



OHIO'S ELECTRIC COOPERATIVES CURRENT

February 2019

Build It and They Will Come

Because companies wait as long as they can before committing to a new location, when the decision to execute is finalized, their timeline to get up and running is significantly compressed.

According to Todd Thoman, Agracel, Inc., director, business development, "Over 90% of site selection projects seek existing buildings and that's why spec buildings are so desirable. Small communities can attract highly sought-after investments by having the right product available for manufacturers that are ready to expand."



FOSTORIA ECONOMIC DEVELOPMENT CORPORATION



Treves' Fostoria, Ohio, manufacturing facility is shown above. Treves is an automotive supplier specializing in automotive interiors and acoustic treatments and partners with automotive manufacturers throughout the world. It has 23 factories across 17 countries that implement thermocompression, thermoforming, foaming, and assembly technologies for customers that include General Motors, Ford, Fiat Chrysler Automobiles, and BMW.

Spec building attracts international manufacturer

A few years ago, the Fostoria Economic Development Corporation (FEDC) in Fostoria, Ohio, recognized that the community lacked the building inventory necessary to attract manufacturers. Renee Smith, FEDC president, explains, "When we surveyed the inventory of buildings in our community, it was apparent that speculative buildings were needed to attract the automotive and agribusiness manufacturers that are a particularly good fit for Fostoria."

Fostoria's investment to create a 40,000-square-foot spec building paid off quickly when Treves, which is part of the KTNA joint venture located in Alabama, decided to move forward with an independent facility after winning a new contract with Ford.

Progressive community well-positioned for success

Agracel, Inc., an industrial development company that focuses on developing projects and creating jobs in rural towns, has a long-time relationship with Treves and assisted with the site selection for the manufacturer's first Midwest location. Agracel's Thoman said that with a preferred location within 60

miles of Toledo, Ohio, Ohio's Electric Cooperatives and Regional Growth Partnership were among his first contacts. Based on Treves' building requirements, only four buildings within the search area came close to meeting the criteria, and the Fostoria spec building fit to a T.

Agracel negotiated the deal for Treves, then completed a purchase/lease-back agreement and commenced with construction of the interior build-out, including the addition of 3,250 SF of office space. "The most progressive communities that can get product together will be the most successful," said Thoman. "Fostoria's FEDC working with the local electric cooperative and other community partners to build the spec building, was how they won this project." Treves invested over \$11 million in the new production facility. The site can accommodate another 60,000 SF. Employment is expected to exceed 90 by year-end 2020.

With its initial spec building fully occupied, the Fostoria CIC now has a 100,000 SF spec building under construction.

Electric cooperative grant readies site for development

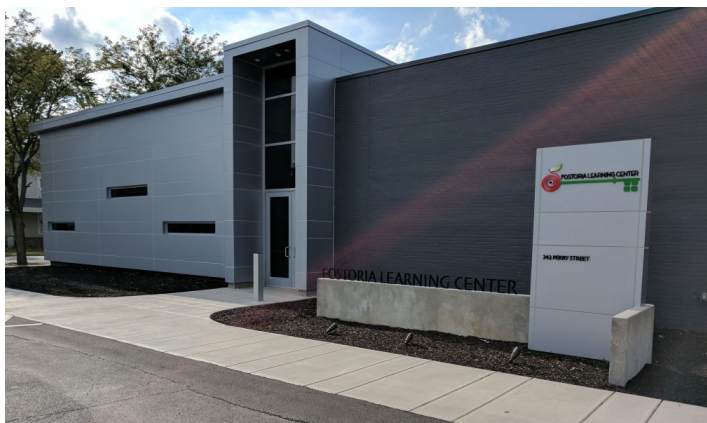
With most site selection projects needing an existing building or immediately-developable site to meet their timeline, the last undeveloped site in the Fostoria Industrial Park needed trees cleared to prepare for development.

"We're always looking for opportunities to partner in projects aimed at advancing the communities we serve," said Edward VanHoose, President of Federated Energy Services Cooperative, Inc. and General Manager of its two members: North Central Electric Cooperative (NCE) and Lorain-Medina Rural Electric Cooperative. VanHoose continues, "The NCE team realized a resource gap existed and stepped up to help. Ohio's Electric Cooperatives awarded NCE a matching grant, and together we committed \$10,410 to prepare the site for immediate development."

FEDC's Smith adds that the 4.1-acre site has all utilities at the site and can accommodate a 30,000-square-foot building plus parking.



North Central Electric Cooperative and Ohio's Electric Cooperatives provided a \$10,410 grant to clear trees to prepare the 4.1-acre site in Fostoria Industrial Park for immediate development.



The \$3.8 million Fostoria Learning Center was created with \$3 million of local funding and provides customized and classroom training for local businesses.

Fostoria Learning Center helps develop workforce skills

The Fostoria community asserts that training a local workforce is the biggest issue for expanding businesses. The Fostoria Learning Center, which opened in August 2017, is the culmination of years of planning and collaboration with local K-12 schools, higher education providers, businesses, and industry to provide the specific workforce training required by local businesses. The \$3.8 million center offers courses in robotics, mechatronics, electrical, welding, health care, and customized classes for individual employers.

Collaborative community approach benefits all partners

Fostoria's regional transportation assets include:

- An excellent transportation network with easy access to the Ohio Turnpike and I-75
- Over 500 major bureau carriers have authority to provide service to and from Fostoria
- Norfolk Southern and CSX Transportation railroads provide main line service and connect with comprehensive intermodal transportation ports for both domestic and international shipping
- The only diversified cargo-handling port on the Great Lakes is less than 50 miles from Fostoria
- Fostoria Municipal Airport offers a 5,005' by 100' all-weather surface runway, hangar space, and a full-time base operator; Fostoria is 45 miles from Toledo Express Airport and Burlington Air Express air-cargo hub.

In Fostoria, Ohio, cooperation is innate, as the city overlaps three counties. Partnerships are essential to success, especially so for economic development. The Regional Growth Partnership, JobsOhio, Fostoria Economic Development Group, Ohio's Electric Cooperatives, and North Central Electric Cooperative worked collaboratively with developer Agracel, Inc., to develop Treves' first Midwest manufacturing facility.

"Partners like the Fostoria Economic Development Corporation understand the need to stay globally competitive by having current product ready for potential investors," said Dean Monske, president and CEO of the Regional Growth Partnership (RGP). "Treves' investment in our region adds to our already strong automotive industry. And when combined with our capacity and assets in food processing, advanced manufacturing, energy and logistics, Northwest Ohio presents a strong case for expanding businesses across a diverse industry base."

RGP is a private, nonprofit development corporation dedicated to fostering local, national, and international economic growth opportunities for Northwest Ohio. RGP serves as Northwest Ohio's network partner for JobsOhio.

Treves received an Ohio Jobs Creation Tax Credit, as well as a grant for machinery and equipment. North Central Electric Cooperative waived Treves' \$16,000 initial service fee.

Find your expansion site in Northwest Ohio

Rural sites with reliable and affordable energy and easy access to suppliers and customers are available throughout the territories served by Ohio's 25 local electric cooperatives. If your organization is searching for manufacturing expansion sites, contact OEC's Dennis Mingyar at (614) 430-7876 or dmingyar@ohioec.org.



Buckeye Power and Ohio's Electric Cooperatives can help with:

- Comprehensive site and building portfolios
- Preliminary site studies
- Site search tours
- Assistance in identifying financial incentives
- Electric rate analyses
- Community profiles
- State and local government contacts
- Contractor introductions

Look for Us:

Site Selectors Guild Annual Conference

March 25-27, 2019

Salt Lake City, Utah

Spring 2019 Industrial Asset Management Council (IAMC) Professional Forum

May 4-8, 2019

Santa Barbara, California



Contact Us:

Dennis Mingyar

Ohio's Electric Cooperatives

www.ohioec.org

6677 Busch Boulevard

Columbus, OH 43229

614-430-7876

dmingyar@ohioec.org