



Report to Athens County Commissioners

January 26, 2021

The **Athens County Economic Development Council's** mission is to be a catalyst for quality jobs and progress in Athens County and throughout the region by creating a seamless network of economic development resources through partnerships with government, business, and nonprofit organizations.

2020 Overview

Throughout 2020, the ACEDC has:

1. Assisted local businesses to grow and expand operations
2. Secured significant investments for economic development projects
3. Implemented educational programs that create understanding around the importance of economic development
5. Facilitated the creation of the Seaman's Downtown Redevelopment District
6. Continued efforts around broadband expansion in southeast Ohio
7. Engaged in critical site development work that will support business expansion and jobs
8. Supported talent retention efforts within the Athens community
9. Managed TIF and City/County Revolving Loan Fund programs
10. Administered the Athens County COVID-19 Small Business Relief Fund
11. Provided educational opportunities for entrepreneurs

Despite the economic implications of COVID-19, the ACEDC secured over \$4,000,000 from state and federal sources throughout 2020.

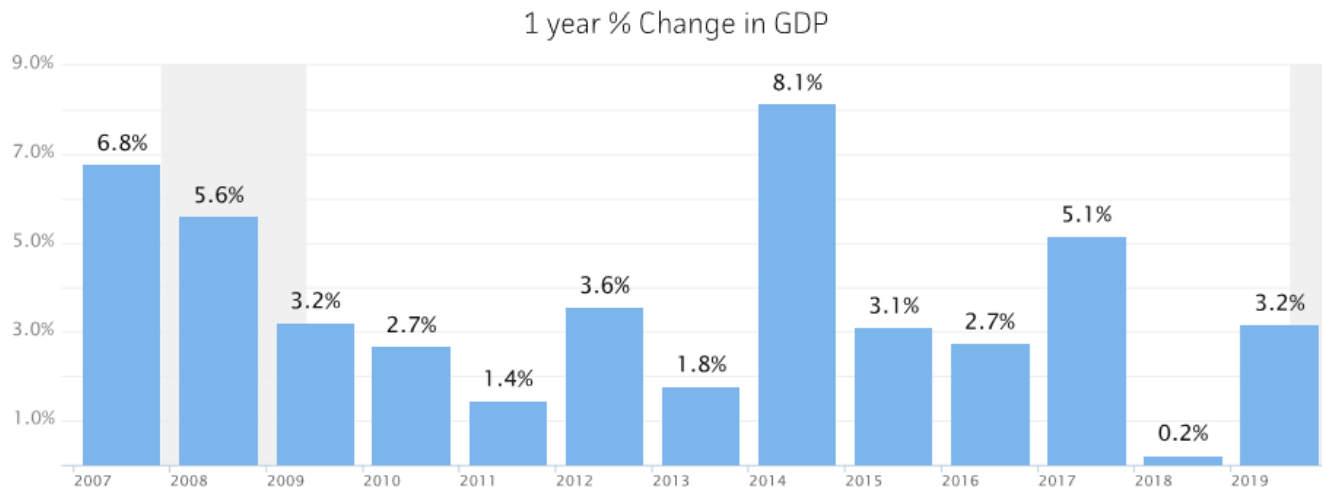
This funding went directly to companies and businesses for infrastructure improvements and workforce needs required to facilitate job retention & creation.

Program	Funding Secured
JobsOhio Revitalization Grant	\$300,000
JobsOhio Sites Initiative Program Funds	\$2,892,000
JobsOhio Talent Acquisition Grant	\$25,000
CARES Act Funding for Small Businesses	\$256,092.93
Workforce Retention Forgivable Loans	\$500,000
OhioSE Sites Support Funding (drone footage)	\$10,000
JobsOhio Inclusion Grants	\$50,000
Enterprise Zone Tax Abatements	Value TBD
Program Sponsorships	\$1,275
Entrepreneurial Development Group L&Ls	\$525
Young Athens Professionals	\$750
Ohio DSA COVID-19 Assistance	Value TBD
Total ED investment in Athens County, 2020	\$4,034,367.93

Strategic Planning & Economic Trends

The ACEDC updated its 2016 strategic plan this year. Given the toll COVID-19 has had on our economy, this was an opportunity to revisit some of our strategic objectives to better address recovery efforts. Findings and analyses from the research phase include:

- The Athens County unemployment rate for the month of June 2020 is 9.8% and is below both the national average (11.1%) and the state of Ohio average (10.9%).
- Athens County's economy has grown year after year since 2007 when measuring Gross Domestic Product. Growth slowed to just 0.2% in 2018 but bounced back to 3.2% in 2019 as seen in the graph below.



Strategic Planning & Economic Trends Cont.

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Over the past 5 years there have once again been several sectors that have experienced considerable employment growth:

- Machinery Manufacturing at 127%; Construction of Buildings at 89%; Beverage and Tobacco Product Manufacturing at 84%; Wholesale Electronic Markets, Agents, and Brokers at 62% growth; Transit and Ground Passenger Transportation at 56%; Amusement, Gambling, and Recreation Industries at 52%

Sectors that have experienced mid-level growth include:

- Waste Management and Remediation Services at 48%; Telecommunications at 46%; Nonstore Retailers at 42%; Chemical Manufacturing at 36%

Workforce Trends

Whereas we've made modest progress in increasing median household incomes and per capita incomes. Athens County's poverty rate remains well above state and national averages.

Workforce Statistics	Athens County	Ohio	US
Civilian Labor Force	27,100	5,727,500	161,370,000
Employed	24,800	5,206,200	99,242,550
Unemployment Rate	8.4%	9.1%	10.2%
Median Household Income	\$37,778	\$54,533	\$60,293
Per Capita Income	\$20,745	\$30,304	\$32,621
Poverty Rate	30.7%	13.9%	11.8%
High School Graduate or Higher	89.6%	90.1%	87.7%
Bachelor's degree or Higher	29.7%	27.8%	31.5%

Workforce Statistics	Athens County, 2019	Athens County, 2016
Civilian Labor Force	27,100	30,038
Employed	24,800	26,580
Median Household Income	\$37,778	\$33,778
Per Capita Income	\$20,745	\$17,069
Poverty Rate	30.7%	30.0%
High School Graduate or Higher	89.6%	89.0%
Bachelor's degree or Higher	29.7%	29.0%

Business Retention & Expansion Spotlight

The EDC worked closely with Athens Mold & Machine, the City of the Athens, Athens County, and JobsOhio/OhioSE to support AMM's aluminum foundry expansion into the county-owned ATCO building. This not only spurred economic activity at the previously unoccupied ATCO building, but created manufacturing jobs and capital investment within the City as well.

Company Investment

- 30 new full time, permanent jobs
- 53 retained full time, permanent jobs
- Minimum project investment: \$956,502.
- Average wage of \$22/hour
- Annual payroll: \$1,976,908
- **Sales/Output Impact : \$8,060,479**
- **Compensation Impact: \$2,802,279**

Secured Project Funding:

- JobsOhio Talent Acquisition Grant: \$25,000
- JobsOhio Revitalization Grant: \$300,000
- AMM will also benefit from future development along Stimson Avenue through the creation of the Bobcat Opportunity Fund (opportunity zone program)



Stepping up in the face of COVID-19

Global Cooling Stirling Ultracold continues to be an Athens County success story. Given the nature of the Stirling engine technology, their freezers are playing a key role in COVID-19 vaccine distribution. Global Cooling was featured in a NY Times article on December 15...

Potential investors are constantly calling Stirling Ultracold, whose freezer equipment is powering UPS's "freezer farms" in Louisville, Ky., and the Netherlands, where vaccines will be stored. "There's not a day that goes by" that an inquiry doesn't come in, said Dusty Tenney, Stirling's chief executive, who is running his Athens, Ohio, production lines around the clock.



ACEDC COVID-19 Assistance Initiatives

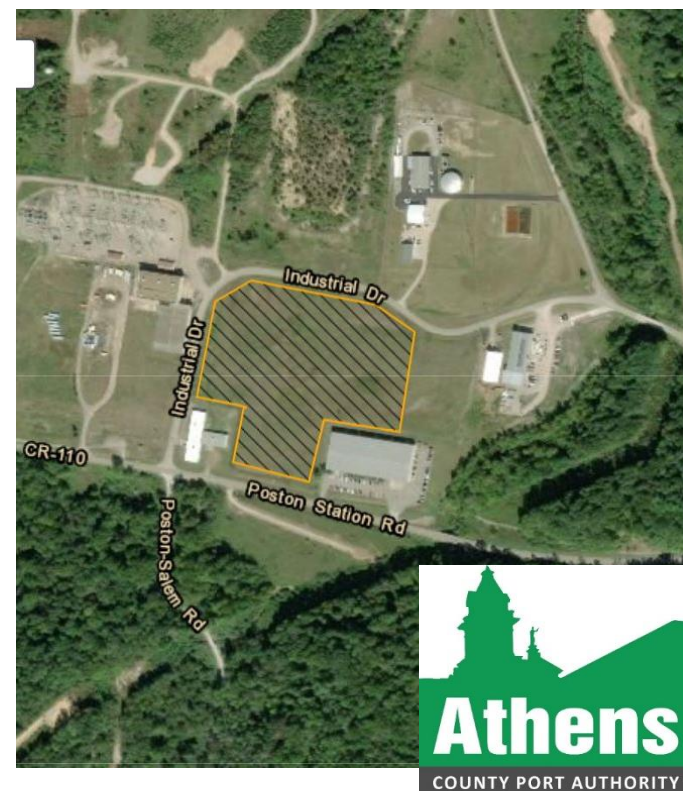
2020 was a year like no other. The ACEDC dedicated significant time and energy to propping up programming that supported relief and recovery for Athens businesses:

- Secured **\$500,000 in forgivable COVID-19 Workforce Retention Loans** for Athens businesses
- Administered the COVID-19 Small Business Relief Fund, which allocated **\$256,092.93 in small business grants** from the county CARES Act funding for 30 Athens businesses
- Disseminated **150 PPE Toolkits** to Athens businesses
- Created two **COVID-19 relief surveys** to gauge and address business needs
- Produced in conjunction with partners the Athens County COVID-19 **Resource Guide**
- Promoted and communicated **state relief programs** to Athens businesses (Ohio DSA CARES Act program; Bar & Restaurant Assistance Fund)

Port Authority Building Project

The Port Authority went through the RFP process in early 2020 and selected Burgess & Niple as the lead engineer for both speculative buildings (100,000SF manuf. build & 60,000 lab build). Since then, much progress has been made:

- Global Cooling signed a letter of intent to occupy the 100,000 SF manufacturing building
- \$2.9mm was secured from JobsOhio for critical site prep work
- \$500,000 was committed from Appalachian Growth Capital for construction costs
- \$2mm in the pipeline from the Ohio DSA Rural Industrial Park Loan program construction costs
- Site prep work including wetland mitigation underway
- Global Cooling building design completed



Global Cooling Building Rendering



Port Authority Building Project Next Steps

The Port Authority expects to break ground on the manufacturing building in the summer of 2021. Between now and then, we will:

- Complete build out of the capital stack (a total investment of \$12.5mm)
 - Continue conversations with bank lenders for a construction loan
 - Work with Bricker & Eckler to take advantage of PACE financing for the project (energy efficient build)
- Prioritize site prep work for both parcels, and construction of the 100,000 SF manufacturing building for Global Cooling
- Identify potential end users for the 60,000 SF speculative lab facility & secure funding for build-out

Downtown Redevelopment Districts

DRDs are economic development tools that promote the rehabilitation of historic buildings and encourage economic development and transportation improvements in commercial, mixed-use commercial, and residential areas.

234 Washington St DRD



Depot Street DRD

Downtown Redevelopment Districts

This year the EDC worked with City Planner Paul Logue to locally designate the Seaman's building a historic building so it can serve as the anchor for the new Seamans DRD (formerly known as the Sheltering Arms DRD).



9.78 acres

Continued Broadband Expansion Efforts

Since 2017, the ACEDC has been working with stakeholders to explore solutions to the digital desert problem that hinders our community's ability to achieve economic prosperity (economic development, education, healthcare, etc.) COVID-19 has exacerbated this issue and proven that broadband is an essential utility much like water and electricity.

ACEDC's continued efforts include:

- Coordinating broadband deployment efforts with local providers and state and federal funding programs.
- Advocating for better service at the state level and supporting house and senate bills that expand funding for critical broadband infrastructure in rural Ohio.
- Working with partners at the local level to create a shared vision for broadband deployment and advocacy.

Fiber-to-the-Home Financials – 10 Year Lifecycle – Total Replacement of Existing Copper				
	8-County Study Area		34-County Extrapolation	
	Rural Expanse Only	All Areas Below 25/3	Rural Expanse Only	All Areas Below 25/3
Square Miles	1,995	2,683	9,164	12,324
Households	20,139	57,873	92,506	265,831
Households per Sq Mi	10.1	21.6	10.1	21.6
Total Fiber Network Costs	\$366 million	\$492 million	\$1,681 million	\$2,261 million
Less Projected Revenue	\$ 96 million	\$129 million	\$ 440 million	\$ 592 million
Required Subsidy*	\$270 million	\$363 million	\$1,241 million	\$1,669 million
Average Per Household	\$13,416	\$6,279	\$13,416	\$6,279
* "Required Subsidy" covers the capital and operating costs of the base fiber infrastructure.				

Management of Local Economic Development Tools & Programs

- **Tax Incentive Review Council:** TIFs are tools that lock in the taxable worth of real property at a specific value. Payments from increased assessed value of any improvement to real property are directed to a fund for infrastructure improvement. The EDC manages annual review of the East State Street TIF, in addition to all active Enterprise Zone agreements (3) and Downtown Redevelopment Districts (3).
- **Revolving Loan Funds:** The City and County RLFs were created through Community Block Development Grants funds. They provide gap financing on a portion of economic development projects ranging from fixed assets and buildings/land to infrastructure and site preparation to working capital. Both loans are administered by the EDC.
- **Athens County Small Business Relief Fund:** The ACEDC advocated alongside several partners for this program and entered into an agreement with the Athens County Commissioners to administer the program.

Organizational Relationships

Administration	Operation	Partnerships
<ul style="list-style-type: none">• Ohio InSite• Business Retention & Expansion• Tax Incentive Review Council Admin• JobsOhio Regional Representation• Revolving Loan Funds (City & County)• Site Development• Small Business Relief Fund	<ul style="list-style-type: none">• Athens County Economic Development Council• Athens County Port Authority• Athens County Brownfields Program• Young Athens Professionals<ul style="list-style-type: none">-Talent Retention/BRE-Networking	<ul style="list-style-type: none">• Ohio Southeast• JobsOhio• Buckeye Hills• USDA Rural Development• US EPA• Ohio University• Utility Providers• Entrepreneurial Development Group• Office of Workforce Development• ACCVB• LIGHTS• Athens Area Chamber of Commerce

Looking Forward: 2021 and beyond

Initiatives the EDC will continue to explore and deploy:

- Assist the Ridges Advisory Committee on rehab efforts (mixed used development, commercial, & housing opportunities)
- Work with the City to revitalize the Stimson Ave. Corridor Improvements, utilizing Opportunity Zones
- Conduct site inventory for future development opportunities
- Work with the Village of Albany on potential development opportunities
- Explore the creation of a Community Urban Redevelopment Corporation (CURC) to address blighted “urban” properties
- Secure funding for last mile fiber
- Coordinate improved communication between business and education to fill gaps in workforce needs (partnership with AOMC)
- Assist with development efforts in trail communities (Bailey Trail System)

Questions?

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