

# JobsOhio Public Board Meeting

September 25, 2020



# Call to Order

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*Bob Smith, Chairman*

# Agenda

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Approve: Minutes of June 4, 2020

## Business Items

- Appoint Independent Review Panel Members
- Approve Ethics Course of Study for 2021

## President's Report

- Status of JobsOhio COVID Response Initiatives
- "Ohio Forward" Strategy
- Project Pipeline Report and Outlook
- Financial and OHLQ Report

## Committee Reports

# Approve Minutes of June 4, 2020

*Bob Smith, Chairman*

# Appoint Independent Review Panel Candidates

# Independent Review Panel Candidates



**Dan T. Moore**

*Founder, Dan T. Moore Co.*

*Incumbent* Candidate



**Doug Pontsler**

*VP of Operations Sustainability & Environmental and Safety, Owens Corning (retired)*

*Incumbent* Candidate



**Jeff Addison**

*President,  
Techknowvate*

*New* Candidate



**Jen Bowden**

*V.P. Brand and  
Social Impact,  
IGS Energy*

*New* Candidate



**Marchelle Moore**

*Sr., VP, Chief  
Legal Officer and  
Corporate  
Secretary, Encova  
Insurance*

*New* Candidate

# Approve Ethics Course of Study for 2021

# Course of Study

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- A. Conflicts of Interest
- B. Gifts
- C. Whistleblower Policy
- D. Lobbying Activities
- E. Reporting
- F. Standards of Conduct
- G. Governance



# President's Report



# **JobsOhio COVID Response Updates**

# JobsOhio COVID Response

Since March 15, 2020



**\$250M**

10 new initiatives to  
Ohio SMBs &  
Workforce



up to **\$250M**

40.2M Units  
of PPE  
(\$62M)



**>98%**

Engagement  
with State  
Legislature



**JobsOhio**  
Personnel Agile  
& Responsive

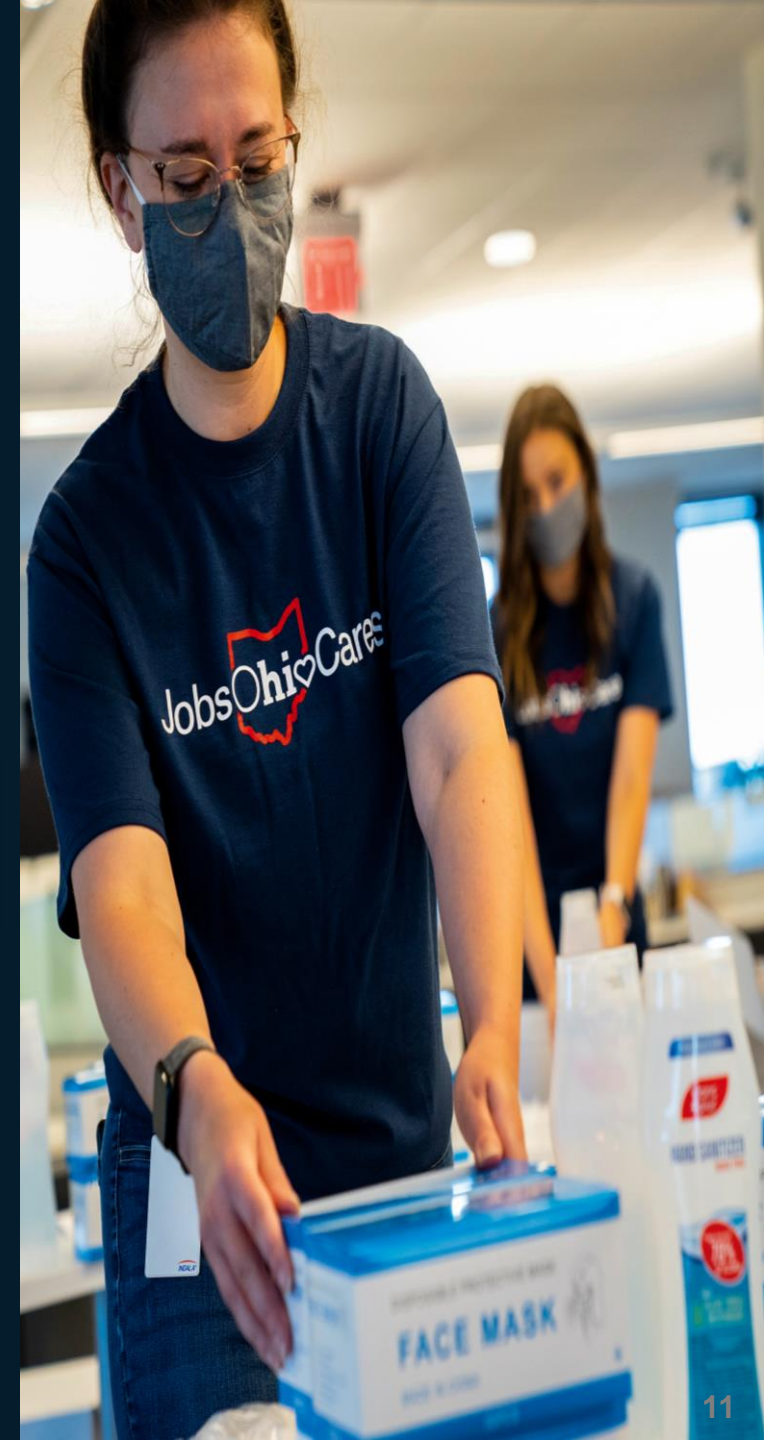


**>300,000**

Potential Jobs Impacted

**>15,000**

Businesses  
Impacted





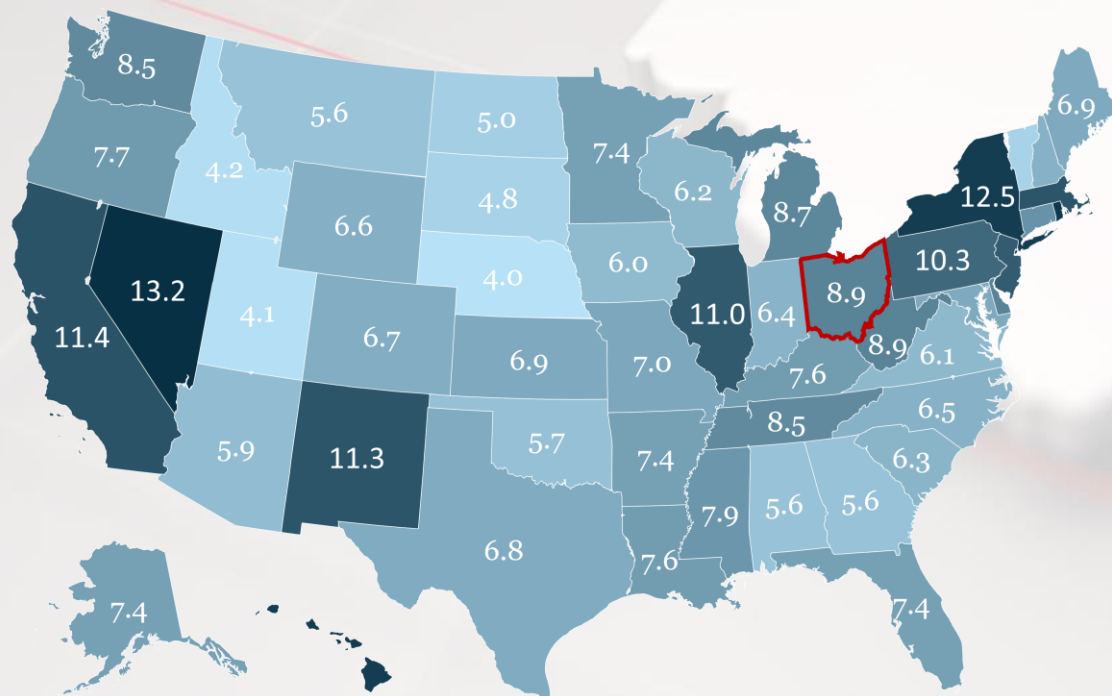
# **Ohio Forward: JobsOhio “Refreshed” Strategy**

# Unemployment Trending in Right Direction

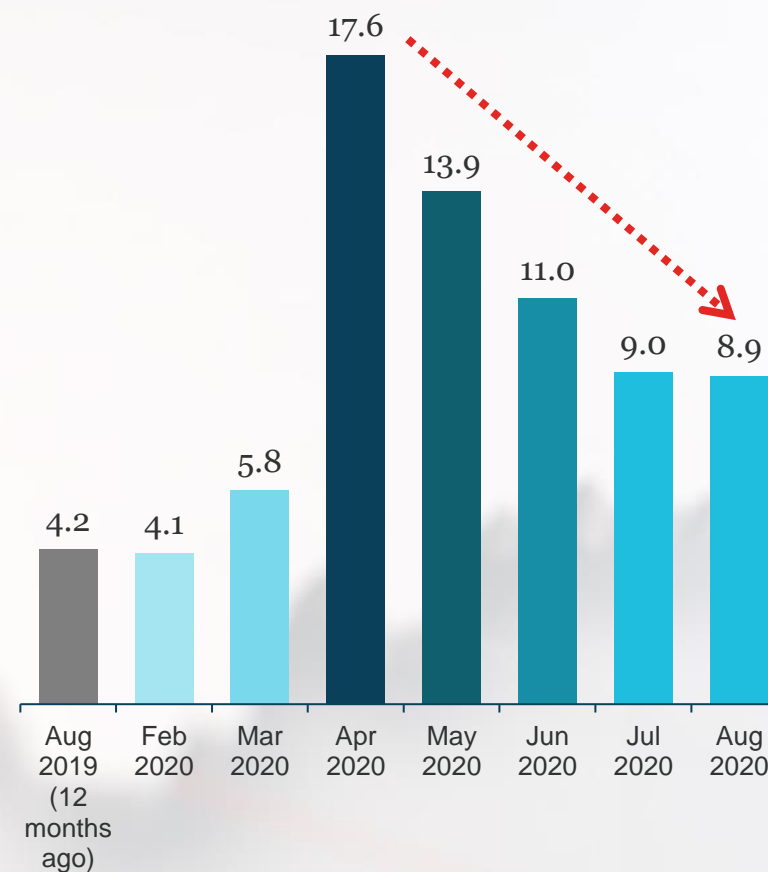
**US Unemployment Rate= 8.4%**

**Ohio Unemployment Rate = 8.9%**

**8 spot unemployment  
ranking improvement since April**



**Ohio Unemployment Over Time**  
(Percent, SA, Preliminary)





# Ohio is Well Positioned to Emerge

## Regional



**#1** in rainy-day fund balance

**#2** highest bond rating

**#2** pension funding level

**#2** in real GDP growth

# Ohio is Well Positioned to Emerge

## Regional



- #1 in rainy-day fund balance
- #2 highest bond rating
- #2 pension funding level
- #2 in real GDP growth

- #1 Governor's Cup
- #2 Aerospace Attractiveness
- #3 Business Climate
- #7 Business Opportunity
- #9 Best for Business
- #9 Best for Business
- #10 Top for Business

## National



Chief Executive



- #2 Automotive Manufacturing Strength
- #3 Manufacturing workforce
- #3 Foreign Direct Investment
- #6 Opportunity zones
- #7 Gross Domestic Product
- #7 Solar Power Jobs
- #9 Aerospace
- #9 Manufacturing Output Percentage
- #10 Tech jobs



# A Generational Opportunity for Ohio

## Leverage Positive Global Awareness of Ohio

Ohio's value proposition NEVER more evident

- National focus on reshoring aligns with Ohio's diverse industry, workforce & location
- Economic duress accelerates emerging trend away from the coasts – and Ohio is a perfect spot

JobsOhio and the statewide network in place to help Ohio emerge a leader

**Positive, global attention**  
received from Gov. DeWine  
response to crisis

~\$25 Million earned value



# A Generational Opportunity for Ohio

Leverage Positive Global Awareness of Ohio

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JobsOhio and the statewide network in place to help Ohio emerge a leader

#3 largest manufacturing workforce

4.8 percent of USA mfg output

Day drive from 60% Market

# A Generational Opportunity for Ohio

Leverage Positive Global Awareness of Ohio

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JobsOhio and the statewide network in place to help Ohio emerge a leader

### **Lower Cost of living** than Region & USA

- #2 Most Affordable State (USNews)
- 45% to 72.5% lower than SanFran, NYC
- Healthcare costs 20%-28% < than coasts

### **Best Cities** for Millennial Homebuyers:

- #4 Dayton
- #7 Akron
- #8 Columbus
- #10 Cincinnati

**Low risk** for natural disasters (Sperling)

# A Generational Opportunity for Ohio

Leverage Positive Global Awareness of Ohio

Ohio's value proposition NEVER more evident

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# Generational Opportunity

## *Resilient Sectors*

- Financial Tools to expand, consolidate & modernize
- Lead USA in secure supply chains
- Best state for Military missions, members, families & veterans

1. **Focus on Ohio Businesses FIRST**
2. Get Ohioans back to work
3. Diversify deal-making & risk-taking
4. Inclusive recovery for ALL OHIOANS
5. Closely align w/Administration

# Generational Opportunity

## Talent & Workforce

- OHIO TO WORK™ reskill & match displaced Ohioans with jobs
- Grow and retain more college grads
- Bring back talent from Coasts

1. Focus on Ohio Businesses FIRST
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# Generational Opportunity

## Innovation

- Innovation Districts
- Funding for entrepreneurs
- Tools for digital transformation

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2. Get Ohioans back to work
3. **Diversify deal-making & risk-taking**
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# Generational Opportunity

## Sites

- Ohio Site Inventory Program
- Statewide portfolio of job ready sites

1. Focus on Ohio Businesses FIRST
2. Get Ohioans back to work
3. **Diversify deal-making & risk-taking**
4. Inclusive recovery for ALL OHIOANS
5. Closely align w/Administration

# Generational Opportunity

## Diversity & Inclusion

- A sustainable recovery must be diverse & inclusive
- Broadband Access
- Tools for under-represented populations & geographies

1. Focus on Ohio Businesses FIRST
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# Generational Opportunity

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# Ohio To Work

# Generational Opportunity

## Talent & Workforce

- OHIO TO WORK™ reskill & match displaced Ohioans with jobs
- Grow and retain more college grads
- Bring back talent from Coasts

1. Focus on Ohio Businesses FIRST
2. **Get Ohioans back to work**
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# Motivation for Ohio To Work

## KEY PROBLEMS TO ADDRESS



Optimizes existing workforce development system



Infuses technology, training and direct connections to resources



Launched pilot in Greater Cleveland area – September 2020

*Ohio To Work aims to support marketing, assessments, coaching, reskilling, and redeployment to connect displaced or at-risk workers to jobs*

[Pilot employer liaisons]



## Ohio To Work goals:

PILOT 100 days	FULL SCALE ~2 years
Up to 6K served	Up to 60K served
Up to 150 reskilled	Up to 10K reskilled
Up to 700 placed	Up to 15K placed in jobs <sup>1</sup>

*Ohio's vision  
for getting  
individuals  
back to work  
tackles the full  
ecosystem*

## There will be 6 key features of **Ohio To Work**



**Outreach and marketing** to ensure displaced workers – particularly ‘first time unemployed’ – are aware of Ohio To Work services



*Ohio's vision  
for getting  
individuals  
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## There will be 6 key features of **Ohio To Work**



**Innovative, tech-enabled assessments** that help job seekers understand their skills and aptitude for different jobs and pathways



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ecosystem*

## There will be 6 key features of **Ohio To Work**



**Coaches equipped with latest tools & local business intelligence** to better help their job seekers understand employer needs and navigate their options





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## There will be 6 key features of **Ohio To Work**



**Connections with employers, training providers, and tools** through forums such as virtual job fairs



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## There will be 6 key features of **Ohio To Work**



**Support for reskilling** through a JO training fund to support high ROI programs that align to in-demand skills and occupations



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## There will be 6 key features of **Ohio To Work**



**Over 30 employer commitments** to interview/hire reskilled workers, support furloughed/released workers, and develop internship/apprenticeship programs



# User journey through pilot “career accelerator”



Service providers to work with displaced workers across journey, with program management by MAGNET



## Value added by JO

- 1 **Reach a broader and more diverse group of displaced workers**
- 2 **Consistent & scaled use of best-in-class online assessment** (AI, aptitude based, anti bias)  
  
**Coaches** to guide workers  
  
**Exposure** to career pathways
- 3 **Access to resources** to obtain skills for career pathways
- 4 **Connections to employers** who are ready to hire



# Ohio Sites Inventory Program

# Generational Opportunity

## Sites

- Ohio Site Inventory Program
- Statewide portfolio of job ready sites

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# OSIP Pipeline Overview

(September 25, 2020)

83

## Site Inventory Submissions

\$300+ million in Requested Support

46

## JobsOhio Network Partner Priorities

\$85 million in Requested OSIP Support

20

## Projects Proposed to Move Forward

\$38 million in Potential OSIP Support

# Site Inventory Program (OSIP) Overview

*Grants and low-interest loans to support near-term speculative site, building development and complement new JO Sector initiatives, e.g. reshoring*

## Primary program goals include:

- Fill gaps in Ohio's inventory with real estate targeting near-term sector wins
- Mitigate developer risks preventing product development
- Accelerate process of bringing in-demand product online



# OSIP 3 Key Components



## Speculative Site/Building Development

- Sites
- Buildings
- Targeting growth sectors
- Supporting new JO initiatives, e.g. reshoring



## Professional Studies

- Preliminary engineering due diligence
- Real estate market assessments
- Economic impact analysis



## Improved Air Facilities

- Airport infrastructure
- Aviation facilities

***JobsOhio has identified these opportunities for the state in fast-growth sectors and new JobsOhio initiatives. Applicants should align proposals with these opportunities.***

# OSIP Guiding Principles

Projects will be evaluated based on the following guiding principles:

## REQUIRED

- Identified end-user targets
- A Phase I ESA must be completed
- A Phase II ESA must be completed if the Phase I recommends it

## STRONGLY PREFERRED

- Diverse, statewide portfolio focus on near-term opportunities
- Experienced development partner
- 30+ acres for site development (no proposed building)
- Loans support new building construction

## PRIORITIZED

- JobsOhio will prioritize speculative development projects based on alignment with JO priorities
- Brownfield redevelopment projects likely to receive more favorable support
- Focus is on filling known/proven inventory gaps within JobsOhio targeted industry sectors

# Generational Opportunity

## Diversity & Inclusion

- A sustainable recovery must be diverse & inclusive
- Broadband Access
- Tools for under-represented populations & geographies

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# Inclusion Strategy Overview

*JobsOhio's  
Economic  
Development  
Inclusion Strategy  
strives to attract  
capital, create jobs  
and grow talent for  
all Ohioans.*



## Primary goals of the strategy:

- Drive investment and job creation into distressed areas across Ohio
- Help grow small and medium-sized businesses that are located in distressed communities and/or are owned by an underrepresented population

## Defining Inclusion:

- Geographic Distress rural and urban areas based on poverty and other key economic indicators
- Underrepresented Populations including consideration of race, ethnicity, gender, veterans and the disabled



# New Inclusion Programs

The Inclusion Strategy includes three new programs:

**1.**  
**Pre-Project  
Planning**

Technical assistance to help  
advance development  
projects

**FOR DISTRESSED COMMUNITIES**

**2.**  
**Vibrant Community  
Program**

Grant funding for impactful  
development projects

**3.**  
**JobsOhio Inclusion  
Grant (JOIG)**

Grants for small companies  
expanding in distressed areas  
or owned by an  
underrepresented population

**FOR SMALL BUSINESSES**

*Inclusion metrics across all JobsOhio programs  
to measure ongoing participation and impact*

# Program Highlights

JobsOhio Inclusion  
Grant (JOIG)



Grants of up to \$50,000 for small and medium-size companies investing to grow their business

- Business expansion or new facility investments
- New machinery or equipment
- Training of new or existing employees

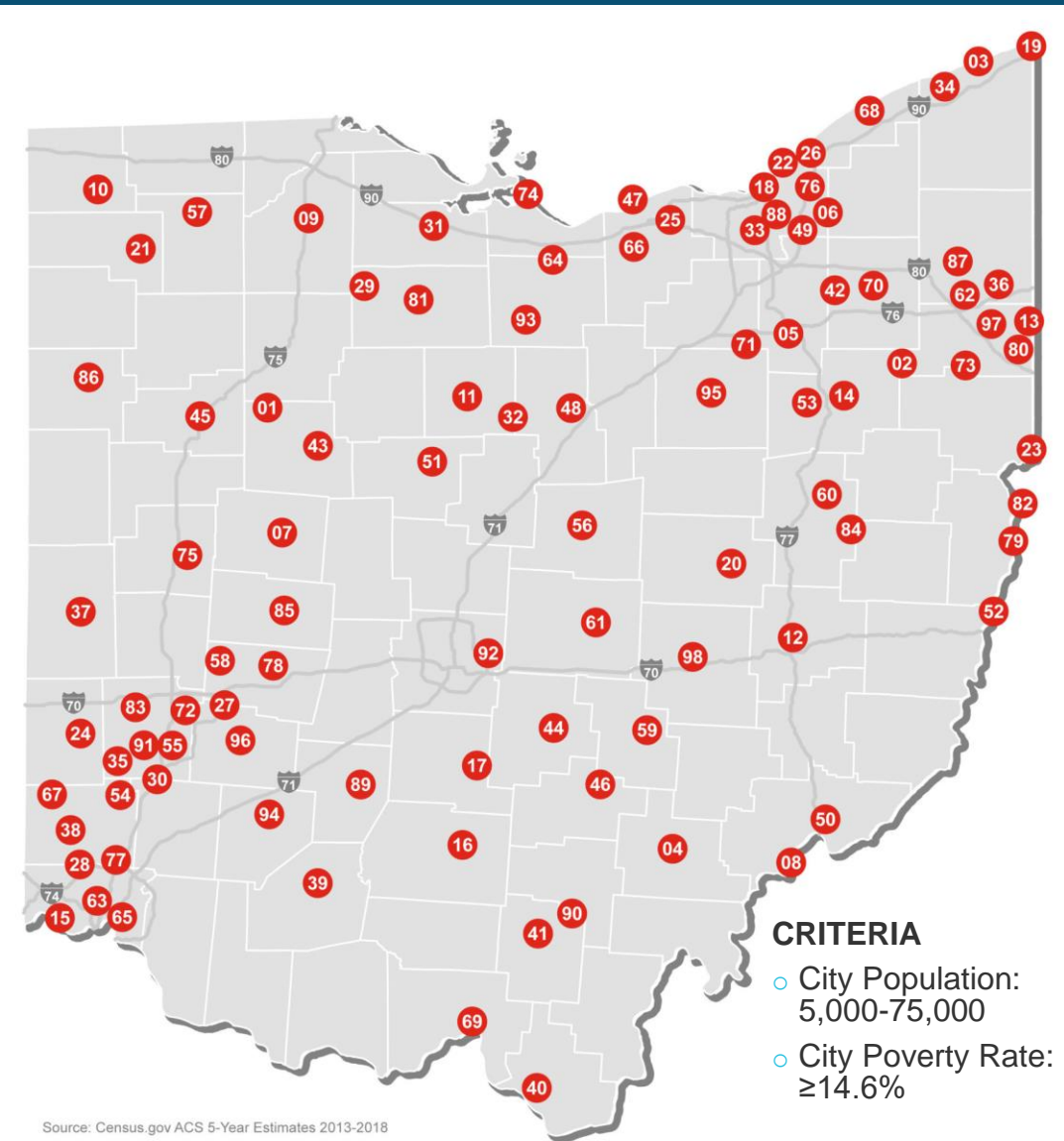
*No minimum job creation or investment required; however company must demonstrate need for support to help the project move forward.*

*Snowville Creamery Expands  
Meigs County Production Facility*

# Eligible Distressed Cities

Pre-Project  
Planning

Vibrant Community  
Program



ALPHABETICAL

- |                       |                      |                        |                            |
|-----------------------|----------------------|------------------------|----------------------------|
| 1. Ada                | 27. Fairborn         | 53. Massillon          | 79. Steubenville           |
| 2. Alliance           | 28. Forest Park      | 54. Middletown         | 80. Struthers              |
| 3. Ashtabula          | 29. Fostoria         | 55. Moraine            | 81. Tiffin                 |
| 4. Athens             | 30. Franklin         | 56. Mount Vernon       | 82. Toronto                |
| 5. Barberton          | 31. Fremont          | 57. Napoleon           | 83. Trotwood               |
| 6. Bedford Heights    | 32. Galion           | 58. New Carlisle       | 84. Uhrichsville           |
| 7. Bellfontaine       | 33. Garfield Heights | 59. New Lexington      | 85. Urbana                 |
| 8. Belpre             | 34. Geneva           | 60. New Philadelphia   | 86. Van Wert               |
| 9. Bowling Green      | 35. Germantown       | 61. Newark             | 87. Warren                 |
| 10. Bryan             | 36. Girard           | 62. Niles              | 88. Warrensville Heights   |
| 11. Bucyrus           | 37. Greenville       | 63. North College Hill | 89. Washington Court House |
| 12. Cambridge         | 38. Hamilton         | 64. Norwalk            | 90. Wellston               |
| 13. Campbell          | 39. Hillsboro        | 65. Norwood            | 91. West Carrollton        |
| 14. Canton            | 40. Ironton          | 66. Oberlin            | 92. Whitehall              |
| 15. Cheviot           | 41. Jackson          | 67. Oxford             | 93. Willard                |
| 16. Chillicothe       | 42. Kent             | 68. Painesville        | 94. Wilmington             |
| 17. Circleville       | 43. Kenton           | 69. Portsmouth         | 95. Wooster                |
| 18. Cleveland Heights | 44. Lancaster        | 70. Ravenna            | 96. Xenia                  |
| 19. Conneaut          | 45. Lima             | 71. Rittman            | 97. Youngstown             |
| 20. Coshocton         | 46. Logan            | 72. Riverside          | 98. Zanesville             |
| 21. Defiance          | 47. Lorain           | 73. Salem              |                            |
| 22. East Cleveland    | 48. Mansfield        | 74. Sandusky           |                            |
| 23. East Liverpool    | 49. Maple Heights    | 75. Sidney             |                            |
| 24. Eaton             | 50. Marietta         | 76. South Euclid       |                            |
| 25. Elyria            | 51. Marion           | 77. Springdale         |                            |
| 26. Euclid            | 52. Martins Ferry    | 78. Springfield        |                            |



# Program Description

Pre-Project  
Planning

Vibrant Community  
Program

The programs were established to assist distressed small and medium-sized communities with catalytic development projects in their community.

- Pre-project planning support to provide technical assistance to **help move** promising development projects from concept to implementation.
- Competitive grants of up to \$2 million per project, up to 50% of the total project cost for development projects that help transform areas within a distressed community.



BEFORE:

**Carlisle Building and downtown Chillicothe**



AFTER:

# Program Pipeline

JobsOhio Inclusion  
Grant (JOIG)

## Pipeline results after 3 months of introducing the JobsOhio Inclusion Grant

**JobsOhio is working with 60 companies**

- 53 are in a distressed area
- 14 are minority-owned
- 9 are women-owned
- 7 are veteran-owned
- 1 is disability owned

**If all 60 projects move forward, they will**

- Create 225 new jobs (\$10M in new payroll)
- Retain 1,219 jobs (\$61M in retained payroll)
- Invest \$15 million

***The majority of these projects are small Ohio based manufacturers, including several food science and agriculture related businesses.***





# Success Story



- **Silver Bridge Coffee is a women-owned business** that started in Gallia County in 2008. The company imports coffee from around the world and sells to grocery stores and restaurants throughout Ohio and the United States.
- The **JobsOhio Inclusion Grant** provided a \$50,000 grant to help the company double the size of their production facility in Bidwell and purchase new machinery and equipment.

*The funds from Jobs Ohio and Ohio Southeast helped provide funds to purchase much needed equipment in our new building. The equipment **will increase efficiency**, productivity and create a safer working environment for current employees.*

*Additionally, some of the equipment will **open new avenues of revenue for Silver Bridge Coffee and allow us to hire employees** to fill positions needed as a result of this expansion.*

*These funds came at the perfect time to allow us to accelerate our growth and expansion.”*

*- Lorraine Walker, Owner*

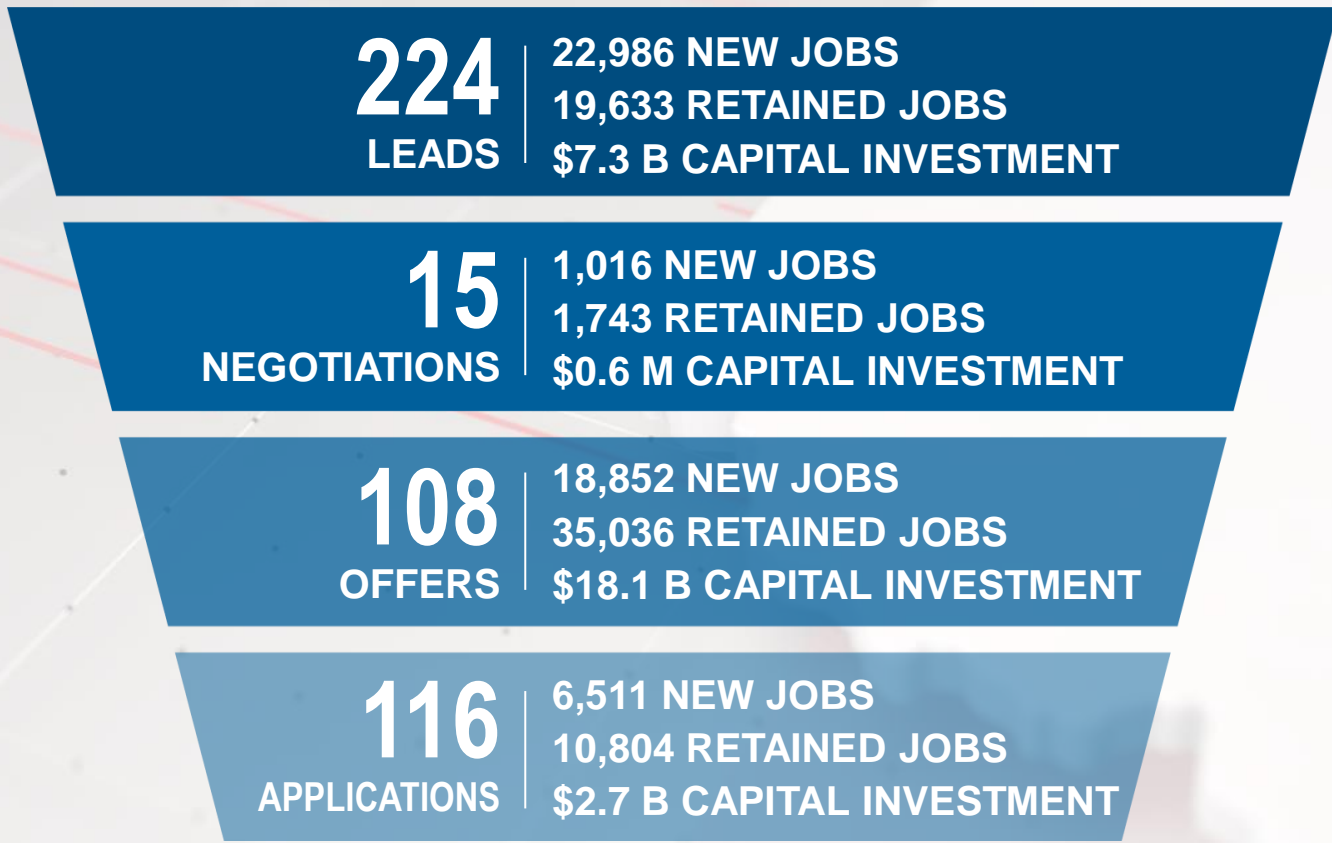




# Project Pipeline Report and Outlook

# Current Pipeline *(as of September 15, 2020)*

## ACTIVE PROJECTS BY STAGE\*



**TOTAL PROJECT PIPELINE\***    **116,581** NEW & RETAINED JOBS    **\$29B** CAPITAL INVESTMENT

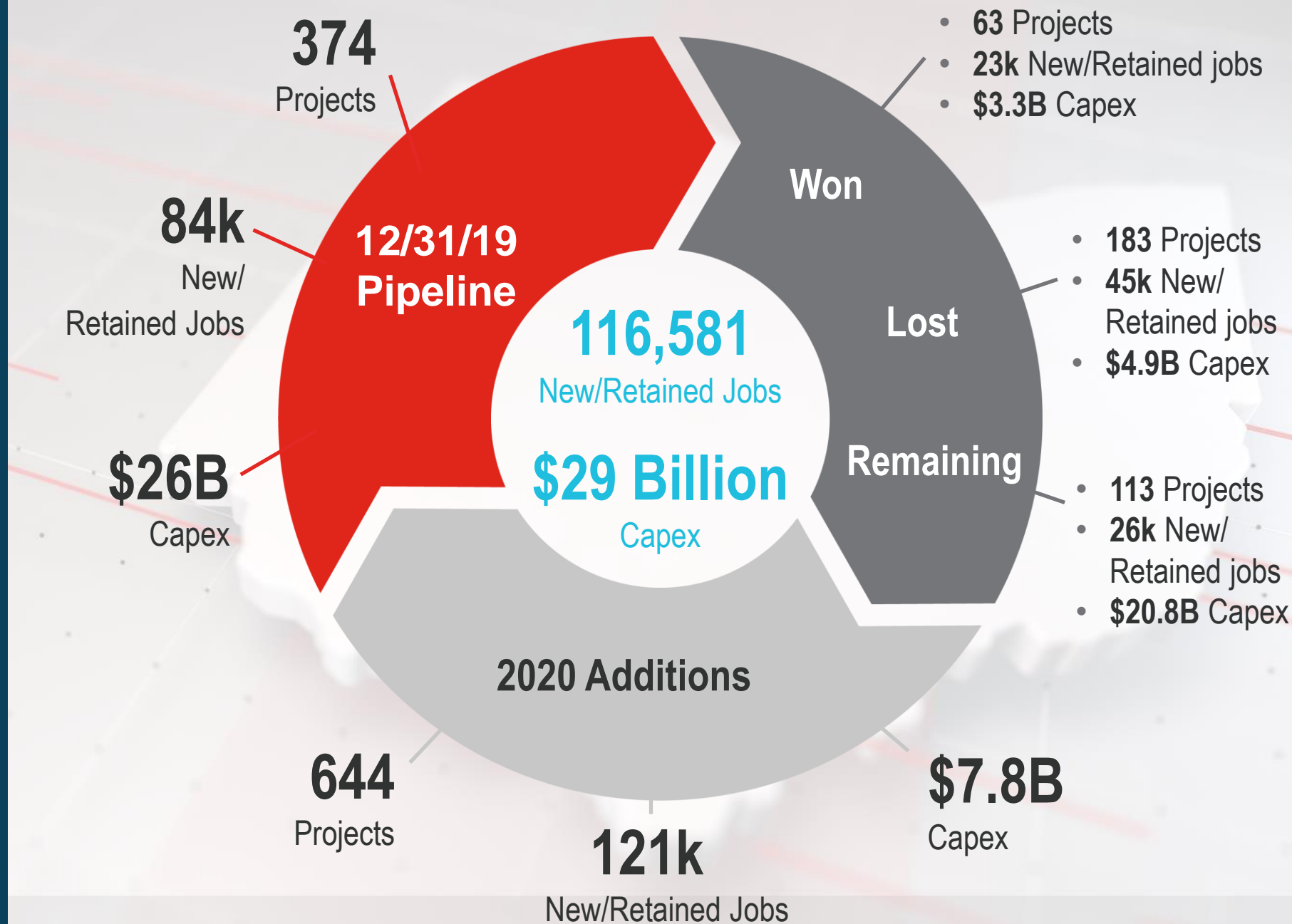
*The JobsOhio project pipeline represents the potential deals that JobsOhio and its state, regional and local partners are working to drive job creation and capital investment in Ohio.*

\*Potential results if all projects are realized.



# PIPELINE EFFORTS

*(through Sept 2020)*





# Financial Update

*Fiscal Year 2020*



# June 2020 - Statement of Net Position

(6/30/19 – 6/30/20)

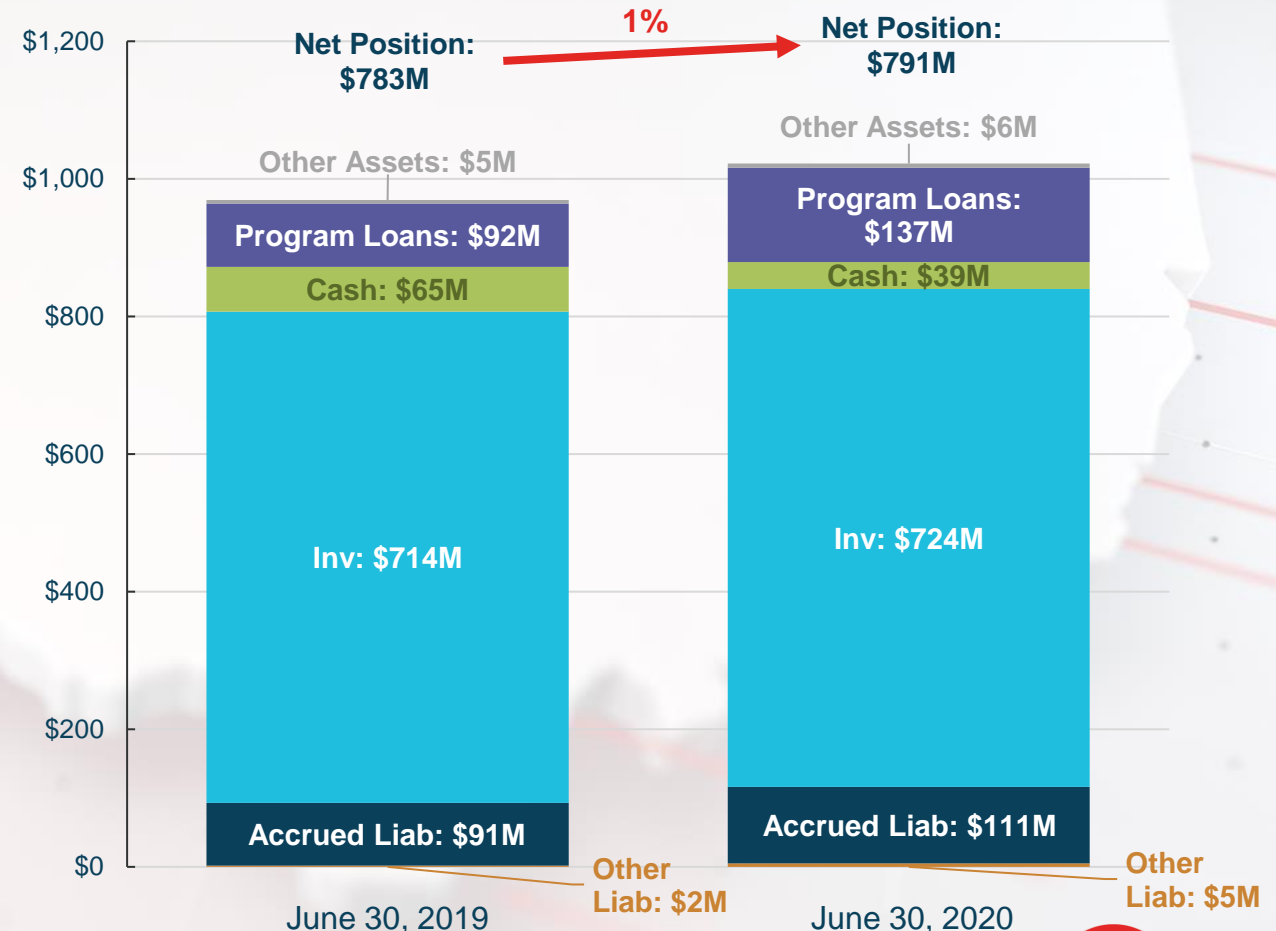
## Net Position Increase: 1%

### Assets increased 3.6%

- Cash decrease – spending on new JO initiatives
- Investment increase – favorable ROI
- Loan increase – new workforce retention and innovation loan programs
- Other small changes in A/P and Other

### Liabilities increased 25%

- Minor change in Accounts Payable due to timing of expenses
- Accrued liabilities increase - executed grant agreements not yet disbursed



# Net Contribution

(12 Months Ending June 30 '19 vs June 30 '20)

## Contribution Decrease: 96%

### Operating revenues increased 150%

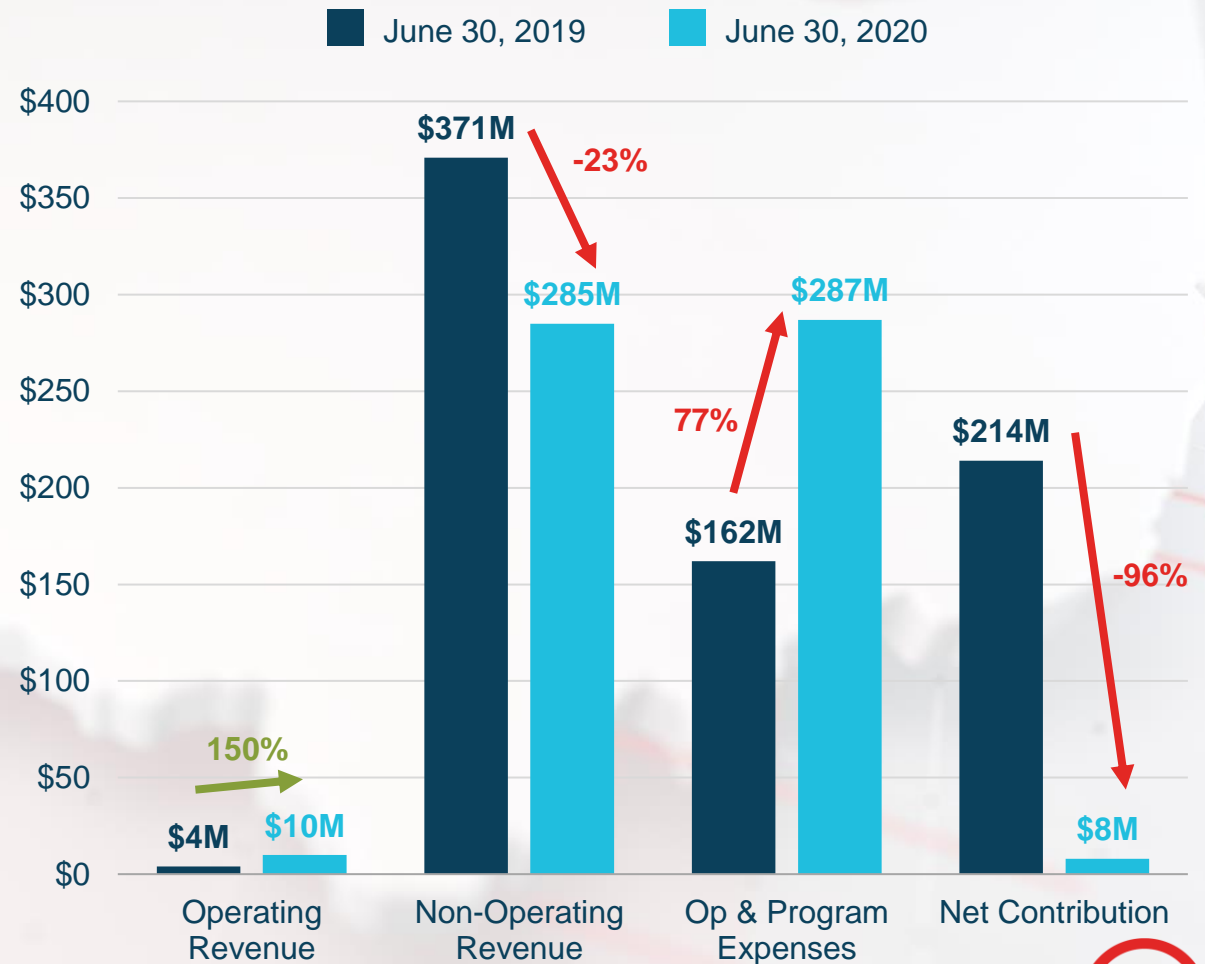
- Increase in management and other fees

### Nonoperating revenues decreased 23%

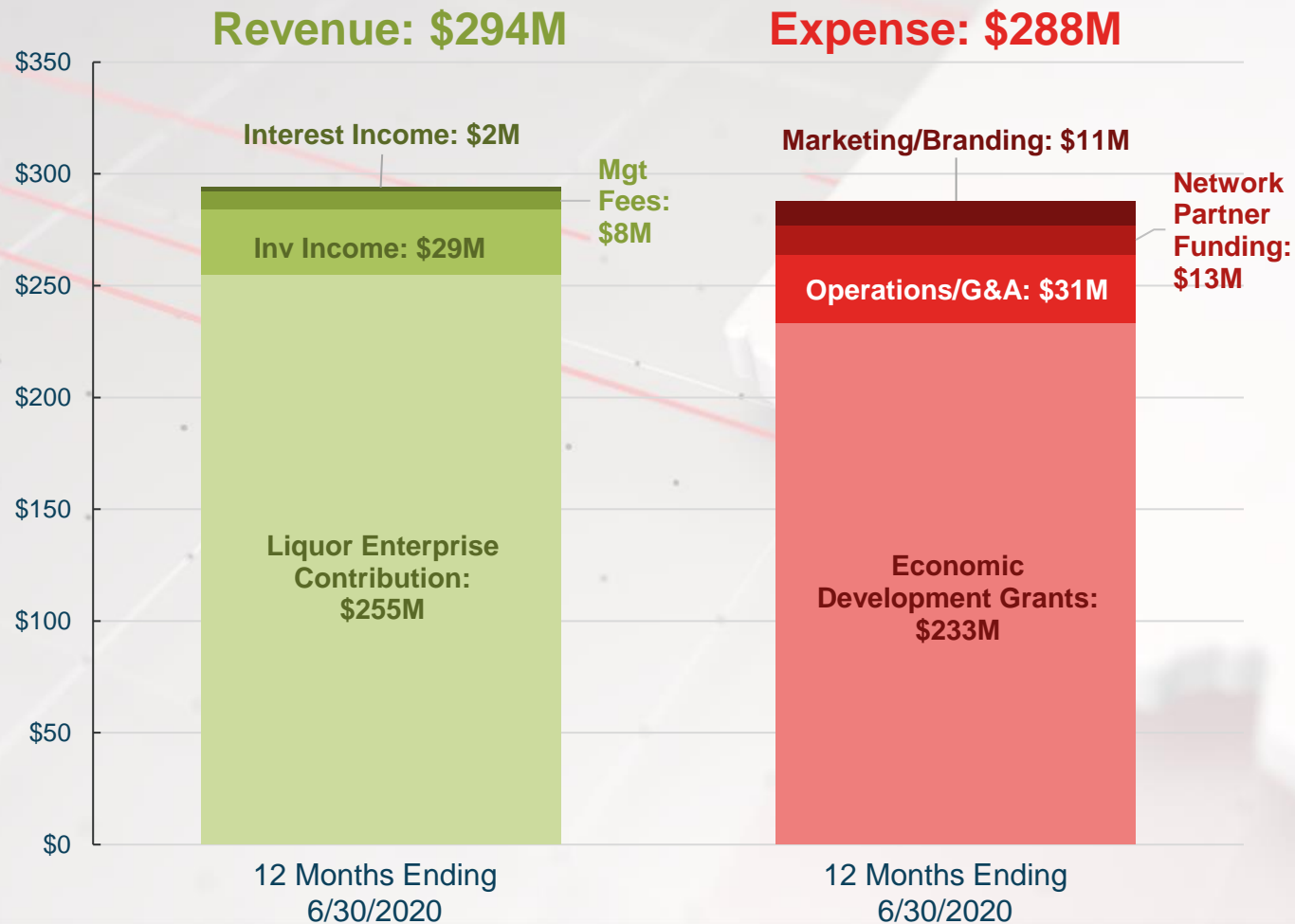
- Decrease in liquor enterprise contribution to support PPE purchases
- Investment income increase

### Op & Program expenses increased 77%

- Increased grant agreements
- Increase in Professional services for site development and COVID initiatives
- Marketing sponsorships and branding
- Minor increase in Admin cost



# FY'20 Revenue and Expense Summary



**FY'20 Ohio Liquor  
Supplemental  
Payment to State:  
\$71M**

*(vs. \$57M for FY'19,  
a 25% increase and  
\$255M cumulatively)*

# Committee Reports



# Thank you for attending!

*Next Meeting: Friday, December 4, 2020*