



## OHIO'S ELECTRIC COOPERATIVES CURRENT

September 2016

### Spec Construction Propels Rural Ohio to Front of the Pack

Jumping the gun is not a good thing in sports competitions, but in economic development, getting out of the gate early can propel a community to the top of the site selection short list.

Two rural Ohio communities have dramatically shortened the start-to-finish timeline for companies that need a new location by constructing spec buildings that can be custom-finished and move-in-ready within weeks, rather than months.



#### Companies demand available product

“A site selection process that used to take nine months, now takes three,” states Renee Smith, President of Fostoria Economic Development Corporation (EDC). “Most companies want a building that they can move into almost immediately. Fostoria didn’t have any vacant new product, so the EDC, elected officials, utility partners, and the business community came together to develop a 40,000-square-foot spec building that keeps Fostoria—a northwestern Ohio town of 13,000—in the running for new businesses.”

“Many rural Ohio communities have exceptional assets, in terms of geographic location, access to rail and highways, and a local skilled workforce, but are less likely to have available product, especially new construction that meets manufacturing and light industrial users’ requirements,” says Dean Monske, President and CEO of Regional Growth Partnership. “Communities that align their resources to create available product will generate far more interest from site selection consultants and expanding businesses.”



*The Lancaster Port Authority's 50,400-square-foot spec manufacturing building in Rock Mill Industrial Park has increased Lancaster's ability to respond to leads by 40 percent.*

#### Market data proved need for spec manufacturing space

“The Lancaster Port Authority recognized the need for market-ready manufacturing space in 2014,” explains Mike Pettit, Director of Lancaster Economic Development and Lancaster Port Authority and General Manager of Lancaster Municipal Gas. “We were seeing more and more JobsOhio, Columbus 2020, and self-generated requests for 50,000 to 100,000 square feet of existing manufacturing space, and we didn’t have qualified product to submit.”

The Lancaster Port Authority's 50,400-square-foot spec manufacturing building was completed in March 2016, and

Pettit estimates that it has increased Lancaster's ability to respond to leads by 40 percent. "We've shown the building more than a dozen times already to manufacturers from Europe, Australia, and throughout the U.S.," shares Pettit.

## Exceptionally abundant water supply attractive for food processing and production

Lancaster is located just 30 miles southeast of Columbus at the terminus of Ohio's last two glaciers, and sits atop an exceptionally large aquifer. Lancaster has two well fields that produce an unusually abundant water supply. Historically, the area has attracted food processing and food production-supportive industries such as glass containers, lids, and packaging manufacturing, along with numerous fabrication and machine shops.

Decades ago, Fostoria's municipal leaders had the foresight to build six reservoirs that provide the city with an abundant water supply. "Ohio has a remarkable concentration of companies that cultivate, process, distribute, and market food and drinks enjoyed by consumers around the world," says Aaron Pitts, JobsOhio's Senior Managing Director for BioHealth, Agribusiness and Food Processing. "The state's natural resources, agricultural productivity, and strategic location are supported by robust food processing and distribution facilities, making Ohio one of the top Agribusiness states in the nation."

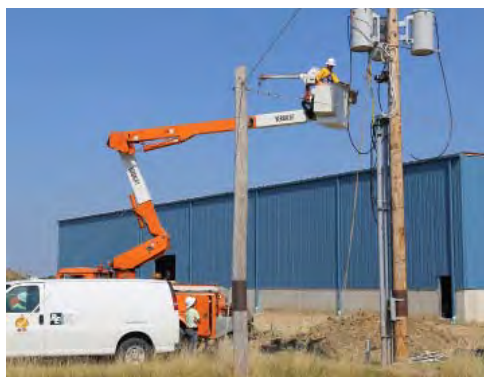


*Available new spec buildings outside urban areas can be move-in-ready within weeks.*

## Redundant water, power, and natural gas provide reliable, high capacity services

The Lancaster Community Improvement Corporation (CIC), South Central Power, Lancaster Municipal Gas, and the City of Lancaster Water Department have heavily invested in the infrastructure that supports the 500-acre Rock Mill Industrial Park. The newly-completed spec manufacturing building is located in the park's 185-acre Phase 2 and has redundant water, power, and natural gas services. Rock Mill was Ohio's first industrial park to receive the AT&T Fiber Ready designation; fiber is installed and ready to use.

"South Central Power's infrastructure is sized for both high load demand and future expansion," notes Jeff Campbell, director of Key Accounts for South Central Power. "The site is served by two substations with ample capacity to feed any type of manufacturing load with reliable electricity."



*North Central Electric Cooperative supported Fostoria EDC's spec industrial building with construction-in-aid.*

## Local collaboration key to move-in-ready infrastructure

"A strong relationship between economic development organizations and utilities is essential, but especially so in smaller rural communities," says Terry Mazzone, CCC, Director of Communications, Member and Community Relations for North Central Electric Cooperative. "North Central contributed to the project by not assessing Fostoria EDC (developer of the Fostoria spec building) for the electric service connection, a savings estimated at \$16,000. Anytime the electric cooperative has the opportunity to support the creation of jobs, we'll step up and offer to contribute."



## Fostoria's "Iron Triangle" is hub for rail service

Fostoria is one of only 16 locations in the U.S. where three double-track main rail lines cross each other within a half-mile. Combined, more than 180 trains on the CSX Transportation (B&O main and C&O Toledo line) and Norfolk Southern lines go through Fostoria each day, providing local businesses with excellent access and competitive rail rates.

## Strength in numbers

The 11-county Columbus Region—which includes Lancaster in Fairfield County—is one of the most dynamic and diverse metropolitan regions in the U.S., according to Kenny McDonald, President and CEO of Columbus 2020. McDonald comments, "the Columbus Region generated \$12.5 billion in manufacturing economic output in 2015. While we're fortunate to have many internationally-recognized manufacturers, our region and our state's economic strengths are driven by diversity of industry sectors and a large number of small and mid-sized manufacturers. Having available buildings and prepared communities is critically important to attracting businesses to Ohio."

## Develop, build, fill, repeat

Both Fostoria's and Lancaster's economic development organizations expect to continue making sure that there is available industrial space in their community. "As soon as this spec building is sold or leased, Lancaster Port Authority plans to build another spec manufacturing building," shares Pettit. "Plans are also underway for Rock Mill Industrial Park's Phase III, a 125-acre site primarily targeted for large users."



*Fostoria's 23 Corporate Place industrial park provides an exceptional logistics location for manufacturing tenants.*

### 619 Mill Park Drive, Lancaster Ohio 43130



#### Fast facts:

- ✓ Building size/available space: 50,400 SF
- ✓ Potential expansion: 28,000 SF
- ✓ Zoning: Industrial Heavy
- ✓ Building material: Pre-cast concrete
- ✓ Site size: 6.59 acres
- ✓ Year built: 2016
- ✓ AT&T Fiber Ready designation
- ✓ Clear ceiling height: 28 feet

### 615 Corporate Drive, Fostoria Ohio 44830



#### Fast facts:

- ✓ Building size/available space: 40,000 SF
- ✓ Potential expansion: 60,000 SF
- ✓ Zoning: M-2 General Industrial
- ✓ Building material: Metal and concrete block
- ✓ Site Size: 6.12 acres
- ✓ Year built: 2016
- ✓ Clear ceiling height: 29 feet
- ✓ Column spacing: 50 feet

- ✓ Floors: 6" reinforced concrete
- ✓ Electrical service: 3 phase/1200 amp
- ✓ Electricity provider: South Central Power
- ✓ Fully sprinklered – wet system
- ✓ 15 year, 100% tax abatement
- ✓ 0.1 miles from U.S. Route 33
- ✓ For sale or lease; price or rates negotiable

- ✓ Electrical service: 12kv, 138kv available
- ✓ Electricity provider:  
North Central Electric Cooperative
- ✓ City water/sewer: 12" mains
- ✓ For sale or lease; price or rates negotiable

**For more information:**

Lancaster Economic Development  
[www.ci.lancaster.oh.us](http://www.ci.lancaster.oh.us)  
 740.687.6670, ext. 210

**For more information:**

Fostoria Economic Development Corp.  
[FostoriaED@aol.com](mailto:FostoriaED@aol.com)  
 419.435.7789

**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:**

**The Fourth Industrial Revolution Industrial Asset Management Council (IAMC) Fall Professional Forum**

October 8 - 12, 2016  
 Indianapolis, Indiana

**Site Selectors Guild 2016 Fall Forum**

October 24-26, 2016  
 Little Rock, Arkansas



Contact Us:

**Dennis Mingyar**

Ohio's Electric Cooperatives

[www.ohioec.org](http://www.ohioec.org)

6677 Busch Boulevard

Columbus, OH 43229

614-430-7876

[dmingyar@ohioec.org](mailto:dmingyar@ohioec.org)