



April 29, 2019

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

Dear Chairman Zeltwanger:

I am writing in support of House Bill 98, as it will reinstate a program--the Rural Industrial Park Loan Program (RILP)--that will very directly address a major weakness in our county's profile of economic development assets. I would contend that Jefferson County is very similar in this regard to a large region of eastern and southern Ohio that was once dominated by steel mills, coalfields, and railyards as the predominant employer base. I am referring to our region's lack of modern and available sites and buildings to meet the needs of industrial prospects. Thus, while our area is seeing many positive impacts from the oil and gas revolution and associated industries, we continue to see development opportunities pass us by and migrate toward regions with stronger inventories of sites and buildings.

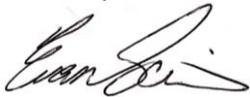
I firmly believe that the RILP is an example of responsible economic development subsidy/incentive that addresses our region's unique heritage and challenges. Through the mid-20th century, Jefferson and surrounding counties relied very heavily on a handful of very prosperous employers. Our county alone had 3 Wheeling-Pitt steel mills and many historians explain that our steelmaking laborshed (Belmont and Jefferson counties and Hancock and Brooke counties in West Virginia) had approximately 30,000 steelworkers at the various plants through the mid-20th century. Moreover, as the plants operated as an inter-dependent network that rivaled any industrial area in the country, the development of small-medium size industrial entrepreneurs was not at all a predominant part of the economy. Simply put, we "lived off the mills". Additionally, our area is not known as a focal point for logistics facilities. The upshot of all of this is that our region never developed an economy that contained buildings ranging from 50-100,000 square feet, which companies could grow into and out of during their economic cycles. And, of course, these buildings are not available for the recruitment of new business prospects.

My support for the reinstatement is especially strong at this time due to the many opportunities in the oil and gas industries. I am proud to report that ShalePro, Inc. (www.shalepro.com) recently selected a vacant 35,000 square foot facility within the Jefferson County Industrial Park for their first Ohio operations center to serve the shale play. It is not at all an exaggeration to say that if this modern facility were not available, ShalePro would have established this center elsewhere, likely in West Virginia's Northern Panhandle. We simply do not have available modern facilities to meet these types of requests. While the oil and gas-related growth is exciting, the private construction of speculative buildings to meet this demand is still a very risky venture, especially for our market of developers/contractors with little experience in spec development. I realize that the placement of public funds into the business marketplace is a very serious analysis for lawmakers and

administrative leaders. I hope I have conveyed that our area presents one of the best ROI profiles for your public dollars in many recent decades. The shale revolution is happening, and I am confident that RIPL will be responsibly utilized by many economic developers throughout our region to meet the demand for real estate.

I would like to close by stating that I hope you will factor into your analysis the very high-quality teams that Ohio has at the Development Services Agency (DSA), JobsOhio and the Appalachian Partnership for Economic Growth (APEG). In my 16-year economic development career, I can honestly say that the economic development administrative framework is operating better than ever. As an example, DSA's recent creation of the Opportunity Zones portal for communities and investors was very forward-thinking in regard to this popular topic. Secondly, DSA has been extremely helpful as Jefferson County implements its first Abandoned Gas Station grant award (\$250,000.00 in 2018) at a key site on the State Route 7 corridor near the former Steubenville steel mill. The RIPL had a solid track record of repayment and job creation, and I have no doubt that current leaders will again operate a quality program. Our county is thankfully a great success story of RIPL's first installment. While I was not employed locally at that time, I am told by County leaders that DSA was very helpful in the funding and overall program guidance related to our 30,000 square foot spec building. I am proud to say that that building's initial occupant (QPI Tools in 2005) still operates there today, employing 45 full-time employees and paying full real estate taxes on the facility that is now owned outright by the company. That is the type of success story that our region can deliver, but we need the assistance of RIPL to compete and secure investments to give our people the job opportunities they deserve. Thank you for your time and consideration of this important economic development issue. I am available at any time for further discussion of our region or my specific views on the pending legislation.

Sincerely,



Evan Scurti
Executive Director