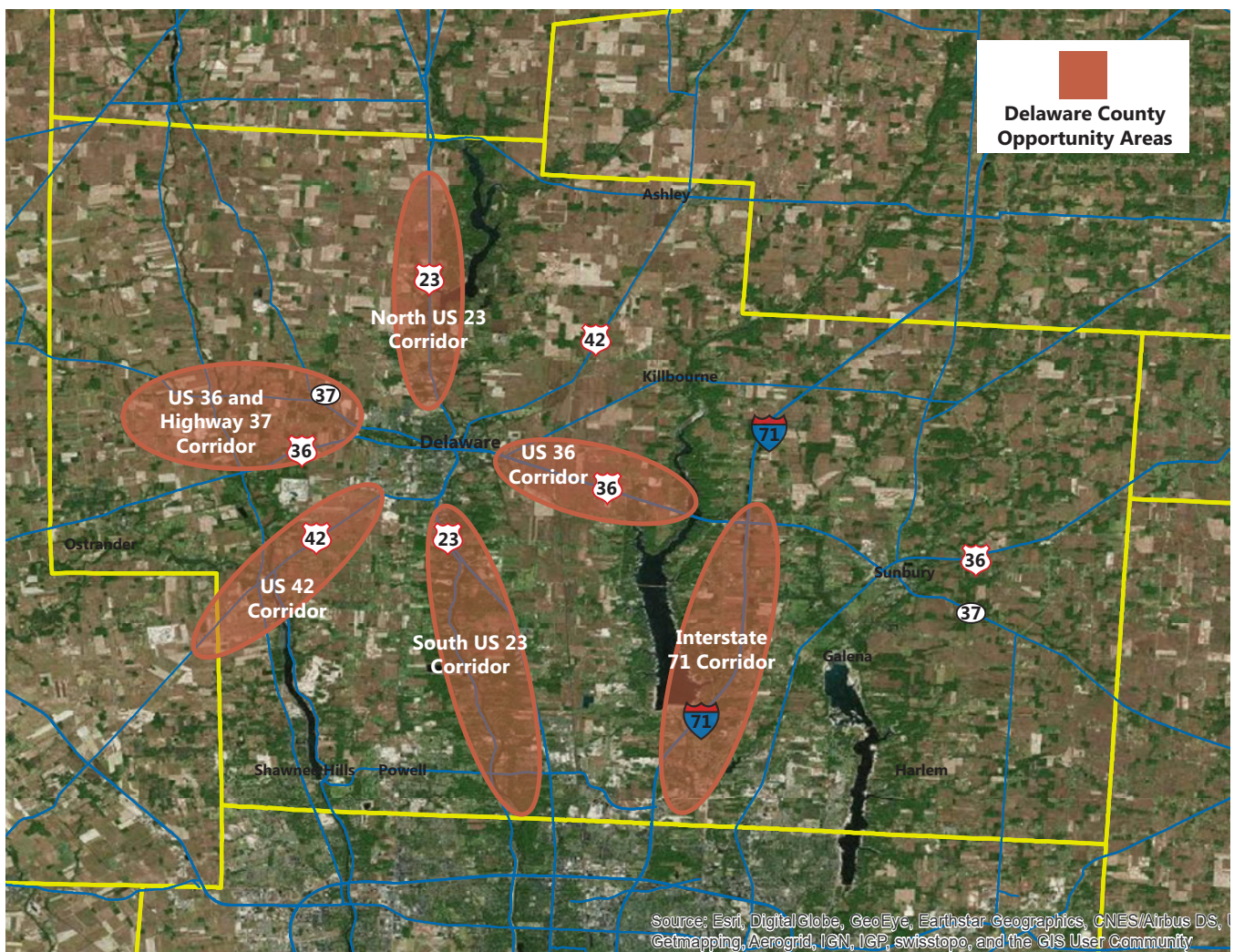
County	Population	Median Family Income	Home Ownership Rate	Bachelor Degree	Mean Commute Time	Poverty Rate
Wood	129,730	\$51,258	67.1%	30.8%	20 minutes	13.5%
Medina	176,395	\$66,296	79.1%	29.9%	27 minutes	7%
Warren	224,496	\$73,177	77.3%	38.7%	24.6 minutes	5.8%
Butler	376,353	\$56,958	69.9%	28.1%	23.8 minutes	14.4%
Delaware	193,013	\$91,936	81.6%	51.1%	25.7 minutes	4.8%

Source: U.S. Census Data

As the table above illustrates, Delaware County is an economic success story even compared to their “ex-urban” counterparts across the state with income, home ownership, bachelor degree and poverty rates better than like counties in the greater Cincinnati, Cleveland and Toledo. However, the economic data above illustrates a clear weakness in commute times even though Delaware County is smaller than Butler and Warren County. This small weakness is a result of the 10% growth in population since 2010 Delaware County has been trying to manage.

Delaware County has developed like most “ex urban counties” in America with a large concentration of office and retail in the portion of their county closest to a major urban city. In this case, as the map below illustrates, the southern portion of Delaware County is a major Ohio center for advanced services and retail with a major office complex of JP Morgan Chase and several other office buildings. **The County has a host of other large companies across several sectors including: McGraw-Hill, Greif, PPG, Cheryl & Co., Worthington Cylinders, Cigna, Century Insurance Group, PCM/Sarcom Inc, Direct Instructional Support, and Abrasive Technology, Inc. Retail dominates this area as well with Polaris Mall serving as a major Ohio retail center.**

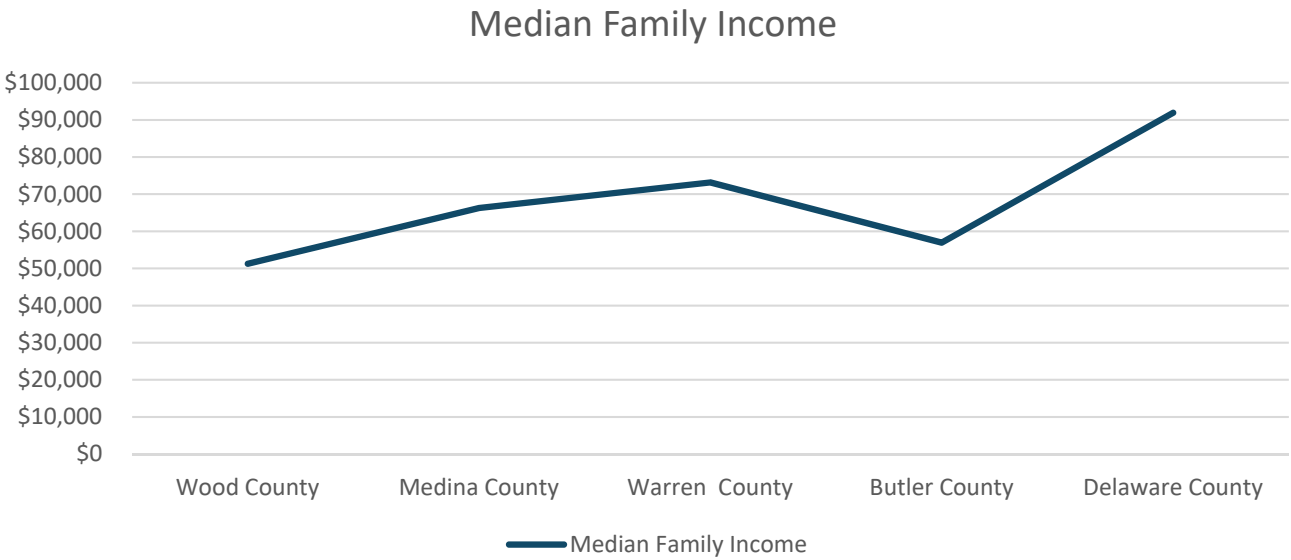
DELAWARE COUNTY HIGH-WAGE JOB CREATION CORRIDORS



Southern Delaware County is also the location of a substantial concentration of single family homes with several jurisdictions within the County serving as bedroom communities. The central part of Delaware County is dominated by the City of Delaware which is the county seat, home to Ohio Wesleyan University

and the northern half of the county is for now primarily agricultural. These growth and development patterns have created growing pains in Delaware County with higher than average commutes to work, traffic congestion, built up sanitary sewer demand, other utility demands and well publicized battles with real estate developers.

It is clear from comparing Delaware County to their Ohio “ex-urban” peers, the region is a success but still faces challenges. Delaware County is experiencing impressive economic success even compared to its Ohio “ex-urban” peers as the table below illustrates.



Delaware County’s economic comparison to like Ohio counties illustrates a median family income that is substantially higher and the commute time for workers is the only economic category where Delaware County illustrates some weakness.



COMMUNITY ASSESSMENT

With any strategic planning effort, gathering the feedback of local business leaders, civic leaders and the public at-large is an integral way to understand core community issues and discover new opportunities for growth. Involving participants from across the community also enables planners to gauge the likelihood that recommended strategies will be accepted and adopted.



Public engagement for Delaware County was accomplished in three stages:

- Targeted listening sessions with local business and community leaders;
- Online public survey; and
- Public meetings.

LISTENING SESSIONS REPORT

Delaware County Listen Sessions Top Challenges Identified

- Zoning continuity
- Sewer plans for growth
- Transportation and congestion
- Lack of east-west connections
- I-71 growth and interchanges
- US 23 congestion
- More housing options
- Small business and entrepreneurial support
- Public-private development partnerships
- Effective use of incentives
- Addressing needs of low income residents
- Branding of Delaware County to residents and businesses

Starting in January of 2016 Montrose and the Delaware County economic development team conducted 42 listening sessions with a select group of individuals from across all geographies of Delaware County. Each listening session had anywhere from five to 25 participants and included individuals from various sectors including from business, utilities, development, education, real estate, government, elected office, civic organizations, and not-for-profit organizations. In all, more than 350 individuals participated in the listening sessions. Each participant was given the questionnaire ahead of time included as Appendix A and asked to think through and answer the questions. The listening sessions were instructive and provided the Delaware County economic development staff and Montrose team the opportunity to understand what the community wants to be. The challenges identified in the listening sessions fit into several different categories outlined in the chart below.

Each listening session provided its own flavor on the current state of economic development in the County and the future state of economic development in the County. Largely based on the participants, the tone and tenor was different for each session. Common elements came through in each session, however that can help guide the County in its decision-making process about economic development issues and investments. Taking the responses to the questionnaire and categorizing and summarizing them input from the listening sessions includes:

ECONOMIC DEVELOPMENT EFFORTS OF THE COUNTY, PAST AND PRESENT

- County has been in the path of progress but didn't have a goal or plan to be business friendly
- Need incentives to attract industrial and office
- County should focus on business and economic development and not housing development
- Need buy-in from townships and defined development areas for growth over the next 10-20 years
- Must be concentrated effort to attract more industry
- Townships have respect for the County economic development office, but in the past, haven't gotten what has been needed. There is a hope that the current economic development staff can bring stability to the economic development efforts
- Two parts of the County, north and south
- Economic development efforts have been disjointed in the past
- The cooperation between the City of Delaware and Delaware County is unprecedented
- Past, lack of cohesiveness amongst government officials. Have lost opportunities due to lack of cooperation.

IMPEDIMENTS TO GROWTH

- Zoning is different in all townships; there lacks continuity as to how zoning is governed and approved
- Commute times to work
- East-west connectors across the county
- Congestion and choke points
- Sewer and water access
- Disparities in income. Social services network is overstretched.
- Need money to fix transportation problems
- Infrastructure fees: tap fees are some of the highest in the state and are a detriment to growth
- Delaware County does not have an industrial park
- County should control land at I-71 interchanges to attract new business
- Need more housing options; affordable higher density housing; starter housing

INDUSTRY SECTORS TO FOCUS ATTRACTION EFFORTS

- Manufacturing is prevalent and makes the most sense in the City of Delaware and points north
- Office and high tech jobs should be sought out due to the population and its educational attainment
- Health care facilities and medical research
- Need a mix, diversification (don't want more big box warehouses)
- Most development is housing; need light industry, manufacturing
- Retain large employers like JP Morgan Chase

ECONOMIC DEVELOPMENT OBJECTIVES FOR THE NEXT DECADE

- Integrate sewer development and transportation development
- Reduce the time it takes from project start to project finish
- Get the percentage of people that live and work in the county to 35% from 20%
- Better marketing, branding, social media. Have one portal for information.
- Promote natural resources, parks, Leeds farm, Stratford ecological center
- Make Delaware County the Center of High Tech Robotic Manufacturing
- Maintain small downtowns like Ashley and Ostrander
- Development of the I-23 plan
- Education. Need to let residents, elected officials, all parties know how high performing communities are doing and if Delaware is behind. Need to combat and not allow for disconnect. Total lack of understanding of how development impact communities and schools.
- Utilize Delaware NOW to fund marketing, attraction, advocacy, and transportation plans



ONLINE PUBLIC SURVEY

To extend the reach of the community assessment and encourage as much participation as possible, an online survey was conducted. The survey, posted via the Survey Monkey tool, included just seven questions and was designed to be completed in less than 10 minutes. Anyone who lives and works in Delaware County was invited to participate. The survey was promoted by the county directly, in the Delaware Gazette, on 610 WTVN radio, and by community partners including school districts and chambers of commerce.

Questions included:

1. Do you live in Delaware County?
2. Do you work in Delaware County?
3. What is your age?
4. What makes Delaware County a great place to live and work?
5. What three things could be done over the next decade to make Delaware County an even better community?
6. What should be the top two economic development priorities for Delaware County?
7. Rank the most important items to keep and attract residents to Delaware County.



SURVEY RESULTS

The survey was open from February 25 through June 1 and drew 519 participants.

Demographic overview: 93 percent of respondents live in Delaware County; 53 percent work in Delaware County; 62 percent ranged from 35-54 years old.

In terms of what makes Delaware County a great place to live, responses to this open-ended question largely focused on key themes of:

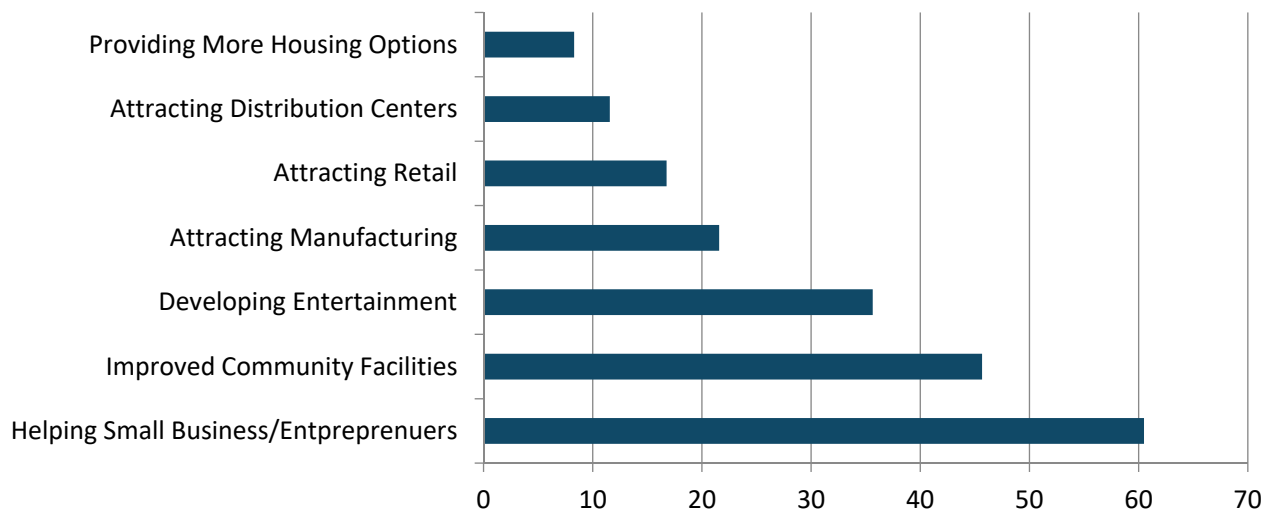
- Excellent local schools;
- Rural character;
- Strong communities;
- Suburban amenities; and
- Safety/low crime.

When asked, what should be done in the next decade to make Delaware County better, respondents' answers centered on these themes most frequently:

- Limited/controlled growth;
- Improved traffic/road improvements;
- Community amenities – paths/trails, libraries, parks; and
- Downtown development.

Survey respondents were given a choice of seven possible economic development priorities and asked to select the top two. The results are listed in the chart below:

Delaware County Resident Economic Priorities (asked to choose two)



In the final question, respondents were asked to rank the most important items to keep and attract residents to Delaware County, using a list of options provided to them. The items were ranked in this order, from most to least important:

- Quality schools
- Jobs
- Parks
- Vibrant downtowns
- Community pools
- Youth activities
- Trails
- Restaurants
- Entertainment
- New housing
- Volunteer opportunities

The complete survey results can be found in the appendix of this report. Substantial feedback was obtained from multiple “listening sessions” with a select group of political and business leaders as well as a community survey to gain insights into the economic success, regulatory climate and opportunities to advance the quality of life in the County. The clear insight gained was that the development community struggles with projects primarily in several townships and Delaware’s residents think highly of the community but often question planned developments. The community survey illustrated strong support for helping small businesses and entrepreneurs.

Delaware County Economic Challenges

- Commute/Traffic Times
- Water & Sewer Infrastructure
- Development Process

Based upon the Listening Sessions, Delaware County also struggles to provide the infrastructure needed for the growing developments as more economic growth is possible if additional water and sewer service is provided. In addition, as a major bedroom community for Central Ohio, several Delaware County jurisdictions struggle to work in partnership with private sector developers. Whether through resident referendum of zoning changes or townships with divided elected leadership related to economic development projects, Delaware County is struggling at times to manage the constant flow of development opportunities presented to them. This struggle in part is related to transportation challenges of the region based upon the large influx of population. It is also driven by the constant flow of developments that are not in fact truly high-wage jobs for the region. No matter the cause, these economic development challenges are real and need to be addressed through a focus on high-wage jobs.



GOALS, OBJECTIVES & STRATEGIES

Based upon Delaware County's economic assessment and stakeholder community feedback, Delaware County's Economic Development Action Plan needs to accept bold goals and objectives to continue the economic success of the county. To capitalize on the success that the County has currently achieved and to position the community for even greater success Delaware County should focus on two top line goals for 2030.

To achieve these ambitious economic development goals, Delaware County should adopt three specific strategies.

Delaware County 2030 Economic Goals & Objectives

- Attract 56,000 net new jobs to Delaware County, an increase of 125% from 45,000 new jobs attracted from 2001-2015
- Increase the median family income by 25% to \$115,000 from \$91,936

Focus on Targeted Industry Sectors

- Manufacturing
- Professional Services

Address \$500M Infrastructure Gap

- Local funding
- State funding
- Federal funding

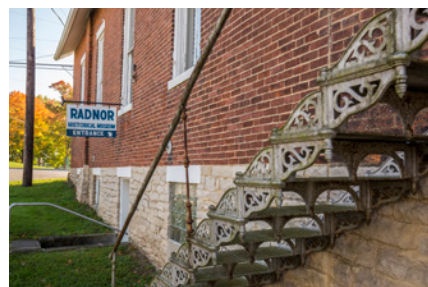
BR&E Program

- Launch Business Retention & Expansion Program

Based upon prior research, Delaware County should first focus economic development marketing and incentives on the following targeted industry sectors

MANUFACTURING:

- Food;
- Agricultural chemicals, paints, and coatings;
- Nonmetallic mineral products;
- Metals and metal products; and
- Machinery.



PROFESSIONAL AND BUSINESS SERVICES:

- Computer System Design and Related Services;
- Information Technology Services;
- Management of Companies and Enterprises;
- Marketing and Advertising;
- Legal;
- Architects, Engineers and Design Services;
- Accounting;
- Retail;
- Finance and Insurance;
- Insurance Carriers;
- Financial Investment Activities;
- Commercial Banking;
- Logistics;
- Freight Forwarding Operations;
- Healthcare;
- Offices of doctors, dentists and healthcare practitioners (chiropractors, optometrists, psychologists, physical and occupational therapists, speech therapists, and audiologists); and
- Medical and surgical hospitals.

In addition, Delaware County should adopt an economic development strategy to aggressively lobby for state and federal transportation and infrastructure and local public finance based funding to address current traffic congestion and prepare new sites for high wage job creation. Delaware County's substantial infrastructure gap needs to be addressed but not solely on the backs of current taxpayers who are driving much of Ohio's economic success. The County needs to explore and implement creative financing tools, such as TIF's and CRA's to address its infrastructure needs.

Finally, Delaware County needs to continue to grow its a Business Retention and Expansion (BR&E) campaign to retain and attract high-wage jobs from the targeted industries listed above at the sites developed with new infrastructure funding found. A public-private-partnership funding model should be considered. This model could generate approximately \$250,000 per year for education, advocacy, communications, business development and marketing through regional public and private sector partners.

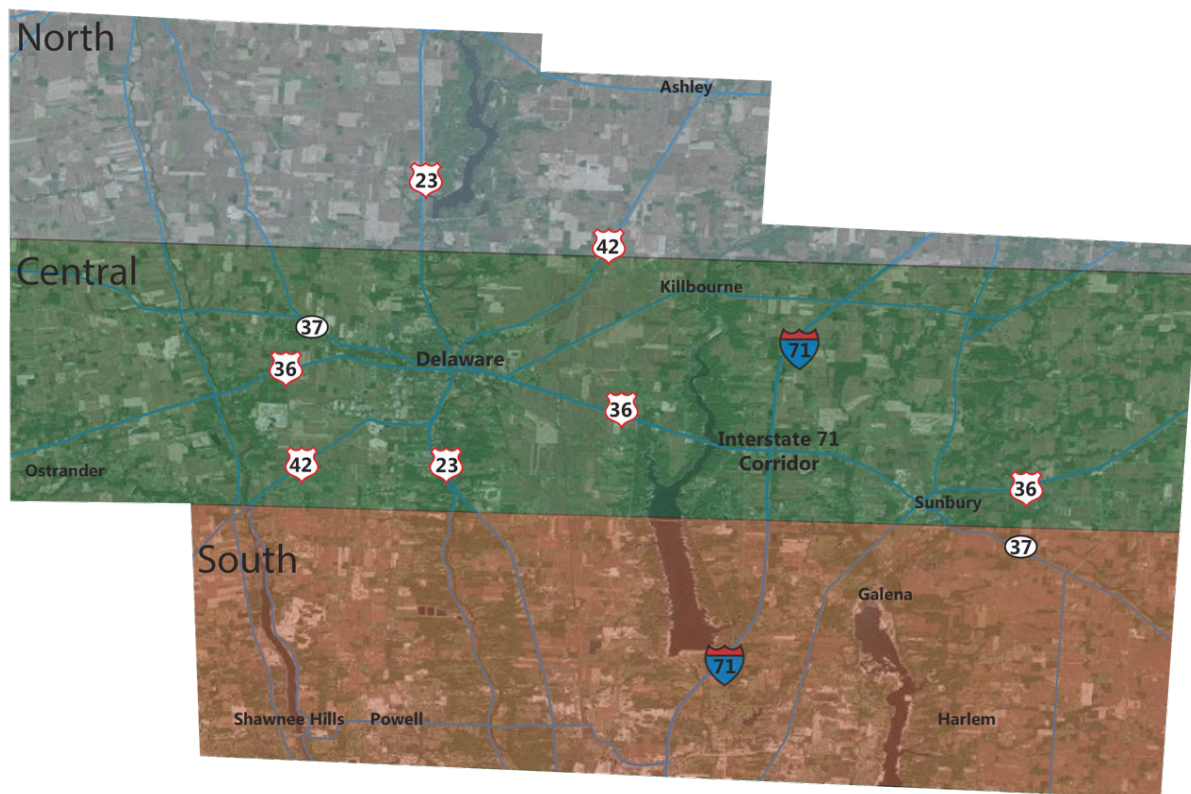
ACTION STEPS/TACTICS

Delaware County should implement three action steps through the adoption of several tactics within each of those action steps all geared toward the creation of high-wage jobs that support high-wage job creation in all sectors of Delaware County.

DELAWARE COUNTY ACTION STEP #1- CREATE PUBLIC/PRIVATE PARTNERSHIPS TO FOSTER THE DEVELOPMENT OF INDUSTRIAL & OFFICE SITES

The first step for Delaware County is to undertake a strategic effort to develop sites for high-wage job creation serving the Central and Southern parts of the county.

DELAWARE COUNTY DEVELOPMENT CORRIDORS



Developing sites in the County is accomplished through a five-step process. The first step is to gain legal control of land, through options or through a purchase. This can be done through a public-private partnership where third-party brokers are engaged to obtain options and purchase agreements for larger

developments. Once control is established, sites need to be properly zoned for the intended use by the relevant local government. No development can happen without proper local land use zoning. Ohio's zoning laws identify the type of economic activity permitted at a site and permits local governments to develop and implement local zoning codes and methods to enforce these codes that provide flexibility for development.



A land use and economic development plan is then essential to ensure that critical infrastructure, incentives and construction costs are understood. Tax incentives should be considered for each site in question to reduce the cost of land and construction and/or to address infrastructure costs. Key infrastructure items range from water, sewer, road, fiber, rail, and power access for company development. Next, funding from public and private sources is identified and gained to develop a job ready site that has the infrastructure in place ready for companies to locate. The high demand for job ready sites puts communities that build out infrastructure for development in a position to win over its competitors that have not built on infrastructure at development sites. Infrastructure funding may come through local government resources such as Tax Increment Financing, Capital Improvement Program funds, and Transportation Improvement Districts. Infrastructure funding may also come through State resources through the Ohio Department of Transportation, JobsOhio, Ohio Development Services Agency, Ohio Public Works Commission, Public Utilities Commission of Ohio, and the Ohio Rail Development Commission. Infrastructure funding may come from Federal sources through the Economic Development Administration within the U.S. Department of Commerce, Department of Housing and Urban Development and targeted grants from the U.S. Department of Transportation. These funding sources are expanded upon and can be found in the Appendix B.

Last but certainly not least, sites are developed by marketing them to prospective companies. America is littered with empty industrial parks that were prepared for development but not properly marketed. Modern marketing tactics focus on

- creation of a quality product through site development
- tax policy and workforce development programs geared toward a particular industry
- reduction of site development prices through up front infrastructure investments
- development of place through regional quality of life efforts, and
- promotion of the site



Promotional efforts involve the traditional business retention and expansion visits to existing companies, briefings with companies and site selectors at national trade shows and conferences, regional outreach to developers and real estate brokers, earned media, social media campaigns, and site visits with companies and site select consultants.

Delaware County Action Plan Tactic- Delaware County should purchase and/or partner with developers for land on the planned Big Walnut Road I-71 highway interchange and State Route 36/37 for development of a major office complex and prepare for an RFP process to recruit an office developer to the site.

Central Delaware County is uniquely positioned for industrial and office job growth based upon its population base alone. Delaware County has a high percentage of its residents with a college degree and is a leader in the development of advanced service jobs. The “boom” at Polaris illustrates this growth. However, Delaware County’s economic prospects would be even stronger if they kept more of their residents working in the county rather than commuting south to Columbus and other suburban communities. The good news is Central Delaware County is primed for additional development for high-wage jobs in the industrial and office sector. Population growth and development in Delaware County has centered on the southern and central areas of the county. The northern end of the county has not experienced the same growth but the population trends are spreading that direction.

Delaware County is planning for the continued growth and development of Delaware County with the creation of a new freeway interchange on I-71 at Big Walnut Road, and expansion of the existing Sunbury Interchange at US 36, an area poised for significant commercial development in the next 20 years. The improved access for Delaware County to I-71 creates a new opportunity for economic development. This economic development will happen with or without Delaware County's leadership to foster the creation of high-jobs. Without Delaware County leadership on the issue, the development may not involve the addition of high-wage jobs. Delaware County should be proactive and enter into public-private agreements that can help guide the development of the land surrounding the Sunbury interchange in the hopes of luring additional office projects to the site. In addition, Delaware County should look at adopting and implementing the Sanitary Sewer plan in order to position itself to meet the coming demands of development. Finally, Delaware County needs to explore partnerships with the private utility providers to in order to make sure that it can meet the coming demands of residents and businesses.

Delaware County Action Plan Tactic- Delaware County should work with its partners such as townships, village and cities to implement a land use master plan for State Route 229, US Route 36, US Route 23, and US Route 42 in Delaware County to plan for the development of major industrial development that creates the zoning and infrastructure plan to develop industrial parks at these locations, purchases the sites identified and market the sites as the Delaware Industrial Corridor.

Delaware County also should focus on other sites for office and industrial projects in the Central Delaware County Corridor. Focusing on traditional state routes running east-west are likely targets for industrial growth as they connect to the existing I-71 and US Route 23 transportation systems. State Route 229, though located in the North, could be an excellent site to plan a new industrial corridor. The 229 Industrial Corridor should be planned for the location of major industrial sites with planned road, water and sewer improvements that will be needed to locate major industrial companies. State Route 229 effectively connects US Route 23 to I-71 via State Route 61. In addition, US Route 42 running north of the city of Delaware is primed for industrial development as well. US Route 42 runs north-south parallel to I-71 and offers multiple opportunities to connect with I-71 and eventually runs into State Route 30—a major east-west industrial truck route running across the entire state. US Route 42 has the additional advantage of being located on a CSX rail line that would support major industrial development.

DELAWARE COUNTY ACTION STEP #2- DELAWARE COUNTY COMMISSIONERS, COUNTY ENGINEER AND COUNTY AUDITOR TO WORK TOGETHER TO FUND AND DEVELOP CRITICAL INFRASTRUCTURE WITHIN THE COUNTY THROUGH LOCAL, STATE AND FEDERAL FUNDING OPTIONS.

According to the Delaware County Engineer Capital Improvement Plan, Delaware County needs to invest upwards of \$200,000,000 in the near term to account for existing transportation development and demand that is on the horizon.

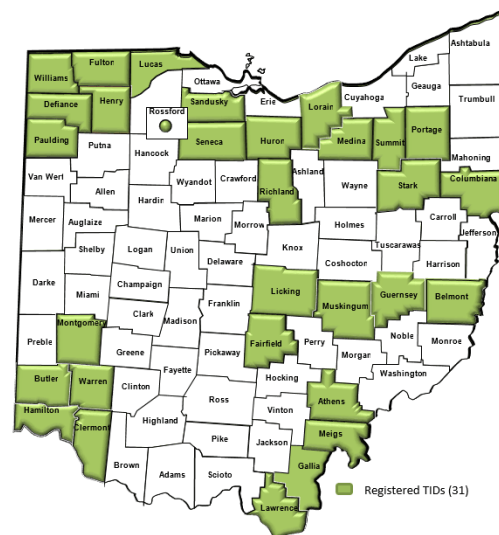
One of the most pressing needs of the County is the funding and development of new infrastructure if Delaware County is to continue to advance its economy, continue to provide a quality of life that is desirable to current and future residents, and continue to attract and retain existing business. First, infrastructure investment spurs productivity growth of employees and companies at a specific location. Public capital is seen as an input in the production in private firms.¹ Public infrastructure investment enhances not just individual growth of private firms

but also the economic growth and vitality of a region.² Specific to the high wage manufacturing industry, infrastructure investments supports the expansion of manufacturing output and the employment growth in this industry.³ Location Theory supports public infrastructure investment as an essential economic development tool needed to reduce the cost of doing business for area businesses. Often known as the Central Place Theory, economic success of a region is determined not just by how close the region is to major economic centers but how quickly customers and workers can be linked to those economic centers through infrastructure such as the Interstate highway system, state highways, rail connections, and airports. This infrastructure investment benefits urban and suburban centers and eliminates the economic isolation of rural communities.⁴

Many growing communities in Ohio such as Medina County, Warren County, Butler County and Wood County have taken different approaches for how to address these needs. Delaware County needs to examine in depth how these areas have successfully met their critical infrastructure needs.

Delaware County Action Plan Tactic- Delaware County Commissioners and the County Engineer should consider the implementation of a Transportation Improvement District (TID) and to align other infrastructure development appropriately.

Delaware County needs to address current and future infrastructure funding challenges using local public finance tools as well as state and federal funds. An infrastructure development platform worthy of consideration for Delaware County is a Transportation Improvement District (TID). A TID is a political subdivision, as well as a corporate entity, organized to finance, construct, maintain, repair, or operate a transportation improvement project.⁵ A TID may be created by a board of county commissioners and the commissioners can structure the board in one of two ways.⁶ First, the board of trustees governing the TID can be comprised of no fewer than 12 members, identified in R.C. § 5540.02(C)(1).⁷ Alternatively, the board of trustees for the TID may include: 5 members appointed by the county commissioners; 1 nonvoting member appointed by the Speaker of the House of Representatives; and 1 nonvoting member appointed by the President of the Senate.⁸ An example of the public benefits of one TID project is the Clermont County Transportation Improvement District. This project includes the reconstruction and widening of the Eastgate Boulevard structure over SR 32, the relocation of the existing Westbound entrance and exit ramps from SR 32 to Eastgate North Drive instead of Eastgate Boulevard, and the reconstruction of the Westbound loop ramp from Eastgate Boulevard to SR 32.⁹ This project was only completed using a Transportation Improvement District that raised the \$10 million needed for construction. However, as the map below illustrates, 20 TIDs exist all over the state of Ohio and are an accepted form of government used to promote the development of transportation infrastructure and economic development.



Delaware County could create a Delaware TID charged with addressing infrastructure issues county-wide, funded through a series of local, state and federal government funding sources. To establish a Delaware County TID, the Delaware County Commissioners need to appoint a board of trustees for the TID that will control transportation projects in a way that promotes economic development, strengthens neighborhoods, and creates jobs. The Delaware County TID will need to adopt a plan that focuses on the improvements to streets, highways, parking facilities, freight rail tracks and necessarily related freight rail facilities, or other transportation projects that are newly constructed or improved tied to the creation of high-wage jobs in the county. The Delaware County TID can also devote resources to administrative, storage, and other buildings or properties, and facilities the district considers necessary for the operation of the TID.¹⁰ The Delaware County TID may also control all rights and property that must be acquired by the district for the construction, maintenance, or operation of the project and can make and enter into all contracts and agreements necessary or incidental to the performance of its functions and execution of its powers, maintain funds, and have the authority to: purchase, construct, maintain, repair, sell, exchange,

police, operate, or lease projects; and issue bonds pursuant to Section 13 of Article VIII of the Ohio Constitution.¹¹ Most importantly, the Delaware County TID may issue bonds for the purpose of paying all or a portion of the costs of transportation projects with each bond dated, listed with an interest rate, and a final maturity date that does not exceed thirty years from the issue date.¹² A major purpose of a Delaware County TID should be to alleviate congestion on US Route 23, US Route 36 and improving access to I-71 with at least one new interchange at Big Walnut Road.

The Delaware County TID could consider the levy of special assessments of up to 10 percent of the assessable value of a lot or parcel of land that a proposed improvement will benefit to provide a local funding match for the development of potential industrial sites in northern Delaware County. The Delaware County TID must notify the affected property owners regarding the plans for the assessment and hold a public hearing and, most importantly, the Delaware County TID must reach agreement with any local political subdivisions that fall outside the TID.

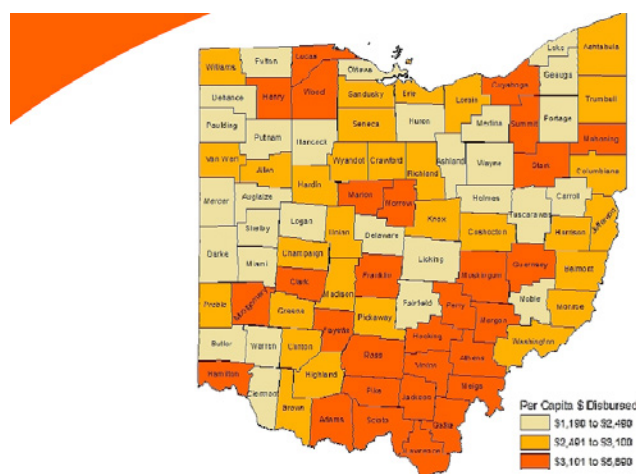
The Delaware County TID could be an excellent vehicle to develop funding to address local infrastructure challenges through the gaining of state and federal transportation funding. The Delaware County TID may apply to the Ohio Department of Transportation (ODOT) for grant funding targeting planning for the proposed industrial sites. During Fiscal Year 2015-16 ODOT is offering \$3.5 million in competitive grant funding to support TIDs. To apply for ODOT funding, the TID must be registered with ODOT. To be approved for registration, the TID must designate a project or program of projects by board resolution, and (1) must have facilitated aggregate funding totaling at least \$10 million within the eight-year period commencing January 1, 2005; or (2) must have facilitated aggregate funding totaling at least \$15 million since the commencement of the TID; or (3) facilitated \$10 million aggregate funding and have the County Engineer where the TID is located attest by sworn affidavit that the TID-designated projects total a minimum of \$10 million, and the TID is facilitating a portion of funding for the project or program of projects.¹³ The Delaware County TID must make sure that the ODOT funds do not exceed \$250,000 or 25% of the total cost of the project. The project must have additional sources of funding and any TID grant money that is awarded cannot be used to pay administrative costs. Additional funding opportunities for the Delaware County TID include ODOT's Transportation Review and Advisory Council and the U.S. Department of Transportation's Transportation Investment Generating Economic Recovery (TIGER) grant programs. Both programs alone provide billions in transportation funding for major regional projects. Currently, Delaware County lack a comprehensive advocacy program to gain this funding and lobbying for these state and federal transportation dollars should be a priority for the Delaware County TID.

A Delaware County TID also needs to gain agreement on how it will secure funds to pay for the infrastructure needed to develop industrial and office sites in Northern Delaware County and can serve as a mechanism to help drive additional infrastructure improvements. As transportation work is undertaken

the expansion of sewer services, water, fiber optics, public amenities and technological enhancements can be completed. This will guarantee that as areas develop they do so in a holistic manner. This will allow the County to grow smart and to maximize its resources by undertaking all needed work in a less costly and time consuming manner.

Other public finance strategies could fill specific infrastructure funding gap from programs such as: Joint Economic Development Districts (JEDD); Tax Increment Finance (TIF) Districts; Special Improvement Districts (SID); and New Community Authorities (NCA). These programs are worthy of exploration for site specific infrastructure challenges.

Delaware County Action Plan Tactic- Delaware County Commissioners should launch a lobbying campaign for state and federal infrastructure funding as well as enacting of public policy that supports state and federal investments in high-wage jobs centers such as Delaware County.



STATE SPENDING BY COUNTY, FY 2015



Ohio Legislative Service Commission
November 2015

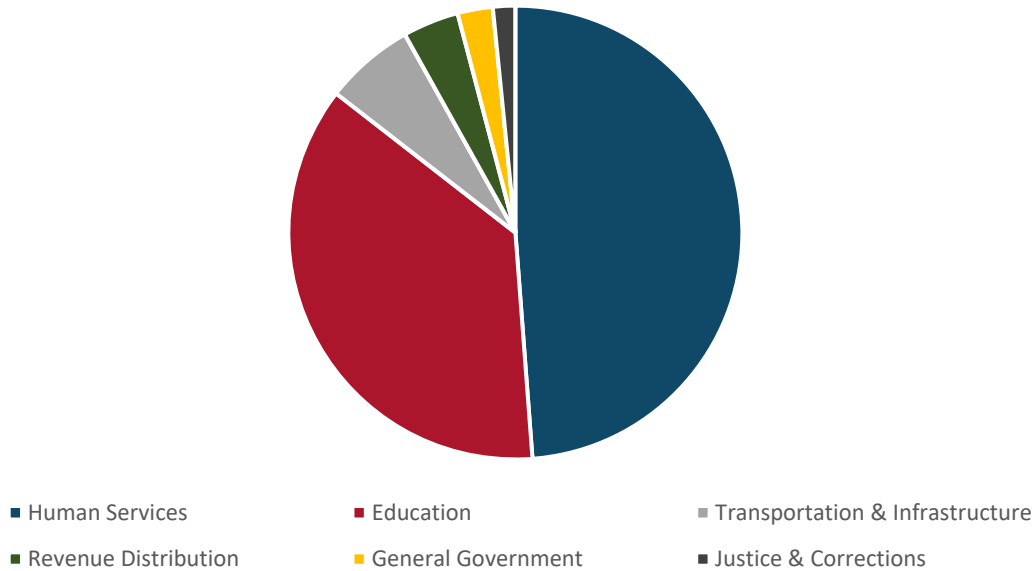
Residents of Delaware County should not be asked to bear the full burden of addressing the current infrastructure challenge. Delaware County is leading the economic recovery for Ohio and its residents and companies are paying a substantial share of state and federal taxes and getting little in return. Delaware County should launch a lobbying campaign to gain substantial state and federal funding to address the \$500 million infrastructure gap and to prepare sites for high-wage job.

Delaware County receives very little financial support from the state of Ohio compared to the substantial economic benefit and tax revenue the

county's residents and businesses provide to the State.

Furthermore, the LSC State Spending Report classifies state subsidy and capital disbursements into six categories, including: Education; General Government; Health and Human Services; Justice and Corrections; Revenue Distribution; and Transportation and Infrastructure.¹⁴ Spending reported under the Revenue Distribution category consists of state tax revenues and other receipts distributed to local governments according to statutory formulas.¹⁵

Percentage State Spending by Category



Source: FY 2015 Ohio Legislative Service Commission State Spending by County Report

In FY 2015, the state disbursed \$34.43 billion in subsidies and capital funds for programs and projects in Ohio's 88 counties with 93.8% (\$32.29 billion) in the subsidy category and 6.2% (\$2.15 billion) in capital improvement projects.¹⁶ **When state spending is measured on a per capita basis, Delaware County ranks dead last among Ohio's 88 counties in the amount of state government expenditures they receive.**

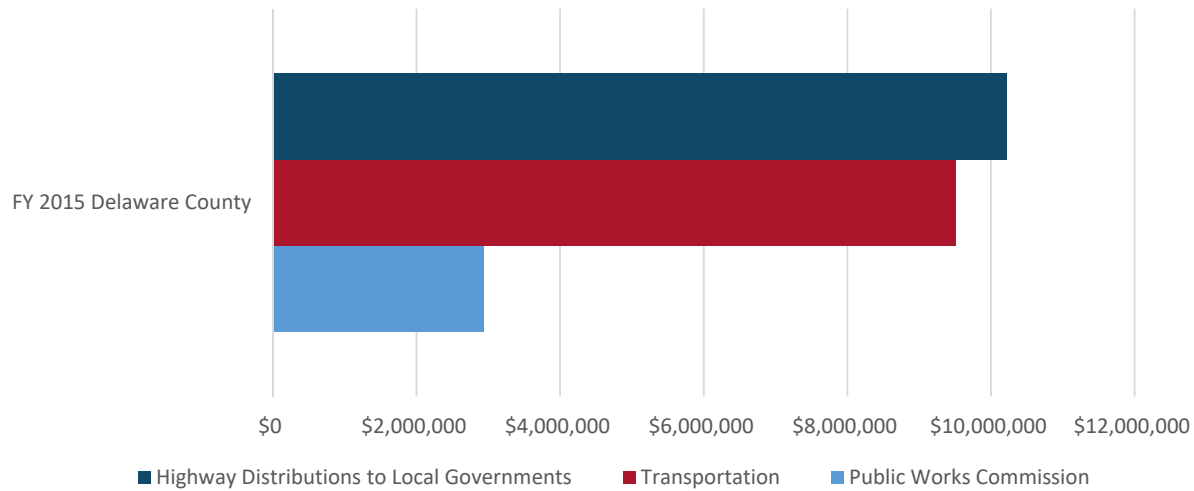
Ohio Counties with the Most and Least State Spending Per Capita, FY 2015

Rank	County	State Spending	Rank	County	State Spending
1	Athens	\$5882	84	Warren	\$1923
2	Pike	\$4493	85	Geauga	\$1767
3	Vinton	\$4414	86	Medina	\$1697
4	Scioto	\$4354	87	Holmes	\$1456
5	Gallia	\$4143	88	Delaware	\$1196

Source: FY 2015 Ohio Legislative Service Commission State Spending by County Report

In FY 2015, Delaware received a total of \$202,775,466 in state subsidy spending and only \$18,513,734 in capital spending for a total of \$221,289,199 in state spending. Even though Delaware County is the 15th largest county in the state by population, it ranked 35th overall among the counties in state government spending. The lack of state support in general for Delaware County's transportation and infrastructure compared to its sizable infrastructure gap is very troubling as well. As the chart below illustrates, in FY 2015, total state transportation and infrastructure spending in Delaware County only totaled \$22,654,316. Considering the growth and development in Delaware County in that fiscal year, that low state infrastructure spending total is incredible.

FY 2015 State of Ohio Transportation Spending in Delaware County



Source: FY 2015 Ohio Legislative Service Commission State Spending by County Report

It is not surprising that Delaware County is in the lower quarter of state spending measured by county considering the large state expenditure provided to the Medicaid Program and a school funding formula geared toward supporting low-wealth districts. Delaware County lacks a large Medicaid population and has high-wealth school districts compared to other counties. It is troubling that Delaware County is last in state expenditures and does not get more state resources to manage the challenges of growth than even Holmes County that is dominated by an Amish population that often does not interact with the state.

The reality Delaware County faces is they will not gain more state infrastructure spending unless a more organized approach is undertaken. Large urban communities such as Columbus have a registered lobbyist on City Hall staff, growing suburban communities such as Dublin, New Albany, Grove City, and Upper Arlington all have consultants serving as registered lobbyist focused on gaining state and federal resources. Even more troubling is economic competitors such as fellow “ex-urban counties such as Warren, Butler, and Clermont all have registered state lobbyist for the TID and numerous other local governments all over Ohio do the same.¹⁷ The lack of advocacy by Delaware County is harming efforts to gain funding. As an example, the Ohio Department of Transportation (ODOT) awards substantial highway funding tied to economic development through the Transportation Review and Advisory Committee’s (TRAC) process. A review of TRAC records indicates that even though Delaware County is busting beyond its seems, it does not appear there is a Delaware County project on the ODOT TRAC 2016-19 Major New Construction Program List.¹⁸ Cuyahoga County has three projects, Franklin County has two projects, and Summit, Belmont, Lucas Butler and Erie Counties all have one project to round out the top ten.¹⁹ With the number of state routes and a major interstate highway cutting through Delaware County, it is apparent Delaware County is not getting its share of state and federal infrastructure funding because it is not asking for it in an organized way.

To address the substantial infrastructure funding challenge, Delaware County needs to create a public-public-partnership funding plan to address and advocate for funding of transportation, utilities and site infrastructure in Delaware County from a variety of sources from the local, state and federal government from many if not all the program listed in the table below.

Local, State & Federal Government/P3 Infrastructure Finance Program

Funding	Program	Description
Local Program	Joint Economic Development District (JEDD)	Contractual agreements formed between local jurisdictions (cities and townships) to create a new board/political subdivision that is authorized to improve the economic vitality of an area by jointly planning for development, capturing income tax gained and funding project infrastructure.
Local Program	Downtown Redevelopment Districts	Funding gained from up to 70% of the property tax gain and redevelopment charges for up to a 10-acre district surrounding a certified historic structure to pay for historic building rehab, historic group operation, public infrastructure and tech companies if 100 gigabits of broadband service available.
Local Program	TIFs	Captures the planned growth in property tax of a specific development or district to fund defined infrastructure. TIFs are created by local governments through an ordinance or resolution that outlines the TIF timeframe, percentage of the improvement that will be exempted from real property taxes, planned projects at the site, boundaries of the project or district and requirement for Payment in lieu of taxes (PILOTs). TIF proceeds can then be used to pay for statutorily defined infrastructure that includes road construction, parking structure, improvements to water, communication, or sewage lines. ²⁰
Local Program	TIDs	Multi-local governmental entity reaching agreement on funding for a specific transportation project. During Fiscal Year 2015-16 ODOT is offering \$3.5 million in competitive grant funding to support TIDs and 20 Ohio TIDs are registered as doing so with ODOT. ²¹ TIDs fund improvements to streets, highways, parking facilities, freight rail tracks and necessarily related freight rail facilities, or other transportation projects that are newly constructed or improved as well as the administrative, storage, and other buildings or properties, and facilities the district needed for the operation of the TID. ²²
State of Ohio	Ohio Capital Bill	State funds for community projects that are for economic development, arts, cultural, sports or historical in nature. Community Project fund should include as much as \$100M. Must be of "capital" in nature and have some nexus or connection to state government or one of its agencies. Need to be of high quality supported by a well-thought out business plan. State capital bill community projects tied to economic development are driven locally to start and arts projects are driven by a statewide process. The Statehouse makes the final decision for state capital bill community projects so an effective lobbying effort is vital.
State of Ohio	Ohio PWC	Per capita transportation funding from gas tax proceeds competitively awarded through regional boards. Provides grant and loan programs for local communities for infrastructure improvements. ²³
State of Ohio	ODOT	TRAC process ranks potential economic development projects for highway projects over \$12M. Freeway interchange, lane additions, rail improvements, intermodal facilities, Intelligent Transportation Systems, and major transit projects are good targets for TRAC funding. SIB awards funding for highway, transit, aviation and rail projects. The SIB provides loans, loan guarantees, letters of credit, leases, interest rate subsidies, and debt service reserves to public and private entities for qualified transportation projects. ²⁴

State of Ohio	Ohio DSA	Alternate Storm Water Infrastructure Loans Program (ASWILP) that offers below-market interest rate loans for projects that promote economic development in an environmentally friendly manner.
State of Ohio	JobsOhio	JobsOhio Economic Development Grant was created to promote economic development, business expansion, and job creation by providing funding for eligible projects in the State of Ohio. Grant decisions are based on many project factors, including but not limited to job creation, additional payroll, fixed-asset investment commitment, project return on investment, and project location.
State of Ohio	OWDA	OWDA's Sewer and Water Pollution Control Project Loan provides financing to plan, design, and construct drinking water, wastewater, or storm water infrastructure. ²⁵
Federal Government	US Commerce Department Economic Development Administration	EDA provides a range of public infrastructure grants primarily by empowering distressed communities to revitalize, expand, and upgrade their physical infrastructure to attract new industry, encourage business expansion, diversify local economies, and generate or retain long-term, private sector jobs and investment.
Federal Government	US Department of Transportation	The Transportation Investment Generating Economic Recovery, or TIGER Discretionary Grant program, provides a unique opportunity for the DOT to invest in road, rail, transit and port projects that promise to achieve national objectives. Since 2009, Congress dedicated nearly \$4.6 billion for seven rounds of TIGER to fund projects that have a significant impact on the Nation, a region or a metropolitan area.
Federal Government/ PPP	EB 5	Entrepreneurs (and their spouses and unmarried children under 21) are eligible to apply for a green card (permanent residence) if they: make the necessary investment in a commercial enterprise in the United States; and plan to create or preserve 10 permanent full-time jobs for qualified U.S. workers and transportation projects have qualified for EB-5 investments as construction jobs qualify as job creation.
Federal Government/ PPP	New Market Tax Credit Program	Designed to increase the flow of capital to businesses and low income communities by providing a modest tax incentive to private investors. Over the last ten years, the New Market Tax Credit has proven to be an effective, targeted and cost-efficient financing tool valued by businesses, communities and investors across the country.

The time is right for Delaware County to gain infrastructure funding from these state and federal sources.

- The election of Donald Trump will likely spur the passage of a massive infrastructure program through either or both a P3/private equity model as proposed by Donald Trump or the development of a national infrastructure bank to be funded with additional gas tax revenues.
- The election of Donald Trump also creates substantially opportunities for states like Ohio that played a pivotal part in his election and he cited as needing financial support to redevelop.
- EB-5 Financing has recently been used to fund a major interstate highway project in Pennsylvania opening this source of global capital for use with revenue or non-revenue producing road projects.
- The state of Ohio is planning soon the introduction and passage of the Ohio Department of Transportation budget which creates substantial funding opportunities for Delaware County through the legislative process.
- The state of Ohio is also planning soon the introduction and passage of the bi-annual state operating budget which will include policy and budget decisions on infrastructure programs at the Ohio Development Services Agency, Ohio Water Development Authority, and Ohio Public Works Commission.



Both the existences of state and federal programs and the timing in the political process position Delaware County well to advocate in 2017 for additional state and federal funds as well as changes in targeted state and federal policies to support the funding of high-wage job centers.

Delaware County's state and federal infrastructure funding campaign should center on six critical steps whose goal is huge- to meet the \$500 M infrastructure gap demand. This work is part economic development advisor and part lobbyist. For each infrastructure challenge identified, Delaware County needs to develop a funding plan to build the infrastructure puzzle to match the uses of funding with local, state and federal government sources.

INFRASTRUCTURE FUNDING ADVOCACY MODEL



1. Project Definition- develop a positive message around development and job creation plans for the sites targeted for infrastructure development;
2. Funding Strategy: identify potential local public finance, state and federal funding opportunities for the sites targeted for infrastructure development;
3. Financial Model. conduct financial analysis for relevant public finance programs and research like past state and/or federal agency awards to build a finance model for the sites targeted for infrastructure development;
4. Project Applications. draft ordinances, and state and federal funding applications to gain financing for the sites targeted for infrastructure development;
5. Funding & Policy Advocacy. advocate for the support of infrastructure financing and policy changes from relevant local, state and federal officials to create infrastructure spending opportunities; and
6. Program Monitoring- file required reports following the award.

DELAWARE COUNTY ACTION STEP #3- STANDARDIZE DEVELOPMENT PROCESS INCLUDING COMMON ZONING STANDARDS AND TAX INCENTIVE AGREEMENTS WITH TOWNSHIPS, CITIES AND SCHOOL DISTRICTS WITHIN DELAWARE COUNTY FOR HIGH-WAGE JOBS

Delaware County Action Plan Tactic: Form an advisory board key partners in Delaware County to pursue common development standards.

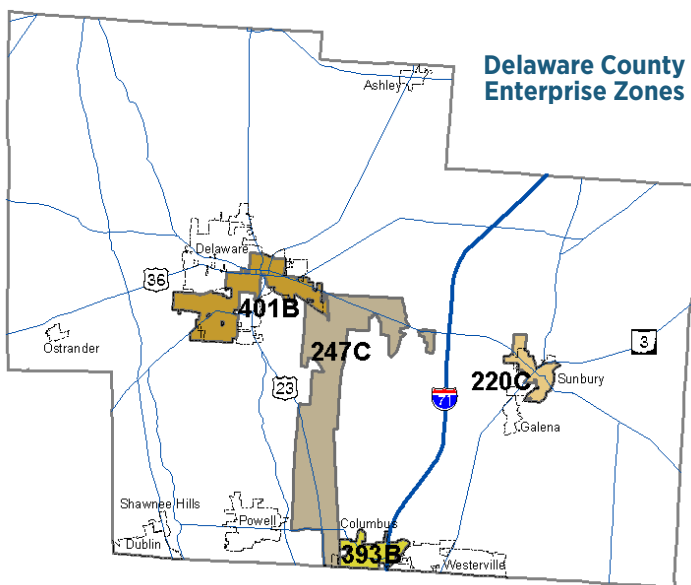
In order to standardize development processes there, need to be consensus across various organizations and levels of staff and leadership within those organizations to enact change. The only way that change will occur and standardization achieved is if those organizations can trust one another and can talk through issues and build upon them and enact practical solutions.

Delaware County Action Plan Tactic- Delaware County should coordinate the development of a common enterprise zone, CRA and TIF agreement for each of the four school districts within Delaware County.

Delaware County, like most growing Ohio communities utilizes a range of tax incentive programs to promote economic development. Prime among these incentives are Tax Increment Financing to develop infrastructure for sites or districts as well as tax abatements through the Community Reinvestment Area or Enterprise Zone Programs.

Ohio provides a range of economic development programs that local governments can provide. Counties, cities and townships in Ohio provide infrastructure finance, tax credits and tax abatements to incentivize economic development. Tax Increment Finance (TIF) is the most popular public finance tool used to finance public infrastructure for a planned economic development investment. In Ohio, TIFs are used by municipalities, townships, and counties for individual parcels, incentive districts and for urban renewal plans in “blighted” areas. TIFs are created by local governments through an ordinance or resolution that outlines the TIF timeframe, percentage of the improvement that will be exempted from real property taxes, planned projects at the site, boundaries of the project or district and requirement for Payment in lieu of taxes (PILOTs). TIFs fund infrastructure improvements by receiving PILOTs paid by private companies on the increased property value and using those payments to bond infrastructure payments. While not taxes, PILOTs operate in much of the same way as taxes as they are collected from private

companies and placed in a special fund. TIF proceeds can then be used to pay for statutorily defined infrastructure that includes road construction, parking structure, improvements to water, communication, or sewage lines. Local governments can enact TIFs on a single piece of property or multiple pieces of property that serve a public purpose and, large tracts, not exceeding 300 contiguous acres, can be aggregated to create an Incentive District TIF. Local governments may agree to exempt up to 75% of the value of improvements to real property from taxation for up to ten years for a TIF but exemptions at 100% for 30 years must receive impacted school board approval. In some cases, communities may use a non-school TIF. A non-school TIF captures a PILOT payment of only the portion of real property tax that is not paid to the school district and thus does not impact funding to a school district. A school district generally collects 60-70% of real property taxes.



Ohio's local governments have substantial economic development incentives they can award to companies making an economic development investment. These incentives include both tax credits and tax abatements. Local government tax credits generally are a refund of the municipal income tax that companies and their employees pay to a local government or school district. School district approval for these awards is not required. Ohio municipal tax credits related to job creation or retention or Joint Economic Development Districts are authorized to be matched with the

state of Ohio Job Creation Tax Credit. Tax abatements are site specific, their award prevents the payment of taxes based upon the location of a company at a specific site. Ohio local governments implement either an Ohio Enterprise Zone (EZ) or Ohio Community Reinvestment Area (CRA) to abate property tax as a reward for economic investment. The Ohio Enterprise Zone Program permits tax abatements on parcels of land as a tool to retain and attract companies to that location where a new investment is made. Ohio permits two types of enterprise zones: limited and full authority. Limited authority enterprise zones do not need to be in economic distress but do need approval from the Director of the ODSA. Full authority enterprise zones are in areas of economic distress and do not need a relocation waiver from ODSA. Ohio Enterprise Zone's create four levels of tax abatements: principal city or urban cluster city distressed zone; principal city or urban cluster city non-distressed zone; county designated non-distressed zone; and county designated distressed zone. Municipalities and county governments create enterprise zones that provide an exemption from property taxes up to 60% in the enterprise zone for up to 15 years. Ohio enterprise zones can exclude up to 75% of the assessed value of tangible personal and real property

first used in business at the project site as a result of the agreement for 15 years for an economic expansion in the designated enterprise zone site. Remediation of a Brownfield site qualifies for an enterprise zone tax exemption real property taxes 50% of the assessed value of the real property of the facility prior to remediation and 100% of the increased assessed value of the real property for up to 15 years. A 100% real property tax exemption is also permitted if a manufacturing facility is placed in an enterprise zone or CRA. Finally, other non-manufacturing investments in an enterprise zone or CRA can be granted a 100% property tax exemption with notice and approval from the impacted public school board.

Delaware County is very active in this use of CRAs, Enterprise Zones and TIF agreements.

Delaware County Tax Incentives

Enterprise Zones	Enterprise Zone Agreements	Community Reinvestment Area Districts	Community Reinvestment Area Agreements	Tax Increment Financing Agreements
4	5	7	19	27

These three economic development programs in use in Delaware County can require school board approval for more substantial incentives. Delaware County is served by four school districts:

- Olentangy Local Schools;
- Delaware City Schools;
- Buckeye Valley Local Schools; and
- Big Walnut Local Schools.

To ease development and protect the funding stream for these Delaware County schools, common enterprise zone, CRA and TIF agreements should be developed for each of these school districts to allow for certainty in the business and development community for residential, office/industrial or retail development. Predictability in the incentive process would be a benefit for the region and the developers alike. Each school district should develop an advisory board reporting to the Treasurer and the School Board that will be tasked with reviewing annually the effectiveness of CRA and TIF development agreements. The advisory board will make recommendations to the Treasurer and the School Board for making sure that these agreements are having the desired effect that they were set out to achieve and that they are in line with the development and infrastructure goals of the School District and the County.

Delaware County Action Plan Tactic– Delaware County should coordinate the development of a common set of township tax incentives and zoning regulations to better foster economic development and protect the region's quality of life.



Delaware County is home to several cities and townships connected to economic development. These cities and townships are often “ground zero” in battles with developers in the region. While townships in general lack the economic development tools of municipalities under state law, townships do play a major role from the standpoint of zoning and infrastructure development. Several Delaware County townships are enjoying substantial growth. The Delaware County townships would benefit from the adoption of a common set of tax incentive agreements to outline what the terms of economic development will be. The same common approach with zoning could be taken. Delaware County’s townships would benefit from coordination rather than competition amongst each other. A set of tax incentive guidelines are included for reference as Appendix B in this report.

Delaware County Action Plan Tactic – Delaware County should work with its most heavily populated townships to develop a common set of planning and zoning standards and processes that includes aligning zoning codes.

Along with certainty and predictability of incentive and development agreements, businesses like to know with some level of security the time and effort the zoning and planning process will take. Delaware County has had some notable battles for all levels of development that was largely due to lack of certainty with the zoning and planning process. Business moves at a fast pace and government should meet that pace.

LONGER TERM IDEAS

An economic development strategy worthy of consideration that is longer term in nature as it applies to Delaware County involves an entrepreneurship strategy and a marketing strategy. These initiatives are included below for future reference once the initial plan is implemented.

GROW INWARD BY INVESTING IN ENTREPRENEURSHIP

Delaware County needs to grow inward through developing historic properties within a municipality to develop the Delaware County Entrepreneurism Center. Delaware County lacks a coordinated effort to develop and attract early stage technology companies that are the economic future of many regions across the United States. As the regional map below illustrates, many suburban Columbus competitors such as Dublin, New Albany, Gahanna as well as the City of Columbus and even more rural regional competitors such as Delaware County and Marysville and Bellefontaine are implementing a technology based economic development strategy at some level. Delaware, with a substantial population of college educated residents and a high per capita income, is well positioned to become a magnet for technology oriented jobs. However, those jobs will not grow themselves and a strategy needs to be implemented that nurtures this company growth.

The recent passage of Ohio House Bill 233 creates a new opportunity to fund the operation of the Delaware Entrepreneurism Center. Under HB 233, Ohio municipal corporations can create downtown redevelopment districts (DRDs) and innovation districts to promote rehab of historic buildings if a city has a certified historic structure, creates a district as large as 10 contiguous acres around that historic structure and develops a DRD economic development plan. Six steps exist to redevelopment historic property using DRDs.

Delaware County Action Plan Tactic- identify a historic structure within a municipality, gain its certification as historic if it has not already been done so and develop a capital and operations budget to operate the Delaware County Entrepreneurism Center out of the facility.

Historic Preservation Certification and Renovation Plan. There is no DRD historic structure redevelopment without a certification that the building is in fact historic in nature. DRD historic certification is accomplished through four different routes including if a building is on the National Register of Historic Places, contributes to a National Register Historic District, located in a National



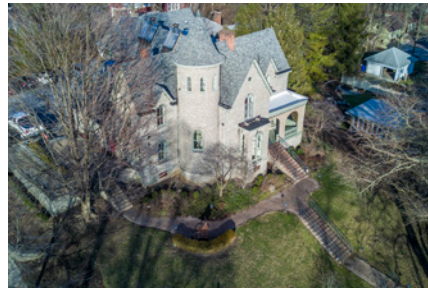
Park Service Certified Historic District or a Certified Local Government Historic District. Historic preservation certification also requires an approved renovation plan to keep historic building “historic.”

Delaware County Action Plan Tactic- the municipality of the chosen location for the Delaware County Entrepreneurism Center must adopt a DRD Plan and define the 10-acre area around the chosen historic site that will provide the tax revenue and development charges needed to fund the planned Innovation District.

Complete a DRD and Innovation District Economic Development Plan. DRD districts must have an economic development plan. A DRD economic development plan should consist of identification of the redevelopment costs of the project including building, infrastructure and operations, financial modeling of the parcels within 10 acres surrounding the historic structure and review of other tax credits, grants, loans and private contributions to address those costs, a site development plan that considers the economic potential of the DRD through commercial, mixed use and research market research, determines the DRD broadband service to see whether the DRD qualifies as an Innovation District, and outlines that local government process and agreements needed to formally create a DRD.

Delaware County Action Plan Tactic- the municipality of the chosen location for the Delaware County Entrepreneurism Center needs to determine the level of tax exemption and development charges that will produce the capital and operations funding needed to operate the Entrepreneurism Center.

Adopt a DRD financial model. Next, the municipality must adopt a DRD financial model addressing the building, infrastructure and operational costs in the DRD. These costs will be funded through a collection of service payments in lieu of taxes from a property tax exemption that is equal to 70% of the increased value of real property in the DRD and redevelopment charges assessed to property owners within the DRD- both of which may be levied without property owner approval. The DRD may not be exclusively residential and may only last for 10 years or 30 years with school board approval. Additional funding for the DRD buildings and districts can be gained from federal and state historic preservation and new market tax credits and state of Ohio Capital Bill Community Project funding.



Delaware County Action Plan Tactic- the municipality of the chosen location for the Delaware County Entrepreneurism Center needs to determine the level of broadband service available in the 10-acre area of the DRD to ensure it has 100 gigabits of download speed and negotiate enhanced broadband service if it fails this test.

Build a DRD Innovation District. DRDs with a 100-gigabit broadband level or higher can become an Innovation District. Innovation Districts not only can use DRD generated funds for building renovation, infrastructure finance and the operation of historic district organizations but they can fund the operation of high-tech companies through grants and loans. The Innovation District designation can ignite a tech-based economic development project by providing the capital needed for early stage capital tech companies.



Delaware County Action Plan Tactic– the municipality of the chosen location for the Entrepreneurism Center needs to adopt a DRD ordinance, hold a public hearing on the ordinance and file annual reports on the DRD with the Ohio Development Services Agency.

Adopt the DRD District Ordinance, Public Hearing & File Annual Reports. DRDs are created through a city ordinance describing the area included in the district, the number of years the DRD will exist, the economic development plan, ID of the historic building (s) in the district, potential designation of an innovation district within a DRD, establishment of a special fund for the deposit and dispersal of service payments and redevelopment charges, and acknowledgement that city must file an annual DRD report to the Ohio Development Services Agency. Finally, the city must hold a public hearing on the proposed DRD ordinance and give notice of the hearing to each property owner in the district.

Delaware County Action Plan Tactic– the municipality of the chosen location for the Delaware Entrepreneurism Center needs to negotiate agreements with the building owners, school board and other local funders of the Delaware Entrepreneurism Center.

Negotiate DRD Agreements with building owners, school board and other funders. Following passage of a DRD ordinance, municipalities should enter into various agreements with building owners, school board and other funders of the project. Examples of these agreements include local government and school board revenue sharing agreements, development agreements with DRD participants to outline funding terms of the public-private-partnership and grant and loan agreements from other outside public and private sector funding sources.

CREATE AND FOSTER PARTNERSHIPS WITH COUNTY BASED ORGANIZATIONS TO MARKET THE VALUE OF HIGH-WAGE JOBS TO DELAWARE COUNTY RESIDENTS AND MARKET THE REGION TO TARGETED INDUSTRIES.

Delaware County Action Plan Tactic – Delaware County needs an “economic development action team” that includes additional executive and administrative staff that works in concert with Delaware NOW, Delaware County Finance Authority, and the Delaware County Chambers of Commerce to carry out the action step.

Delaware County has tremendous opportunity to assist in growing its existing business as well as attracting new business. The County needs to implement a strong Business Retention and Expansion program and market the County to targeted industries. This will take time and effort and require team members and team leaders who are committed and working on a daily basis toward the top line economic development goals for 2030. The County has organizations that stand ready to assist in the efforts including Delaware NOW, the Delaware Finance Authority and the Delaware County Chambers of Commerce.

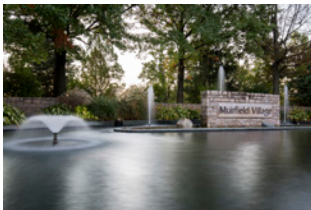
Delaware County Action Plan Tactic– Delaware County needs to be the central point for the launching of a county wide BR&E Program coordinated with local and regional economic development leaders.

Approximately 80% of a region's new jobs come from existing companies. That fact shapes the marketing strategy for any economic development plan. Delaware County needs to implement a Business Retention and Expansion Program (BR&E Program) coordinated with local municipal economic development leaders, Chambers of Commerce and Columbus 2020 with the goal of keeping and developing new high-wage jobs in the region. Phase 1 of this BR&E Program is funding the effort to ensure proper staffing is available. Phase 2 of this BR&E Program is identifying local companies in the area that are growing in the area of in jeopardy of leaving the area to create a list in which the local economic development leaders should visit and the developing a common BR&E survey instrument for use with all the companies in which local economic development officials will visit. Phase 3 is meeting with local company executives to gather input using the common business survey about what issues their company is facing and how local economic development officials can help these companies grow in the region. Phase 4 is solving problems

the company identified. Problem solving may involve helping the company gain access to capital, address a regulatory issue, gain better transportation access or other business and policy issues.

Delaware County Action Plan Tactic- The Delaware business community in partnership with Delaware County needs to raise \$250,000 annual to fund a constant marketing campaign on efforts to retain and attract high-wage jobs while addressing critical infrastructure challenges caused by the county's substantial growth.

Delaware County has a unique challenge of marketing to its residents the value of high-wage jobs. The large influx of residents has created “development fatigue” with many residents. The battle over the “next retail strip center” however has a negative impact as well on the retention and recruitment of high-wage jobs. Delaware County must address this challenge by marketing first to their residents the plan to attract high-wage jobs and the effort to address traffic and infrastructure concerns at the same time. Delaware Now is a private group of Delaware business leaders ready made to lead this marketing campaign. Public and private funding could be gathered to communicate the Delaware County economic development plan and to continually promote the benefits of high-wage job creation.



Delaware County Action Plan Tactic- Delaware County and the Delaware business community needs to develop a Delaware County brand image and message directed first to local residents highlighting the benefit of high-wage jobs to the region.

Delaware County needs to implement a comprehensive community marketing campaign at high-wage targeted industry clusters. Business attraction campaigns are focused on companies not in the region. Business attraction campaigns start with an industry cluster analysis so local economic development leaders can focus on industry strengths and create a targeted marketing campaign. Next, a community message is created, prospect companies are identified, and a strategy to connect with these prospective companies is developed. The economic development marketing message may focus on the strength of a particular industry cluster, large pool of workers, unique site or special tax advantages of a region

Delaware County Action Plan Tactic- Delaware County needs to develop a Peer to Peer Campaign by gaining local business leaders as advocates within their supply chain and industry as well for potential new projects considering the region.

An important step in business attraction campaigns is gaining local companies as an advocate for prospective development. As advocates, they can provide introductions to key suppliers with an interest to be more closely connected with their business. Delaware County is blessed with a substantial base of companies and strong local leadership supportive of growth in the region. This local asset needs to be harnessed to recruit more companies to the region.

Finally, a business attraction campaign launches a marketing campaign geared toward the targeted companies on a regional or state prospect list. The elements of this economic development marketing campaign for Delaware County are many.

Delaware County Action Plan Tactic- Delaware County in conjunction with the Delaware business community should launch an aggressive attraction campaign using digital, earned and paid media as well as targeted individual pitches tied to key industries of interest.

Delaware County's Economic Development Marketing Campaign

Campaign Element	Element Description
Digital Marketing	Online advertising and inbound/outbound marketing to drive traffic to the local economic development website; may include social media campaigns, strategic content development, marketing automation, AdWords and LinkedIn advertising to targeted industries of advanced manufacturing, high technology, research & development, headquarters, and healthcare
Award Campaign	Application for and gaining high rankings in key awards given by groups of interest to the targeted industries
Hosting Special Events	Participation in targeted industry trade association events such as the Industrial Asset Management Council, Site Selection Guild and CoreNet events which are populated by national corporate site location consultants
Media Relations/Publicity	Media story placement strategy that promotes a region to the targeted industries of interest in key industry trade publications and corporate site selection magazines targeting energy intensive industries
Advertising Industry Trade Publications	Advertisement strategy to targeted industries trade publications
Direct mail	Direct mail campaign communicating the region's benefits to the targeted industries
Telemarketing-	Telemarketing campaign to coordinate conversations with the companies targeted and local and state economic development leaders
Region-related marketing	Coordination with Columbus 2020 to leverage the well-established Columbus Region marketing initiative

APPENDIX A: COMMUNITY AND BUSINESS LEADER QUESTIONNAIRE

Delaware County has experienced tremendous growth over the last two decades becoming the fastest growing county in Ohio and in the top ranks for growth of counties in the nation. The Delaware County Commissioners have decided to engage in the process of developing an economic development action plan in order to keep that momentum going, stay in the top tier of communities statewide and nationally, and to make sure that it is addressing the needs of its residents and stakeholders.

As a community/business leader in the Delaware County you are being asked to think through the following questions and provide your thoughts and ideas about where Delaware County is today, what has worked in the past, and the path Delaware County needs to go down to ensure wealth is created for communities, businesses and individuals for the next decade.

1. What is your understanding/impression of economic development efforts of Delaware County?
How would you rate its effectiveness?
2. What should be done to attract and retain young people in Delaware County?
3. In your view, what are the priority issues/problems, which currently impact Delaware County's economic growth potential?
4. What are the top three (3) objectives which need to be successfully accomplished during the next several years for Delaware County's economic development program to be viewed as very successful?
5. What areas of the County should be a focus for economic development?
6. What sectors should we focus on to encourage economic growth (manufacturing, warehousing, retail, housing)?
7. Should the county make significant investments in fiber, sewer/water and road infrastructure to encourage growth in defined areas of the community?
8. What is the appetite from the private sector to invest in economic development efforts? What is their appetite to invest and partner in development projects?
9. Will the community continue to support the use of tax abatements and public finance tools like Tax Increment Financing to encourage development and fund infrastructure?

APPENDIX B: GUIDELINES FOR ECONOMIC DEVELOPMENT ASSISTANCE

Delaware County is well positioned to support new commercial and residential growth and to provide for the needs of a growing Central Ohio. The Delaware County Economic Development Department is dedicated to attracting new investment opportunities and assisting the private sector with creating jobs and tax revenue that will benefit the community it serves. The community's location allows businesses and residents the ability to quickly and easily access the key transportation networks that service the greater Columbus region. This provides businesses and developers that choose to invest in the county the ability to secure workers with desired skills and to provide needed services to a wide range of clients. The department is ready and willing to help support those projects/companies that are interested in bringing jobs to the county, enhancing the quality of life in the region and investing in the community.

There are seven main financial-based economic development programs that can be made available to organizations seeking to bring commercial growth to the county, including:

1. Tax Increment Financing,
2. Community Reinvestment Areas,
3. Enterprise Zones,
4. Joint Economic Development Districts (JEDD),
5. PACE and
6. Designated Special Improvement Districts (TID, ED and others)
7. Direct county financial support,

The availability of these programs is limited to those projects that will help grow the economic base of the community. Due to the nature and structure of New Community Authorities, they have not been included in this overview. This document discusses targeted industries/sectors. The target industry sectors for the County are below:

1. Medical
2. Professional Office
3. Manufacturing/Logistics
4. Technology
5. Retail

The following is an overview of the policies that are used by the department to review requests made by individuals seeking the support of Economic Development Assistance Programs:

TIF:

1. Tax Increment Financing (TIF) is a public financing method that is used to support redevelopment, development, and other community-improvement projects that will enhance the community. TIF does not forgive the property owner's responsibility to pay taxes associated with the property; TIF allows for the redirection of these payments to public infrastructure that helps support the development project. It is important to note that all entities receiving property tax dollars from a site will not see any decrease in their property taxes due to a TIF being established on a site.
2. TIFs have been used by Delaware County to support new development projects throughout the community. If a company/organization is interested in investing in a new development/redevelopment project within the county, they may qualify to receive a TIF.
 - a. The project must require improvement/construction of public infrastructure, development of a new office building, creation of new jobs and/or new tax revenues to the community. Further, requests to receive a TIF will be viewed more favorably if the requested public infrastructure project is contained within the County's Capital Improvement Plan (CIP).
 - b. TIFs will be predominantly used to support commercial projects. If a TIF is used for a residential project, at least one of the following scenarios must be present and a multitude should be present:
 - i. Non-internal development infrastructure
 - ii. Supported by local jurisdiction
 - iii. Supported by local school district
 - iv. Supported by local fire district
 - v. Infrastructure adheres to existing plans
 - vi. Generates funds for additional infrastructure
 - vii. Mills added to the property (not required but highly recommended)
 - viii. Real property reverting to taxable status (not required but highly recommended)
 - ix. Dedication of real property to public body (not required but highly recommended)

Please see the attached list of entities that are required to receive funds when a residential TIF is created

3. Guidelines for Implementation – not all criteria need to be achieved
 - a. Commercial TIF
 - i. New construction
 - ii. End-user is located within a target industry
 - iii. Benefit to infrastructure
 - iv. School District support (critical for residential TIF's)
 - v. Local jurisdiction support
 - vi. Creation of new jobs and/or new taxable dollars to the community

CRA:

1. The Community Reinvestment Area (CRA) program is an economic development tool that provides real property tax exemptions for property owners who renovate existing or construct commercial buildings. The county or local jurisdictions must authorize a CRA before a company can secure an agreement to receive a tax abatement. It should be noted that a CRA does abate a percentage of property tax. This is unlike a TIF, which redirects the property tax.
2. CRAs have been used by the county to support new development projects throughout the community. If a company/organization is interested in investing in a new development/redevelopment project within the county, they may qualify to benefit from a CRA.
 - a. The request to establish a CRA or benefit from an existing CRA will be viewed favorably when the project is oriented toward creating Class A office space; developing an industrial project; or pursuing a large-scale regional project. Mixed-use projects may be eligible for a CRA, especially when they are focused on downtown redevelopment.
3. Guidelines for Implementation – not all criteria need to be achieved
 - a. CRA
 - i. New construction
 - ii. End-user is located within a target industry
 - iii. School District support – This item is critical given the abatement of property taxes
 - iv. Local jurisdiction support
 - v. Creation of new jobs and/or new taxable dollars to the community

ENTERPRISE ZONE:

1. Enterprise Zones are used by counties and municipalities to provide property tax exemptions for improvements to real property and/or acquisition of personal property. The tax exemption applies to the increased value of the property as a result of the improvements or the acquisition of the personal property. Enterprise Zones can help with attracting industrial and other commercial tenants to an area.
2. County zones must have a population of 4,000 or be located in a county having a population of 300,000 or less. The exemptions can range up to 15 years and not more than 60 percent of the increase in the assessed value of the real property. Other assistance can also be provided for a 15-year period. It should be noted that if a business is relocating from within Ohio, the state does need to authorize the granting of an exemption.
3. Guidelines for Implementation – not all criteria need to be achieved
 - a. Enterprise Zones
 - i. New construction

- ii. End-user is located within a target industry
- iii. Local jurisdiction support
- iv. Creation of new jobs and/or new taxable dollars to the community

JEDD:

1. JEDDs are contractual agreements formed between local jurisdictions (cities and townships) to create a new board/political subdivision that is authorized to improve the economic vitality of an area. A JEDD allows a municipality to extend its ability to implement an income tax to a township. JEDDs must “facilitate economic development to create or preserve jobs and employment opportunities and to improve the economic welfare of the people in the state and in the area of the contracting parties.”
 - a. JEDDs help to alleviate the need for municipalities to annex land from townships.
2. JEDDs are formed with the consent of the property owners and agreement by the partnering local jurisdictions. The agreement contains the terms by which the JEDD will be governed, including income tax sharing arrangements and the authority of the JEDD’s board. If the JEDD is authorized without the full consent of the township trustees, it must move forward to a vote.
 - a. Land cannot include residential property or land zoned for residential use.
3. JEDDs should be supported by the county when funds are being provided to the county to undertake public infrastructure improvement projects. As the entity, responsible for constructing sanitary sewers and roads (as well as other improvements), the county can receive reimbursement through the JEDD for certain services. The county can also help with the administrative responsibilities of the JEDD’s board.

PACE:

1. The Delaware County PACE Program, which will be administered by the Delaware County Finance Authority, provides financing for energy-related improvements for existing real estate property located in Delaware County, Ohio. The Program will reduce the borrower’s operating costs through energy cost-savings and will allow the borrower to secure the funds in a manner that keeps the debt off the borrower’s financial statements. The PACE financing is paid by the property owner through special assessments levied on the property. The program can provide up to 100 percent fixed-rate financing for a term not to exceed 20 years, depending upon the type of improvements.
2. The following is a list of those entities/individuals that could apply to the Finance Authority to receive support under this program: Developers, Commercial Property Owners, Business Owners, Non-Profit Organizations and Governmental Entities

3. The following is a list of eligible improvements: heating and cooling improvements, roofing, building insulation, energy efficient windows, solar and geothermal improvements, lighting, energy management system and other improvements that could affect the use of energy.
4. Funds for this program will be based on Delaware County's decision to invest in this program. Also, on possible partnerships that can be structured with regional partners.

DESIGNATED SPECIAL IMPROVEMENT DISTRICTS:

1. There are multiple types of Special Improvement Districts (SID) that can be created to encourage new investments to occur within the County. Some of these SID's that can be established are Transportation Improvement Districts, Entertainment District, and Historic Technology Districts. These Improvement Districts allow government entities to combine funds from local, state and federal entities to address infrastructure demands, issue a greater number of certain permits to encourage new development and to reallocate property taxes to develop and support activities that grow the economy. The Economic Development Department will analyze each request on a one by one basis. The Department will engage all affected parties before issuing its recommendation to the County Commissioners

FINANCIAL SUPPORT:

1. The department is willing to support financial assistance to attract those companies that are within the target industries/sectors. The department desires to encourage growth of professional jobs within the community through business expansion and attraction efforts. The department will base the level of financial support it advocates for based upon the projected level of investment in the community and the jobs created.
2. The department will support the use of financial assistance to retail companies that are regional in nature. This financial assistance will be based on the projected sales tax that project will generate for the county.
3. The department will expect any project receiving financial assistance to work in partnership with the varying organizations in the community that oversee development efforts.
 - a. Appropriate staff from varying jurisdictions will provide recommendations to the applicant regarding steps that could help improve the project's pedestrian appeal, exterior aesthetics, parking accommodations and other items that are of importance to the community
4. The department has established some general guidelines for determining when a request for financial assistance should be supported:
 - a. The company should have a payroll of at least \$10 million or more
 - b. The receiving party is also the property owner

- c. The project will result in significant development/redevelopment of an existing building or property
- d. The company being attracted to the community is within one of the target industries/sectors
 - i. Pending finalization of the Action Plan
- e. Financial support issued by the department should only be a fraction of the overall project costs
 - i. The community as a whole should experience a significant gain in investment over the funds that are provided to the business
- f. The financial support provided for a party should be repaid in three to five years

ENDNOTES

1. See David Aschauer, “Public Investment and Productivity in the Group of Seven,” *Federal Reserve Bank of Chicago, Economic Perspectives*, 13 (September/October, 1989a) 177-200.
2. See Alicia Munnell, “How Does Public Infrastructure Affect Regional Economic Performance,” *New England Economic Review* (September/October 1990) 11-32.
3. Kevin T. Deno, “The Effect of Public Capital on U.S. Manufacturing Activity: 1970-78,” *Southern Economic Journal*, 55 (October, 1988) 400-411.
4. See Brian Berry and John Parr, *Market Centers and Retail Location Theory and Applications* (Engelwood Cliffs, New Jersey; Prentice Hall, 1988).
5. R.C. 5540.02(B)
6. Ibid.
7. R.C. § 5540.02(C)(1).
8. R.C. § 5540.02(C)(2).
9. See <http://easterncorridor.org/projects/sr-32-eastgate/sr-32-eastgate-project-overview/>
10. R.C. 5540.02(A), (B)
11. R.C. 5540.03(A)(5)
12. R.C. 5540.60(A)
13. Transportation Improvement Districts,” ODOT, <https://www.dot.state.oh.us/Divisions/JobsAndCommerce/Pages/TID.aspx>; “Transportation Improvement District Annual ODOT Grant Program,” ODOT, <https://www.dot.state.oh.us/Divisions/JobsAndCommerce/TID%20Resources/SFY16%20Program%20Summary%20and%20Application%20Directions.pdf>.
14. Ibid.
15. Ibid.
16. Ibid.
17. <http://www2.jlec-olig.state.oh.us/olac/Reports/SearchGrid.aspx>
18. http://www.dot.state.oh.us/trac/TRAC%20List/2016.01.28_FINAL_2016-2019_MAJOR_NEW_PROGRAM_LIST_APPROVED.pdf
19. Ibid.
20. R.C. § 5709.40(A)(7).
21. “Transportation Improvement Districts,” ODOT, <https://www.dot.state.oh.us/Divisions/JobsAndCommerce/Pages/TIBID.aspx>; “Transportation Improvement District Annual ODOT Grant Program,” ODOT, <https://www.dot.state.oh.us/Divisions/JobsAndCommerce/TID%20Resources/SFY16%20Program%20Summary%20and%20Application%20Directions.pdf>.
22. R.C. 5540.02(A),(B)
23. “Capital Improvements Report,” Ohio Public Works Commission (May 2004) <http://www.pwc.state.oh.us/Documents/CIRManual.pdf>.
24. R.C. 5531.09(B).
25. “Summary List,” Ohio Water Development Authority, <http://www.owda.org/owda0001.asp?PgID=pi-summary>.