



April 30, 2019

The Honorable Chairman Paul Zeltwanger  
House Economic & Workforce Development Committee  
Ohio House of Representatives  
Ohio Statehouse Columbus, OH 43215

Dear Economic & Workforce Development Committee,

I submit this written testimony on behalf of Team NEO calling for the refunding of the Rural Industrial Park Loan Program utilizing a portion of the monies currently available in the Facilities Establishment Fund. Team NEO is the Northeast Ohio affiliate for JobsOhio, supporting business attraction and expansion in an 18-county region. In this role, the organization seeks to accelerate the pace of growth and equity related to business development.

Currently there are six rural counties and seven cities within our service territory defined as distressed or having a labor surplus. In reaching out to our local economic development partners in these communities, a vast majority have indicated a dire need for additional shovel-ready industrial sites. Taking a reactive approach to the current shortage of developable industrial land, several of these same constituents have gone through the exercise of identifying prospective property for development. However, confronted by limited budgets, few have the means to finance both land acquisition and infrastructure extension. The reinstatement of the Rural Industrial Park Loan Program could help to fill this unmet need.

With historic low commercial building inventories across the state, providing tools like the Rural Industrial Park Loan Program for new site development in rural and situationally disadvantaged communities is critical. In discussions with our partners, the following suggestions were provided as provisions to the former program parameters:

- Extend eligibility to include the redevelopment and expansion of existing industrial parks rather than focusing solely on greenfield development;
- Allow for flexible repayment terms (deferrals, rate subsidies, etc.) as often rural counties cannot carry debt to build industrial parks at the expense of current critical public services; and
- Permit funds to be used to pay predevelopment costs such as surveying, engineering and environmental assessments.

Much has changed in economic development over the past decade. The pace at which companies are making decisions is faster than ever before. To compete for new jobs and investment, our communities must have attractive, "ready to go" product to sell. In the past, the Rural Industrial Park Loan Program helped to make this possible for small towns like Leetonia in Columbiana County. In today's climate, we feel it could have an even greater impact.

Respectfully,

A handwritten signature in blue ink that reads "Shawn Starlin".

Shawn Starlin,  
Director of Project Management and Site Selection

