

2017

Annual Report

A **YEAR** of
GROWTH
in the
Heart of Ohio

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AAED Mission Statement

To assist in the success of our existing businesses; attract viable companies to grow our communities; lead efforts to develop an attractive environment for investment; and enhance the quality of life in the Ashland area. We strive to foster & maintain working relationships with local, regional, and state partners.

AAED is a comprehensive economic development organization operating under a public-private partnership structure. We strive to strengthen our local economy in these primary areas: business retention, expansion, attraction and entrepreneurship.

GROW ASHLAND

ECONOMIC DEVELOPMENT OFFICE

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Welcome to the 2017 Annual Report.

Since 2014, we have been stating that dirt will be moving in Ashland County and 2017 was no exception.



We celebrated business expansions with groundbreakings for Farmers Bank, Barbasol, and Landoll's Mohican Castle. A summer press conference gave a platform for Miller's-Hawkins, The Olivesburg General Store, Smart Digital, and The Gilded Arrow to share their stories and updates. Then there were the much anticipated grand openings for Chipotle and Kay Jewelers in the Ashland Commons Plaza; the Hampton Inn & Suites; the Quick Lane Tire & Auto Center; and the Uniontown Brewing Company.

Our business and retention visits in 2017 showed several trends, but the most noticeable was the fact that each company indicated that the economy is coming back. We can tell you that since the beginning of 2017, we have had companies contacting our office directly instead of going through our Regional or State partners. We believe that this is due to a combination of our strategic marketing and the confidence that these companies have in Ashland.

Oftentimes people ask us what we do in economic development? The better question is what don't we do. Basically, we take on almost anything and everything that will continue to help Grow Ashland.

Our efforts include:

- Business plans / Projects
- Marketing assistance
- Financial resources
- Business in Ohio - vendor's license, LLC, and EIN
- Located acreage or buildings in appropriate areas of the county
- Mediating natural gas, electric, Internet, and rail access agreements
- Supplying resources such as the Small Business Development Center (SBDC), Erie Basin RC&D Community Improvement Corporation of Ashland (CIC), and MAGNET
- Bringing team members together from industries such as legal, accounting, insurance, bank, real estate, etc.
- Advocating for companies seeking tax incentives in the forms of the Enterprise Zone (EZ) and Community Reinvestment Area (CRA)
- Supported companies seeking grant funds from JobsOhio
- Engaged community members and elected officials in writing letters of support for projects

As 2018 gets into gear, we encourage you to contact AAED with any questions or interests that you have regarding entrepreneurship, business start-up, expansion or retention. We are here to help you and to help Grow Ashland.

~ Kathryn Goon
AAED Executive Director

MICROPOLITAN

ASHLAND County, Ohio is Ranked #7 in the 2017 Governor's Cups of Top Micropolitans

This is the fourth year in a row that Ashland, Ohio has been ranked among the top **100** Micropolitans in the Country and the second time that we have ranked among the top **10**.

In 2016, 65% of the projects submitted for Site Selection's Micropolitans were expansions versus new construction. This shows us that the best, most effective way to grow our communities is by focusing on the current, existing, loyal companies. Just announced this month, Ashland County tied for #7 in 2017 with eight qualifying projects. True to the trend, 75% of the 2017 projects were expansions.

Metropolitan versus Micropolitan: Ashland County is considered a Micropolitan as our largest city is less than 50,000 in population. In order for a project to qualify, it has to be Manufacturing, Call Centers, Data Centers, Distribution Warehouse, Headquarters, Office, or Research and Development. The facility category is either New or Expansion.

New Construction must take place and meet one or more of the following criteria:

- Square Footage = 20,000 or more
- Employees = create 20 or more new jobs
- Investment = \$1,000,000 in new construction costs which include land and building



Projects can be counted during 5 different stages:

- Announced
- Under Construction
- Completed
- Pending (project announced but location not chosen)
- Proposed (project under review by regulatory agency and/or company)

As a member of the community, you can assist by alerting us of construction or projects that you are aware of so we can make sure that **ASHLAND COUNTY, OHIO** continues to be ranked in the **TOP 10** each year.



OHIO ECONOMIC DEVELOPMENT ASSOCIATION AWARD KNOW ASHLAND/GROW ASHLAND

We enjoy our partnership with Gary and Nicole from Advantage Marketing. Their expertise with rebranding AAED's new entity as a not-for profit evolved into the Know Ashland/Grow Ashland marketing campaign and earned runner-up at OEDA 2017 Annual Excellence Awards luncheon in Columbus! The campaign included launching a new website and updating our business cards and marketing brochure.

2017 AT-A-GLANCE

AAED had an active role in fourteen completed projects throughout Ashland County during 2017

Metric	Entertainment	Hospitality	Manufacturing	Retail	Service	Total
# of Projects	1	1	3	6	3	14
Capital Investment	250K	2M	298M	8M	2.85M	311.1M
Job Growth	3	20	77	105	24	229

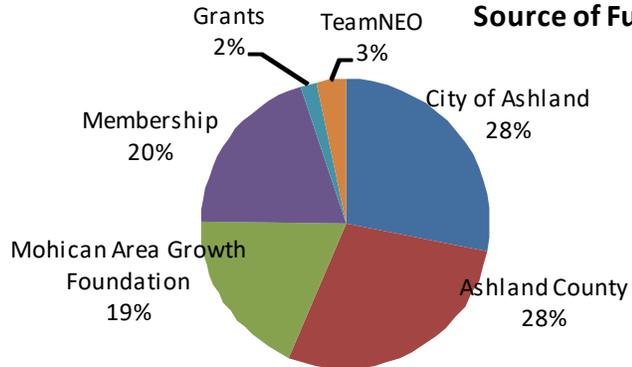
Metric	Goal	Actual	% Above Goal
Total Capital Investment	20M	311.1M	1456%
Total Job Growth	50	229	358%

*Above numbers do **not** include Utopia Pipeline and Rover Pipeline contribution to 2017 capital investment and job growth. Collectively, the two contributed 542M capital and 542 jobs in Ashland County.

Ashland Area's Capital Infusion



AAED Members Source of Funds



BUSINESS RETENTION AND EXPANSION VISITS

AAED staff and volunteers conducted twenty Business Retention and Expansion visits to local manufacturers in 2017. The results proved positive and confirmed that Ashland is headed in the right direction. Highlights of the conversations we had with the owners and managers include:

- 80% indicated their business is growing while the remaining 20% indicated stability
- 65% indicated 5%+ in recent or upcoming employment change
- 70% indicated investing more than \$1M in their business over the next 18 months

2017 COUNTY-WIDE INITIATIVES

COMMUNITY ENTERTAINMENT DISTRICT & REVITALIZATION DISTRICT

In the spirit of laying the foundation for the continued growth of our communities, economic development decided to take on two initiatives for 2017. Identified two areas in the City of Ashland that could benefit from additional liquor licenses. It was discovered in 2015 that, due to a drop in population, there were no more liquor licenses available within the City Limits. This would mean that a restaurant seeking to come to Ashland would be required to purchase an existing license from another county and have it moved via City Council vote to Ashland. The downside to this option is that there is no set price for these licenses.

In an effort to address the need for additional restaurants and to attract more diverse eateries, we took on the task of creating two (2) districts: Revitalization District (RD) and the Community Entertainment District (CED). The RD focuses on the downtown area, while the CED is out the 250-Corridor. While they are both very similar, the largest difference is that there has to be an expected \$53 million of new investment in the CED. We felt as though the RD was a better fit for the downtown area as it has been developing or revitalizing over the last 6 years. One very important criteria for any restaurant seeking a license in either of these districts is that the gross annual sales must be 75% food or more and 25% liquor or less.

Erin Collins, Project Coordinator, spent her first 9 months with AAED collaborating with the City and local professionals to get these districts established through the Ohio Department of Commerce Liquor Control Division. On December 20, 2017, Deputy Superintendent Hicks approved both the Ashland Community Entertainment District and the Ashland Downtown Revitalization District. The Division is now ready to begin accepting D-5J and D-5L Liquor Permit Applications for process.

ASHLAND LAND BANK

At the same time, we were also collaborating with the County to establish a Land Bank. Hal Sheaffer and Erin Collins took the lead. Commissioner Denny Bittle and Executive Director, Kathy Goon, initially learned of the Land Bank opportunity for the county in 2015, but at that time, only counties with populations of 65,000 or more were allowed to have a land bank. In 2016, the State of Ohio opened it up to all counties seeking to get rid of residential blight in their communities. Ashland's Land Bank application was filed and approved by the State of Ohio Attorney General's Office on January 19, 2018. There will be more details on the program released over the next few months.

ASHLAND BUSINESS PARK ROUNDTABLE

AAED facilitated an Ashland Business Park Roundtable in November to have a frank discussion on the park's infrastructure and provide an update on activities happening in and around the park.

Attendees included representatives from the park's businesses, Mayor Duane Fishpaw, City Councilman Sandra Tunnell and Matt Miller, Jeff Loehrke with ODOT Jobs & Commerce, City Engineer Shane Kremser and Community Improvement Corporation President Keith Boales.

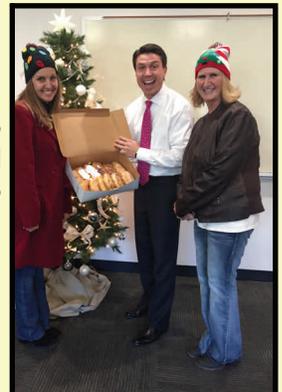
Doug Brown, CEO of Lippert Enterprises, hosted the event in the company's executive conference room.



SPREADING CHEER

As the year came to an end, we decided to devote a day to spread good cheer and say thank you to area businesses and partners. Miller's-Hawkins donated dozens of donuts for us to deliver around Ashland. Who doesn't love a Hawkins donut?

Thank you Miller's-Hawkins and
thank you Ashland for a wonderful 2017!



2017 GROUNDBREAKINGS

FARMERS BANK

Sunshine and a champagne toast under a white tent were the setting for the June 28th Farmers Bank relocation ceremony. Local and state officials and community members gathered to congratulate the Farmers Bank team on their new location which is less than a mile from their original location along Ashland City's 250 Corridor. The new facility includes easier accessibility, a drive-thru, night drop and ATM.



BARBASOL, Inc.

As ominous skies and a tornado warning loomed over the Ashland Business Park on August 4th, we made a last minute decision to forego the white tents and food truck and shift the venue indoors. The Barbasol and AAED teams rallied to set up tables in the warehouse and serve Charcoal Mafia BBQ and desserts to Barbasol's employees. Local and state officials stood at a makeshift podium of product pallets to offer their congratulations on Barbasol's third-phase. Founded in 1918, Barbasol chooses Ashland as its single manufacturing site for its 53 million cans of women's and men's shaving cream. The new building will house their razor assembly line.



LANDOLL'S MOHICAN CASTLE, THE STABLES

The year ended with Landoll's Mohican Castle breaking frozen ground on December 13th for their 14-room lodging addition, the "Stables". Snow flurries and frigid temperatures didn't stop over 40 community members and the media from embracing the hills of Mohican to show their support. The celebration continued in The Copper Mug, Landoll's bar and grille, with a champagne toast and shovel signing.



CHANGING OF THE GUARD

Kathy spent her first four years as AAED executive director working closely with then-Mayor Glen Stewart. He proved to be a timeless mentor and set the tone for Kathy's passion and drive to tackle Ashland projects head on.

Councilman Duane Fishpaw stepped up to the plate in January 2017 to complete Mayor Stewart's term. He didn't miss a beat with being readily available when Kathy needed the city's support on a project, whether it be attraction, expansion or triage.

2017 ended with the City of Ashland's Mayor Fishpaw passing the baton to Mayor-Elect Matt Miller. With the change, Mayor Miller was voted as AAED's Board of Directors Vice-President during January 2018's board meeting.

We look forward to continuing the productive partnership between AAED and the City of Ashland as Mayor Miller hits the ground running.

~Thank you 2017 Members~
Your investment in AAED is an investment in Ashland.

GRANTS

Ashland County Community Foundation
Home Savings
MAGNET

LEGACY (\$5,000+)

Ashland County City of Ashland Critchfield, Critchfield & Johnston Mohican Area Growth Foundation
First Energy Foundation University Hospital / Samaritan

STRATEGIC (\$1,500-\$4,999)

Advantage Marketing Aspen Management Barbasol, LLC
Ashland University Ball, Bounce & Sport/Hedstrom Boales Insurance

DEVELOPMENT (\$1,000-\$1,499)

American Augers Lorain-Medina Rural Electric Co-op Spink Properties -Buffalo Wild Wings
Chesterland Productions, LLC Ohio Carbon Industries Sutton Bank
Enterprise 250 PNC Bank Whitcomb & Hess

GROWTH (\$500-\$999)

Ashland Conveyor Charles River Moritz Materials
Ashland Manufacturers Council Farmers and Savings Ohio Electric Control
Ashland Railway Hampton Inn & Suites Priest Dental
BB&C Jackson Township Wayne Savings Community Bank
Bill Harris Auto Center Mielke Development

GOODWILL (\$50-\$499)

Ashland Area Chamber of Commerce Comprehensive Construction Svc. Kay Wright
Ashland Scale Crazy Monkey Baking Lutheran Village of Ashland
Atlas Bolt & Screw Donna D's Pizza Pro Wrench
Baker, Bowman & Company Emerald Awards & Engraving Rossi Machinery
Certified Labs & Services Firelands Electric Cooperative Toppers Hair Design
CES Credit Union Heffelfinger Insurance Whitaker-Myers Insurance Group
Classy Chassis Johnson Auto Body & Repair Whitaker-Myers Benefit Plans

IN-KIND VENUES, SERVICES AND PRODUCTS

Ashland University Jones Rental
Barbasol, LLC Mitchell's Orchard
Buffalo Wild Wings Muskingham Watershed
Caleb's Canopies Novatex of North America
Charcoal Mafia Shelby Joe's Sloppy Joe Sauce
Crazy Monkey Baking Simonson Construction
Miller's—Hawkins Market The Cabin
Lowell Bender Truax Printing

VOLUNTEERS

Denny Bittle Barb Queer
Duane Fishpaw Bob Schmidt
Steve Fritsch Hal Sheaffer
Erv Howard Andrea Tennant
Shane Kremser Mike Welch
Michalina Lacy Ann Wurster

2018 ANTICIPATED INITIATIVES

Village of Loudonville Revitalization District – This initiative to gain an extra fifteen D-5L Permits from the Division of Liquor Control actually began in 2017. A collaboration with Loudonville Council and Mayor Stricklen resulted in the approval of the additional liquor licenses on February 14, 2018.

Transportation Improvement District (TID) – This initiative is through the Ohio Department of Transportation Jobs & Commerce Division and the County Commissioners. The goal is to be prepared for the opportunity to receive additional funds for road improvements.

Village of Perrysville Community Reinvestment Area (CRA) – Similar to other areas such as Hayesville, Polk, and the City-Wide CRA, Perrysville has expressed an interest in establishing a CRA in order to encourage the renovation of residential homes and businesses.

Foreign Trade Zone (FTZ) – There have been discussions on the need to establish a FTZ in Ashland County. FTZs provide users (companies) with the opportunity to lower costs and boost profits through the reduction, elimination, or deferred duties. We need local companies to contact us as soon as possible if there is a need for their industry.

Ashland Business Park Infrastructure—We will collaborate with representatives from the City, County, and NiSource (Columbia Gas) to resolve the issue of available natural gas in the Business Park. We will also work with the aforementioned team and representatives from ODOT Jobs & Commerce to install a stoplight at the entrance to the Business Park. As we continue to add new companies and entertain expansions of existing companies, we need to make sure that the entrance and existing roads can accommodate the additional truck and employee traffic.

Pathway Project in Loudonville – We continue to collaborate with the Mohican Area Growth Foundation (MAGF) to upgrade and resurface the existing pathway. This assistance comes in the form of locating, researching and writing grants for the improvements.

Johnny Appleseed Heritage Center - On September 7, 2017, a group consisting of Muskingum Watershed Conservancy District, local convention and visitor's bureau directors, economic development professionals, and the Loudonville Mohican Chamber of Commerce met for a brainstorming session. The topic was the future of the Heritage Center as the Johnny Appleseed Board of Directors has returned the property to the Muskingum Watershed. We will continue to work with the watershed in their efforts to revitalize the center.

Become a 2018 Member

AAED is committed to the stability and growth of Ashland County.
With the generosity and vision for a better future, our investors make this organization possible.
Please contact our office to renew your contribution or become a first time member.

2018 Board Members

Mike Welch, President	Ashland County Commissioner
Matt Miller, Vice-President	City of Ashland Mayor
Keith Boales, Secretary	CIC President
Mike Kelly, Treasurer	Hedstrom/Ball, Bounce, Sport
Brian Hinkle	Mohican Area Growth Foundation

AAED Staff

Kathryn Goon, Executive Director
Erin Collins, Project Coordinator

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PROJECTS 2018

The first quarter of 2018 has started off with a bang. Of the twenty-one projects we're currently working on, below are highlights of the ones that we can publicly discuss. The industries range from service to manufacturing to retail with investments fluctuating from \$100,000 to \$10,350,000.

ABER'S TOWING — Aaron Aber brought the expansion project for their 67-year-old locally owned business into our economic development office in June 2017. The company will construct a new 20,000 sq. ft. building and a 270,000 sq. ft. parking area on 15 acres of land located on Commerce Parkway. They will retain 17 full-time positions and create 4 new full-time permanent positions. The capital investment is expected to be between \$1,575,000 and \$2,275,000 in our community.

BCU ELECTRIC— Ben Uselton brought his expansion project to our economic development office in June 2017. He has already constructed a 12,000 sq. ft. warehouse in Orange Township with plans for a new 9,000 sq. ft. office building in the same area.

ORIGO—Michael Hippert came to town in August 2017 with an expansion plan that included the acquisition of a vacant building. The company expects to expand an existing 50-year-old family-owned Minnesota business. MBH Acres, LLC has purchased the former 141,298 sq. ft. Americarb Facility located in the Ashland Business Park. The total cost of the project is \$7,000,000 and the company will create 10 new full-time permanent positions at an annual payroll of \$800,000.

SJE—Tania Suckert first brought this relocation idea to our economic development office in January 2015. After meeting each year in January for 3 years, we met with Mark Ostlie who is coordinating the construction of a new 50,000 sq. ft. manufacturing facility in the Ashland Business Park. The company will create 25 full-time permanent positions over the next 3 years while retaining the 59 full-time employees already employed. The capital investment is expected to be between \$6,400,000 and \$10,350,000 in our community.

TAHOMA ENTERPRISES— In October 2017, Steve Strouse approached our economic development office about the potential relocation and acquisition of a vacant building. His company has since purchased the former Maverick Building located in Montgomery Township in the Hillsdale Local School District. The building will now house 3 separate companies which are relocating from 3 separate counties. The collective companies will retain 59 full-time permanent jobs and create 18 new full-time permanent positions over the next 3 years.

WHIT'S FROZEN CUSTARD—Melissa Young came into our economic development office in August 2017 in search of the perfect location for this new retail business. Our office was able to assist with not only finding the perfect location, but we also helped with the creation of the business plan, projections, financing, and setting the business up to operate in Ohio. Ashland Whit's will open in April 2018 in the former PNC Bank building located on Claremont Avenue.