

# The Many Facets of Economic Development

By Mike Barhorst

You have probably heard the term “economic development” bantered about, but have wondered just what that means to the City of Sidney. Economic Development is a multi-faceted concept. One of the best definitions I have seen is “efforts that seek to improve the economic well-being and quality of life for a community by creating and/or retaining jobs and supporting or growing income and the tax base.”

Economic development can mean everything from attracting a large manufacturing company to the area to create new jobs to working to improve the quality of life for area residents by enticing additional shopping or eating options. Whether any given project provides jobs or amenities, economic development projects are time-consuming and involve juggling a number of balls simultaneously.

In the past couple of weeks, I have been approached by residents who had heard rumors that Olive Garden had decided not to locate here because the City had refused to allow them a large enough sign that would help them draw traffic from the interstate. I was sorry that the rumor had circulated, but at the same time, grateful that citizens chose to ask about the rumor rather than simply choosing to believe that the rumor was true.

Let me dispel the rumor immediately; no sign applications, from national or local eateries, have been received by the City of Sidney in months. More importantly, the sign permit application process is one of the last steps in the process of attracting new business/restaurants to the area - not the first. Given the nature of the rumors, I thought that it might be useful to discuss how communities go about attempting to recruit additional shopping and dining options for both their residents and visitors, as well as other economic development opportunities.

The City of Sidney partners with the Sidney-Shelby Economic Partnership (SSEP) as the point of contact for most development projects. SSEP is a not-for-profit organization consisting of private business and public leaders from across Shelby County who are dedicated to maintaining the county’s economic growth and stability.

SSEP facilitates the flow of information on available site and building locations, financing, utilities, transportation, labor and market data as well as tax information and available incentives. SSEP works regionally with the Dayton Development Coalition (DDC) and Jobs Ohio at the state level. Not only does SSEP work to attract new businesses to the area, the organization also works to retain and grow already established Sidney/Shelby County companies.

When considering a new location, large companies almost always hire a consultant to undertake research on potential locations. The site location consultant will provide the company with the options available. Once the prospective company has reviewed all that is available locally, site visits are made.

There are many factors considered in selecting the right location. Logistics, utilities, quality workforce, affordable supply of materials and proximity to suppliers and customers are all digested and compared to other potential sites.

I’d like to focus on the top three areas that are typically most important to site selectors and the ones that I feel make Sidney stand out among its competitors. Let’s first examine logistics.

A key logistical factor is Sidney's location along I-75 that includes four different interchanges located within the city limits. Sometimes called the crossroads of America, easy access to I-70 from I-75 is also another key factor. Our location places goods manufactured in Sidney within a day's drive of 60% of the country's population.

Railroad access is one of Sidney's true, hidden strengths. Sidney is located on a North/South and East/West intersection of the CSX Railroad. Less than a decade ago, CSX invested heavily in a switch that allows the more than 100 trains that daily pass through Sidney to change their direction of travel.

The Sidney City Airport, with its dual-runways, one of which is more than 5,000 feet in length, handles commercial traffic daily. The longer runway, completed as a result of a major investment from the Federal Aviation Administration, can accommodate much larger aircraft than was previously the case.

For major air travel and international shipments, the Dayton International Airport is less than 35 miles from Sidney. Dayton International provides three different runways, with the longest being nearly 11,000 feet long. Dayton International Airport is host to five major carriers providing access to destinations around the world.

Finally, there are more than 40 motor freight and trucking companies located in Shelby County, many of them located within the city limits. The multi-modal forms of transportation available in Sidney make the area ideal from a logistics perspective.

In addition to logistics, business and industry looking for new locations need readily available utilities. The continued improvements being made to local utilities will also play a vital role in Sidney's future.

The upgrades currently being completed at the Wastewater Treatment Plant will also position the community not only for residential growth, but commercial and industrial expansion as well. The water source project, discussed for nearly 80 years, is also vitally important to Sidney's continued growth and prosperity. Finally, the recent electric and natural gas aggregation initiatives have not only helped residents lower their utility bills, they have also provided local companies the option to band together to increase their bargaining power and secure lower utility rates as well.

A quality workforce is the third component that influences the decision-making for companies. Sidney and Shelby County have long been considered by employers to have workers "who are not afraid to roll up their sleeves and work hard".

In addition, we have a new, unique program - the Workforce Partnership of Shelby County. Created by local, private business leaders, the Workforce Partnership of Shelby County is designed to help prepare the emerging workforce through an educational curriculum that teaches the skills needed to be an excellent employee. Perhaps even more important, the program offers students experiences that expose them to the many varied and exciting career opportunities that exist in Shelby County.

The Partnership works hand-in-hand with business leaders and schools throughout Shelby County. This partnership, while relatively new, continues to expand its scope. It is sure to pay dividends well into the future as local youth enter the workforce as engaged and empowered employees for our local companies.

There are many individuals who believe strongly that property tax relief and other incentives are essential tools in making a location desirable to site selectors. While such incentives are good tools to have available, they tend to be one of the least important factors most companies consider.

It has been my experience that even if a community is the perfect fit for all of the above and a tentative decision is made, that decision can change quickly. I would cite as an example a story related to me recently while I was attending an out-of-town conference. A company was ready to move and the company president was visiting his “new” community with his family for the first time. During the visit, his wife announced that she “would never move there.” The press release announcing the decision on where the company was going to relocate its facilities was quickly rewritten.

That example brings me to the ingredient that may be more important than all the others combined – ingredients grouped together and referred to as quality of life issues. Quality schools, availability of health care options, recreational opportunities, housing stock and shopping all play a significant role in attracting new businesses.

I want to speak about two of those items: schools and recreational opportunities. When I served in public office in the mid-1980’s, the community as well as the nation were just beginning to emerge from a recession. Things within the community began to boom – especially after Honda made their announcement that they would be locating a major facility in Shelby County. A number of Honda’s suppliers chose to locate in Sidney.

As those companies looked at Sidney, one of questions I was always asked was about the quality of the community’s schools. Sometimes it was the only question that a prospective company’s executives asked. I think of those conversations every time a school levy is on the ballot. It goes without saying that generally speaking, a quality product costs more than those of inferior quality. While I would not advocate voting for every tax issue carte blanche, I have personally witnessed individuals who are pleased that they voted against a levy, saving themselves \$150 per year, seemingly unconcerned that the value of their home decreased \$10,000.

I wrote recently about our parks, and would again mention that the neighboring communities of Troy and Piqua are investing heavily in riverfront amenities, their downtowns, and their parks. Every bit of research I read would indicate that my generation (Boomers) as well as the succeeding generations (the Millennial and Gen-X’s) will gravitate to communities that have recreational opportunities and other amenities they find attractive. We must find the resources necessary to fund the Shelby County Park District, so that bicycle paths connecting us to other communities can be developed and maintained.

Once a company has made its decision to make Sidney its new home, the City permitting process begins. A comprehensive team of staff, including individuals from Public Works, Community Services, Engineering, Fire and Utilities review the proposed site plan. The required contents of the site plan and the review process are outlined in City Codified Ordinance Chapter 1133.

When the review is complete and the plan is found to be in compliance with the provisions of Chapter 1133, then the permitting process for ancillary items, such as fences and signs can begin. Depending upon the schedule of the proposed development, the permitting process for ancillary items sometimes does not begin until actual construction is well underway.

For those that wish to be kept informed about the latest private developments, the City Manager's weekly newsletter always contains an "Engineering Report". This report details all private development projects that have made it to the site plan review stage. The most recent weekly newsletter can be found in the scrolling news section of our website ([www.sidneyoh.com](http://www.sidneyoh.com)). Archived copies of the weekly newsletter can be found online under the Manager's Newsletter tab (<http://sidneycityoh.minutesondemand.com/>).

Residents who have questions regarding economic development are welcome to contact City Manager Mark Cundiff, their City Councilmember or me.