

**DEFIANCE COUNTY
COMMUNITY
IMPROVEMENT
CORPORATION**

***EMPOWERING
TOMORROW***



PROGRAM OF WORK
2005 - 2009

Campaign Co-Chairman

Ken Joyce
Rurban Financial

Bill Small
First Federal Bank

Sam Strausbaugh
Defiance Metal Products

Roger Snow
Johns Manville

John Thomas
General Motors - Powertrain

Campaign Advisory Council

Greg Allen
First Federal Bank

Bryan Keller
Keller Logistics

Mayor Bob Armstrong
City of Defiance

Tom Kime
Defiance County

Tom Callan
Defiance Stamping Company

Mark Moats
Moats Ford

Dan Farrell
TGM

Rich Motuelle
Defiance Schools

Tom Haase
Parker Hannifin

Herb Retcher
Township Association

Jay Hanson
Reliance Financial Services

Douglas Shindler
Baker - Shindler

Mayor Larry Haver
Village of Hicksville

Jamie Shinabarger
HBLS Bank

Keith Hubbard
The Hubbard Company

Mickey Schwarzbek
Sherwood State Bank

Butch Isaac
The Isaac Companies

John Weaner
Weaner, Zimmerman, Bacon et al

Pat Wiedenhamer
A&P Tool Company

Economic Development

Economic development in its simplest terms means:

“Creation of Community Wealth”

Progressive communities acquire wealth by utilizing all available resources of a market including fiscal, natural, human, private, governmental and all others to enhance the quality of life.

There are two primary goals of an economic development program:

- Increase the flow of money into a community
- Retard the flow of money out of a community

By accomplishing these two goals, the entire economy of an area is enhanced as the total wealth in the community increases, benefiting all citizens.

Defiance County Community Improvement Corporation

MISSION STATEMENT

“Facilitate Economic Development in Defiance County”

PURPOSE

- Stimulate new investment and job creation.
- Protect and support existing employment base.
- Support the education and training of existing and future workers.
- Improve the quality of life for the residents of Defiance County.
- Encourage development and maintenance of appropriate infrastructure.

5-YEAR GOALS

500+ NEW, HIGH QUALITY JOBS
\$15 MILLION+ IN NEW PAYROLL
\$150 MILLION+ IN NEW CAPITAL INVESTMENT

Needs Statement

During the past 7 years, the measurement of Defiance County's economic health has both good and bad news. Real and Personal Property Valuations and Sales Tax Collection have risen every year, however, our population has remained flat and our local labor force has declined by nearly 10%.

Defiance County's economy has fared better than most of our neighboring counties and lagged behind some others. The time is now to devote additional effort and resources towards setting a new course for future growth and job creation to strengthen Defiance County's economy. Meaningful opportunities for quality growth will undoubtedly present themselves in Northwest Ohio in the coming years. In order to compete and win, Defiance County must position itself to take full advantage of future economic development opportunities.

DEFIANCE COUNTY ECONOMIC DATA & TRENDS

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
Property Valuation (OOO's)	\$630.40	\$635.90	\$677.20	\$683.40
Sales Tax Collected	\$4,235,489	\$4,257,877	\$4,775,529	\$4,267,831
Population	39,500	39,360	n/a	n/a
Labor Force	20,764	21,400	21,000	20,400
New Facilities	4	3	2	1
Expanded Facilities	6	8	3	3
Jobs Retained	830	n/a	129	695
New Jobs Created	100	84	15	35
Capital Investment	\$160,918,527	\$50,574,271	\$9,697,772	\$69,070,000



Regional Comparison

How does Defiance County compare TODAY?

OHIO COUNTIES	POPULATION	ANNUAL ECON. DEV. BUDGETS	PUBLIC SECTOR	PRIVATE SECTOR
ALLEN	108,000	\$500,000	50%	50%
WOOD	121,000	\$375,000	75%	25%
FULTON	42,000	\$300,000	100%	0%
OTTAWA	40,000	\$260,000	92%	8%
MARION	66,000	\$250,000	75%	25%
SANDUSKY	62,000	\$245,000	17%	83%
ERIE	79,000	\$211,000	20%	80%
PUTNAM	35,000	\$180,000	50%	50%
DEFIANCE	39,000	\$160,000	40%	60%

How will Defiance County compare TOMORROW?

OHIO COUNTIES	POPULATION	ANNUAL ECON. DEV. BUDGETS	PUBLIC SECTOR	PRIVATE SECTOR
ALLEN	108,000	\$500,000	50%	50%
WOOD	121,000	\$375,000	75%	25%
FULTON	42,000	\$300,000	100%	0%
DEFIANCE	39,000	\$300,000	40%	60%
SANDUSKY	62,000	\$275,000	30%	70%
OTTAWA	40,000	\$260,000	92%	8%
MARION	66,000	\$250,000	75%	25%
ERIE	79,000	\$211,000	20%	80%
PUTNAM	35,000	\$180,000	50%	50%

Program Overview

The "**EMPOWERING TOMORROW**" Campaign is a five-year, \$1.5 million funding effort, designed to enhance Defiance County's ability to compete effectively for quality jobs and new capital investment. Our new program of work will be concentrated in the following strategic areas:

MARKETING

- Marketing and promoting Defiance County
- National and regional advertising
- Direct and electronic mail campaigns
- Direct outreach to economic development network partners
- Trade show attendance
- Website - featuring community profiles, industrial parks, buildings
- Media/Public Relations

NEW BUSINESS RECRUITMENT

- Liaison with Ohio Department of Development & Regional Growth Partnership
- Proactive industrial prospect lead generation
- Coordinate site/facility tours
- Provide prospect information packages

EXISTING INDUSTRY SUPPORT - EXPANSION ASSISTANCE

- Corporate calling program - Synchronist Model
- Project financing assistance
- Government Procurement
- State/local incentive programs
- Wage & benefit surveys
- Downstream supplier recruitment
- Manufacturer's Roundtable

SPECIAL PROJECTS

- Enterprise Zone Agreement administration
- Foreign Trade Zone administration
- City of Defiance Strategic Plan implementation support
- Participation in the Center for Automotive research



MARKETING AND NEW BUSINESS RECRUITMENT

Goal: *Effectively promote Defiance County to enhance our image as a preferred, and strategic business location. Significantly increase the growth of quality jobs and capital investment within our County through aggressive new business recruitment strategies.*

The CIC will serve as the lead economic development organization promoting and marketing the advantages of locating businesses in our County. The CIC will implement the following strategies:

- Execute an aggressive marketing campaign to include advertising, direct mail and public relations;
- Develop top quality printed collateral material and enhanced web-site technology to deliver regional economic development information.
- Strengthen our relationships with the State and regional economic development organizations, site consultants and other major networks of influence and lead referrals. Leverage these relationships to recruit targeted business clusters including high technology, automated manufacturing, distribution and value-added suppliers.
- Engage the local business network to further target and identify downstream supplier attraction opportunities and new business leads.
- Increase new qualified business leads through direct mail campaigns, attendance at targeted industry trade shows, print advertising and site consultant presentations.
- Develop and maintain an industry-leading prospect response and handling system.
- Develop enhanced data systems and research capability that provide current and accurate information to support decision making of business leaders and site consultants.

EXISTING INDUSTRY SUPPORT PROGRAM

Goal: *To ensure that a countywide business retention and expansion program is successfully executed throughout Defiance County. The CIC will work to promote a stronger business environment by facilitating expansion efforts of local employers, thus reducing the potential relocation, while stimulating new local business expansion and job growth.*

- Execute an comprehensive corporate calling program on businesses located throughout Defiance County.
- Create and facilitate a Manufacturer's Roundtable to strengthen the local network of manufacturing executives and facilitate access to programs including: Lean Process, Quality Assurance, Safety, Supply Chain Management, Government Procurement, Legislative Updates, etc.
- Provide local firms with project packaging, technical assistance and coordinated delivery of expansion support services including:
 - Transportation/infrastructure issues
 - Financing programs (Tax Exempt Bonds, Loans, IRB)
 - New state & local incentive programs
 - Wage & Benefit surveys
 - Government Procurement Program
 - Site and building location assistance

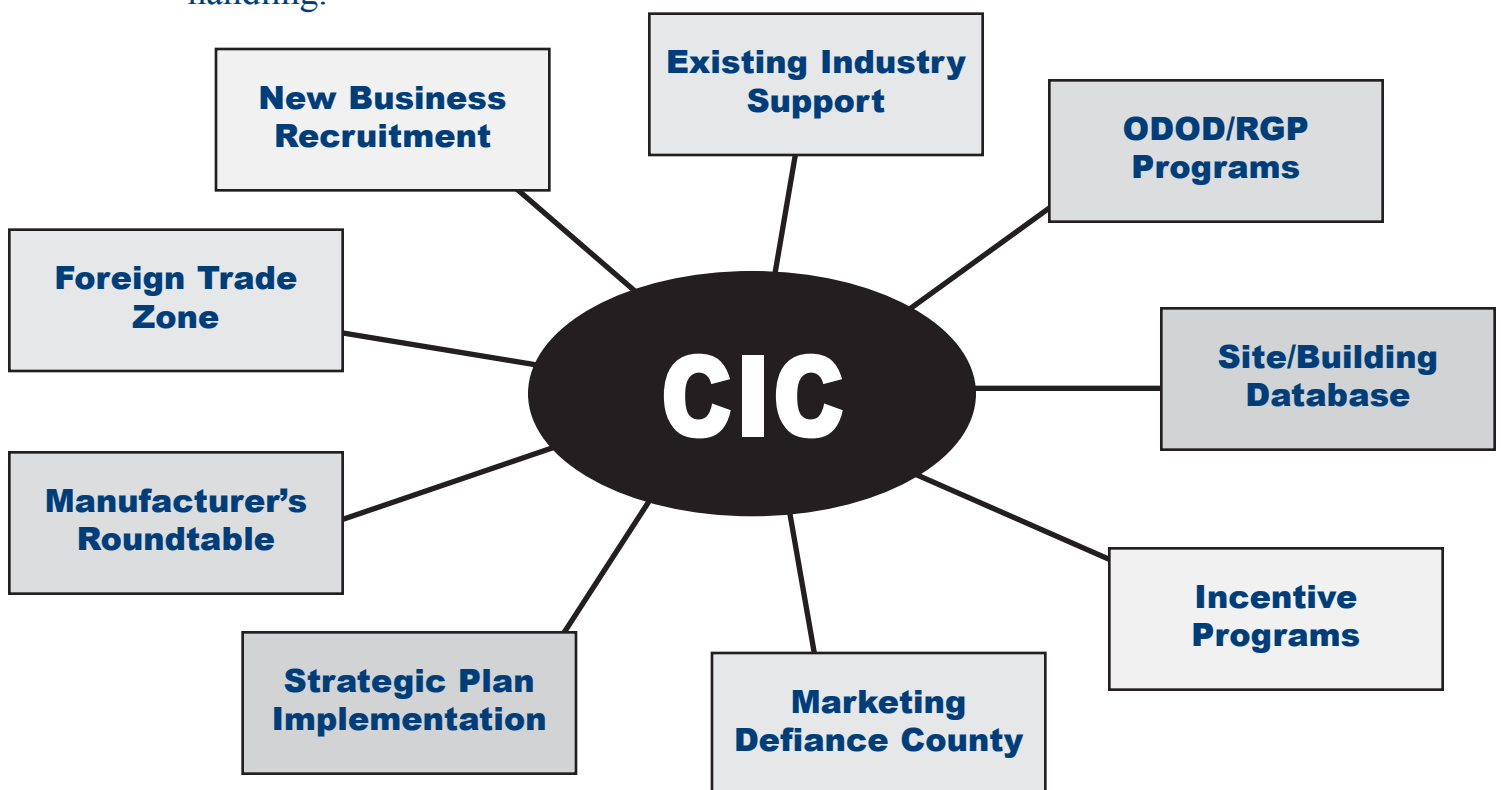


COUNTYWIDE SERVICES & SPECIAL PROJECTS

Goal: To ensure a seamless network of local economic development organizations delivering value-added services to existing businesses and new prospective companies. Maintain a comprehensive database of all industrial sites and buildings throughout Defiance County.

Strategies:

- Create and fully utilize a modern One Stop Center to facilitate and support local business expansion and new business recruitment activities.
- Participate as an active member in the Center for Automotive Research organization to ensure Defiance County is well positioned to support GM Powertrain and recruit downstream automotive suppliers.
- Serve as the central resource center for information and data to support economic development activities. Maintain a comprehensive database of all industrial sites and buildings throughout Defiance County.
- Provide ongoing support services to local units of government and public sector officials in data gathering, proposal development and client handling.



Program Budget

DEFIANCE COUNTY COMMUNITY IMPROVEMENT CORPORATION

Current Service Delivery

- Strategic Plan Implementation
- Fort to Port/US Route 24 Project
- Financial Packaging/Incentives
- Foreign Trade Zone
- Marketing/Advertising
- New Business Recruitment

Planned Service Delivery

- Strategic Plan Implementation
- Fort to Port/US Route 24 Project
- Financial Packaging/Incentives
- Foreign Trade Zone
- Expanded Marketing/Advertising
- Enhanced New Business Recruitment
- Existing Industry Support Programs
- Speculative Building Program
- Center for Automotive Research

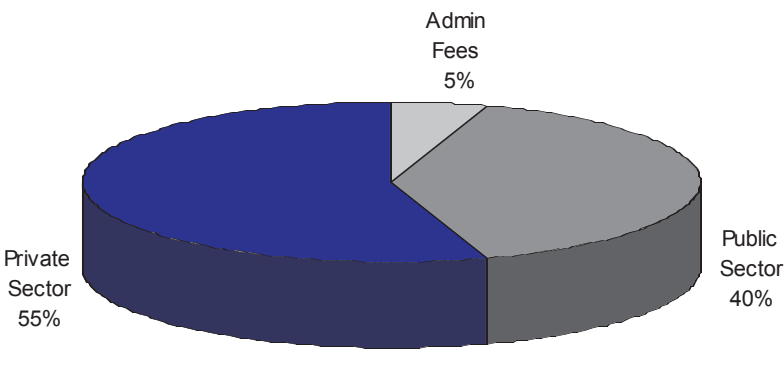
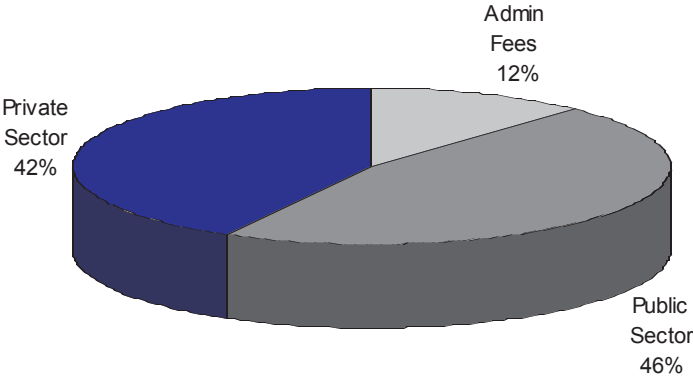
Current Budget

\$50,000
\$60,000
\$30,000
\$20,000
\$160,000

New Business Recruitment
Marketing/Image Enhancement
Existing Industry Support
Special Projects

Proposed Budget

\$125,000
\$75,000
\$50,000
\$50,000
\$300,000



Economic Impact Model

Annual New Jobs Goal: **100 Base Jobs**

Targeted New Job Wage Level: **\$30,000**

100 New Base Jobs	@ \$30,000	=	\$3,000,000
100 New Indirect Jobs	@ \$15,000	=	<u>\$1,500,000</u>
Total Gross Annual Earnings		=	\$4,500,000

Total Net Annual Earnings (75%) = **\$3,375,000**

<u>CPI-U Categories</u>	<u>Percentage</u>	<u>Annual Expenditures</u>
Housing - Mortgage	22.30%	\$752,625
Grocery Stores	8.60%	\$290,250
Restaurants	6.80%	\$229,500
Housing - Rent	6.70%	\$226,125
Recreation/Entertainment	5.90%	\$199,125
Housing - Furnishings	4.90%	\$165,375
New Vehicles	4.90%	\$165,375
Retail - Apparel	4.50%	\$151,875
Gas & Electricity	3.50%	\$118,125
Personal Care	3.40%	\$114,750
Auto Gasoline	3.20%	\$108,000
Medical Care - Dr. Services	2.80%	\$ 94,500
Telecommunications	2.80%	\$ 94,500
Education - Tuition/Fees	2.60%	\$ 87,750
Used Cars & Trucks	2.10%	\$ 70,875
Vehicle Parts & Maintenance	1.80%	\$ 60,750
Misc. Personal Services	1.80%	\$ 60,750
Hospital Services	1.70%	\$ 57,375
Medical Care - Commodities	1.60%	\$ 54,000
Alcoholic Beverages	1.30%	\$ 43,875
Public Transportation	1.20%	\$ 40,500
Tobacco Products	.90%	\$ 30,375
Water/Sewer/Rubbish	.70%	\$ 23,627
Housing Insurance	<u>.60%</u>	<u>\$ 20,250</u>
	100%	\$3,375,000

SOURCE: U.S. Department of Labor - Bureau of Economic Analysis

Economic Development Scorecard

<u>Existing Industry Program</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
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of local company visits
of support packages delivered
of financial packages delivered
of expansion projects completed
of expansion jobs created
of existing jobs retained
New capital investment
Expansion tax base increase

New Business Recruitment

of trade shows attended
of direct mailings
of recruitment visits
of leads generated
of new prospect inquiries
of prospect tours/site visits
of companies located
of new jobs created
AEPW of new jobs
New capital investment
New tax base created

Marketing/Image Enhancement

of Newsletters Produced
of articles released to media
of ad placements # of Cargo Flights*

Special Projects

of grant applications made
of grants awarded
Spec Buildings completed/sold

Board of Directors

OFFICERS:

President - **Greg Allen** - *First Federal Bank*

Vice President - **Jay Hanson** - *Reliance Financial Services*

Secretary - **Nancy Eickenberg** - *Defiance County CIC*

Treasurer - **Bryan Keller** - *Keller Logistics*

BOARD MEMBERS

Mayor Bob Armstrong - *City of Defiance*

Mr. Lynn Bergman - *Ney Oil Company*

Mrs. Marlene Goodwin - *Defiance County*

Councilman Darrell Handy - *City of Defiance*

Mayor Larry Haver - *Village of Hicksville*

Mr. Ron Jones - *Ohio Gas Company*

Mr. Gary Keys - *First Energy Company*

Commissioner Thomas Kime - *Defiance County*

Mr. Scott Olson - *Olson Cold Storage*

Mr. Ted Penner - *Noble Township*

Mr. Mickey Schwarzbek - *Sherwood State Bank*

Mr. Ed Yoder - *Welles Bowen*

