

Village of Middlefield, Ohio

Economic Development Plan

Middlefield, Ohio
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Developed by:

The Village of Middlefield's Economic Development Committee

Approved By:

Middlefield Village Council

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VILLAGE OF MIDDLEFIELD ECONOMIC DEVELOPMENT PLAN

BACKGROUND

The Village Council for the Village of Middlefield, Ohio adopted Ordinance No. 12-102 amending Codified Ordinance Section 121.06 by creating a new standing committee to be known as "Economic Development Committee" to review all matters concerning the promotion of new commercial and industrial development within the Village, as well as preservation and enhancement of current commercial and industrial businesses and residential properties within the Village.

Executive Summary

Several years have elapsed since the Village of Middlefield actively solicited business prospects for new commercial and industrial development. With the economic downturn in the U.S. economy, new development projects stalled and businesses struggled to stay financially stable. Many businesses continue to struggle yet today. Middlefield Village Officials acknowledge the importance of a government that is a willing partner with business. A government that; fosters, promotes and encourages energetic economic development by offering incentives to businesses who have an investment in the community. This Economic Development Plan is the foundation to accomplish a disciplined schedule of goals and objectives that can have significant impact on the economic vitality of the Village. This Economic Development Plan is the key to the door of prosperity.

Village of Middlefield's Economic Development Mission Statement

The Village of Middlefield government's role is to facilitate a favorable governmental atmosphere for enriching the quality of life of our citizens through a healthy economy.

Statement of Commitment

Village of Middlefield's government seeks economic development which is supportive of the needs of the citizens of the Village, enriches our community life and promotes our values of self-reliance, individualism and entrepreneurship. Growth in the Village of Middlefield will be integrated and balanced to preserve our rural character and quality of life - economically, environmentally, and socially. A vibrant economic environment in the Village will encourage an environment where an investment in residential, commercial and industrial property has merit.

Village of Middlefield's Economic Development Plan – Goals and Objectives:

Statement of Goals and Objectives:

Goal 1 – Institutionalize Economic Development in Village Government.

- Objective A: Maintain an active and energetic economic development committee that promotes economic development for the Village.
- Objective B: Periodically review the Village ordinances that have an effect on business development and enhancement, such as Zoning Regulation ordinances and any Economic Development Ordinances.
- Objective C: Develop local incentives for new and expanding businesses.
- Objective D: Assign a point person and create a Rapid Response Team to promptly respond to potential opportunities for economic development.
- Objective E: Pursue grant opportunities to fund economic development activities.
- Objective F: Work with local school district to assist in securing fiscal support to insure a quality school system.

Goal 2 – Attract New Businesses and New Industries to the Village

- Objective A: Establish a working relationship with the Geauga County Growth Partnership and Geauga County Community Improvement Corporation to solicit business opportunities to and within Middlefield.
- Objective B: Develop a quality internet web-site to attract economic development opportunities to and within Middlefield.
- Objective C: Develop marketing strategies for other media, such as magazines and newspapers, etc.
- Objective D: Work with County agencies and surrounding governmental bodies to solicit business opportunities for Middlefield.

Goal 3 – Implement a Retention, Enhancement and Expansion Program for Existing Businesses and Business Activity

- Objective A: Develop a business attributes and advantages inventory that provides a resource for opportunity definitions.
- Objective B: Incorporate existing business and expansion opportunities as an integral part of a Village Marketing Plan.
- Objective C: Partner with business to develop incentives and special projects that can increase the value of business investment.

SWOT ANALYSIS FOR VILLAGE OF MIDDLEFIELD

A SWOT analysis is a methodology used to examine strengths, weaknesses, opportunities and threats to help focus decision-making on choices for achieving the objectives and goals of the economic development plan and for strategy formulation in the marketing plan. The SWOT analysis contrasts the internal strengths and weaknesses of the Village with the opportunities and threats in the external environment. Each of these characteristics is defined as follows:

- **Strengths** [Positive, Internal]: Positive attributes currently present in the Village of Middlefield that support achieving the objectives and goals.
- **Weaknesses** [Negative, Internal]: Local issues or factors that limit the current or future economic development objectives of the Village of Middlefield.
- **Opportunities** [Positive, External]: Factors or conditions that the Village of Middlefield can exploit to meet the objectives.
- **Threats** [Negative, External]: Trends or conditions that can impact the Village of Middlefield's economic future and attractiveness to new industry.

The SWOT analysis provides a subjective guide for generating strategic alternatives based on a situational assessment. But it is not a prescription for a specific solution. Some simple rules for successful SWOT analysis include:

- *Be realistic about the strengths and weaknesses of your organization when conducting SWOT analysis.*
- *SWOT analysis should distinguish between where the Village is today, and where it could be in the future.*
- *SWOT should always be specific. Avoid grey areas.*
- *Always apply SWOT in relation to the competition i.e. better than or worse than the competition.*
- *Keep SWOT short and simple. Avoid complexity and over analysis.*

Table 1. Summarizes the results of the SWOT analysis. The following paragraphs provide a brief expansion on some of the specifics surrounding each factor that need to be addressed to achieve the goals and objectives of the plan.

Table 1 Summary of factors determined in the SWOT analysis

<p style="text-align: center;">STRENGTHS</p> <p><i>Strong non union labor force</i> <i>Undeveloped commercial/industrial property and properties for sale</i> <i>Public water and sewer</i> <i>Undeveloped, "shovel - ready" commercial/industrial property for sale</i> <i>Rural character and lifestyle</i> <i>Top rated Fire and Police Departments</i> <i>Low crime rate</i> <i>Affordable housing</i> <i>Affordable commercial property costs</i> <i>County Airport/Medivac</i> <i>Ambulance Service District</i> <i>Recreation Facilities</i> <i>Village Services</i> <i>Annual Cleanup</i> <i>Active Senior Center</i> <i>Local Library</i></p>	<p style="text-align: center;">WEAKNESSES</p> <p><i>Lack of existing Economic Development processes and experience</i> <i>Vacancies in the commercial zone</i> <i>RT 87 thoroughfare discourages stopping</i> <i>Limited Village resources for incentives</i> <i>Lack of coordinated development processes with other communities</i> <i>Cumbersome Zoning Regulations</i> <i>School System</i> <i>Residential housing stock</i></p>
<p style="text-align: center;">OPPORTUNITIES</p> <p><i>State/County/Local programs to encourage and support economic development</i> <i>Development incentives specific to the Village</i> <i>Transportation connectivity development</i> <i>Support retail business industry</i> <i>Workforce within the County</i> <i>Tourism</i></p>	<p style="text-align: center;">THREATS</p> <p><i>Competing Communities closer to larger population center</i> <i>Cleveland (and freeway interchanges)</i> <i>Suburb</i></p>

STRENGTHS

Strong non union labor force- Centralized and surrounding areas between Cleveland areas, Youngstown/Warren with communities along Lake Erie, Village Businesses have the ability to draw from a large pool of non union labor work force for employees.

Public water and sewer - The ready availability of water and sewer utilities from the village are an advantage for development and provide an incentive to attract businesses. Ample capacity for all new requirements with new state of the art facilities.

Undeveloped, "shovel - ready" commercial property for sale - The Village has over 749 acres of undeveloped industrial, commercial and residential property available, with lots from .02 to 153 acres, and numerous other properties that are underdeveloped and for sale.

Rural character and lifestyle – The Village is renowned in the region for its rural character and lifestyle, which is a key component in the Middlefield Comprehensive Plan guiding future development.

Top rated Fire and Police Departments - Both the Volunteer Fire department and the Police department have received top ratings from the State and receive excellent support from the Village residents.

Low crime rate – The per capita rate for violent crimes and property crimes in Middlefield is much lower than other communities in similar size.

Affordable housing – Relative to equivalent properties in Geauga County and there is a broad spectrum of housing cost options.

Affordable commercial property costs - As with housing, commercial property costs, both to buy and rent, are more affordable.

County Airport/Medivac- The Geauga County Airport is located near the industrial area of the Village, Medivac provides emergency medical air transport that is staged at the airport and has Medivac helicopters on standby.

Ambulance Service District- The Village contracts ambulance service jointly with the Township. Ambulance service is provided at no cost to residents of the Village and Township. The ambulance service is located in Middlefield and has excellent response time.

Recreation Facilities- Recreation programs are available through the Village's Recreation Department. Substantial investment has been by the village to add new facilities. Baseball diamonds, pavilions, and a splash park are some of the amenities.

Village Services- The Village provides exceptional services such as snowplowing of streets/sidewalks, brush chipping, leaf pickup, recycling, street cleaning, reliable water supply, wastewater collection, well maintained sport facilities, pleasant parks, and an array of flowers

Annual Cleanup- The village contracts for spring cleanup, where residents can set unwanted items at the street curb for disposal at no cost.

Active Senior Center- The village provides a well used senior center where social programs, food and entertainment as well as wellness programs are offered to senior citizens. Programs are offered through the local area agency on aging.

Local Library- New library facilities with large inventory of reading materials, research data, computers, and meeting rooms for business and social events.

Local draw for retail as most area east of Middlefield Village are low on retail amenities.

WEAKNESSES

Lack of existing Economic Development processes and experience – There is little or no past experience with business development in recent years within village government, and the start-up time for the new Economic Development initiative may lead to missed opportunities.

Vacancies in the commercial zone – Most of the commercial district inventory is old and not in a particularly attractive state.

Demographics – Closest large metropolitan area is approximately 40 miles away. Low population density in surrounding areas. No interstate exchanges and no railroad access.

Limited Village resources for incentives- The Village offers two types of Business Development Incentives- Tax Abatement in the Community Reinvestment Area and a Tax Credit based upon employing 25 or more employees for a minimum of 2 years.

Cumbersome zoning regulations- Regulations need reviewed to identify areas that hinder economic development and growth. Possible overlapping of federal state and local regulations.

Schools system- In recent years there has been an inability to get any operating levy passed that has gone to the ballot for a vote. Because of budget restraints school busing programs have been reduced and pay to play programs instituted to offset revenue loss.

Residential housing stock- No housing inventory or rating system in place to control deterioration of residential units. Housing maintenance code not aggressively applied, handled on a complaint basis.

Lack of coordinated development processes with other communities – The local municipalities and Geauga County have not established a coordinated working relationship to exploit each other resources to attract businesses that could enhance the business environment for the region.

OPPORTUNITIES

State, County and Local programs to encourage and support economic development – there are numerous programs sponsored by the Ohio Department of Development-Jobs Ohio

Programs, Team NEO, Geauga County Economic Development and the Village-Job creation and Retainment Tax Incentive
County and State programs for development training

Large volume of commuter traffic - Over 23,000 cars pass through the Village on an average business day. These are potential business customers, if we can get them to stop.

Tourism - The Middlefield area is the center of the fourth largest Amish settlement in the world. Many retail shops and Amish businesses, two cheese factories, an action barn and an Amish Heritage Center in the planning stages. Geauga County Tourism is located within the Village. Many Amish farms in the countryside.

THREATS

Larger population center approximately 35 miles west of the Village that provides potentially more customer base for retail businesses. Availability of freeway interchanges and transportation corridors could be more attractive for future business development.

INDUSTRY TARGETS

Renewable Energy Technology- The Village should capitalize on opportunities by supporting renewable energy research and development. The Village could be the ideal location for smaller, start-up companies in this field. The quiet of the community, lower commercial project costs, and availability of vacant commercial units provide opportunity and ideal environment for start-up and small companies.

Information Technology and Software Development- The Village should encourage businesses involved in software development and information technology applications. These types of businesses ventures are generally home occupation start-up that have potential to expand and develop into viable businesses.

Industry- The Village has potential for further developing small, medium and large industrial businesses. The Village provides an ideal midpoint between major supply sources in Cleveland, Youngstown, Warren and Erie, PA. The Village can promote these industries by providing a regulatory environment to meet the needs for industries looking to locate here.

Commercial- The Village has active retail business districts with good visibility. The Village needs to assist realtors and landlords of vacant commercial properties to promote occupancy of vacant commercial units. The Village can provide information in

available location and express a willingness to work with businesses looking to locate here. Look at providing additional financial incentives.

Health Care- The Village should work towards the promotion of businesses and professional offices related to the health care industry. Encourage prospects to locate to the village and assist with finding suitable locations.

Senior Housing Community Development- Senior citizens are a vibrant group who utilize local amenities, who shop locally and can bring charisma to the community. Some seniors continue to be part of the workforce and some may even own or start businesses. The village should promote and support the development of community senior housing opportunities.

Village of Middlefield's Business Development Resources

The Village has already passed an Economic Development Ordinance and created an Economic Development Committee to work with the business community in starting, locating and expanding the Village of Middlefield's economic business base. The Economic Development Committee mission is to identify and implement economic development initiatives. The goal of the Committee is to market the capabilities and strengths of the Village, indentify potential business development projects, business expansion needs, facilitate permitting for quality development, and assist the potential business developer in the process.

The Village of Middlefield's Economic Development Committee currently includes the Mayor, two Council members and two residents of the Village. One specific task of the Committee is to develop a Rapid Response Process and assign a point person who can react quickly to economic development opportunities for recruitment of new businesses or assist existing businesses to pursue an opportunity.

There are a large number of sources available to support the Village's Economic Development initiatives that include Federal and State and Local agencies and non-profit organizations. These resources can assist the Village and also provide support for the businesses. A few of the available sources are listed below:

Summary of Business Incentives and Financial Assistance Programs

The Village, working through the Economic Development Committee, will strive to exploit the advantage of a broad array of incentives available at the Federal, State, and local levels. These incentives include tax incentives for investment in the community, active public-private partnerships, and Revolving Loan Funds.

Potential Incentive Packages

Many of the State and Federal incentives are available directly to the business, such as Small Business Administration loans, without active participation by the Village. Other incentives provide loans or grants to the Village for investment in economic development or programs that involve some contribution or participation by the Village and these projects requires special action by the Village.

One of the first tasks of the newly formed Economic Development Committee will be to develop the details of the project analysis and review process that builds on the requirements of the Ordinance. The categories of local incentive packages that can be considered are:

- Fee and Tax Incentives - These incentives will include a mix of reduced or waived business license and zoning application fees or a rebate or exemption of property tax.
- Infrastructure Incentives - These incentives will include providing for infrastructure development or improvements implemented at the expense of the Village. This could include building new access roads and expanding utility resources.
- Public-Private Investment - These incentives would include use of Industrial Revenue Bond funds or other loan/bond vehicles available to the Village to provide property and tax advantages to a business re-locating to the Village.
- Revolving Loan Funds- These incentives would provide gap financing for businesses in the form of low interest loans.

Each incentive package would be tailored to the business applicant to integrate other County, State and Federal incentives that are unique to the situation, such as rural job creation, job training, and industry specific incentives.

Safeguarding Public Interest

The basic requirements in the Ordinance that must be addressed in the project proposal by the business or developer include:

- Net effect on improvement in economic activity.
- Impact on schools and community infrastructure.
- Contribution to the tax base, pay-roll, total employment.

- Job training and career advancement plans for employees.
- Total benefit to the community and ROI plan.
- Verification of the financial strength of the business and a business plan.
- Plans and agreements to safeguard and recoup the Village investment.

It is the responsibility of the Committee to provide an independent review of the facts and statements in the project by experts in the field and provide confirmation of the projections and claims made in the Project Plan.

Incentive History of the Village

The Village has never had an organized incentive program to facilitate economic development. Developing a viable incentive program will be a major objective in the implementation of this Plan and will require support and assistance from County, State and Local support agencies and help from surrounding communities that have gone through the process.

Business Plan Implementation

Task Scheduling

The Plan includes near term tasks to establish the basic infrastructure and processes for the Village's new economic development initiatives and then far term tasks to begin building and expanding the economic base of the Village. The tasks are all focused on achieving the goals and objectives stated at the beginning of the Plan.

Near Term Tasks (0-6 months from start)

Goal - 1: Institutionalize Economic Development

- Develop strategy for funding economic development activities (e.g. Revolving Loan Fund, external grants, etc.)
- Develop detailed action plan and schedule for all Economic Development activities,
- Implement processes and contacts for identifying and responding to opportunities (Rapid Response Team), and
- Initiate the Marketing Plan near-term tasks.

Goal - 2: Diversify Business Base

- Investigate details of opportunities and connectivity for target industries.

- b. Prioritize targets based on probability of success in Plan timeframe (2 years).
- c. Develop detailed capture strategy and action plan for first priority target.

Goal - 3: Implement Retention/Expansion Program

- a. Schedule and complete initial communication and training efforts with local businesses.
- b. Complete business survey and analyze results to identify key findings and actions.
- c. Develop prioritized response plans.

Goal - 4: Participate in Regional and County - Wide Economic Development Coordination Groups

- a. Geauga County Growth Partnership.
- b. Geauga County Community Improvement Corporation.
- c. Middlefield Burton Chamber of Commerce.
- d. Geauga County Tourism.
- e. Leadership Geauga County.

Goal - 5: Improve Commercial District Environment.

- a. Develop information, education, and training programs.
- b. Survey residents and business community and compile results.
- c. Develop action plan based on survey results.

Figure 1 shows a preliminary schedule for the EDP activities.

Long - Term Tasks (6-24 Months)

Defining the specific long-term actions and tasks and developing the schedule for the remainder of the Economic Development Planning Cycle will be one objective of the each near-term activity.

Measurements for Success and Progress Reviews

A key aspect of the long term program processes is establishing key milestones and objectives as part of the task plan and performing a disciplined schedule of project status reviews and evaluations to assess progress. Each milestone or objective will have defined "exit criteria" that will be used to determine if the expected progress or success is being achieved and to decide if it is reasonable to continue to the next step in the task. Clearly, not all the initial projections and estimates for the activities will be realized and planned efforts to obtain funding, grants, and project agreements may not all be successful. So these reviews will provide an opportunity to reassess to current situation and status and provide redirection or re-planning, depending on how realistic and achievable the goals and objectives are.

One of the challenges to economic development programs is measuring progress and the changes that result from projects and investments in both the short-term and the long-term and determining their value and impact on the economic environment. Some outcomes, including jobs created and additional tax revenue, are more easily measured. But attributing those results directly to economic development activities can be harder to establish. The first step is to identify indicators of performance and to establish baseline data. In selecting performance measures, the following criteria will be considered:

- The availability and frequency of updates of data and the extent to which it is likely to be collected and available in the same manner in the future.
- Performance measures that relate to outcomes, not inputs.
- Measures that accurately track progress toward goals.
- Measures that can be compared to other regions within the state of Ohio as well as nationally.
- Measures that are easily understood.

By establishing specific action steps and developing appropriate associated timeframes for milestone completion, the Village Economic Development Committee will establish ways to measure the outcome of the various initiatives and projects undertaken. The periodic project reviews of progress also serve as a basis for submitting regular progress reports to the Village Council. Where involvement is required from other organizations and institutions to complete an action, the Committee will play an active role in facilitating and supporting the completion of that activity. The final task schedule for the economic development activities will also include annual comprehensive reviews and updates to each of the key planning documents and strategies. These annual reviews will be held as workshops that include opportunities for public comment.

Reference Documents:

Village of Middlefield Comprehensive Plan-Update adopted by Council September 4, 2008

The basic principles, goals, and objectives for the Village of Middlefield's Comprehensive Plan have been approved by the Village Planning Commission and adopted by Village Council. The Plan developed through significant input at public meetings. The Plan includes the guidelines, objectives, and goals for economic development that provides some framework for this Economic Development Plan. The Plan provides important insights into transportation and mobility issues and development objectives that will impact economic development in the Village.

Traffic Engineering Study, Traff Pro Consultants, Inc.-Prepared December 2000

The traffic study was prepared to provide accurate information in traffic patterns on thoroughfares within the village proper.

Geauga County Property Access (GIS) System on the Geauga County Auditors web site. Located all classification of property within the Village that are available for development.