



# JEFFERSON COUNTY PORT AUTHORITY

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[www.jcport.com](http://www.jcport.com)

## Overview of Economic Development Assets and Goals & Objectives

## **Background**

- The Port was formed in 2012 as county leaders restructured their approach to economic development. A 9-member Board of Directors was formed, consisting of a strong cross-section of banking, development, and industrial executives.
- The Port is formed and governed through a partnership of Jefferson County and the City of Steubenville. (under ORC 4582, Ohio Ports must be formed by legislation/resolution of one or more political jurisdictions). Jefferson County Commissioners have been granted power to appoint 4 Board members; City of Steubenville 4; and Jefferson County Regional Planning Commission 1.
- The Port is taking a very comprehensive approach to economic development, serving as the leader primarily in commercial and industrial development initiatives that will allow existing firms to grow as well as allow the county to attract quality employment opportunities for all citizens.

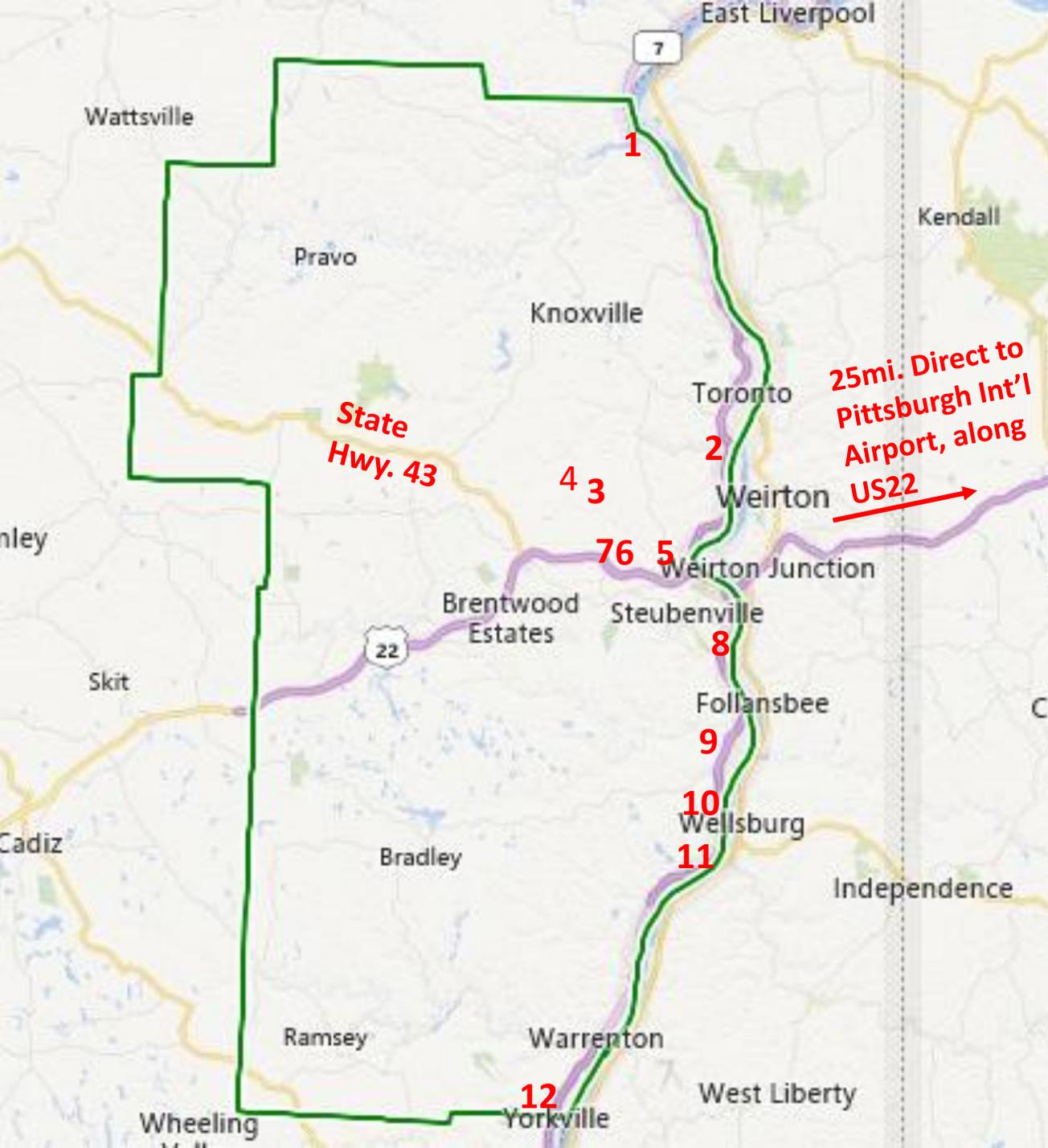
## **Staff**

- The Port hired its first Executive Director--Evan Scurti--in Dec. 2013. Evan is a native of Jefferson County, 2000 graduate of Franciscan University of Steubenville, and 2003 graduate of The Ohio State University's Master's of City and Regional Planning program.
- The Executive Director is assisted by Joe Dantona, a 2015 graduate of Franciscan University of Steubenville.

## **Finances**

- The Port has approximately \$460,000.00 in total financial assets, operating on a \$155,000.00 annual expense budget. Currently, operating funds are provided by the County (\$130,000) and City of Steubenville (\$25,000).
- Through Project fees and its own land development initiatives, Port has a long-range goal of developing a stronger local toolkit of incentive programs and availability of capital expense funds.
- In 2015 the Board created a Reserve Capital Fund for future building and/or infrastructure projects and has already placed \$200,000.00 into the Fund. The Port benefits from over 25 private donors whose annual gifts, ranging from \$250-\$5000 annually, total approximately \$50,000 and have allowed the Board to develop this new Capital Fund.

## Major Employers, Investments, and Development Sites along the River Corridor and primary road corridors of State Route 7; US 22 and State Route 43



- 1 FirstEnergy Coal-Powered Electric Generation (Sammis Plant), Stratton
- 2 Timet—largest manufacturing employer, over 600 employees, Toronto
- 3 County-Owned Industrial Park—7.5 mi. west of river, located on County Rd. 43 in Island Creek Twp. (1 mi. east of State Hwy 43/CR43 intersection.
- 4 Wal-Mart Distribution Center—800 employee center in Island Creek Twp. Constructed in 2002 at intersection of State Rt. 43 and County Rd. 45.
- 5 Franciscan University of Steubenville ([www.Franciscan.edu](http://www.Franciscan.edu)), located near US22/State Route 7
- 6 Eastern Gateway Community College ([www.egcc.edu](http://www.egcc.edu)), located at the US22 / John Scott Hwy/ intersection
- 7 Trinity Health Systems—over 1500 employees ([www.trinityhealth.com](http://www.trinityhealth.com))
- 8 RiverRail, LLC—former Steubenville steel mill, 120ac. site at SR7/3<sup>rd</sup> St.
- 9 Acero Junction Inc.—Purchased the Mingo Junction mill in 2016 and employs 115 at the rolling mill; electric arc furnace expected to start in 2018
- 10 \$120million new WV-OH bridge, scheduled to be completed by 2022.
- 11 American Electric Power/Buckeye Power Coal-Powered Electric Generation Plant, located in Brilliant.
- 12 Yorkville former steel mill – purchased by C.J. Betters Enterprises in 2017 and transformed into a logistics / manufacturing park.



Jefferson County

State of Ohio

## County Demographic Highlights

State of Ohio County Profile Report; U.S. Census-based info.: <https://www.development.ohio.gov/files/research/C1042.pdf>

- 2015 Population: 67,347
- 2015 population estimates
  - Steubenville (city): 18, 219
  - Island Creek Twp.: 6,241
  - Cross Creek Twp.: 5,033
  - Toronto (city): 4,882
  - Wintersville (village): 3,795
  - Mingo Junction (village): 3,324
- Median County Age: 44.3
- Family Income--% Below Poverty Level: 12.6%
- Median Household Income: \$40,816
- Civilian Labor Force (2015): 29,600
- Oct. 2016 unemployment rate; Ohio Dept. of Job & Family Services: 7.0%
- Occupied Housing Units: 28,176
  - Owner-occupied: 71.2%
  - Renter-occupied: 28.8%
- Median Value of Owner-Occupied Units: \$86,300
- Total Vacant Housing Units: 4,485
- High School Graduation Rate: 92.2%
- Public expenditures per student: \$8,612
- Persons 25 years or older: 48,418
  - High School Graduates: 43,576 (90%)
  - Associate Degree: 5,759 (11.9%)
  - Bachelor's Degree: 4,545 (9.4%)

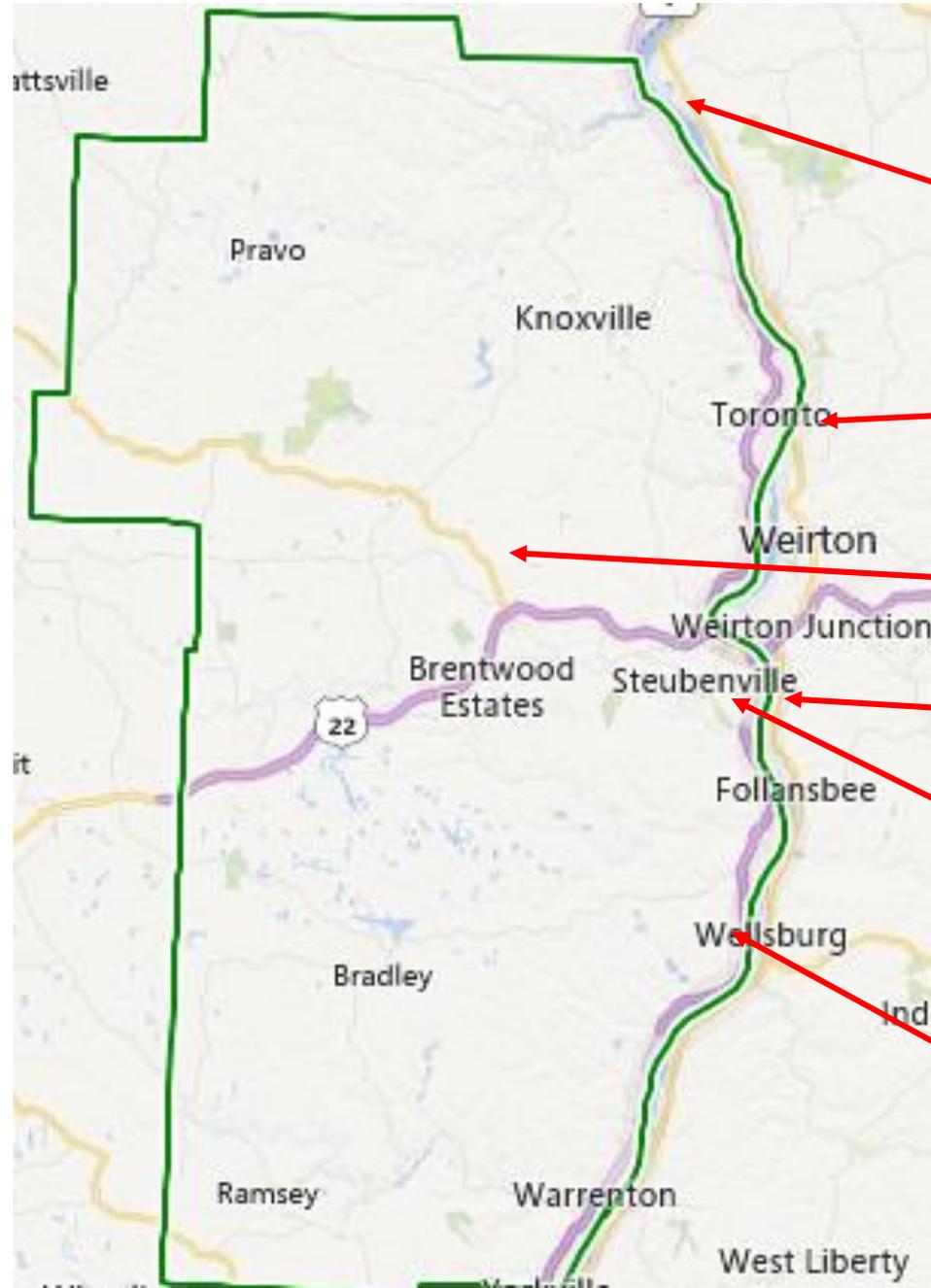
*\*The county is part of a federally-designated metropolitan statistical agency (MSA), served by the Brooke-Hancock-Jefferson metro planning commission ([www.bhjmpc.org](http://www.bhjmpc.org)). Regional data, including commuting and traffic patterns available at the BHJ website.*

# Jefferson County's Major Private-Sector Employers

## Recent Construction Jobs Growth

December 2015 Report from the Associated General Contractors of America reported that construction jobs increased in 180 out of 350 metropolitan areas nationwide. The Steubenville-Weirton metropolitan area showed the largest percentage increase (56%), which created 900 new jobs in 2015. This large increase in construction jobs is due to factors such as:

- oil and gas-drilling related projects
- several new hotels recently completed
- Franciscan University of Steubenville expansion.



Village of Stratton--FirstEnergy Electric Power Plant, 350 employees

City of Toronto—Timet Titanium Processing Plant, 600 employees

Island Creek Township—Wal-Mart Distribution Center, 800 employees

Steubenville—Franciscan University of Steubenville, 368 full-time employees

Steubenville—Trinity Health System, 1467 full-time employees, 466 part-time employees

Wells Township—American Electric and Buckeye Power Plants, 300 employees

# Higher Education



- Catholic University Founded in 1946
- 40+ undergraduate and 8 Master's courses of study
- 15:1 student-to-faculty ratio
- 17 Division III sports teams
- 14 countries represented
- 120 full-time; 134 part-time faculty
- 2103 undergrad students
- 351 graduate students
- Approximately 800,000 square feet of campus facilities

[www.Franciscan.edu](http://www.Franciscan.edu)



Veterans Memorial bridge to Pittsburgh

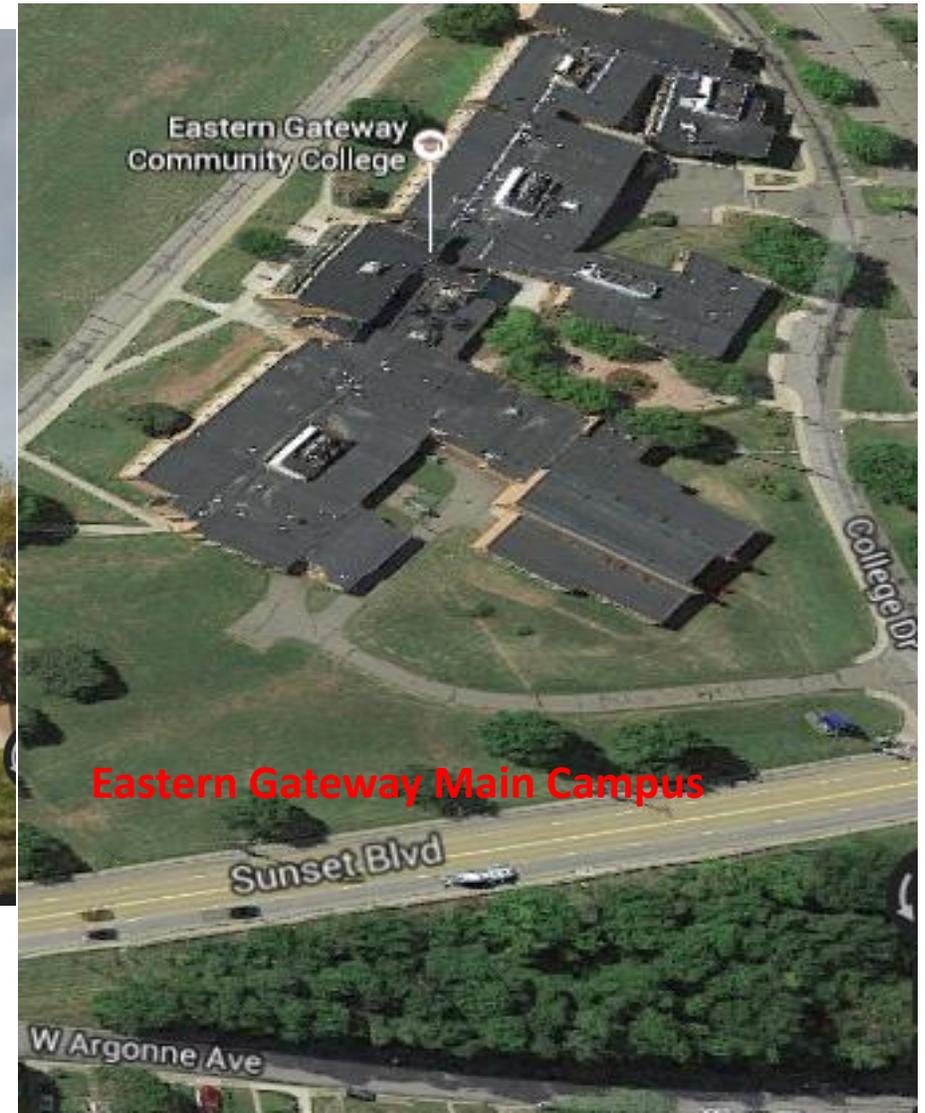
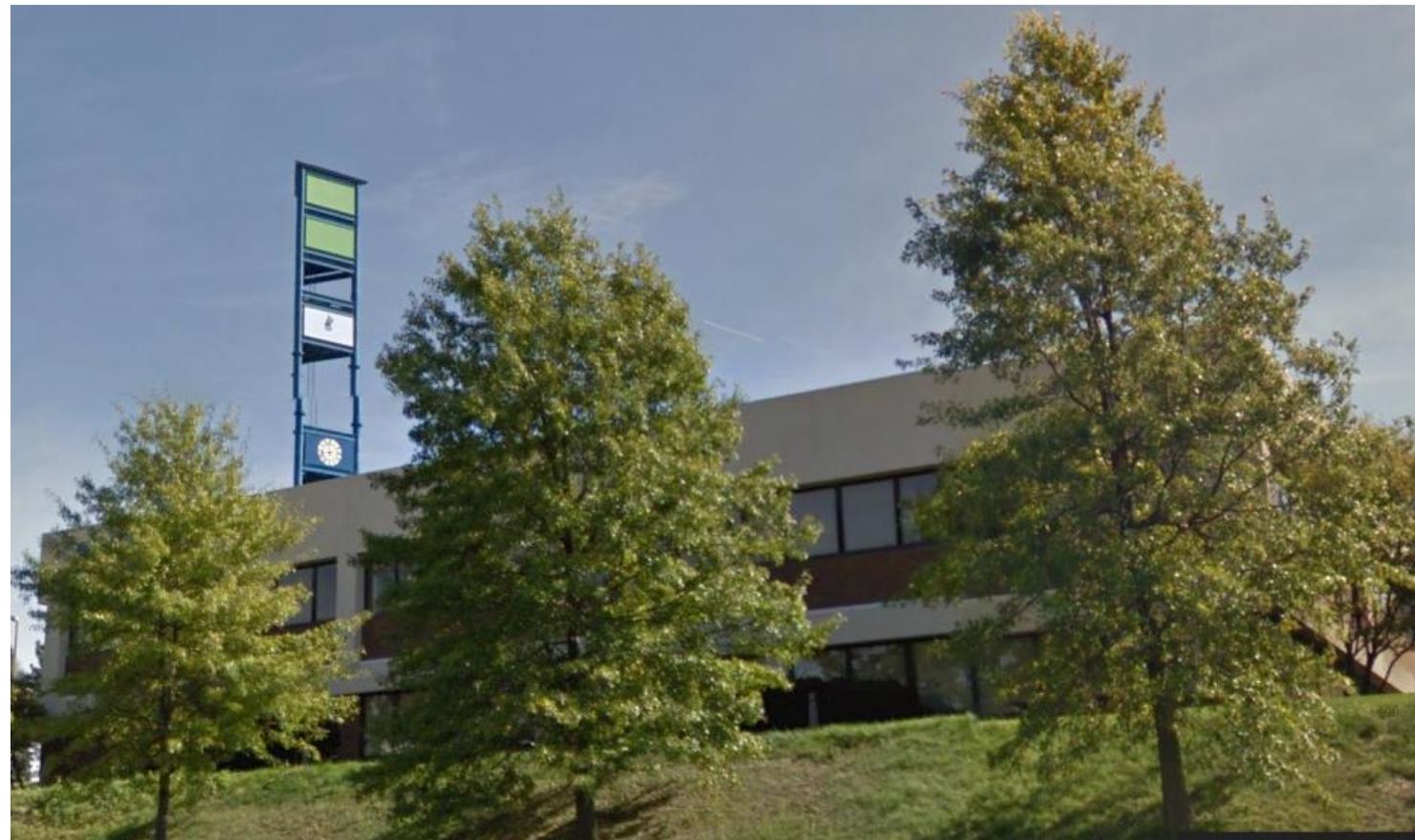




# EASTERN GATEWAY COMMUNITY COLLEGE

[www.egcc.edu](http://www.egcc.edu)

Eastern Gateway offers associate's degrees in a variety of fields as well as ongoing training for the adult population. Programs are focused on meeting the workforce demands of local industry. For example, oil and gas drilling programs have recently been created and the **welding lab underwent a \$600,000 upgrade in 2016 to continue serving local companies and prepare for the county's forecasted growth.**

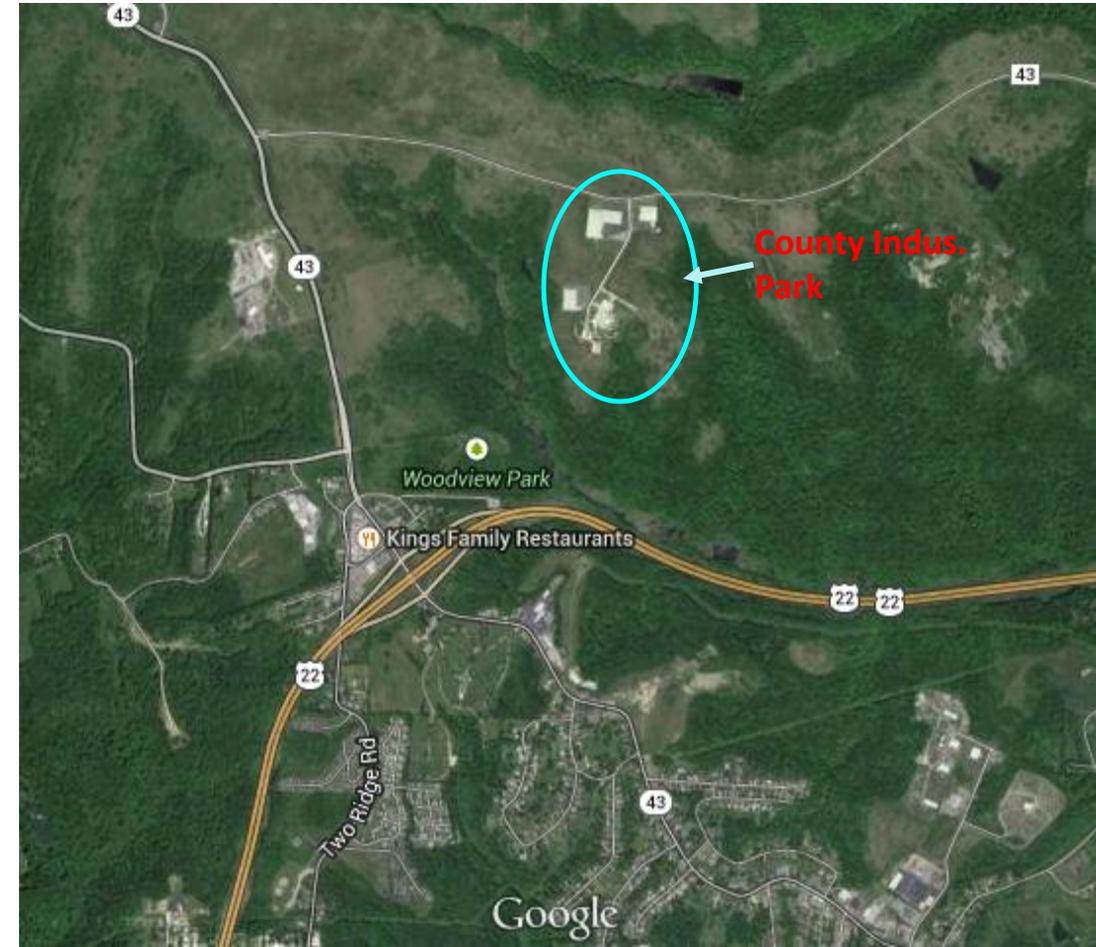
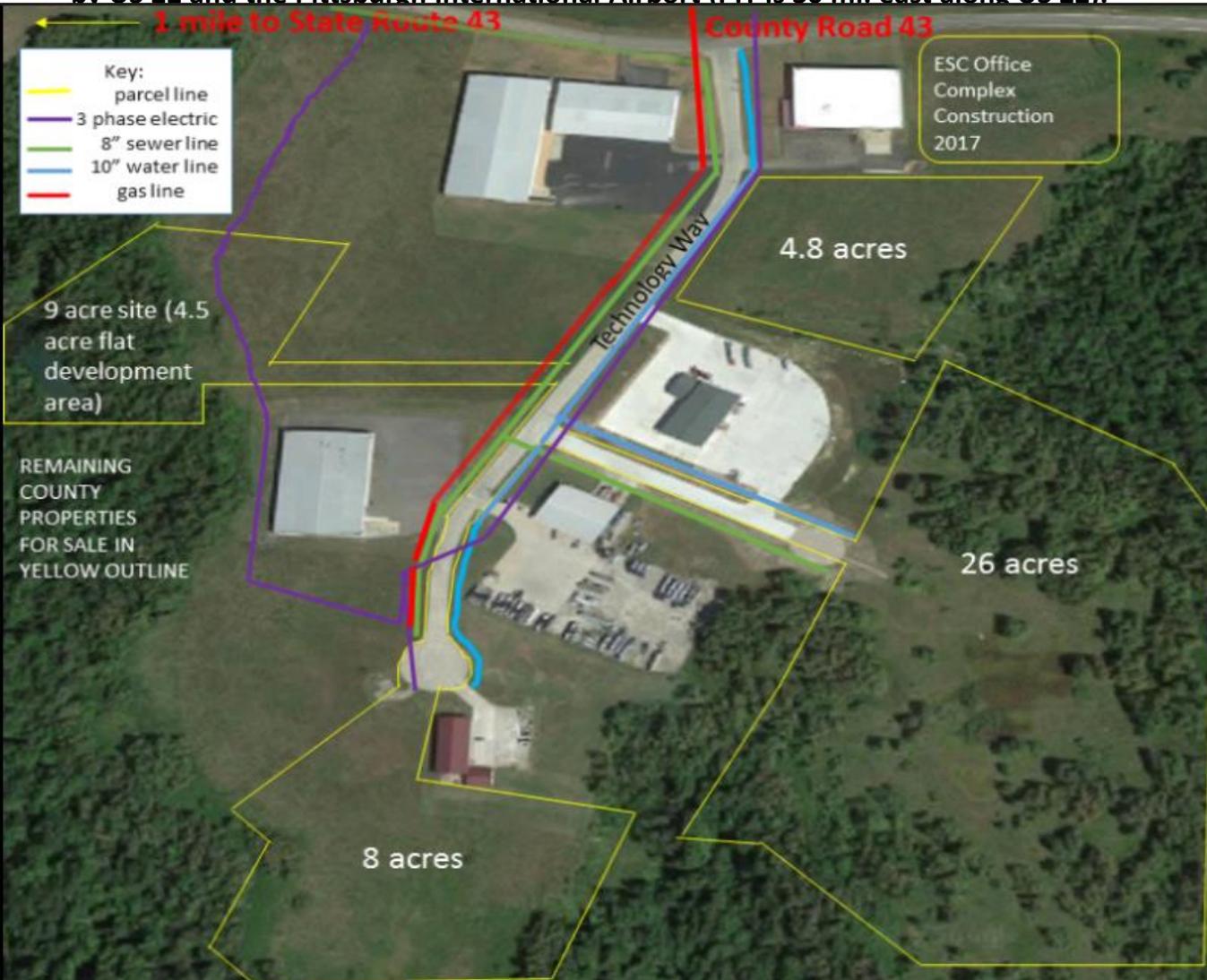


The new Pugliese Training Center is located adjacent to the main campus. EGCC's Department of Workforce and Community Outreach is housed at the Pugliese Center.

Industrial & Commercial Development  
Opportunities and Recent Capital  
Investment Announcements

## Jefferson County Industrial Park—Island Creek Township

- Managing the County-owned 90-acre industrial park near the intersection of CR43/SR43 is a major responsibility of the Port. The County Commissioners entrust the Port with vetting prospects and preparing purchase agreements for land sales.
- Very near the industrial park, at the intersection of SR43/CR45, is an 800-employee Wal-Mart distribution center, highlighting the area's great location for industry/logistics.
- Surrounding the industrial park is the vast private land trust (appx. 3500 acres) known as "New Horizons" ([www.newhorizonsoh.com](http://www.newhorizonsoh.com)). The Port is actively working with the land trust on strategies to market the property and unlock its development potential. **Attracting capital investments, including those tied to future ethane cracker developments in our region, to this large development area is an important focus of the Port. Both the County Park and New Horizons landholdings are easily accessible by US 22 and the Pittsburgh International Airport (PIT is 30 mi. east along US 22).**



# Steel Mill Redevelopment

- 3 former Wheeling-Pitt steel mills are located in the county along the river corridor (Steubenville, Mingo Junction and Yorkville), representing over **300 total acres and 1 million square feet** of redevelopment opportunities.
- The Port actively works with the ownership teams on redevelopment assessment and financing strategies, as well as incentive arrangements for future prospects.
- The mill sites represent some of the strongest collection of high-capacity utilities in all of Ohio. Excellent candidates for downstream business plans (refineries, factories, etc.) to take advantage of low-cost natural gas and future ethane cracker plants in the region.
- All 3 mill properties are dual-rail served (Wheeling & Lake Erie and Norfolk-Southern) along with direct 4-lane highway access (SR 7) and river barge access.
- The Mingo mill contains the state-of-the-art electric arc furnace (installed in 2004), which has attracted a buyer in late 2016.



Former Wheeling-Pitt mill—Yorkville



Former Wheeling-Pitt mill--Steubenville

# Development Sites Near Toronto, OH

Toronto is home to the county's largest manufacturer (Timet [www.timet.com](http://www.timet.com), 600+ employees). The area provides development opportunities along the SR7 / River corridor



Adjacent to the Plains Energy tank farm is a historic clay pipe factory site with Norfolk-Southern rail service. All major utilities are at site's edge, thus this will soon become a great "shovel-ready" opportunity for Jefferson County.



The former distribution site at the Costonia exit provides an excellent logistics/trucking development opportunity with north and south access from State Route 7.

**December 2016—A new investment and operating team announced plans to restart the former steel mill in Mingo Junction**

Acero Junction Inc. is making one of the largest investments in steel-making assets in Eastern Ohio in decades. The county looks forward to the strong job creation as plans for the electric arc furnace, in addition to the operating 80" rolling mill, unfold in 2018. The Port anticipates providing services to also bring productive capacity to the South Yard, which has developable land available for complementary industrial activities.



**2016 Capital Investment  
Announcement—Renewed  
Production at the Mingo  
Junction steel mill**

# Port Industrial Development Case Study--Plains Energy Oil and NGL Tank Farm Development



**Plains Energy Distribution Terminal—Knox Township,  
near the northern boundary of the city of Toronto**

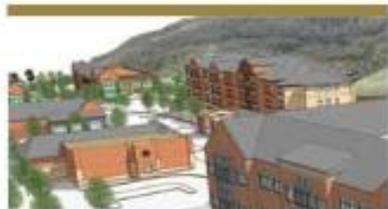
- In 2015 the Port Board contracted with Plains Energy, based in Houston, TX, on their construction of a \$56million 45-acre tank farm that will take product from area wells by truck to Ohio River barge service, just north of Toronto in Knox Township.
- The Port worked with local officials to create an Enterprise Zone to facilitate a 50% 10-yr. tax abatement on the planned \$2M office complex.
- The Port arranged a capital lease structure whereby the Port ground leases from Plains, constructs the tanks and then leases back to Plains, passing on approximately **\$2M in future sales tax savings**. A Port service fee equal to 20% of sales tax savings was negotiated, thereby creating a great Win-Win that strengthens the Port's future operations.
- Per the contract Plains will purchase all assets from the Port in 2019.
- This first major incentive project is a great example of Ohio Revised Code powers granted to Ports. In addition to capital leases, Ports are an excellent financing vehicle to aggregate governmental funds, bond sale proceeds, Tax Increment Financing proceeds, etc. All of these tools are currently being discussed in regard to future development areas.



# Franciscan Square

## Retail/Restaurant/Office Space For Lease

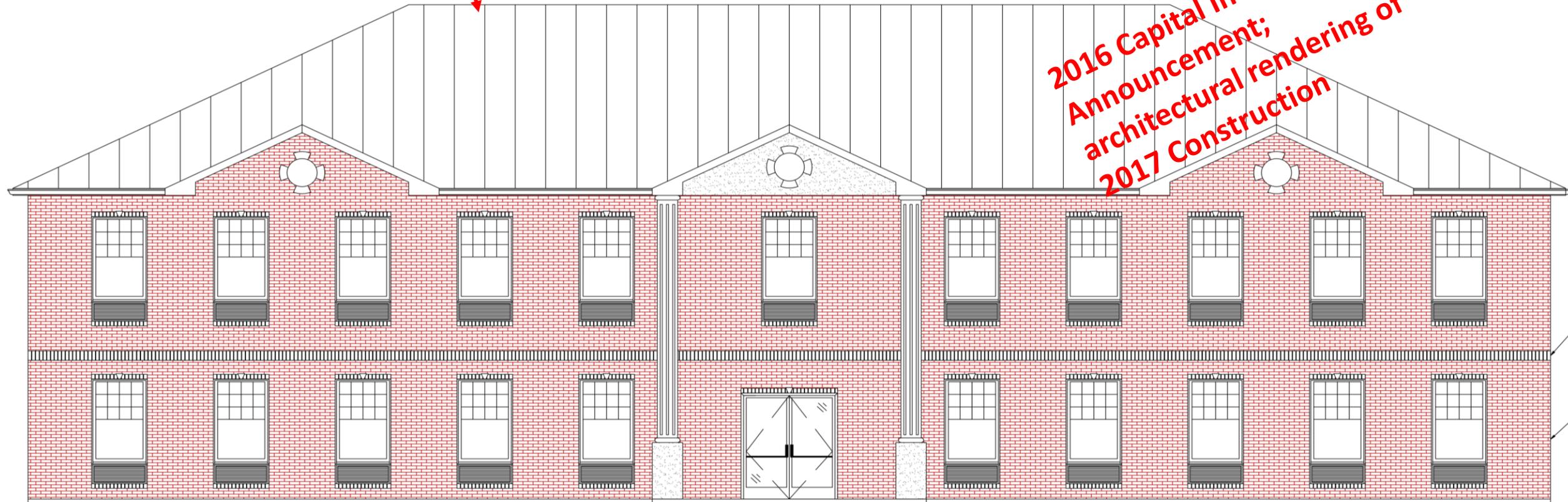
Sixty Eight Properties is pleased to present Franciscan Square, located at the entrance of Franciscan University in Steubenville, Ohio. Franciscan University is home to approximately 3,000 students and faculty, the University also brings in over 30,000 visitors per year for various events and functions. Franciscan Square has direct access to US Route 22 and the Veteran's Memorial Bridge, which brings an estimated 32,000 vehicles per day, into Steubenville. The mixed-use development will be home to a new 113 Best Western Plus Hotel and will have 2 outparcels with space available for Restaurants, Retail, and Offices. Sixty Eight Properties will provide flexible lease terms and can accommodate build to suits. For more information, call us today at 740-314-9500.



- Franciscan University of Steubenville ([www.Franciscan.edu](http://www.Franciscan.edu)) is leading an exciting mixed-use commercial development along University Blvd. (just west of the SR7/University Blvd. intersection).
- A Tax Increment Financing District (TIF) was created in 2015 to support the university's more than \$2M of infrastructure costs on this unique site, setting the stage for 20,000sf of retail/restaurants as well as the potential for future office complexes.
- **The new Best Western Plus opened in October 2016**
- A 2015 economic impact study revealed that the university has an annual impact of more than \$320million on the regional economy.
- Port has begun discussions on using various financing strategies to support future phases of the development, which hold great job creation potential for our area.

# The Ohio Appalachian Technology & Education Center (OATEC)

The Jefferson County Educational Service Center ([www.jcesc.k12.oh.us](http://www.jcesc.k12.oh.us)) has purchased 2.71 acres within the County Industrial Park for a state-of-the-art facility to support their online education programs. The Jefferson Healthplan is also an important partner in the development and use of the facility. The 2-story 10,000 sq.ft. complex is being developed in partnership with Eastern Gateway Community College and is supported by a \$250,000 grant from the State's Capital Budget. The ESC is a statewide leader in online curriculum development and related programs. The County Industrial Park will now be home to future growth to complement the ESC's headquarters facility on Sunset Blvd. in Steubenville.



# Business Services & Incentive Programs

# Jefferson County Tax Incentives for Capital Investments and Job Creation

**1. Local Real Estate Tax Abatement:** Most industrial sites are located within an Ohio Enterprise Zone, which allows the community to negotiate a tax abatement for new *industrial and warehousing* construction that will result in substantial job creation. Most areas within the county have tax rates ranging from \$50-\$58 per \$1000 of assessed value (the assessed value is 35% of the County Auditor's full value placed on the property). An average abatement for a project that will create at least 25-50 new, well-paying jobs is 60% for 10 years. For a \$3 million construction project this would translate to an annual savings of approximately \$30,000 in local property taxes. Local governments are not mandated to provide abatement to any project; each case is analyzed for its unique economic impacts. Application is made through the Port Authority but local governments hold the approval powers. Applications that request abatement beyond the 60% threshold in townships or 75% in municipalities also require school board approval.

In addition to the Enterprise Zone, the communities of Mingo Junction and Steubenville have Community Reinvestment Areas (CRA), which offer abatement to residential and retail construction, as well as industrial. The Mingo Junction CRA was created in 2015 and requires pre-construction negotiation, but Steubenville has a grandfathered CRA (created prior to 1994 when State CRA laws changed) that offers a unique *automatic* tax abatement of 100% for a 15-year term for any construction within the Central Business District (CBD). Thus, negotiation with the local government is not necessary to utilize the Steubenville CRA program.

**2. Revenue Bond Financing:** Ohio's Port Authorities are often used as a financing vehicle for large capital investment projects. Revenue bond financing involves the sale of bonds (income tax-exempt for the bond purchaser) in the Port Authority's name, backed by the credit and revenue stream from the company. When combined with traditional financing, low-interest bonds can be a great strategy to unlock more cash flow during an operation's early years. It is important to note that, while Port Authorities are Ohio political subdivisions, Ohio law grants Ports greater flexibility than traditional governments. For example, the private company can benefit from confidentiality up to and until a project is under contract. Also, Port Authority financing does not trigger Ohio's prevailing wage or competitive bidding laws.

**3. Capital Lease Structure:** Ohio law grants this unique tool to Ports for large capital intensive projects. A capital lease involves a process whereby the Port constructs and owns a new facility in order to pass its sales tax exemption along to the end user. The Port holds title to the assets in order, but the entire facility is leased back to the company, with the company also serving as construction agent. This financing mechanism allows the company to receive an abatement of all sales taxes associated with the materials purchased for construction. Example: a \$15 million construction project might have 50% of those costs directly tied to materials. With a sales tax rate of 7.25%, the company will save over \$540,000 during construction. As with bond financing, this program does not trigger Ohio prevailing wage. **The Port successfully signed a capital lease with Plains Energy LLC in 2015 and looks forward to future prospect analyses.**

**4. Tax Increment Financing:** Often, large projects require substantial new installations of public infrastructure. A tax increment financing (TIF) district is a concept of capturing all of the future real estate taxes within the development zone, and then paying the financing costs of the infrastructure with that revenue stream. In Ohio this concept requires local government and school board approval, but the local Port Authority is often utilized as overall project manager and escrow agent for the tax revenue stream. 2015 saw Franciscan University's successful TIF negotiation w/ the City and Schools as an important catalyst for Franciscan Square.

# Utility Services and Commercial Permitting Process

1. **Water & Sewer Services**—The Port Authority maintains detailed information regarding line locations and plant capacities pertaining to all development sites within the county. Jefferson County is fortunate to have various municipal water/sewer agencies that serve key development sites along with the county’s water/sewer distribution system that serves key development zones like the County Industrial Park. Rate info. for the County system can be found at [www.jcwatersewer.com](http://www.jcwatersewer.com)
  
2. **Comprehensive Development Team Approach**– All commercial/industrial inquiries will be scheduled for preliminary analysis with the Local Development Team that includes representatives from:
  - Columbia Gas of Ohio
  - American Electric Power
  - Jefferson County Soil & Water Conservation Office (wetlands and stormwater analysis)
  - Prospect’s chosen telecom provider
  - Reps from the municipality, township, and/or county governments, depending on the location of the development site.

*\*specific utility load and capacity info. should be shared with the Port, if possible, during early stages of the inquiry. The Port will serve as the lead point of contact, retrieving feedback/responses from each relevant utility prior to the development team meeting.*
  
3. **Commercial Permitting & Inspection**– The Port Authority will serve as the key contact as you begin the plan review and inspection processes. In Jefferson, there are currently two paths for plan review:
  - Projects within Steubenville and Toronto corp. limits receive services from the City of Steubenville’s local office, certified by the State of Ohio: <http://cityofsteubenville.us/planning-and-zoning/> (Toronto has chosen to contract for these services from Steubenville)
  - All other project locations receive services directly from the Ohio Department of Commerce: <http://www.com.ohio.gov/dico/default.aspx>



Jefferson County is served by an active Chamber of Commerce that has provided important services to the business community since 1908. The mission of “*providing resources to maximize business performance through advocacy, education, and networking*” has been consistently applied through the decades as technology and business strategies change. Specifically, visit the Chamber’s recently-upgraded website ([www.jeffersoncountychamber.com](http://www.jeffersoncountychamber.com)) to see the various advertising, local purchasing and other services available to Chamber members through the website and other avenues. The Chamber is 500 members strong and should be considered as part of any new or expanding businesses’ strategy.

Patricia Maple-Damewood, President; 740-282-6226, [tmaple@jefferscountychamber.com](mailto:tmaple@jefferscountychamber.com)

# JobsOhio Services

- The Port relies heavily on a strategic partnership with JobsOhio ([www.jobs-ohio.com](http://www.jobs-ohio.com)) and its contractual regional partner in Appalachia—Appalachian Partnership for Economic Growth (APEG), ([www.apeg.com](http://www.apeg.com)) for State-level economic development services.
- JobsOhio offers a robust collection of incentive programs, highlighted by workforce development training grants, a Growth Fund that can provide low-interest loans and/or grants in exchange for committed job creation, and revitalization loans and grants for brownfield properties.
- A new 2015 JobsOhio program is the “Redevelopment Pilot Program” which is offering grant opportunities to local communities for infrastructure and site prep work. The Pilot Program is designed to help Ohio develop a full, competitive inventory of shovel-ready sites that are marketable to the site selection industry. Eligible sites must be either former factory sites (e.g. the mill sites) or former strip mine lands. Greenfield development strategies are excluded.
- The Port is currently actively engaged with JobsOhio on the following projects:
  - Explore potential Pilot Grant applications
  - Applying a \$300,000 Revitalization grant to a Toronto brownfield that will commit to 8 new jobs and \$1.5M of cap. inv.
  - Ongoing interactions with a prospect that has developed a comprehensive plan to purchase and resume operations at the Mingo steel mill facility, with a projected job creation of 300+ jobs.

*\*Please contact the Port regarding your specific capital investment vision. The streamlined JobsOhio system will be engaged immediately by Port staff to determine if programs are applicable to your project.*

# 2017 Port Authority Strategic Priorities

The near future represents one of the most exciting eras of opportunity facing the Ohio Valley in decades. Jefferson County continues to redefine itself as an area that can provide a foundation for 21<sup>st</sup> century logistics and manufacturing growth and world-renowned higher education. Public sector leadership that can develop infrastructure and community strategies for these and other industries has been a critical component of the county's success in recent years. The Port Authority recognizes this new era of diversification of Jefferson County's overall economy and approach to economic development. The Port also understands the amazing opportunity forecasted for the entire Valley if the multi-billion dollar ethane cracker facilities become reality in the region. In response to all of these realities and potential for the area, the Port intends to focus on:

1. Finalizing and executing 2016 discussions with JobsOhio pertaining to specific site preparation and marketing initiatives. If Jefferson County is going to succeed amidst significant capital investment opportunities in the greater tri-state area, current efforts to prepare and market high-quality investment sites serviced by strong infrastructure must be a top priority.
2. Strategic Partnership with Acero Junction, Inc. As the Mingo Junction steel mill assets have transferred ownership in late 2016, the entire area must be prepared to derive the full benefit of this transformative investment. In addition to assisting in initial staffing strategies, the Port will remain focused on marketing excess land at the mill site to complementary employers in the steel industry supply chain. The Port is also focused on exploring various financing and incentive strategies that could be utilized to facilitate growth of Acero and affiliated companies to maximize job creation.
3. Targeted Marketing—In 2017 the Port will update its marketing efforts by revising its list of target real estate agents and site consultants to closely align with new industrial and commercial assets that are becoming available in Jefferson County. Secondly, the Port will focus its research on natives and/or alumni from county institutions, sending the message that new investments and new jobs are occurring in Jefferson County. There are new opportunities for success in various economic sectors, including retail corridors, and the Port must do more to share specific details.
4. Strengthen the Port's services and overall partnership with the manufacturing and logistics sectors throughout the county. Especially in light of new market opportunities and changing energy economics, the Port must be focused on assisting the county's current employers in the respective business plans.



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