

## Chapter 9



# Economic Development

## Goals:

1. Build upon the successful work of existing City and Township level economic and business development organizations and coordinate planning with any new such entities, and support their planning and programming to address long-term needs and provide a sound, solid base for economic and business development that emphasizes and utilizes our strengths.
2. Promote an environment to nurture, retain, and expand current businesses and the central business district.
3. Ensure that adequate information and resources are available to promote a prospective or expanding business's understanding of City incentives, assistance, review and approval processes, and other requirements for development.
4. Provide a pro-development, cooperative atmosphere within the public sector that will accommodate and not hinder suitable and desired development.
5. Ensure that incentives are balanced and do not burden the taxpayer.
6. Approach job creation, retention, and enhancement efforts with a focus on the future, long-term health of the community, and on diversifying the employment and tax base.
7. Balance job growth among jobs meeting the needs of the workforce and the tax base of the City.
8. Provide an environment that encourages innovation and entrepreneurship, through venture capital, guidance and counseling as needed, and referrals to other community services.
9. Develop a proactive tourist outreach program, with local customer service providers trained to welcome visitors.
10. Ensure that adequate building sites are available for a variety of industries through a network of development-ready business parks, complemented with a plan for the revitalization of existing suitable buildings and in-town sites, with an eye on the impact on the local school district and its tax base.
11. Focus on developing businesses and services that capture local and external revenues, such as full-service restaurants, with hours, products, and services that meet the needs of the local market.
12. To compete globally, offer and support state of the art business practices and support systems.

## Introduction:

Economic development can be described as activity that retains or expands a community's job opportunities and its tax base. Efforts to increase job generators and tax base usually entail the growth of the physical stock of the community. New economic activity involves

the creation of new industrial and commercial land uses. Inevitably, these new uses produce spin-offs, with the subsequent creation of ancillary businesses, the expansion of existing businesses, and the development of new residential areas to accommodate new employees and their families. Thus economic development is inextricably linked to land use and community growth.

The community forums and focus groups produced a number of comments regarding several aspects of business and economic development. They included the following:

- Expand industrial parks, develop vacant property; develop a use for abandoned properties
- Lack of rail spur sites
- Aggressive pursuit of more industry; obtain sufficient industrial tax base to support local operations; reinvention of the industrial base
- Support existing industry: “take care of what you have”
- Invest with local entities – keep money here
- Provide financial assistance to reduce start-up costs for new business; encourage entrepreneurs
- Need to support families with good wages; competitive wages
- Be ready for jobs to come back to the U.S. (anticipating a “backlash” after the initial shift of manufacturing and other jobs to China, India, and other “low cost” locations); more global view of our marketplace
- Encourage specialized small business, including high tech; protect family-owned local business
- Investigate creation of a Foreign Trade Zone; pursue Joint Economic Development District (JEDD) agreements with Townships
- Professional job opportunities; job security; jobs to keep youth in the community
- Retraining to get better jobs
- Overcome language barrier of some to job opportunities
- Balance growth and preservation; maintain small town feel and quality of life
- Position Norwalk as a destination, focusing on a retail/tourism district and Norwalk Raceway Park
- Building code to guarantee quality; need more formalized process for approvals, using a checklist
- Provide transportation to work
- Find win/win approach with school districts where possibly growth can be encouraged in their district only if tax revenues are shared with the Norwalk School District.

## **Norwalk’s Economic Base**

The Census Bureau’s “County Business Patterns” provides information on businesses by employee size and economic sector, broken down by county and zip code. The following table presents information on the makeup of the 601 business establishments counted in the survey.

**Table 9-1:  
Number of business establishments in 44857 Zip Code by # of employees, 2003**

Sector	Total est's	1-4 emps	5-9	10-19	20-49	50-99	100-249	350-499	500-999
Total Establishments	601	291	125	82	66	19	14	2	2
Utilities	3	3	0	0	0	0	0	0	0
Construction	78	51	12	9	3	2	1	0	0
Manufacturing	48	10	10	3	9	6	8	1	1
Wholesale Trade	29	8	10	7	4	0	0	0	0
Retail Trade	106	45	27	15	15	3	1	0	0
Transportation/warehousing	13	9	1	1	0	1	0	1	0
Information	10	4	0	1	4	1	0	0	0
Finance and Insurance	40	22	9	7	2	0	0	0	0
Real Estate, Rental, Leasing	28	23	4	0	1	0	0	0	0
Professional, technical	46	31	7	7	1	0	0	0	0
Management of companies	2	0	0	1	1	0	0	0	0
Admin support, waste mgt.	21	10	4	2	3	0	2	0	0
Educational services	3	2	0	0	1	0	0	0	0
Health Care, Social assistance	47	9	16	12	6	2	1	0	1
Arts, entertainment, recreation	8	6	0	1	1	0	0	0	0
Accommodation and Food service	42	15	7	5	12	3	0	0	0
Other Services	77	43	18	11	3	1	1	0	0

Source: U.S Census, *County Business Patterns, 2003*

The above table depicts a fairly diversified local economy, with the community supporting (and supported by) eighteen enterprises employing 100 or more employees, and another nineteen employing 50 to 99 workers. These are the businesses that are most likely to require significant acreage and land devoted to their land use. Of the businesses employing fifty or more, three are involved in construction, sixteen are manufacturers, four are retail businesses, two involve transportation or warehousing, one involves information, two are involved with administration or support, four are involved with health care (with the largest being Fisher-Titus Medical Center), three are accommodations or food services, and two involve some other service.

In terms of the sheer number of establishments, the retail sector leads the way, with 106 establishments, followed by construction (with 78) and “other services” (with 77). Construction is an unusually large sector in Norwalk, with particular emphasis on highway construction. Norwalk highway contractors conduct business throughout the State of Ohio and in other states as distant as Florida.

**Table 9-2:  
Number of Manufacturing establishments in 44857 Zip Code, 2003**

Manufacturing Sector	Total est's	1-4 emps	5-9	10-19	20-49	50-99	100-249	350-499	500-999
Total Manufacturing	48	10	10	3	9	6	8	1	1
Retail bakeries	1	0	1	0	0	0	0	0	0
Commercial bakeries	1	0	0	0	0	0	1	0	0
Nonwoven fabric mills	3	0	0	0	0	1	2	0	0
Canvas and related product mills	1	1	0	0	0	0	0	0	0
Misc. textile product mill	1	0	0	0	1	0	0	0	0
Wood preservation	1	0	0	0	1	0	0	0	0
All other misc. wood product mfg	1	0	1	0	0	0	0	0	0
Folding paperboard box mfg	3	0	1	0	1	0	1	0	0
Quick printing	2	1	1	0	0	0	0	0	0
Other commercial printing	1	0	1	0	0	0	0	0	0
Custom compounding of resins	2	0	0	0	0	1	1	0	0
Photographic film, paper, plate	1	1	0	0	0	0	0	0	0
Polystyrene foam product	1	0	0	0	1	0	0	0	0
All other plastics product mfg	1	0	0	0	1	0	0	0	0
All other rubber product mfg	2	0	0	0	0	2	0	0	0
Pressed & blown glass/glassware	1	1	0	0	0	0	0	0	0
Ready-mix concrete	1	0	0	0	1	0	0	0	0
Other concrete products mfg	1	0	0	0	0	1	0	0	0
Iron and steel forging	1	0	1	0	0	0	0	0	0
Metal stamping	1	0	0	1	0	0	0	0	0
Fabricated structural metal	1	0	1	0	0	0	0	0	0
Hardware mfg	1	1	0	0	0	0	0	0	0
Machine shops	2	1	0	0	0	1	0	0	0
Metal coating/engraving	2	1	0	0	0	0	0	1	0
Construction machinery mfg	1	1	0	0	0	0	0	0	0
Paper industry machinery mfg	1	0	0	1	0	0	0	0	0
Printing machinery and equipment	1	0	0	1	0	0	0	0	0
Other commercial and service industry machinery	1	0	0	0	1	0	0	0	0
Industrial mold mfg	1	0	1	0	0	0	0	0	0
Machine tool (metal cutting) mfg	1	1	0	0	0	0	0	0	0
Bare printed circuit board mfg	1	0	0	0	0	0	1	0	0
Industrial process control instrument	1	0	1	0	0	0	0	0	0
Analytical laboratory instrument	1	0	1	0	0	0	0	0	0
Motor vehicle body mfg	1	0	0	0	0	0	1	0	0
Wood kitchen cabinet, countertop	1	0	0	0	1	0	0	0	0
Upholstered household furniture	2	0	0	0	1	0	0	0	1
Surgical and medical instrument	1	0	0	0	0	0	1	0	0
Sign mfg	1	1	0	0	0	0	0	0	0

Source: U.S. Census, *County Business Patterns, 2003*

The diversity of the local economy is further documented by the variety of manufacturing products created within the 44857 Zip Code, and with no more than three establishments producing any given product. The largest manufacturers in terms of employment include upholstered household furniture, metal coating and engraving, nonwoven fabrics, commercial bakeries, folding paperboard boxes, custom resin compounding, printed circuit

boards, motor vehicle bodies, and surgical and medical instruments. Indeed, one of the assets of the Norwalk area economy is the diversity of its manufacturing base, and thus its ability to weather volatility in specific manufacturing sectors such as the automotive sector.

Most Norwalk residents who work are employed in Norwalk: according to the 2000 Census, 4,096 of Norwalk's 7,497 residents (or 54.6 percent) who reported working were employed in the City. Mean travel time to work for a Norwalk resident was 17.0 minutes, as compared to means of 20.2 for all Huron County residents and 22.9 minutes for Ohio residents as a whole.

Table 7 in the demographics chapter highlighted the occupations and employment sectors of Norwalk's residents. As noted in chapter 2, the largest number of the City's employed residents (2,372 of 7,677, or 30.9 percent) were employed in production, transportation, and material moving occupations, as compared to 19.0 percent statewide. On the other hand, just 1,762 (or 23.0 percent) were in management, professional, and related occupations, as opposed to 31.0 percent statewide.

The same table presented the number of employees in each sector. The table revealed that of the 7,677 residents counted, 2,338 (or 30.5 percent) were employed in manufacturing (vs. only 20.0 percent statewide). This was followed by 1,279 (16.7%) in educational, health and social services, 906 (11.8%) in retail trade, 658 (8.6%) in arts, entertainment, recreation, accommodation, and food service, and 527 (6.9%) in construction.

## **Norwalk Economic Development Corporation**

Norwalk's primary economic development entity is the Norwalk Economic Development Corporation (NEDC), whose mission as a public-private partnership is "to identify and capitalize on opportunities to continuously improve the Norwalk area's business base." NEDC's responsibilities include encouragement of the creation of quality employment, support for the growth of existing businesses and entrepreneurs, pursuit of new business locations through organized promotion and marketing efforts, and working collaboratively with local businesses, institutions, and economic development partners to strengthen Norwalk's position in the global economy.

Through a participatory process, NEDC developed a strategic economic development plan in 2004, from which the following goal areas emerged:

- Build strong presence of the Norwalk Economic Development Corporation in the community. Means to achieve this goal include newsletters, business testimonials, communication networks, press releases, annual reports, surveys, and reports on measurable results and outcomes.
- Capitalize on tourism opportunities as an economic development growth strategy. Means include support to tourism entrepreneurs, hospitality industry training, community service training for youth, maps to tourist attractions, tourism wayfinding signs, and focus on Route 18 toward Raceway Park as an entertainment "corridor".
- Retain and expand existing business base in the Norwalk area. Means include the annual business survey and Business Appreciation Week, rapid intervention when requested,

community education on economic development and the reality of the global economy, building a competitive and innovative spirit, and implementation of a regional cluster strategy including information on suppliers and potential targets for attraction.

- Ensure the long-term financial stability of the NEDC. Means include augmenting and expanding the membership base, soliciting other industrial sectors, seeking perpetual funding sources, and investigating other sources of funding.
- Seek entrepreneurial investments in the Norwalk economy. Means include creating a venture capital fund, developing a high-risk pool of funds for borrowing, investigating development of a business incubator, a data base of nearby resources for entrepreneurial counseling and support, creation of a SCORE program (which has been successfully launched), and a one-stop clearinghouse for entrepreneurial resources.

Supplementing the more internal NEDC goals were a series of “community economic development goals”, many of which are reinforced within this document. General topics covered within this portion of the strategy were:

- Infrastructure improvements (including achieving a college presence in the community) and utilities quality and availability (water supply, adequate electricity, sewage treatment plant capacity, and adequacy of Internet and telecommunications infrastructure);
- Readiness for development (feasibility study of City-owned industrial park, recruitment of commercial real estate developers, investigation of adequacy of transportation infrastructure such as air and rail);
- Transportation (including airport access, railroad improvements, and investigation of solutions for improved highway transportation, including a “bypass” solution that may include improvement of existing Township roads);
- Quality of life (including focus on quality growth, quantification of impact of development on quality of life in the Norwalk area, an active community theater, broadening of the leadership base by stressing inclusion and fresh ideas);
- Land use (consideration of directions of expansion into Township, filling empty spaces in Central Business District, quantification of need for building rehabilitation);
- Housing (define and fill need for quality apartments, mid-level homes, and options for families in transition); and
- Downtown and commercial development (including a plan to fill vacancies in downtown Norwalk, meet the needs of retail establishments and ensure that downtown Norwalk is a destination shopping area, continue to maintain the infrastructure, consider other models for emulation, and reframe the image of downtown Norwalk).

## **Norwalk Area Chamber of Commerce**

The Norwalk Area Chamber of Commerce is staffed full-time and housed in the same West Main Street office building as NEDC, Main Street Norwalk, the United Fund, and the Norwalk Community Development Corporation (NCDC). The Chamber provides business services, training opportunities, and a forum for the exchange of ideas to its 450-plus members. Other activities include advocacy for business and showcasing opportunities.

## **Other Economic Development Entities**

There are several partnering organizations that help provide a positive climate for economic and business development in the Norwalk area. Co-located with the Chamber of Commerce is the Norwalk Community Development Corporation (NCDC). NCDC has underwritten projects to stimulate economic activity, including the ownership and development of speculative properties including an industrial building on Republic Street in the Firelands Industrial Park, which is occupied by the Janesville Sackner Group.

The Huron County Development Council coordinates economic development efforts throughout the county, maintains a building and site database that is coordinated with the State's industrial prospect response system, and partners with NEDC and others on specific projects. WSOS Community Action Commission, Inc., provides technical assistance to projects using some of the City's incentive programs, such as its business revolving loan fund and the Enterprise Zone tax abatement program.

Direct technical assistance, including business plan development, is available to businesses and entrepreneurs in Norwalk from two active entities. First, a chapter of the Service Corps of Retired Executives (SCORE) has become very active within Norwalk, providing pro bono business technical assistance to nearly 150 businesses or entrepreneurs since its inception in October 2004. Second, the Small Business Development Center (SBDC) located in Ashland University provides technical business planning and related assistance, with a business counselor visiting Norwalk on a regular schedule.

## **The Geography of Economic Development in Norwalk**

Historically, commercial development in Norwalk was focused on the Central Business District. Norwalk's Downtown area served a regional market and was accessed by a network of interurban rail lines. The Interurbans departed many decades ago, and Norwalk's consumer market is dependent almost exclusively on the automobile, which has diminished the importance of the Downtown as a concentrated center for commercial and service activity. As a result, new commercial activity has largely grown along the Route 250 corridor from the Downtown northward. The enlarged Wal-Mart "superstore" on the City's north side has become a notable anchor for business, at all hours, complemented by a number of shopping centers, automobile dealerships, restaurants, and other businesses, either free-standing or in strip centers. One major investment in infill has been the construction of a Top's Friendly Market supermarket just north of the central business district on Whittlesey Avenue. Other significant investments in the central business district have occurred through the renovation of a number of buildings that house active businesses.

Added to the potential attraction of outside consumer dollars through the above investments and reinvestments by the City's existing supermarkets and other stores is the location of an eight-screen cinema, also on the north side of the City, just north of the Firelands Industrial Park. The cinema and nearby restaurants, while capitalizing on Norwalk's position as a county seat and the largest commercial center in Huron County, will also benefit from nearby Erie County's growth as a regional tourism destination. Some tourism activity will

undoubtedly leak into Norwalk by virtue of the nationally known Norwalk Raceway Park, the cinema, and other recreational attractions.

While commercial enterprise has clustered around the U.S. Route 250 North corridor, Norwalk's south side has seen commercial disinvestments with the closure of that area's only supermarket. However, there has been a resurgence of travel-oriented activity along US 250 South with the recent completion of two new fast food enterprises. The largest catalyst for economic growth on the south side has been Fisher-Titus Medical Center, with its ambitious growth strategy, its medical campus, and the clustering of a growing number of medical offices and services on and within close proximity of the Fisher-Titus campus.

Norwalk's importance as a service and governmental center has been maintained, and recent investments by the County Commissioners in property within the central business district will maintain the importance of the downtown as a center for personal, financial, and business services such as attorneys, title services, surveyors, insurance agencies, and others.

Industrial development in Norwalk has followed the typical pattern of radiating out from close by the City center to more peripheral locations. Industrial activity typically imposes the most significant spillover effects on neighboring land uses, and over time, new industrial activities, as well as Norwalk's efforts to designate manufacturing zones within the City, have sought more remote locations, with some distance from established residential areas and other sensitive land uses.

The result is a scattering of Norwalk's more historic industrial uses closer to the City center (including the Mayflower Vehicle Systems plant on Garfield Street, the League/Pleasant area including Maple City Rubber, Durable Corporation, ACMI, and the former Norwalk Furniture property. Also, Fair Publishing, Pinnacle Powder Coating and PIPO, Inc. are located north of East Main Street along Ontario Street), with a number of newer industrial locations largely to the north (notably the Firelands Industrial Park, which is approaching build-out), and to the east along the US 20 and SR 18 corridors. It is expected that, as the Firelands Industrial Park becomes built out, future industrial development will be mostly concentrated to the east. The future development of economic investment and of new industrial and commercial facilities can be guided in Norwalk and its vicinity through careful zoning, as well as through the use of incentive programs such as Ohio Enterprise Zones, Community Reinvestment Areas, and Joint Economic Development Districts.

## **Strategies and Recommendations**

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The recommendations presented in this chapter have been developed based on discussions at the community forums, at a focus group devoted to economic and business development, and in a series of meetings of an economic and business development resource panel. Nearly every recommendation would involve a team approach undertaken by the NEDC and the Chamber of Commerce. Projects in the downtown area typically involve Main Street Norwalk, and in many cases involving loan fund or grant assistance, additional practitioners such as WSOS Community Action Commission and the Huron County Development Council may take a role. Throughout the following text, the inclusion of these partners will simply be notated as "E.D. Organizations".

**Strategy 1: *Promotion of the business environment***

This strategy is multi-dimensional, incorporating the development and promotion of a variety of building sites, including the reuse of existing building sites and development-ready business parks, while considering the impact on the local school district; encouragement of innovation and entrepreneurship; and ensuring a pro-development, cooperative atmosphere within the public sector, including balanced incentives.

1. Promote existing industrial parks, such as Firelands Industrial Park and Commerce Fields. Complete specifications on these prime industrial parks and sites, including available buildings, should be complete, up to date, and available. Important specifications include asking price, acreage and square footage, utility capacity to site (water, sewer, electricity, natural gas), access to roadways and rail, and a site map. Primary entities are E.D. organizations and the real estate brokerage sector. One key channel for this information is through the building and site inventory housed in the Huron County Development Council.

In addition, a catalog or database of available sites and buildings should be created and maintained at the City level, and housed within NEDC. This activity is ongoing, requiring constant monitoring and revision to ensure currency and accuracy. A comprehensive database should be in place by 2008.

2. Identify new development sites that can accommodate market demand for rail access. Further, while the Norwalk area has a number of sites that can accommodate smaller, traditional industrial ventures, City officials should examine the feasibility of assembling parcels, which can provide rail access and highway frontage for larger-scale projects. Formal procedures for this inventory should be completed over the next five years. Key entities include E.D. organizations, the real estate sector, the land use committee, and Norwalk's Planning Commission.
3. After appropriate market studies, develop speculative buildings with amenities currently in demand (with high speed telecommunications, adequate ceiling height, and other requirements). Speculative building development should be in place, either under the auspices of a community organization such as the Norwalk Community Development Corporation, or by private investors, within the next ten years (by 2017). Key entities include E.D. organizations and the real estate sector.
4. Create and implement a building demolition and redevelopment plan. First, the City should develop a priority list of abandoned buildings that need to be demolished. Then, building owners should be encouraged to evaluate the worth of their property and demolish it, if necessary, through financial incentives, tax abatements, or changes in tax classifications. With obsolete structures removed, the remaining sites can be marketed and adapted to new and emerging needs. Key partners include E.D. organizations, City administration officials, the real estate sector, and property owners. Measurable impacts should be reached by 2017 (within ten years).
5. Create a one-stop shop for business officials, entrepreneurs, and others to access business support information. This location should become recognized as the single

point of contact for obtaining information on development requirements, incentive programs, municipal regulations impacting business development, and related information. Key entities involved in this step, which should be completed and in place by 2008, include E.D. organizations, City administration officials, and real estate developers.

6. Ensure broadband access in industrial parks and throughout the City. Internet accessibility and broadband support has become increasingly important to business operations and communication, and Norwalk's targeted industrial development sites should be competitively positioned to deliver such accessibility, which should be implemented over the next five years (by 2012). Key entities include E.D. organizations, the City of Norwalk, utility and telecommunication providers, and realtors.
7. Support the development of incubators for retail and other business, including manufacturing. An incubator is typically a business facility with multiple tenants consisting of newly emerging businesses. In addition to entrepreneurial support programs, the incubator often provides below-market leased space, as well as shared facilities such as office equipment and a receptionist. A number of entities should continue to examine the potential for a business incubator, the market for such a facility in Norwalk, and optimal organizational and ownership models to employ. A business incubator should be in place within five years (2011), and its development will involve Huron County and Norwalk officials, E.D. organizations, Main Street Norwalk (if a downtown location is considered), potential developers interested in the incubator concept, and the real estate community.
8. Promote retail corridors and service/office areas. New business ventures should be guided to these designated target areas in order to promote efficient development patterns. The efficiencies of such orderly development can be realized by the businesses as well as by consumers. This is an ongoing effort, and it would involve E.D. organizations, Realtors, and the Planning Commission.
9. In addition to ongoing efforts to obtain input from the business community within Norwalk, such as the annual survey process, Business Appreciation Week, and ongoing business visitations, NEDC should identify the needs of existing core services and businesses in the Norwalk area such as Fisher-Titus Medical Center, and develop appropriate solutions as needs are identified and defined. These needs should be initially defined by 2008.
10. Secure a perpetual outside source of funding for local economic development programs to balance and complement the commitment of local businesses and political jurisdictions and entities. This source, or combination of sources will involve the efforts of E.D. organizations, the City of Norwalk, and county and State governments.

**Strategy 2: Support for business growth**

Support for the expansion of existing businesses and investment in Norwalk by new businesses can be provided by ensuring that adequate information and resources are available to promote a prospective or expanding business's understanding of City incentives, assistance, review, and approval processes, and other requirements for development. Further, the City and local entities can offer and support state-of-the-art business practices and support systems in order to compete globally. Strategies will include providing better access to information and permit approvals through a consolidated, centralized approval process that involves multi-jurisdictional cooperation, and pursuing cutting-edge programs to enhance marketability of the community on a broader scale.

1. Consolidate the many development approval processes (building permits, plumbing, electrical) within Huron County. To the maximum extent feasible, the processes should be streamlined such that approvable, acceptable projects can be implemented with a minimum of delay. This organizational change, which may take up to ten years (2017), would involve City, Township, and county governments, and E.D. organizations.
2. Create a comprehensive checklist of steps required for development in the City of Norwalk, area Townships, and Huron County. While many such steps are necessary and serve a legitimate public purpose, step-by-step guidance should clarify the required processes and present reasonable expectations regarding elapsed time and required documentation in order to achieve approvals. Involved entities include E.D. organizations, City, Township, and county governments; City and county planning commissions; and the real estate sector. This checklist should be able to be developed by 2008.
3. Along the same lines as the above strategies, create a residential and commercial fee package by consolidating permit requirements and streamlining fee structures. This change, to be implemented by 2010, will involve City, Township, and county government officials and planning commissions, with input from the business and development sectors.
4. Make development information available to the public through linked databases stored in high-tech, easy-to-access entities. Outlets for this information may include kiosk units located at City, county, and Chamber buildings, as well as linked web sites with consistently uniform information. Entities helping implement this strategy, which should be completed by 2010, include E.D. organizations, municipal, Township, and county governments, the real estate sector, SCORE, and SBDC.
5. Pursue the creation of a Foreign Trade Sub zone in Norwalk. A Foreign Trade Zone or Sub zone allows for businesses to realize specified financial benefits within a specified facility when conducting international trade, and can provide a competitive advantage for certain businesses. This strategy, which may take three years (2009), would involve E.D. organizations, City government officials, and business officials who could be positively impacted by this incentive.

6. Pursue the designation of Community Reinvestment Areas (CRA's) in the City of Norwalk. CRA's, while based on a survey of housing conditions that indicate a need for incentives to rehabilitate the local housing stock, are commonly used to provide real property tax exemptions for investments in commercial and industrial building and site improvements. For example, CRA's are often used as an incentive for downtown revitalization activities. Implementation of a CRA program, which should take place by 2009, should involve the City administration and City Council, the Planning Commission, and E.D. organizations. See the attached summary for more information on Ohio's Community Reinvestment Area program.
7. Publicize Norwalk's HUB Zone designation for companies pursuing Federal contracts. This designation, based on distress factors, provides incentives for businesses whose products or services may be solicited by a Federal request for proposals. Publicity and clarification of this incentive, which may be ongoing, would be conducted by E.D. organizations.
8. Ensure that the entire City of Norwalk offers high-speed telecommunications access, ultimately including free wireless high speed connectivity to the Internet (i.e. "wireless") throughout the City, and access to broadband connections for every resident and business. With continuous improvements and innovation in Internet connectivity, this process will be ongoing and building over the next twenty years. It is important for City officials to be aware of new developments in the field and emerging practical applications for rural communities, in order for Norwalk to position itself to maximize the opportunity for its residents and businesses to benefit from high speed, broadband connections. Involved entities include E.D. organizations and telecommunications businesses.
9. Acquire a quality control designation for the entire City of Norwalk, so government employees and participating nonprofits are held to recognized, good management and organization standards (e.g. ISO 9000). Such a designation and achievement is unusual for a governmental organization, and would set the City of Norwalk apart as a community of quality. Feasibility of such a designation should be studied, and then a course of action to achieve such designation should be implemented over the next ten years if it is deemed feasible.
10. The City of Norwalk should investigate the practicality and legality of a preferred vendor procurement system that gives reasonable advantage to local product and service providers. This policy would involve the Norwalk Law Director and other City officials, and would be promoted by the Chamber of Commerce and other entities.
11. Develop business incentives and guidelines that consider "quality of the job" criteria, including consideration of wages and benefits offered to employees. Ensure that training is provided to businesses and decision makers during the consideration of incentives. Involve City government officials as well as E.D. organizations.

## The Ohio Community Reinvestment Area Program

While Norwalk has an active Enterprise Zone program, where the entire City has been included as one zone, it has not participated in a companion State program, the Community Reinvestment Area (CRA) program. It is recommended that the City consider the creation of one or more Community Reinvestment Areas. New zones must receive confirmation from the Director of the Ohio Department of Development.

A Community Reinvestment Area is a defined area of land in which property owners can receive tax incentives for investing in real property improvements. Specifically, they can receive tax exemptions for increased property tax valuation resulting from renovating existing or constructing new buildings. The program can encourage historic preservation, residential rehabilitation, and/or economic development to encourage commercial and industrial renovation, expansion, or construction.

The City's legislative authority determines the size and number of areas, as well as the term and extent of real property exemptions. A CRA should be created in an area where investment has been discouraged. The municipality must undertake a Housing Survey of the structures of the area within the proposed CRA. The survey must support a finding that the area is one in which housing facilities are located and that new construction and renovation is discouraged. In fact, the creating legislation must state the area is one in which "housing facilities and structures of historical significance are located and new housing construction and repair of existing facilities or structures are discouraged."

A housing officer must be designated for the CRA, and property owners meeting requirements of the local legislation can apply to that officer. For a new CRA, residential applications are filed after construction is complete, and commercial or industrial applications are made before the project begins. The exemption percentage and term are negotiated between the property owner and City Council.

The City can determine the type of development to be supported by the CRA program - residential, commercial, and/or industrial - and the City can include an annual review or renewal clause. Similar to the Enterprise Zone program, a Tax Incentive Review Council is created by Council to review performance on all agreements and projects.

For a new Norwalk zone, qualifying real property can be exempted for up to 100 percent. Terms can be up to 10 years for residential remodeling (1 or 2 units, minimum \$2,500), up to 12 years for residential of more than 2 units, and for commercial and industrial (minimum \$5,000), and up to 15 years for new construction residential, industrial, or commercial. For all commercial and industrial agreements, which are negotiated on a project specific basis, it must be ensured that at least 50% of the taxes estimated that would have been charged on the improvements if the exemption had not taken place are made up by other taxes or payments available to the school district. If notified of a project not meeting this 50% standard, the Board of Education may approve the project. The CRA program has many of the notification and income tax sharing provisions of the Enterprise Zone program.

**Strategy 3: *An Effective Mix of Jobs, Workers, and Companies***

This goal involves strategies to ensure the most effective mix of jobs, employees, and business entities, through a focus on the long-term health of the community, brought about by appropriate job creation, retention, and enhancement efforts. A focus should also be placed on the maintenance of a balance of diverse workers, including the retention of homegrown talent.

1. Through the efforts of E.D. organizations and the City, create an awareness campaign concerning how the perception of Norwalk affects economic development efforts to recruit businesses and new residents. The campaign should include customer service training, image building, and public relations. This process may take five years (until 2012) to implement in a systematic and uniform fashion, but the importance of the impression left by any given employee who interacts with the public in contributing to a visitor's impression of the City cannot be overstated.
2. Develop and implement outreach efforts to recruit the service companies, retail amenities, and restaurants that attract workers of the new economy and capture incoming dollars from visitors to Norwalk. Involve E.D. organizations and the City of Norwalk. This is an ongoing effort.
3. Create partnerships on a regional basis that help Norwalk showcase its assets. Partnerships should also include infrastructure development such as rail and utilities. Involve E.D. organizations and utility providers in this effort, which is an ongoing initiative.
4. Assist local businesses in educating themselves on how to compete in the new economy by understanding current business strategies and customer service. This ongoing effort may include trainings such as those frequently sponsored by the Chamber, but may also include participation by E.D. organizations, the City of Norwalk, and progressive community institutions and businesses.
5. Develop a base of local entrepreneurs in targeted industries such as high technology and biotechnology, by utilizing existing resources (e.g. experienced entrepreneur mentors, financial capital, technological capital). Involve E.D. organizations and SCORE in this ongoing effort.
6. Prepare feasibility studies for the creation of a high technology business incubator and possible venture capital fund. This effort will take four years (to 2011) or longer as variables impacting technology change, and will involve E.D. organizations, City and county governments, and resources such as the Ohio Department of Development and venture capital sources.
7. Maximize the use of the existing distance learning centers, such as the Fisher-Titus room located in Norwalk High School, through organized efforts that lead to the establishment of a higher education presence in Huron County. Recruit small colleges looking to grow. Involve E.D. organizations, City and county governments, and education providers. Will take up to six years to fully implement.

8. Endorse efforts to organize a local outreach and support center that meets the needs of the area's growing Hispanic/Latino community. Involve E.D. organizations, City and county governments, education providers, and service agencies. Develop a coordinated approach to this target group by 2008.



*Location, Location, Location: Norwalk is centrally located, equidistant between the Cleveland and Toledo markets.*

#### Strategy 4: ***Attraction of Tourists and Visitors***

Under this strategy, Norwalk's leadership is encouraged to develop a pro-active tourist outreach program and train local customer service providers to welcome visitors.

Key entities in this strategy include the Chamber of Commerce, which is the most likely choice to take a lead role in serving as a de facto "Convention and Visitors' Bureau", other E.D. organizations, existing businesses (especially those in the hospitality industry, such as restaurants, hotels, entertainment providers, and bed and breakfasts), and the City and county governments, as well as regional marketing partners and local media.

1. Capitalize on current tourist traffic, inducing "drive by's" to stop and stay. Promote existing tourist attractions through outreach programs and materials. Encourage businesses to install directional signs to tourist attractions in an ongoing effort.
2. Create and maintain uniform signage policies, with implementation within the next five years (by 2012). Examine the feasibility of enacting a "bed tax" to pay for uniform signage to promote local attractions, as well as other legitimate tourism related expenses. While the adoption of uniformity will aid in marketing and "branding" the community for tourism, local government should simplify the process for private signage to be installed.
3. Identify the location of the designated tourism information and referral center (recommended: Chamber of Commerce office) and advertise its function as a "Visitor Information Center". This can be implemented immediately.
4. Educate local businesses on the importance of regional tourism as an ongoing effort. Encourage businesses to advertise in printed guides with broad distribution. Also, coordinate a series of display spaces with likely exposure to the traveling public (i.e. fast food and other restaurants, hotels, travel-oriented businesses).

5. Include tourism information and events through linked web sites operated by the City, Chamber, Main Street Norwalk, Dynacal, and possibly others as they emerge. Ensure linkage to regional websites.
6. Offer ongoing capacity-building seminars for organizations that promote events, with emphasis on customer service. Chamber is lead organization.
7. Focus tourism development within existing entertainment districts (including the Norwalk Raceway, central business district, and Route 250 corridor to the north with cinema/dining/shopping). This should be an ongoing effort that is expected to increase in importance as the Erie County year-round destination are continues to develop and grow.

Additional recommendations regarding tourism are provided on the following page.

#### Strategy 5: ***Regional Economic Development Cooperation***

Economic development activity in the Norwalk area today reaches beyond the City's municipal borders, and as the City's developable land is built out over time, continued development into surrounding Townships, while it should be orderly and targeted to designated growth areas, is inevitable. Strategies include building upon the successful work of existing local entities through coordinated planning, and providing a sound base for economic and business development emphasizing existing strengths.

1. Create a task force to examine the feasibility and methodology to initiate the formation of Joint Economic Development Districts (JEDD's) or Cooperative Economic Development Agreements (CEDA's) with neighboring Townships. Potentially participating local governments should examine alternatives, benefits, options, and potential agreements with interested parties, with creation of a protocol for the formation of such districts and the creation of one or more districts, as deemed needed, within five years (2012). Entities include City officials, Norwalk Township, NEDC, HCDC, and the Chamber. (See next page for an explanation of the JEDD and the CEDA as economic development tools).
2. Support and promote the Huron County Airport as an economic development tool. Ongoing. Involves E.D. organizations, City of Norwalk, Huron County, and the Airport Authority.
3. Encourage and support efforts for the marketing and promotion of the region that includes Norwalk and Huron County. Ongoing effort; involves E.D. organizations and possibly such regional and Statewide organizations as the North Central Ohio Regional Development Association (multi-county; centered in Mansfield), Northwest Ohio Regional Economic Development (multi-county; centered in Toledo), and Ohio Economic Development Association.

## Tourism as Economic Development

*With the right combination of attractions, tourism can be an excellent strategy for bringing outside dollars into a community and its businesses.*

- ✓ According to the Ohio Department of Development, in 2003, travelers contributed \$1.3 billion in direct State taxes and \$637 million in direct local taxes, for a total of over \$1.9 billion, to Ohio's governments.
- ✓ The average overnight traveler in Ohio in 2002 spent \$240 per person per trip.
- ✓ Also in 2002, travelers on day trips spent \$72 per person per trip in Ohio.
- ✓ The World Travel and Tourism Council estimates that in 2001, travel and tourism contributes 10.7% to Gross Domestic Product, supporting over 201 million jobs worldwide (8.2% of total employment), and growing to 11% of global GDP and 9.0 percent of employment by 2011.
- ✓ More locally, data collected from local businesses found that tourism brought in approximately \$7.4 billion in the Lake Erie area alone in 1999.

*Here are fifteen "rules for successful tourism marketing" as presented by Roger Brooks, CEO of Destination Development, Inc., of Olympia, WA:*

- ✓ Create a tourism development and marketing plan, including product development, upgrades, and improvements, repositioning and/or branding, attractions and events, visitor amenities and services, marketing and public relations, public/private partnerships, recruitment, funding and budgets, and organizational responsibilities.
- ✓ Front-line employees should be knowledgeable about your community and should promote other stores, attractions, and amenities to visitors to keep them in the area longer.
- ✓ There must be several retail and dining establishments within walking distance. Shopping and dining in a pedestrian setting is one of the top activities for visitors.
- ✓ Think creatively on how to turn any known negatives into positives.
- ✓ To be successful, you must be worth the trip. A visitor must be able to differentiate you

from the competition and you must creatively set yourself apart from the others.

- ✓ Any museum or interpretive center should always tell stories, not just display artifacts. Stories keep visitors in the area longer. Visitors remember stories and tell others...and more people pick destinations by word of mouth than any other method.
- ✓ People will travel a great distance if you offer something appealing. In general, you should be able to keep visitors busy four times longer than it took them to get there.
- ✓ Make sure your community is appealing to customers. Product development – and quality – should be a top priority.
- ✓ Always sell the experience associated with an activity and not the place. Avoid using pictures of scenery. Instead, use images of people laughing and having fun. Viewers remember images that include emotions.
- ✓ Even at the community level, branding is critical for success in tourism. Branding is more than a logo – it is what sets you apart as a destination. It is your image and your value; do not try to be "all things to all people".
- ✓ Nothing sells tourism like great photography, and photos used for tourism purposes should have a "wow" appeal to make the viewer want to go to the place depicted.
- ✓ If advertising is designed to get people to call and get a brochure, or visit a web site, the brochure and web site must then be good enough to "close the sale". Remember that in a normal rack, the top three inches is all that is visible to the potential customer.
- ✓ Publicity is much more important than advertising: it will build brand, improve your image, increase credibility, and provide a greater return on investment than advertising alone.
- ✓ The Internet is by far the number one resource for planning travel and vacations. Can you be found easily on the web? Is the web site interactive?

Frequency is more important than variety in placing advertising. People viewing your advertisement should develop "Top of Mind Awareness" (TOMA). Finally, an increasingly important segment consists of "experiential" tourists, who want to experience local culture, history, and natural features.

## Tax Sharing Provisions: JEDDs and CEDAs

Ohio law provides for the facilitation of cooperative economic development projects between a municipality and one or more adjacent Townships. One option is the **Joint Economic Development District (JEDD)**. JEDDs often help provide for water and sewer, fire and police, street maintenance, trash pickup, and planning and zoning services. JEDDs can pay for the cost of these services by imposing an income tax on non-residential property owners within the district. JEDDs allow for the levying of a district-wide income tax and provision of municipal services in the unincorporated areas. One or more municipalities and one or more Townships may create a JEDD to facilitate economic development. The JEDD must be located within the territory of one or more of the contracting parties and may consist of all of that territory. The territory may not include existing residential areas or areas zoned for residential use.

A public hearing must be held and the public must be able to examine the plan for the JEDD, including a schedule of new services, improvements, and facilities, a schedule for the collection of any income taxes to be levied within the JEDD, and a description of the land to be included within the JEDD. Documents must be filed with the appropriate County Commissioners, who must approve the creation of the JEDD by resolution. Under some conditions, a vote of the electors in each participating Township may be required.

A JEDD is governed by a board of directors, and powers of the JEDD include the power to levy an income tax at a rate not higher than the highest rate being levied by a participating municipality, with an amount set aside for the long-term maintenance of the JEDD; the power to determine the substance and administration of zoning and other land use regulations, building codes, permanent public improvements, and other regulatory matters; the power to limit and control annexation of

unincorporated territory within the JEDD; and the power to limit the granting of property tax abatements and other tax incentives within the JEDD.

Another economic development tool is the **Cooperative Economic Development Agreement, or CEDA**. Similar to a JEDD, one or more municipalities and Townships may enter to a CEDA; unlike JEDDs, however, a County, the State, or a State agency may also become parties. Creation of a CEDA requires public notification and a hearing process. A CEDA may have the following powers: provision of joint services and permanent improvements; services and improvements by the municipality in the unincorporated portion of the Township; provision of County or Township services or improvements within the municipality; payment of service fees to a municipality by a Township or County; payment of service fees to a Township or County by a municipality; issuance of bonds and notes by a municipality, County, or Township for public purposes authorized by the CEDA and provision for the allocation of the debt service payments and other costs related to the issuance and servicing of the debt; issuance of industrial development bonds and debt of a municipality to finance projects outside the municipality; limitations on annexation within the CEDA; agreements with landowners or developers concerning provision of public improvements; limitations on the use of tax abatements; and other specified powers.

JEDDs can be more difficult to create because they require participation of property owners, and may require a vote of electors. However, a JEDD can be powerful in generating revenue to pay for the costs of infrastructure improvements and services by imposing an income tax. The CEDA does not create a new or distinct revenue stream, but no approval of affected property owners is required.



*Tenants in the Firelands Industrial Park include Amitelli Products, Jiffy Preforma, EPIC Technologies, And the Janesville/Sackner Group.*