

2020

A REGION ON THE RISE

Ohio Southeast Annual Report



49
PROJECTS

\$30.6M
JOB^{SO}HIO INVESTMENT



875
NEW JOBS

\$382M
FIXED ASSET INVESTMENTS
BY BUSINESSES

ABOUT OhioSE

Ohio Southeast Economic Development (OhioSE) is a non-profit regional economic development organization covering 25 counties in southern and eastern Ohio. OhioSE is a part of a family of organizations working to improve the regional economy under the umbrella of the Appalachian Partnership Inc. (API), our parent organization.



Under the leadership of the new API CEO Glenda Bumgarner, API is building out a board of regional executives to be the business voice of the region. OhioSE's role is to operate as the regional network partner of JobsOhio, serving as the field staff of for JobsOhio in the region. JobsOhio is a private nonprofit corporation designed to drive job creation and new capital investment in Ohio through business attraction, retention and expansion efforts. OhioSE helps companies and development organizations access JobsOhio programs to spark new investment and job creation.

Our efforts are directed, in part, by the region's economic development strategic plan to grow our business economy. The Prosperity Plan was developed through a widely participatory process in 2019, receiving input from over 450 businesses, development professionals and community leaders. The plan focuses on four broad categories: (1) Business Voice, (2) Talent Development, (3) Competitive Assets, and (4) Economic Development Programs. Thirteen strategic initiatives were developed within those categories. Visit www.ohiose.com to learn more about the plan and progress being made.

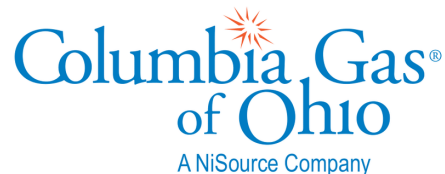
We are a team of 11 professionals directed and governed by a board of regional business leaders, development professionals, and relevant subject matter experts who are willing to devote their time and expertise to making our regional economy stronger.

We are grateful to receive the generous financial support of JobsOhio through our service contract and our sponsors: AEP Ohio, Columbia Gas, and Ohio's Rural Electric Cooperatives. Thank you for your support!

OHIOSE BOARD OF MANAGERS

Chair MarJean Kennedy, WVU Medicine
Matt Abbott, Zanesville-Muskingum County Port Authority
Mike Archer, Pioneer Pipe
Dr. Jeff Bauer, Shawnee State University
Dr. Glenda Bumgarner, Appalachian Partnership, Inc.
Craig Butler, Muskingum Watershed C.D.
Matt Cybulski, Energy and Chemicals at JobsOhio
Zane Daniels, NiSource
Andrew Graf, Appalachian Wood Floors
Marty Hohenberger, Ohio University's Voinovich School
Tom W. Johnson, Former PUCO Commissioner, State Legislator
Ryan Kirkham, Peoples Bank
Michael Linton, Accurate Mechanical
Ken Mason, Cadiz CIC
Dennis Mingyar, Ohio's Electric Cooperatives
Tammy Osborne-Smith, Jackson County ODJFS
Sam Schupbach, MPLX/Marathon Petroleum
Tim Wells, AEP Ohio
Jeannette Wierzbicki, Ohio Mid East Government Association

THANK YOU TO OUR SPONSORS



MEET *Our Team*



Mike Jacoby
President



Katy Farber
Vice President



Bill Arnett
Project Manager



Sarah Arnold
Director of Marketing



Destiny Bryson
Engagement



Donna Hrezo
Site & Buildings



Ed Looman
Engagement



Tom Poorman
Project Manager



Taylor Stepp
Project Manager



Kara Willis
Regional Talent Manager



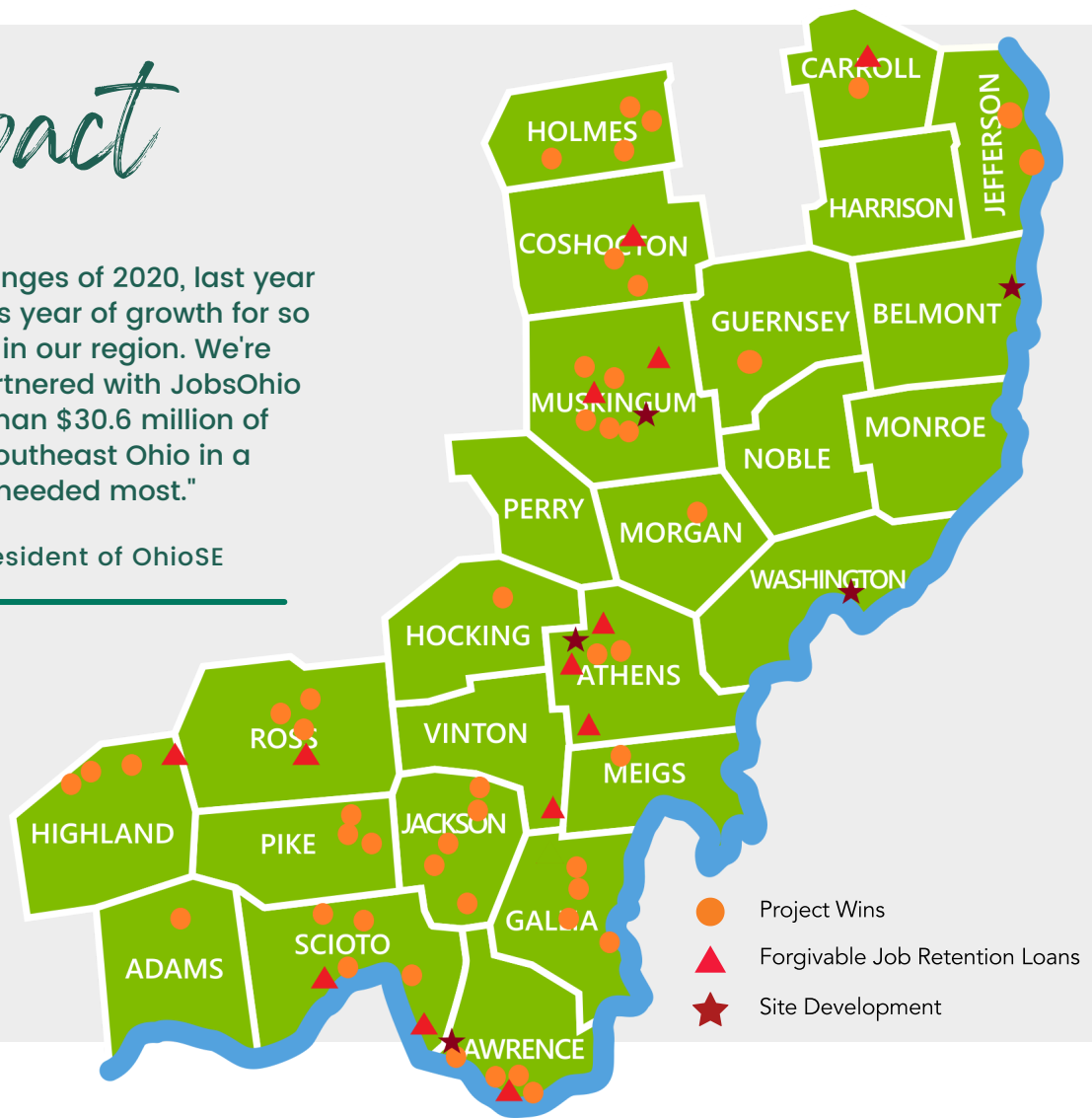
James Woodward
Research Analyst

2020 Impact



Despite the challenges of 2020, last year was a tremendous year of growth for so many businesses in our region. We're proud to have partnered with JobsOhio to bring in more than \$30.6 million of investment into Southeast Ohio in a year when it was needed most."

- Mike Jacoby, President of OhioSE



BUSINESS GROWTH

To say COVID-19 was a challenge for businesses and individuals in 2020 is the understatement of the century. The human health and economic suffering remain significant not just in our region, but around the world. That said, many businesses and entrepreneurs in Southeast Ohio adapted quickly to new business realities. In fact, the pandemic presented market opportunities for many industries, including food processing, logistics, home improvement and online shopping.

Ohio Southeast Economic Development (OhioSE) helped companies complete more expansion and attraction projects last year than ever before. The OhioSE project team and local economic development professionals partnered to increase business retention & expansion (BR&E) visits, most virtually. Together we completed 276 company meetings. The BR&E visits are critical to finding opportunities to help companies grow. One-third of all company projects OhioSE supported were identified through these BR&E visits. OhioSE supported 49 business expansions and locations in 2020, nearly double our previous best performance year. The businesses we helped pledged to create 875 new jobs and invest over \$382 million in fixed assets.

To support those projects, OhioSE helped secure \$6.8 million of support from JobsOhio and \$1,145,728 from the State of Ohio in assistance programs.

When JobsOhio speculative site investments and COVID relief assistance to companies are included, the total investment by JobsOhio in the OhioSE region was over \$30.6 million in 2020.

Notable wins included:

- Rural King acquired several buildings, creating 75 distribution and manufacturing jobs in Waverly.
- PureCycle Ohio LLC will build a \$213-million, new-technology plastics recycling facility in Lawrence County creating 51 jobs.
- Schlabach Wood Design expanded its cabinet & furniture manufacturing facility, creating 55 jobs in Coshocton County.
- Dolgencorp LLC invested \$18.5 million to expand Dollar General distribution operations, creating 55 jobs in Muskingum County.



Jackie O's Bakeshop



Schaad & Sons

SUPPORTING MORE SMALL COMPANIES

As part of the JobsOhio 2.0 Initiative launched in 2020, the JobsOhio Inclusion Grant (JOIG) was created to support expansions by small companies in distressed areas or with disadvantaged ownership. JOIG's are designed to help small companies in the JobsOhio targeted sectors undertake capital expansion projects that introduce new technologies, new products, or open new markets. The average JOIG grant in the region supported the creation of 3.8 additional jobs. OhioSE embraced JOIG and was second in the state among the six regions for the most JOIG projects last year. Eighteen of the 49 projects we supported in 2020 were supported with JOIG, further enhancing assistance for the region.



Silver Bridge Coffee Company



National Road Business Park
Muskingum County

HELPING COMMUNITIES BUILD A FOUNDATION FOR GROWTH

Whether giving existing companies a place to grow or attracting new companies, having ready sites and buildings is critical to a community's economic development effort. Our regional economic development strategic plan, the Prosperity Plan, identified the lack of ready sites and buildings as a priority, and as a region, we have advocated for new tools. Fortunately, in the two years since the prosperity planning process was launched, we have gone from zero programs to support speculative site and building development to three programs. In 2020, nearly \$9.5 million was awarded in the region through the JobsOhio and OhioSE Sites Initiative. The National Road Business Park in Muskingum County received just over a \$3-million grant for infrastructure, the Bill Theisen Industrial Park in Athens County received just under \$3 million for site improvements, and the Franklin Furnace to Southern Ohio Industrial District sewer project in Scioto and Lawrence counties received a \$3.5 million grant.

JobsOhio launched the Ohio Site Inventory Program (OSIP) over the summer. Two awards from OSIP have been offered in the region so far: for speculative buildings in Washington County and a site development in Belmont County. Total OSIP grant and loan offers in the region amounted to \$3.7 million. Ohio's Rural Industrial Park Loan (RIPL), which is managed by the Ohio Development Services Agency awarded three loans for speculative building development in Meigs & Lawrence counties totaling \$4.2 million.



Distributing PPE Kits



Similar to many businesses across this country, the pandemic brought many challenges to ITM and our clients. Some of our clients experienced temporary shut downs while others were forced to scale back operations to meet the reduced demand. The assistance provided by the JobsOhio Workforce Retention Loan allowed ITM to bridge this gap as we garnered new business. The loan was invaluable to ITM during these unprecedented times.”

- Larry Farrell, Owner & President of ITM Marketing



Phoenix Quality Manufacturing

HELPING COMPANIES MANAGE COVID-19

JobsOhio and OhioSE launched several initiatives to help companies in the region survive the market disruptions caused by COVID-19:

- OhioSE launched an aggressive and consistent information gathering and information sharing campaign – collecting information on the impacts to companies and sharing it with JobsOhio and the DeWine-Husted Administration – as well as sharing weekly and sometimes twice a week updates on programs and resources with companies.
- Seventeen companies in the region, all previous clients of JobsOhio programs, were awarded a total of \$9.6 million in JobsOhio Workforce Retention Loans to help maintain their employees on the payroll for six months. If employees were retained, the loans were forgiven and became grants. The OhioSE region received more from this program than any other part of the state.
- JobsOhio invested \$2 million in Appalachian Growth Capital (AGC - a non-profit sister company to OhioSE) so that it could relend funds to small businesses.
- JobsOhio matched a venture capital fund to inject a \$1 million JobsOhio Innovation Loan into a fast growing technology company in the region.
- JobsOhio invested \$25 million with Peoples Bank, the largest regional bank headquartered in southeastern Ohio, to create a loan guarantee program to help struggling small businesses.
- Finally, OhioSE partnered with JobsOhio and local chambers of commerce and development partners to distribute 1,300 personal protective equipment (PPE) kits to businesses across the region.



Peoples Bank



Steubenville, Jefferson County

ENGAGEMENT

OhioSE launched an engagement and strategic partnerships effort in 2020. Ed Looman assumed engagement efforts in the eastern part of our region, sliding over from a project management role. Destiny Bryson was hired to manage engagement in southern Ohio. Whereas most of the work of OhioSE is directed toward businesses, Ed and Destiny focus on communities. They organized a successful series of webinars (ED Now) training local elected officials on economic development. They also helped to educate eligible communities on JobsOhio's new Vibrancy Fund program.

In the fall, the Engagement team launched the Prepared Communities Program in partnership with Bricker & Eckler, selecting five communities or counties in the region to receive one-on-one technical training and assistance to create an economic development strategic plan.

TALENT

Regional Talent Manager Kara Willis has been actively advising companies across the region on strategies for finding, retaining and training in-demand workers. To fill and increase the talent pool in the region, Kara has been:

- Working with JSW Steel to develop customized training programs.
- Implementing the Washington County Career Center (WCCC) grant from JobsOhio for program enhancement and delivery of the adult Industrial Maintenance Mechanic training program in order to meet the critical need of manufacturers in the OhioSE region.
- Facilitating a JobsOhio grant to Zane State College to defray costs for electrical "test set" equipment to support the Bachelor of Applied Science in Electrical Engineering Technology (BSET) program lab.

The intent of the contribution is to increase enrollment to meet the need for an electric utility workforce, and supply manufacturers in OhioSE with entry-level engineering talent related to protection and control of power industry equipment.

- Organizing a series of free webinars in collaboration with the Ohio Manufacturing Extension Program and Tooling-U to help regional companies learn and implement best practices for talent recruitment and retention.



We could not ask for a better economic development catalyst than the support and outstanding expertise of OhioSE and Bricker & Eckler. We are ready to roll up our sleeves and build a platform under our dreams."

- Mayor Jennifer Lye
Village of New Concord



LOOKING Ahead

OPPORTUNITY APPALACHIA

Appalachian Community Capital chose OhioSE as the Ohio partner to utilize a \$1,000,000 technical assistance grant from the Appalachian Regional Commission (ARC) to help bring Opportunity Zone (OZ) investment into Central Appalachian communities in Ohio, Virginia, and West Virginia.

For a group of 16 OZ communities in Central Appalachia, Opportunity Appalachia provided technical assistance to both develop community strategies and structure investable transactions, creating prospectus and pitch decks targeting Opportunity Fund (OF) Investors. Once these prospectuses were completed, outreach to Opportunity Fund investors began – including the hosting of a highly visible Investor Convening, from February 23rd to 24th, 2021. Investors were invited to review a portfolio of Opportunity Zone investments in Central Appalachia that provides both robust social and sufficient financial return.

Opportunity Appalachia's portfolio of projects in Central Appalachia is designed to bring jobs, business support, and investment to hard-hit rural communities. These projects propose to create over 1,800 jobs and attract over \$235M in financing to focus on developing manufacturing facilities, downtown development, tech business, agricultural facilities, hotels, broadband deployment, and retail enterprises.

These projects are particularly important at this challenging time as local economies look to rebound from the COVID-19 economic downturn. Opportunity Appalachia will work closely with both private investors and federal agencies that have prioritized support for OZ communities, an essential component of our national economic recovery.

Opportunity Appalachia has been recognized as a leading OZ Catalyst by Forbes in The Forbes OZ 20: Top Opportunity Zone Catalysts. This selection was made through a partnership between the Sorenson Impact Center and Forbes recognizing community organizations and OZ Funds that are committed to achieving equitable economic growth in underserved communities.

We are pleased that Opportunity Appalachia has been selected as one of the top OZ efforts focusing on community impact in the nation!



Hotel Swisher
Somerset, OH in Perry County



Preservation Hall
Chillicothe, OH in Ross County



The Opportunity Appalachia program supported the OhioSE region's early Opportunity Zone projects, leveraging technical assistance resources to move the projects toward investment."

- Katy Farber
Vice President, Ohio SE



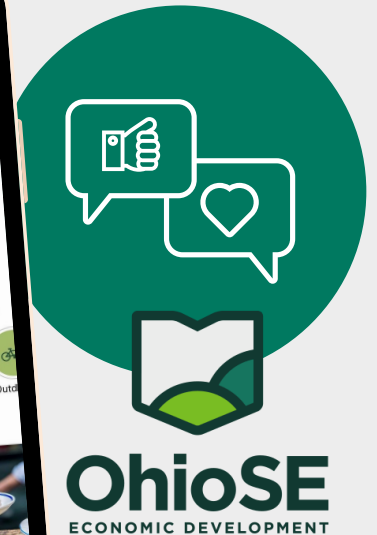
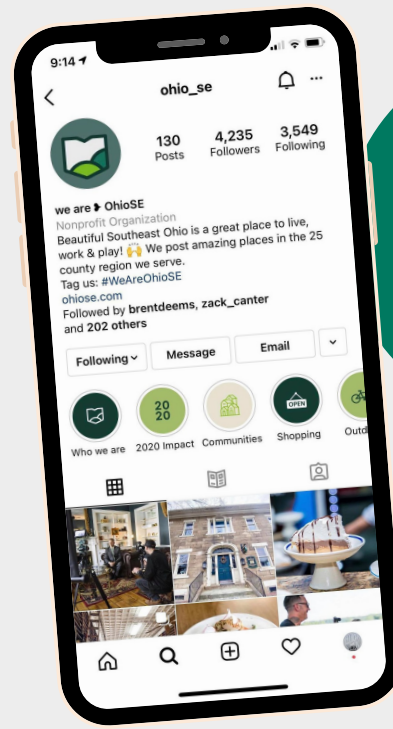
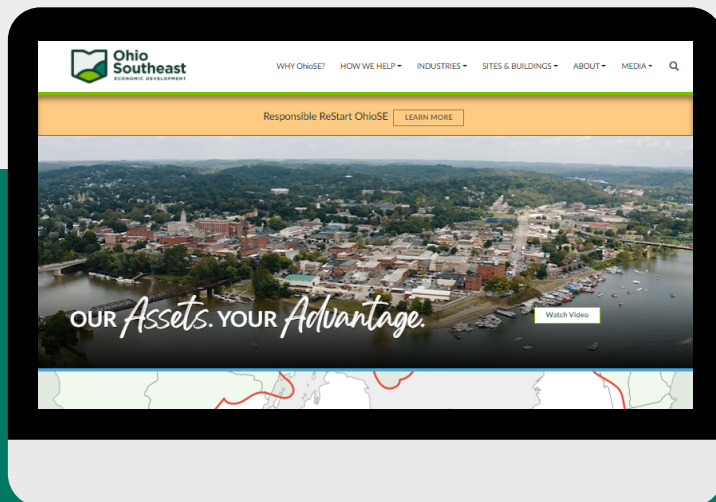
High-End Loft Apartments
McConellsville, OH in Morgan County

MARKETING

Last year, our organization went through a rebrand in an effort to more effectively connect with prospects and stakeholders and to set the region apart from competition. Where as our organization was formerly known as the Appalachian Partnership for Economic Growth or APEG, we rebranded as Ohio Southeast Economic Development or OhioSE, so that there was no question as to who we serve.

The new logo maintained the original shield, linking our organization back to previous work, the prosperity plan, and affiliated organizations.

We also launched a new website at www.ohiose.com which prominently features our 25 county region, target industries, available sites, and recent success stories. Compared to 2019, there was a 27% increase in overall site traffic. Highlights for the year included visits from 2,252 companies spread across 252 different industries.



The mission of our marketing efforts is simple - we strive to highlight all of the reasons Southeast Ohio is a great place to live, work, invest, and enjoy life. We invite you to follow along and join in the narrative. **#WeAreOhioSE**



FOLLOW OHIOSE FOR NEWS & UPDATES!

OhioSE maintains active channels on Facebook, Twitter, LinkedIn, and Instagram, and sends regular communications through our e-newsletter list.

LOOKING AHEAD IN 2021

The year 2021 promises to be a rebound year for our entire nation. Already, we are seeing signs of businesses wanting to invest now that the COVID-19 fears are dissipating. In order to maximize the region's potential growth, OhioSE is prioritizing the following activities this year in alignment with the Prosperity Plan, the region's strategic plan for economic development: (1) increased BR&E outreach, (2) winning every eligible project opportunity possible with our JobsOhio 1.0 programs, (3) continuation of aggressive speculative site and building efforts across the region with public and private developers using JobsOhio Ohio Site Inventory Fund and OhioSE-JobsOhio Site Initiative, (4) assisting additional small company expansions through the JobsOhio Inclusive Growth grants, (5) restarting business attraction events that had been canceled by the pandemic, (6) finding ways to support economic diversification and talent retention & attraction through transformative downtown projects, and (7) supporting community economic development planning through ED Now and the Prepared Communities Program.

As we celebrate our 10 year anniversary in 2021 along with JobsOhio, we honor the qualities of strength and resilience that make our region unique— and now, perhaps more than ever before, **we look to the future with hope.**



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