

YEAR IN REVIEW

COMPANY PROJECTS

The Appalachian Partnership for Economic Growth (APEG) worked with local and state partners and made great strides to advance the economy of southern and eastern Ohio in 2018. **APEG assisted companies with expansion and location projects that resulted in four-year-high numbers for job creation.**



PACCAR

Number of Projects
19

New Job Commitments
1,046

Capital Investment
\$654 million

NOTABLE PROJECTS receiving financial incentives through APEG and JobsOhio:

- **JSW Steel USA's** acquisition of the former Wheeling Pitt rolling mill and restart of the electric arc furnace in Jefferson County. The \$270-million project will create 280 jobs.
- The expansion of **PACCAR's Kenworth** heavy-truck assembly plant in Ross County. The \$143-million project will create 100 jobs.
- The location of Chinese company **Quingdao Haiyan's (Scioto Valley Woodworking's)** cabinet assembly and distribution facility in Pike County. The \$4.2-million project will create 103 jobs.

APEG maintained an average of over 43 active projects in its project pipeline in 2018. As part of the regional Business Retention and Expansion initiative, staff and local economic development professionals visited 168 companies across the 25-county region. This important program continues to help us develop key relationships with regional businesses and often results in opportunities to assist companies with growth opportunities.

ENGAGEMENT WITH PARTNERS

Economic development is a team sport that requires collaboration at the local, regional and state level. During 2018, APEG continued to build partnerships with local economic development professionals through advisory board meetings, participation in sub-regional economic development professional meetings and an orientation program for new local development professionals. New in 2018 was a program developed in collaboration with the Ohio Economic Development Association, JobsOhio and Bricker & Eckler called "ED Now" that provided economic development training for local elected officials and volunteers involved in local economic development. Additionally, new APEG President Mike Jacoby visited every county in the region to meet with local development professionals, county commissioners, and key business leaders, further developing understanding of each county's distinct economic development landscape.

APPALACHIAN PARTNERSHIP FOR ECONOMIC GROWTH (APEG)

APEG is a non-profit organization that contracts with JobsOhio to provide economic development incentives, talent development services, site selection and site readiness services across 25 counties in southern and eastern Ohio. Since 2011, APEG and JobsOhio have awarded over \$70 million in economic development grants, tax credits, and loans for 154 company expansions and new locations. Those companies have committed to create over 7,100 jobs in the region.



JSW Steel

SITES INITIATIVES

Much work was done in 2018 to prepare the region for additional growth. The APEG region competed for a record number of site searches (69) and experienced more projects conducting site visits (12) than ever previously reported. APEG remains in contention for a few of those projects that conducted site visits.

To address the need for more competitive sites, JobsOhio awarded \$11.6 million in the APEG region for industrial site redevelopment. Grant recipients were in Belmont, Jefferson and Jackson counties.

APEG completed a third year of Site Readiness Grants to assist communities with site engineering and validation. Two additional greenfield sites, Dan Evans Phase II in Gallia County and South Central Ohio Industrial Park in Highland County, had their site readiness "authenticated" through the SiteOhio program.

Recognizing some of the unique distress characteristics in southern Ohio, JobsOhio launched a site due diligence

initiative. This effort targets some strategic southern Ohio sites and a select handful of sites in counties touching the Ohio River with petrochemical development potential tied to the Utica Shale. The initiative will fund 100% of environmental assessments, wetland delineations, endangered species studies, cultural resources studies, geotechnical studies, preliminary utility assessments and grading estimates -- all important work that needs to be completed for sites to be viable and competitive for potential development.

PLANS FOR 2019

A major initiative for APEG in 2019 will be the completion of a highly participatory economic development strategic plan called the **"Prosperity Plan."** This plan will be used to set the economic development vision, goals and strategies for the 25-county region, and while it will guide APEG, it is not exclusive to the APEG mission. Some work identified through the plan may be more appropriately done by other organizations. The input of business leaders and regional partners is key; there will be over thirty opportunities for businesses and stakeholders to provide input and help guide the plan's elements, which will be finalized in June of 2019 and subsequently shared.

In addition to the Prosperity Plan, other significant 2019 initiatives include:

- APEG plans to promote a **satellite expansion strategy** around major metro areas to take advantage of the region's labor surplus (1 out of 5 APEG region workers commutes to a major metro area to go to work). With 50-year-low unemployment,

metro area employers may find expansion difficult in tight urban labor markets. APEG believes offering smaller satellite facility locations for company expansions will offer solutions to employers as well as better employment opportunities for APEG-region workers.

- APEG believes 2019 will be a pivotal year for **Utica Shale development**, particularly with the leap from natural gas and natural gas liquids production to downstream petrochemical manufacturing and a massive increase in natural-gas electric generation. APEG will work to support and capitalize on this transition.

APEG believes there is a **tremendous opportunity** for an **Appalachian Renaissance**.
With a **good plan, partnerships, and hard work, anything is possible.**

- One of the greatest challenges of the region remains a shortage of competitive sites and buildings, therefore APEG will continue to advocate for the creation of tools to support speculative site and building development. The economic challenges of Appalachian Ohio remain more daunting than elsewhere in Ohio. Fortunately, through partnerships with JobsOhio and local economic development professionals, APEG is helping to make a difference. As we work with our partners to develop the region's Prosperity Plan to include new initiatives needed across the region, APEG believes there is a tremendous opportunity for an Appalachian Renaissance. With a good plan, partnerships, and hard work, anything is possible.

STAFF



Mike Jacoby
CEO/ President



Katy Farber
Vice President



Heather Church
Marketing/Communication

Chelsie Wollett joined APEG in March as Research Analyst. With a Master's Degree in mathematics and a background in computer coding, her analytical and technology skills have helped APEG find and access new data sets, interpret data, and present relevant data. Her knowledge helps APEG better understand the key data needed to compete in site selection projects and attraction efforts.

After APEG reorganized in April of 2018, **John Molinaro** assumed full-time responsibility as president and CEO of the Appalachian Partnership, Inc., the parent organization of APEG. **Mike Jacoby** assumed the role of APEG president, and **Katy Farber** was promoted to vice president. To fill Katy's previous position, **Taylor Stepp** joined the team as a Project Manager for six counties in southern Ohio in May. Taylor has previous experience with JobsOhio and the Ohio General Assembly and has hit the ground running, becoming a key part of the APEG project management team.



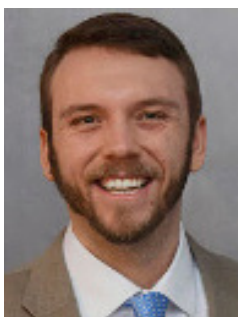
Donna Hrezo
Sites & Buildings



Ed Looman
Project Manager



Tom Poorman
Project Manager



Taylor Stepp
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Von Williams
Talent Acquisition



Chelsie Wollett
Research Analyst

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