

April 2003

The Interchange

Lead story: The I-70/75 Development Association is sponsoring its first, all-day Economic Development Summit, Thursday, May 15, at Sinclair Community College's Ponitz Center, Building 12. The goal is to bring together various players involved with economic development and have attendees leave with a practical understanding of who and what is involved in regional economic development efforts, said Erik Collins, president. The keynote speaker will be **Jeff Finkle, executive director of the International Economic Development Council**. The Summit will feature 3 tracks: economic development how-tos, real estate, and finance. Specific "best practices" examples from the region, state and nation will also be explored. The **ED track** will address issues of integrating planning and economic development, positioning communities to compete in a technology-based economy, and reviewing their abilities to continuously improve responsiveness and efficiency when dealing with business constituents. The **finance track** will address several issues related to project financing, including: utilizing venture capital, the cost/benefits of foreign trade zones and the applicability of the state's various ED programs. The **real estate track** will provide guidance for communities on issues such as marketing available properties and redeveloping brownfields, as well as information on criteria site selectors use to evaluate communities. Licensed Realtors can secure CEs for attending the real estate track. "The I-70/75 Development Association continues to grow and is focused on its mission to being an association that provides high quality educational opportunities for its members in various professional disciplines impacting economic development," Collins said. "We believe that by integrating various professional disciplines in both the public and private sectors through ongoing education our region will be better positioned for serving our customers - both new companies that look at investing in our as well as our companies that are here today." Registration begins at 7:30 a.m. and the opening session starts at 8:30 a.m. The \$50 fee includes lunch and parking. A post-conference networking event is planned from 4:30 to 6 p.m. **A registration form is available online at: www.i70-75.org**

Other news: With 600,000 visitors projected to spend \$112 million over 18 days in July, **Inventing Flight Dayton 2003's** president urged I-70/75 members to tap into the spectacle. **Madeline Iseli**, co-president of the organization, said the year-long Wright brothers' centennial observation of powered flight will establish a positive image for Dayton in the world marketplace - and have an economic ripple effect. The **Vectren Dayton Air Show, July 17-20**, will rival all international air shows, including the one in Paris, she said, because the local venue will feature the Air Force Thunderbirds, Navy Blue Angels and Canadian Snow Birds. The International Blimp Meet, scheduled for July 11-13, will set a world record if six blimps converge. The DP&L Foundation recently announced a major sponsorship deal for the program. Funding is less than \$1 million shy of the \$23 million goal, she said. A similar commemoration program in North Carolina commemoration is not faring as well as Dayton, according to Iseli, because partnerships are strengthening the local effort. Former astronaut and U.S. Senator **John Glenn Jr. is serving secretary general** for the event. The program will also create a marketing legacy, because it will continue to draw an estimated 350,000 visitors to the area annually, due to permanent attractions, including a national park. The Inventing Flight organization, now with a staff of 11, will dissolve at year's end. For information, visit the organization's Web site at **www.inventingflight.com**

The Dayton Development Coalition, a private and public-funded partnership created to promote regional economic development in the 12-county Dayton region, has 13 business prospects it is attempting to lure here, with up to 1,560 potential jobs. Two of its officials gave I-70/75 members an update on its progress at the Feb. 21 meeting. This region is one of three locations on an automotive supplier's short list, said **Donna Buchheit**,

executive director of the Coalition's New Business Development Group. Another is a jet engine manufacturer that could bring up to 500 high-paying jobs to the area, said **Dennis Maloy, project manager**. Both prospects resulted from trips that Buchheit took to South Carolina in late 2002. The Coalition's primary focus is prospecting for new businesses, which it inherited from its forebear, the Dayton Regional Development Alliance. By mid-February, the Coalition had made 117 contacts with 64 prospects. It primarily seeks out site location consultants, corporate real estate executives, Realtors, developers and railroad officials. It plans to accomplish its mission through prospecting trips and networking. Eighteen trips are planned to date for this year, including three each to Atlanta and Chicago. The Coalition's Web site is also being updated. It will feature site selection information, including GIS maps, demographics and a database of available sites and buildings. The basic version will be unveiled during the second quarter, but it will be upgraded rapidly. GEM Realty has been retained to inventory available sites and buildings in the 12-county area. About 60% of the Coalition's budget is provided by the private sector and 40% by the private, she said, which includes Montgomery and Greene counties and the city of Dayton. The Coalition's new business development leadership team consists of five staffers, including **Harry Bumgarner, director of strategic partnerships**. The group is directed by a six-member board of directors, headed by **Beverly Shillito**, interim chair. The group's goal is to attract 5,000 new jobs to the region within five years. Malloy said one of the key challenges this region faces, compared to Indianapolis, is an adequate inventory of vacant buildings and shovel-ready sites. Another key issue will be keeping the database of buildings and sites up to date. Proprietary database software known as ProCure will be used. "We pledge to keep an open line of communication," Malloy said. "I know we can do a lot." Buchheit said she views I-70/75 as offering valuable networking opportunities and a resource to avoid duplicating its own efforts. For information, visit its Web site at www.thecoalitiononline.com

Legislative Update: As the economy bounces along the bottom, the state of Ohio is trying to determine the budget for fiscal year 2003 – 2004. The budget process will be a combination of new taxes and budget cuts. State representatives are working diligently in a variety of committees to determine what programs should be cut and which ones need to have their funding maintained. At a recent Dayton Area Chamber Government Affairs Breakfast, a number of representatives reported on the progress that is being made in determining what priorities in the budget need to be funded and what programs can be culled back. The process has been very hard and each program needs to be reviewed to see if the state is getting the most for its budget dollars. The efforts the representatives are making toward reducing the deficit are only half the battle. The other half of the battle is in raising more revenue for the state. In order to raise revenues the governor is looking at revamping the tax system and implementing a variety of new taxes. The first proposal was to create a "sin tax" on alcohol and tobacco sales that was voted down in March. The second proposal is to increase the gas tax, which has been approved and is to take effect shortly. The third proposal is to broaden the tax base by expanding the sales tax. Of the proposals this one is meeting with the most resistance from the business community. The new sales tax would place a tax on items such as manicures, movie tickets, sports tickets and cable television service. Other changes proposed are an increase in the state franchise tax and cutting the percentage rollback on commercial property. The Dayton Chamber is seeking input from the business community concerning the tax changes, so please contact the Dayton Chamber and give them your input. The state, just like many businesses in our communities, is trying to increase revenues and find ways to lower costs and expenditures. As long as the economy is compressed in Ohio, the budget will remain a high priority for all our elected officials. - *Scott MacDonald, I-70/75 government affairs chair*

What's happening: News & updates involving members and associates of the I-70/75 Development Assn.

New I-70/75 members: We welcome the following new member organizations and their representatives: **BHE Environmental Inc.**, Michael A. Kerr & Ron Klenk; **Construction Managers of Ohio**, Brian Filburn, Ronald Hill & Mark Metzger; **EHS Technology Group LLC**, John W. Ey; Norfleet, Brown & Petkewicz Inc., William C. Petkewicz; **Rieck Mechanical and Electrical Services**, Will McFadden; **Springfield-Clark County Chamber of Commerce**, Lori Sweeney & JC Wallace.

A coalition of local and state businesses, colleges and private foundations are hoping to snag up to \$20 million of state fund to establish the **Wright Center of Innovation for Advanced Data Management and Analysis** in the Dayton region. The coalition has reportedly raised about \$70 million in cash and in-kind contributions. The data center proposal, along with seven

others from Ohio communities, are seeking the earmarked funds through the state's Wright Capital Fund program, part of Gov. Bob Taft's Third Frontier initiative. A decision is expected by May 30. Focusing on information technology, the local proposed center would house a testing center for electronic product code technology. The center could create up to 500 high-paying technical jobs in the Dayton region, along with a \$100 million spin-off effect.

New redevelopment is gaining momentum in downtown **Centerville**, according to Centerville City Manager Greg Horn, "Some great opportunities recently presented themselves, and Council seized the opportunity to reinvest in downtown Centerville," he said. Plans include additional public parking, new buildings, new businesses and an outdoor plaza in the center of town. The city has purchased the building at 11 N. Main St., the Athena Bridal Shop, which will be reviewed for historical significance. A decision on its renovation or replacement will be reached soon, Horn said. The city has also acquired the Capital South Building, 17 N. Main St., which will be razed. Improvements include a new public parking lot. A nationally-known franchised eatery has expressed interest in redeveloping the property. The City is working with Washington Township officials on the development of the parking area located behind Town Hall, 21 North Main St., which is owned and maintained by the township. The redevelopment project started during the early discussions with Graeter's ice cream, which is purchasing the building on the northeast corner of Main and Franklin Streets. The former Urgent Care facility, owned by Miami Valley Hospital, will be demolished and replaced. Another planned addition is a community plaza area to be incorporated with the redevelopment.

Digital Controls is relocating to Miamisburg from Springboro. A groundbreaking was held recently at 444 Alexandersville Road. The company's new headquarters is expected to cost up to \$1.9 million. A \$150,000 Montgomery County ED/GE grant was awarded to the city, which also added a \$35,000 grant. Digital plans to bring 50 new jobs to the city, and expects to add 10 jobs later this year and in 2004.

Harrison Township has received a \$350,000 Montgomery County ED/GE grant to help develop a road into the Forest Park Shopping Center, along N. Main Street, which is projected to cost about \$2 million, according to Bill Singer, community development director. Plans are to redevelop the 50-acre center into an office park with light manufacturing and centralized retail. The area is expected to be renamed Harrison Center. The road work is slated to begin this summer.

County Corp reports financing conditions are good for companies planning to expand. Current rates are the lowest they have been in many years. The SBA 504 rate for March was 5.96% fixed for 20 years. The state of Ohio Regional 166 loan rate is 2.83% fixed. This is a good time to purchase equipment or real estate, Scott McDonald said. Call (937) 225-6328 for information.

Bruns General Contracting Inc. has begun construction of the new First Baptist Church, along Shull Road, in Huber Heights.

Miamisburg & Miami Township have received a \$200,000 Montgomery County ED/GE grant to study the feasibility of developing an Austin Road interchange off I-75. The South Metro Regional Chamber of Commerce has endorsed the project.

A new majority owner of the **Wright Executive Center** has been announced. **Munsell Realty Advisors** of Cleveland has acquired majority interest in the center from **Western and**

Southern Financial Group, in a \$42.1 million deal. **Miller-Valentine Group** has retained its minority interest and will continue to manage the office park and coordinate leasing. The complex consists of seven office buildings with 480,000 square feet of office and retail space. This is Munsell's first acquisition in the Dayton area.

A deluxe Subway restaurant will be developed in the **Wright-Dunbar Business District**.

S&K Technologies has relocated to the Miami Valley Research Park in a 8,800 sf office. That means the park, which lies in both Beavercreek and Kettering, is now 90% occupied. Kettering is seeking local and state funds for \$1 million in infrastructure improvements, including an extension of Founders Drive and utilities. The work would open about 200 acres for additional development.

The city of Riverside hosted a demolition party at the former site of the DAP manufacturing plant, 5300 Huberville Road, on March 24. The city, which has owned the 5.5-acre site, hopes to develop a commercial and/or office building. The project was recently awarded a \$300,000 Montgomery County ED/GE grant. The site is just west of the U.S. Air Force Museum.

Ferguson Construction Co. is underway on its \$8.5 million construction of a new Eaton High School in Preble County. The 140,000-square-foot complex will be primarily masonry.

TriCom Marketing and Communications has moved into its new, 26,000-sf facility, off Industrial Park Drive in Vandalia.

More than 20 Internet service providers, carriers and local business representatives attended an implementation and kick-off meeting on March 6 for **The Dayton Metro Internet eXchange**, or **D-MIX**. The local exchange would be 10 times faster compared to other sources used to access the Internet, be able to host advanced applications – such as distance learning – and is seen as a high-tech tool to spur economic development in the Dayton Region. D-MIX is being coordinated by the Greater Dayton IT Alliance. The business model that D-MIX will operate under, plus its proposed budget, project plan and peering agreement were reviewed. The first D-MIX production letter of intent was received, kicking off the open enrollment period. Meanwhile, D-MIX's steering committee will be meeting soon to review recommendations and options. Phil Bergstedt, the Alliance's loaned executive and D-MIX program director, said he believes the program will receive sufficient participation to move forward. For information, see the group's Web site: www.d-mix.org

I-70/75 members and their guests enjoyed a game of **Dayton Dragons baseball**, Wednesday, April 30, at Fifth-Third Field. All 40 tickets were sold prior to the game, but there were some no-shows. Chris Pozzuto and Kim Carter of the Social Committee organized the evening event.

For the region's current economic forecast and economic indicators, visit the **Dayton Area Chamber of Commerce's Web site**, at www.daytonchamber.org then click and hold on Dayton Demographics, to find Economic Forecast and Economic Indicators.

Upcoming I-70/75 events: This year's **Annual I-70/75 Golf Outing** has been confirmed at the Troy Country Club on June 2. The shotgun format event is scheduled to begin at 1 p.m. The cost is \$80 per player, which include all golf fees, dinner and drinks.

The International Economic Development Council's annual conference is set for Sept. 14-17 in Cincinnati. Advancing Economic Development in the 21st Century is the theme. Features include: comprehensive educational sessions, hands-on tours of economic development in and around Cincinnati, interactive workshops, plus networking with economic and community development professionals, industry experts, academicians, and government representatives. More information is available on IEDC's Web site at: www.iedconline.org

People on the Move: **Michael Cornell** has been appointed as acting city manager for the city of Fairborn, succeeding **Allen Rothermel**, who was a 16-year city employee. Cornell also succeeded Rothermel as assistant city manager in 2000, when Rothermel became city manager. Cornell was previously the city's community development director. Rothermel had been Fairborn's assistant city manager 14 years. As a result of his new duties, Cornell has resigned as I-70/75's board secretary. **Sara Dunnigan** has been promoted to senior director of business and economic development at the Dayton Area Chamber of Commerce. She is also serving on I-70/75's board of directors as 1st vice president. **Kim Carter** has been promoted to vice president of sales and marketing at Bruns General Contracting Inc. Also, **Jeff Johnson** has been named vice president of business development at Bruns. **Beverly Baldasare** is now with Coldwell Banker Commercial/United Realty Service. **Rick Kitchen**, president of the Greater Dayton IT Alliance for the past three years, resigned effective March 25. He has joined Robbins-Gioia, an Alexandria, Va.-based consulting company, as vice president of business development, Dayton operations. **Ann Gallaher**, the alliance's director of member services, is acting director until the board selects a successor. **Marty Hohenberger** has been named as project manager for the Dayton Development Coalition's New Business Development Group. **Tony Char**, a retired economic development professional in the public sector and active in I-70/75, has been named to Troy Planning Commission. **Charles Morrison** has joined the Montgomery County government as economic development specialist. He will be completing his MPA from Wright State University with honors and has an undergraduate degree from Ohio University with honors.