



## **BELMONT COUNTY PORT AUTHORITY**

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April 23, 2019

The Honorable Rep. Paul Zeltwanger  
Ohio House of Representatives, 54<sup>th</sup> District  
Economic & Workforce Development Committee  
77 South High St., 12<sup>th</sup> Floor  
Columbus, OH 43215

Dear Chairman Zeltwanger:

I am writing as a proponent for the pending legislation that will reinstate the Rural Industrial Park Loan program (House Bill 98). I am the Executive Director of the Port Authority in Belmont County, the site of the proposed PTT - Daelim ethane cracker project. Our county is a rural county that is seeing growth related to the oil and gas industry, but with areas of challenging topography.

Southern Ohio and eastern Ohio have not benefitted from the economic growth that Ohio has enjoyed following the Great Recession. This, in large part, is due to a dearth in competitive sites and buildings. 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.

Previous state programs, such as the Rural Industrial Park Loan Program, Urban & Rural Initiatives and the Industrial Site Improvement Fund, were utilized with great success to develop speculative sites and buildings in distressed areas of Ohio. Unfortunately, there is no such program 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.

Assistance towards the distressed areas of Ohio will have a strong return on investment for the state. In the short-term, funds will be recouped for the development costs associated with these projects and in long-term the taxes generated through commercial activity, sales and income tax will grow Ohio's General Revenue Fund, while employing Ohioans. This program is a win-win.

The steel mills and most of the coal mining operations in the Ohio River Valley are gone. Although the oil and gas industry provides many jobs, even those associated businesses find it challenging to locate appropriate sites for their operations. One local development team has been willing to accept the risks associated with preparing sites and constructing buildings, in a rural area on hilly, reclaimed strip-mined

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ground. With no guarantee for occupancy of these sites, they have great success filling these sites and keeping them occupied. Jobs Ohio recognized the importance and potential for site development in our area and has provided a few million dollars of grant funding for development of our rural industrial parks, but that grant program has run its course and is no longer available. It is vitally important that the Rural Industrial Park Loan program be reinstated to help continue the growth in our county and prepare for the manufacturing boom we will see when the PTT-Daelim cracker plant project moves forward.

I am supportive of the reinstatement of this important tool for economic development in rural Ohio.

Sincerely,



Larry E. Merry  
Executive Director

CC:

*Vice Chair Powell*

*Ranking Member Sobecki*