

The Interchange

March '04 I-70/75 Newsletter

Lead story: I-70/75 to host Second Annual Economic Development Summit - Gov. Taft to Open Event ... The I-70/75 Development Association is holding its second annual Economic Development Summit, Thursday, May 13. The event, which drew more than 200 individuals from across the state last year, will be held at Sinclair Community College. This year's agenda features opening remarks by Ohio Gov. Bob Taft. The keynote luncheon speaker will be Vernon George of Hammer, Siler, George and Associates, a consulting firm specializing in technology-based economic development. Sam Staley, president and CEO of the Buckeye Institute, a public policy research organization, will close the day with a general session on Ohio cities and development principles. Concurrent sessions on economic development finance, real estate and general tools and techniques will run all day. Exhibitors will be participating as well. The event will conclude with a networking session at 3:30. Registration materials are available on the Association's website at www.i70-75.org.

February meeting report: Many politicians need to realize that wealth "is not a four-letter word," said **Jay Kayne**, a professor specializing in entrepreneurship at Miami University's Richard T. Farmer School of Business, at I-70/75's Feb. 13 meeting. He also urged economic developers to be patient with entrepreneurs, because it typically takes from 10 to 15 years before their ventures become viable. It's a process he likened to "incremental economic development." Unfortunately, Kayne said politicians and the media often focus on entrepreneurial failures and not successes. Those in the public sector should help entrepreneurs understand and maintain an entrepreneurial role in their business and to focus on vision, not on personnel and supply line issues, he added.

Kayne recommended the following factors to look for in would-be entrepreneurs:

- Do they have a business plan and has it been tested?
- If the concept is based on intellectual property, has it been patented?
- How much of their money is invested, and do they exhibit characteristics that support the business?
- For example, are they able to give a 15-second "elevator speech" that summarizes their venture?

In a question and answer session, responding to a query involving Inc. magazine's recent city rating article, Kayne said he does not place too much stock in such magazine ratings, noting different statistical barometers are used and data can be manipulated. He suggested communities should not compare themselves with others, but only to itself. Questions to ask, include: Is progress being made in doing a better job in creating entrepreneurs? "Examine yourself, are we getting better?"

Kayne is also a partner of Exit Strategies, Inc., worldwide consultants on the application of entrepreneurial theory, strategies and practices. Previously, Kayne served as vice-president for community and policy at the Kauffman Center for Entrepreneurial Leadership in Kansas City, Mo.

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

Construction of a proposed \$67 million parking garage at **Dayton International Airport** could begin as early as late summer, if bids come in at or near estimates. The Dayton City Commission approved seeking bids in April. The five-story garage would hold about 4,000 vehicles and be built near the front of the main terminal. Blair Conrad, the city's director of aviation, has pushed for the garage for several years, noting the local airport is one of the nation's largest that does not have a parking garage. The airport currently has 6,800 surface-parking spaces. If a bid is accepted, half of the building could be completed by fall of 2005 with the entire structure built by fall of 2006, Blair said. The commission also approved seeking bids for a \$1.6 million temporary parking lot to handle overflow parking during the garage's construction. Meanwhile, construction is underway for a \$33 million air traffic control tower.

An estimated \$260 million construction project for a new **Springfield** hospital is expected to occur within five years. Board members of **Community Hospital and Mercy Medical Center** unanimously approved an agreement in April to create the regional hospital, though it is not yet considered an official merger. A closing is anticipated on or near July 1. That would result in the creation of a new 16-member board of trustees for the entity to be known as Community Mercy Health Partners. One of its first key decisions would be to select a site for the new hospital. The deal would create Clark County's largest employer with an anticipated staff of 2,572. Officials said a merger would expand local medical services, attract more specialists to a state-of-the-art medical center, and discourage local patients from seeking hospital and emergency care in Dayton or Columbus.

Construction of four new buildings in the **Valle Greene North** development in **Fairborn** is expected to be completed this fall. Estimated to cost \$9 million, the buildings will range in size from 7,500 sf to 10,000 sf. SAI Group Inc., Hondros College and Porter Contractors Inc. will be moving into the new space. Meanwhile, LOGTEC Inc. announced last year it would build its new headquarters in the park. The defense contractor anticipates moving more than 350 employees there when its building is completed this summer. The \$36 million, 300-acre complex that began in 1998 is being developed by Dayton-based Oberer Development Co. There are about 200 acres of undeveloped land at Valle Greene, which is near the intersection of I-675 and Dayton-Yellow Springs Road.

Kettering officials are hoping to spur development in the **Kettering Business Park** by razing one building and renovating another. The city expects to invest several million dollars into the site, the former Defense Electronic Supply Center. Building 47, the park's largest facility with 240,000 sf of space, has been difficult to fill, according to Jeff Hoagland, city development director. By razing the building and revamping several nearby lots, the city hopes to have about 12 acres of developable land. That work should be completed by year's end. Meanwhile, the city plans to renovate another building this fall, which would house municipal courts for four communities. That would leave only one vacant structure, Building 46, with 200,000 sf of space. It is expected to be more marketable when Building 47 is cleared.

The **city of Trotwood** has announced in late April it planned to acquire property from the Salem Mall owners through court-supervised eminent domain procedure after being unable to reach an agreement on a purchase price. The two parties have remained apart on price, according to City Manager Frank Myers. The city's next step is to complete a blight study. The mall is owned by Salem Retail LLC of New York City, which acquired the property for \$2.5

million in 2001. The city had offered \$2 million, not including the Sears store. Trotwood seeks to replace the mall with a mix of smaller retail stores, entertainment, government offices and housing.

Construction continues on **The Reynolds and Reynolds Company** campus in the **Miami Valley Research Park**, making it one of the largest corporate campuses in the Dayton region. The 133,000-sf office and training expansion is expected to be completed in mid-2005. The company's campus currently consists of two buildings, totaling about 600,000 sf. Meanwhile, the company was recently named to Training magazine's Top 100 Training Organizations list. Recognized for its outstanding commitment to associate development, Reynolds placed 32nd.

A Fayetteville, N.C.-company, which will manufacture and warehouse fabricated steel building products, was approved for an enterprise zone in early March by the **Piqua** City Council and Miami County Commissioners. **Union Corrugated Co.** plans to begin production in April in a building it has leased at 1801 W. High St. in Piqua. Union plans to invest \$1.015 million and hire 34 workers over three years. It received a 50 percent abatement in taxes for 10 years.

An estimated 1,000 jobs would be created if **SouthPointe Business Park** is developed in **Miamisburg**, officials report. The 67-acre park would provide the city with space to grow as its other business and industrial parks near capacity. Construction Managers of Ohio plans to develop the mixed-use business park. Its sister company, Miamisburg-based Mehlend Developers, acquired 47 acres from Paxar Americas Inc. last year. It plans to begin building infrastructure on the now-vacant site by early summer. The area already is home to Digital Controls Corp., which has a 48,000-square-foot building on five acres. The park is located about one mile west of I-75 and about 1/2 mile south of state Route 725.

The **city of West Carrollton** has selected Hunter Interests Inc. in association with Lockwood, Jones & Beals as its consultant team to develop the Exit 47 Redevelopment Plan. The city seeks recommendations for the best use of the nearly 200-acre commercial and industrial area adjacent to the interchange, based on improved access and marketability, changes to development regulations and capital improvements. The \$90,000 study precedes plans by the Ohio Department of Transportation that is preparing a \$28 million upgrade of Exit 47, providing full access to I-75. Hunter Interests Inc. was selected because it has strong local, state and national real estate market analysis experience, said David Humphreys, the city's director of planning and economic development. The study is to be completed by early fall. The city received 16 proposals.

The **city of Troy's** \$1.5 million tax increment financing (TIF) deal with Singer Properties has resulted in two businesses committing to development in the 60-acre parcel along State Rt. 41. Outback Steakhouse has broken ground on its building and a day care center has committed to the project, said David E. Anderson, Troy's director of public service and safety. A road through the site was recently paved in the mixed-use development. The development will be reinforced by Wal-Mart and a high-end apartment complex, part of a \$750,000 special assessment district that will be located nearby, along the north extension of King's Chapel Drive. That second development will consist of 40 acres. The city's development partner in this project is the Troy Development Council.

The first phase of **Rosewood Creek**, a housing development at Peters and Kessler-Cowlesville Roads with 69 lots, has been approved by the **Tipp City** Council. Single-family homes totaling 202 are planned. Developers are George Timmer and Steve Bruns.

DRT Manufacturing Co., Dayton, received approval from the Ohio Development Financing Advisory Council in March for a \$2.5 million direct loan at a 3% interest rate for a 15-year term to expand operations. DRT is recognized for its high precision manufacturing and engineering capabilities, and manufactures products for the food and beverage can industry. The company plans to purchase a more than 106,000 sf manufacturing facility that will also house the company's offices and research and development area. The project is expected to retain 172 jobs within the first three years of operation.

Resources: The **Dayton Area Chamber of Commerce's** recruitment video and CD is available. The piece, offered in both VHS and CD-Rom format, includes a 7-minute video showcasing why Dayton is a great place to live, work, play, and grow. This video will be of particular value to those in human resources, real estate and economic development who are focused on attracting new employees, residents and jobs to the Dayton region. For more information call 937-226-1444 or email info@dacc.org.

The Statewide Preservation Conference will be held in Dayton, May 18-20. Participants from across the state will share ideas and information at Heritage Ohio and Downtown Ohio Inc.'s statewide conference. The conference will feature presentations about preservation and downtown revitalization issues and share examples of best practices. The conference will be headquartered at Downtown Doubletree Hotel and all sessions will occur in or around the downtown area. For more information, visit http://www.heritageohio.org/9213_HeritageOH_Brochure.pdf

I-70/75's upcoming events:

Economic Development Summit, Thursday, May 13th, Sinclair Community College's Ponitz Center;

Lunch and tour of housing and office space at The Schuster Center, Dayton, Wednesday, June 16th;

Dayton Air Show Luncheon, Friday, July 16th (tentative);

An evening at The Frazee in Kettering, with Peter Sincotti, co-sponsored with NAIOP, Thursday, July 29th;

Annual Golf Outing, Heatherwood GC, Monday, Aug. 9th.

For reservations to these events, e-mail: Info@i70-75.org or phone Vickie Lucas at (937) 229-8274

People: Sara Dunnigan, president of the I-70/75 Development Association, has been recognized as a "40 Under 40" designee. The annual recognition, coordinated by the Dayton Business Journal, identifies 40 emerging business and civic leaders under the age of 40. She was recently promoted to vice president of business and economic development at the Dayton Area Chamber of Commerce.

John E. Moore, Jr. of Dayton has been elected to the Board of Advisors of the National Trust for Historic Preservation. He will serve as advisor to the national nonprofit preservation organization for an initial three-year term. Moore is the Executive Director of Wright Dunbar, Inc., a nonprofit public/private partnership that is charged with revitalizing and developing an

historic urban corridor.

Scott MacDonald was recently named vice president/relationship manager of commercial banking at KeyBank, 34 N. Main St., Dayton. He was previously associated with County Corp.

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