

**Ohio's Appalachian Local Development Districts  
Testimony of Executive Directors**

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John Hemmings, Executive Director  
Ohio Valley Regional Development Corporation  
Senate Finance – Workforce Subcommittee

Chairman Beagle, Vice Chair Williams, my name is John Hemmings and I am the Executive Director of the Ohio Valley Regional Development Commission. I will be testifying on behalf of the Local Development District Executive Directors:

- Misty Casto, of the Buckeye Hills-Hocking Valley Regional Development District
- Greg DiDonato, of the Ohio Mid-Eastern Governments Association and
- John Getchey, of the Eastgate Regional Council of Governments.

Thank you for the opportunity to provide testimony on House Bill 64 and to tell you about the important work that local development districts (“LDDs”) are doing in Ohio.

The four local development districts in Ohio are part of the Appalachian Regional Commission (“ARC”), a federal-state partnership that works with the people of Appalachia to create opportunities for economic development and improved quality of life. With funding through the federal government and the Ohio Governor’s Office of Appalachia, we administer projects to meet the following goals:

- (1) Increase job opportunities and per capita income in Appalachia to reach parity with the nation;
- (2) Strengthen the capacity of people in Appalachia to compete in the global economy;
- (3) Develop and improve Appalachia’s infrastructure to make the Region economically competitive; and
- (4) Build the Appalachian Development Highway System to reduce Appalachia’s isolation

We meet these goals by working with our local community partners to identify projects, secure funding from various sources, and serve as grant administrators through completion of these projects. In addition, we provide direct, last-mile funding for important projects through state and federal money administered through the LDDs. Finally, we serve as development advisors to many local governments who may not have a history or expertise in this area.

In our 2014 Impact Report, which you will find attached to my testimony, you will see that last year Ohio’s LDDs worked on 63 projects with a total cost of over \$72 million dollars. We created 750 jobs and helped retain over 2,000 jobs.

I’d like to highlight a few of those projects for you:

- The Meigs County Health Care Campus project was a partnership with The Meigs County Commissioners, and the Meigs County Community Improvement Corporation. The project received \$250,000 from the Ohio Governor’s Office of Appalachia, \$250,000 from the Appalachian Regional Commission and \$500,000 from the Appalachian Regional Commission Access Road program to facilitate construction of the Health Care Campus. The Community Improvement Corporation provided over \$6,000,000 in

matching local funds. Construction of this facility provides an in-county emergency room option for residents of Meigs County, who have been without an emergency room in the county for 14 years. The Emergency Care facility features a 24-hour staffed emergency department, equipped with state-of-the-art equipment and a helipad.

- The Village of Malta Village Hall Roof was part of the Buckeye Hills Community Investment Grant Program funded by the Governor's Office of Appalachia. The Village of Malta in Morgan County received \$10,000.
- Buckeye Hills designed and implemented the Community Investment Program as a local grant program and received over \$154,000 in requests for the \$50,000 in funding that was available. Buckeye Hills funded six local projects focused on meeting the program goals to repair and improve public buildings and to provide equipment for emergency preparedness and response.
- The Village of Kensington Wastewater Collection and Treatment System Project in Columbiana County received \$250,000 from the Appalachian Regional Commission. The project helped the Village meet Environmental Protection Agency requirements to abate unsanitary conditions and discharges to Sandy Creek and protect the health and welfare of the public.

Sadly, for all the good work we do, many worthy projects go unfunded. Last year, alone, our agency funded 7 projects averaging \$200,000 each. But, we had another 17 applications that were well developed and highly qualified that we could not fund for lack of resources. In this time of unprecedented growth in the region, we are excited to be a part of making the region stronger. We believe with greater resources and a more defined, streamlined process, we can make an even greater impact.

We have a very precise, and very transparent process for reviewing, scoring and recommending projects for funding. LDD staff take in over 100 applications every year across the entire region for general project funding, rapid response grants, and community investment dollars. We score and rank each application and advance those worthy projects - that fit within our budget - to the Governor's Office of Appalachia for approval. Following the GOA's approval, the projects have historically been sent to the Development Services Agency for compliance review and final technical signoff.

As you can see, Ohio's Local Development Districts provide crucial support for projects in the Appalachian region. By creating and retaining jobs, providing access to education and training, and increasing availability of sanitary sewer services, the projects we administer help to build this region's infrastructure for future growth.

To ensure the LDDs can continue to make this impact on our communities, we ask this committee to consider an additional \$1 million to be added in each fiscal year to the appropriation as introduced for program dollars that will go directly into community projects and an additional \$150,000 in each fiscal year to the administrative funds that allow the LDDs to assist our communities in project implementation. These increases will be spread across projects

in Ohio's 32 Appalachian counties and will help with administrative costs of all 4 LDDs. We want to ensure this committee that any increase in administrative dollars will not go to employee raises, rather, this money will be used to provide training on grant writing and funding strategies for community and economic development projects, assist with infrastructure mapping, increase technical support to develop grant projects, and facilitate community planning. With the increased allocation to our program dollars, we anticipate that each LDD would be able to fund 2 or 3 more projects each year. We are grateful to your colleagues in the House for their support of this increased funding, and ask for your consideration and support of this additional allocation as well.

We also ask this committee and the Senate to support uncodified language to clarify the role of the Development Services Agency in providing compliance review of the projects identified and recommended by the LDDs and approved by the Governor's Office of Appalachia. This language will ensure the funding process remains open and transparent and that funds are appropriately allocated in a timely manner.

Thank you for the opportunity to testify, I would be happy to answer any questions the committee may have.



**Ohio's Appalachian Regional Commission  
Local Development Districts**

**2014 IMPACT REPORT**

**In 2014, Ohio's LDDs administered 63 ARC projects with \$72,140,914 in total project costs which resulted in 750 new jobs and another 2,025 jobs retained in the region.**

We accomplish this by fostering dynamic partnerships among local governments, building public-private alliances and making strategic investments for community and economic prosperity.

**LDDs secured \$56 in Direct Project Dollars for every \$1 spent on administration.**

**Buckeye Hills**

11 ARC Projects  
Total Project Costs:  
\$11,960,861  
ARC Outcomes:  
72 Jobs Created  
153 Jobs Retained

**Eastgate**

9 ARC Projects  
Total Project Costs:  
\$6,091,704  
ARC Outcomes:  
194 Jobs Created  
200 Jobs Retained

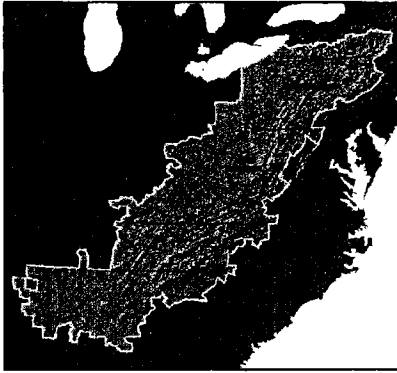
**OMEGA**

28 ARC Projects  
Total Project Costs:  
\$17,996,503  
ARC Outcomes:  
414 Jobs Created  
802 Jobs Retained

**OVRDC**

15 ARC Projects  
Total Project Costs:  
\$36,091,846  
ARC Outcomes:  
70 Jobs Created  
870 Jobs Retained

Funding provided by Appalachian Regional Commission (ARC), Appalachian Development Highway System (ADHS) and the Ohio Development Services Agency through the Ohio Governor's Office of Appalachia.



## Commemorating 50 Years in 2015!

The Appalachian region is home to more than 25 million people covering 420 counties in 13 states from New York to Mississippi.

The Appalachian Regional Commission (ARC) is a federal-state partnership that works with the people of Appalachia to create opportunities for economic development and improved quality of life. Projects create thousands of new jobs, improve local water and sewer systems, increase workforce skills, and expand health care access.

By creating or retaining jobs, providing access to education or training, and increasing availability to water and sanitary sewer services, the projects administered by LDDs build the region's infrastructure for future growth.

### Food Hub Capital Equipment and Online Ordering System Project

(ASHTABULA, MAHONING & TRUMBULL COUNTIES) Common Wealth, Inc. received \$25,000 from the Ohio Governor's Office of Appalachia (Total Project Costs: \$75,000) to purchase capital equipment and an online ordering system to improve the marketing of local produce grown in Ashtabula, Mahoning and Trumbull Counties. The project will also allow products to be processed in a shared kitchen business incubator.



### Village of Malvern Waterline Extension

(CARROLL COUNTY) The Village of Malvern received \$75,000 from the Ohio Governor's Office of Appalachia for a waterline extension to enable the creation of a loop in the water system. The loop will improve the existing water quality and extend service to twelve businesses. One of those businesses, Colfor Manufacturing, will be improving their operating efficiencies and expanding to create 20 additional full-time positions. The location of this waterline will also enable the Village to supply water to a K-12 school relocating in the area and to satisfy infrastructure needs of pending business developments related to shale drilling.

### Village of Kensington Wastewater Collection and Treatment System

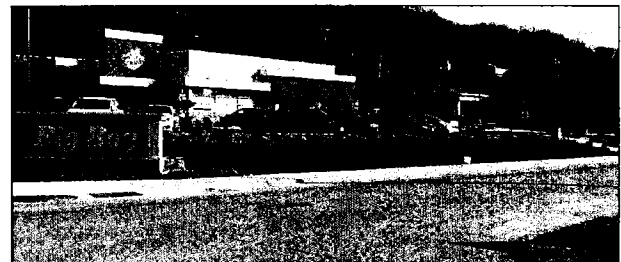
(COLUMBIANA COUNTY) The Village of Kensington received \$250,000 from the Appalachian Regional Commission (Total Project Costs: \$2,607,333) to meet Environmental Protection Agency requirements to abate unsanitary conditions and discharges to Sandy Creek and protect the health and welfare of the public. Construction of the wastewater treatment plant will enable the Village of Kensington to treat wastewater from an additional 160 households in the nearby Village of Hanoverton.

### Green Township Sanitary Sewer Project

(GALLIA COUNTY) Green Township received \$250,000 from the Appalachian Regional Commission for its Phase I Sanitary Sewer Project. This \$9,258,730 wastewater infrastructure project will create five jobs, retain 84 jobs, and serve 505 households and 17 businesses with safe and adequate sewer service.

### Ironton-Gateway Commercial Redevelopment Project

(LAWRENCE COUNTY) The City of Ironton received \$150,000 from the Ohio Governor's Office of Appalachia (Total Project Cost: \$10,342,569 include \$9,450,000 in private investment) for upgrades to an approximate five-block area of the 9th street development area. The upgrades will provide new locations for lodging and dining and create 61 jobs in the area.



## **McCartney Road Sanitary Sewer Extension Project**

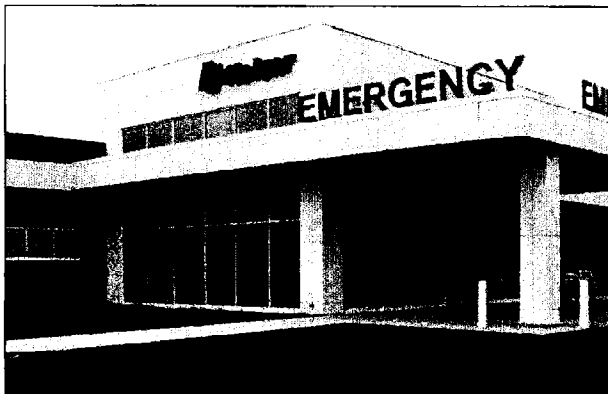
(MAHONING COUNTY) Coitsville Township received \$125,000 from the Appalachian Regional Commission and \$37,000 from Governor's Office of Appalachia (Total Project Costs: \$599,040) to construct 2,711LF of sanitary sewer line within Coitsville Township. Construction of this project will facilitate economic development and is anticipated to create 13 jobs.

## **YSU Additive Manufacturing Laboratory Equipment Project**

(MAHONING COUNTY) Youngstown State University received \$125,000 from the Appalachian Regional Commission (Total Project Costs: \$400,044) to purchase state-of-the-art additive manufacturing equipment to establish a laboratory at Youngstown State University (YSU). The additive manufacturing laboratory will serve 100 students per year, two private businesses (AST2, America Makes), two Colleges (YSU/EGCC), create 10 jobs, and 15 internships.

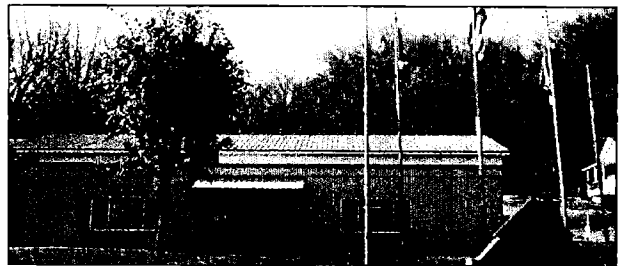
## **Meigs County Health Care Campus**

(MEIGS COUNTY) The Meigs County Commissioners, in partnership with the Meigs County Community Improvement Corporation, received \$250,000 from the Ohio Governor's Office of Appalachia, \$250,000 from the Appalachian Regional Commission and \$500,000 from the Appalachian Regional Commission Access Road program to facilitate construction of the Meigs County Health Care Campus. Construction of this facility will provide an in-county emergency room option for residents of Meigs County, who have been without an emergency room in the county for 14 years. The Emergency Care facility will feature a 24-hour staffed emergency department, equipped with state-of-the-art equipment and a helipad.



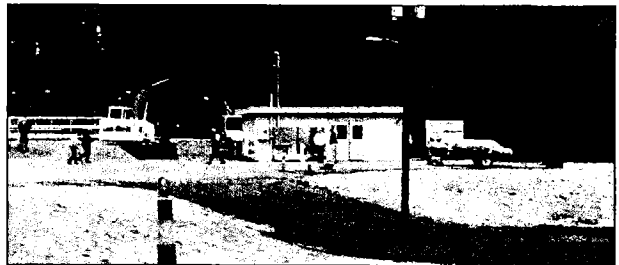
## **Village of Malta Village Hall Roof**

(MORGAN COUNTY) The Village of Malta received \$10,000 from the Buckeye Hills Community Investment Grant Program funded by the Governor's Office of Appalachia. Buckeye Hills designed and implemented the local grant program and received over \$154,000 in requests for the \$50,000 in funding that was available. Buckeye Hills funded six local projects focused on meeting the program goals to repair and improve public buildings and to provide equipment for emergency preparedness and response.



## **Village of Stockport Wastewater Treatment Updates**

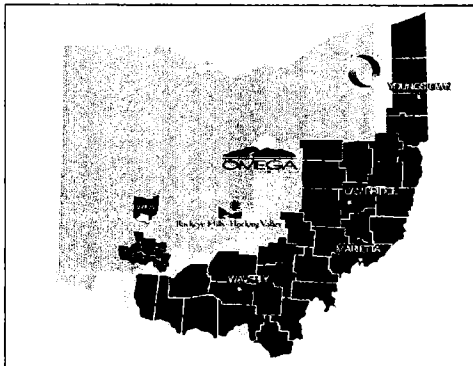
(MORGAN COUNTY) The Village of Stockport received \$250,000 from the Ohio Governor's Office of Appalachia to upgrade a wastewater system that was constructed in 1972. The project will ensure compliance with the Ohio Environmental Protection Agency standards and serve 500+ residents and 400+ students and teachers.



## **Village of Strasburg Industrial Park Access Road Improvements, Tuscarawas County**

(TUSCARAWAS COUNTY) The Village of Strasburg received \$174,000 from the Appalachian Regional Commission Access Road program (Total Project Costs: \$734,000) to widen and strengthen the asphalt base of the access roads serving the Strasburg Industrial Park. Improvement of the access roads will facilitate the retention of 157 jobs and the creation of 268 new jobs by businesses located, expanding or starting up in the park including existing businesses such as Schlumberger Technology Corporation, Lincoln Manufacturing, Kleen Test, and Tremcar.

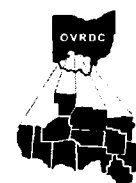
Ohio's Local Development Districts (LDDs) serve 32 counties and are responsible for administering federal ARC and Ohio Governor's Office of Appalachia (GOA) grant programs across the region.



Ohio's Appalachian counties cover an area larger than the states of Massachusetts, Connecticut, and Rhode Island combined.\*

Appalachian Regional Commission counties make up 17% of Ohio's population.\*\*

Ohio is the only state to partner with ARC and provide matching funds, thereby doubling the impact of projects.



**Buckeye Hills-Hocking Valley Regional Development District**  
**Executive Director:**  
**Misty Casto**

*Serving*  
 Athens, Hocking, Meigs,  
 Monroe, Morgan, Noble, Perry  
 and Washington Counties

Also serves as the  
 Area Agency on Aging 8 and  
 a Regional Transportation  
 Planning Organization

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740-374-9436  
 1-800-331-2644

**Eastgate Regional Council of Governments**  
**Executive Director:**  
**John Gretchy**

*Serving*  
 Ashtabula, Mahoning and  
 Trumbull Counties

Also serves as  
 Metropolitan Transportation  
 Planning Organization

100 E. Federal Street  
 Suite 1000  
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[www.eastgatecog.org](http://www.eastgatecog.org)

330-779-3800

**Ohio Mid-Eastern Governments Association**  
**Executive Director:**  
**Greg DiDonato**

*Serving*  
 Belmont, Carroll,  
 Columbiana, Coshocton,  
 Guernsey, Harrison, Holmes,  
 Jefferson, Muskingum and  
 Tuscarawas Counties

Also serves as a Regional  
 Transportation Planning  
 Organization

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 1-800-726-6342

**Ohio Valley Regional Development Commission**  
**Executive Director:**  
**John Hemmings**

*Serving*  
 Adams, Brown, Clermont,  
 Fayette, Gallia, Highland,  
 Jackson, Lawrence, Pike, Ross,  
 Scioto and Vinton Counties

Also serves as a Regional  
 Transportation Planning  
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