



The Honorable Rep. Paul Zeltwanger
Ohio House of Representative, 54th District
77 S. High St., 12th Floor
Columbus, OH 43215

Dear Chairman Zeltwanger:

I write today in support of House Bill 98, which would reinstate the Rural Industrial Park Loan program and appropriate \$25 million to the fund from the Facilities Establishment Fund.

As Executive Director of the Ohio Mid-Eastern Governments Association (OMEGA), a Local Development District which serves 10 Appalachian counties in Eastern Ohio (Belmont, Carroll, Columbiana, Coshocton, Guernsey, Harrison, Jefferson, Muskingum and Tuscarawas), I hear frequently from the economic development professionals in the region about the lack of shovel-ready sites and modern industrial buildings.

OMEGA is actively engaged with four counties in the region that are developing new industrial parks in anticipation of, in part, continued growth in the oil, natural gas, petrochemical, plastics and polymers, steel, logistics, and other industries. Each county has a demonstrably excellent record of attracting business and are out of space, but the lack of funding sources for speculative development is a significant barrier to growth.

Muskingum County exemplifies the need for this program. The Zanesville Muskingum County Port Authority (ZMCPA) has successfully developed three industrial parks. The businesses in these parks currently employ thousands of people and Muskingum County is home to nine Fortune 500 companies; however, these parks are at or near capacity. To address this need, the Zanesville Muskingum County Port Authority, in conjunction with Muskingum County and the City of Zanesville, recently invested \$2.9 million to purchase a 203-acre site that has ready access to I-70 and the Zanesville Muskingum County airport. The ZMCPA completed a preliminary engineering site development, preliminary environmental reviews, and is planning to extend an access road through the site as well as utilities. Utilities are readily available at the entrance to the National Road Business Park but will need to be extended onto the site. The ZMCPA is currently pursuing funds for the access road but does not as yet have all the resources to complete the road or to extend the utilities such as water and sewer. Reinstatement of the Rural Industrial Park Loan Program will facilitate the development of the

OHIO MID-EASTERN GOVERNMENTS ASSOCIATION

HB 98 Proponent Testimony

Page 2 of 2

National Road Business Park resulting in business attraction, expansion opportunities for existing businesses and continued growth of the County's gross domestic product, which increased by almost 10% during the past year.

The site selection process, which is a major driver of economic growth, identifies sites and buildings that have the necessary utilities and studies in place to minimize risk and maximize speed for industry. Simply put, if communities do not have an inventory of sites and buildings, they do not have a product to market to site selectors and industry.

Reinstating the Rural Industrial Park Loan program would help mitigate this competitive disadvantage because when time, risk and cost to acquire property are greater in a community, capital investment and job creation are inhibited.

Previous state programs, such as the Rural Industrial Park Loan Program, Urban & Rural Initiatives and the Industrial Site Improvement Fund, were used with great success to develop speculative sites and buildings in distressed areas of Ohio. These tools helped build, among other speculative projects, an industrial park and an industrial building in the OMEGA region, both of which continue to provide jobs and income through taxes to our local governments. Unfortunately, there is no such program currently in place to fund initiatives. The Facilities Establishment Fund, which has been receiving loan repayments from previous iterations of development programs, is well-capitalized with roughly \$200,000,000 in the fund.

The current and predicted growth of the oil and natural gas and petrochemical industries in Appalachian Ohio present a unique opportunity for our region to grow a sustainable economy which benefits our residents, but we know we have already missed prime business attraction opportunities because we didn't have a ready site. House Bill 98 is a critical component of our economic transformation.

I urge you to join us in this generational economic transformation by supporting passage of House Bill 98.

Sincerely,

OHIO MID-EASTERN GOVERNMENTS ASSOCIATION

A handwritten signature in blue ink that reads "Jeannette M. Wierzbicki". The signature is written in a cursive style.

Jeannette M. Wierzbicki, P.E.
Executive Director