

An aerial photograph of a town situated along a river. The river flows through the center of the town, with several bridges crossing it. The town features a mix of residential and commercial buildings, surrounded by trees and greenery. The sky is overcast with grey clouds.

Ohio

Ohio Site Inventory Program (OSIP)

*Example Proposal
Deck following
Evaluation Criteria*

March 20, 2020

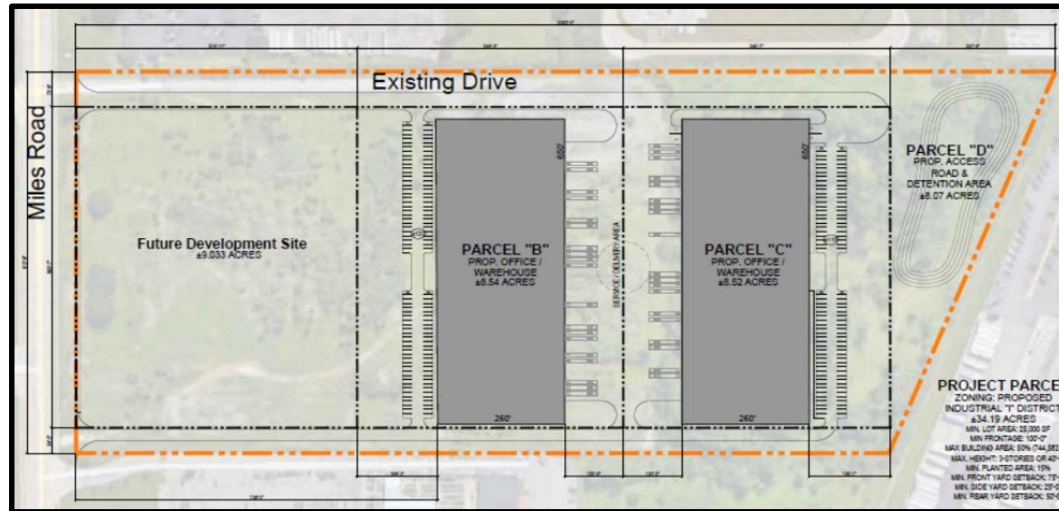
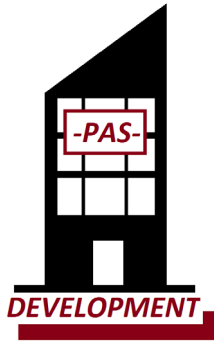


Project Summary



Future Development Site (Some County)

2020 Investment Drive, Jobs Township, OH 43000



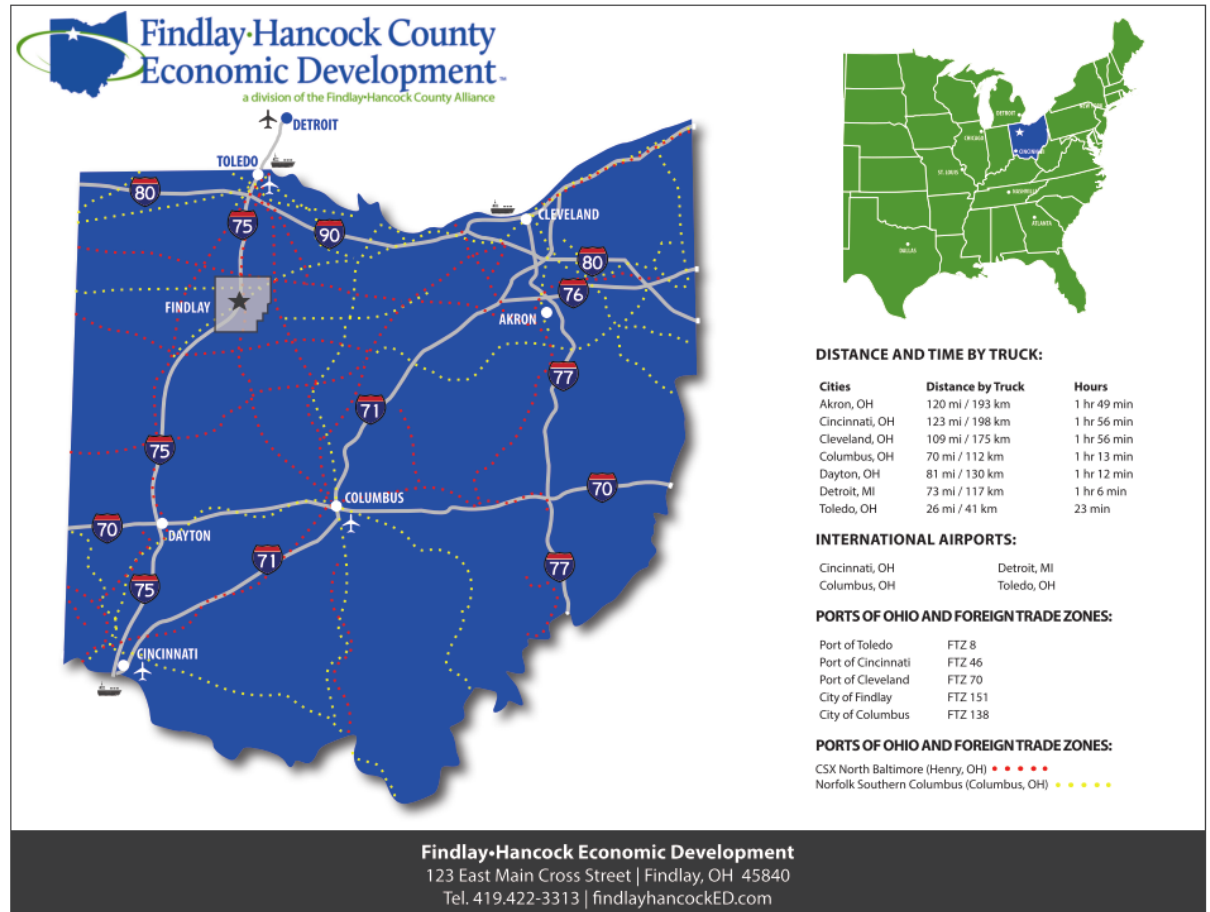
- \$2MM OSIP Loan and \$250K OSIP Grant toward \$8.2MM project
- Environmental remediation, vapor barrier installation, site prep, and new building construction at former manufacturing site
- End with two 165,000 sf spec warehouse/light manufacturing buildings

Property Overview



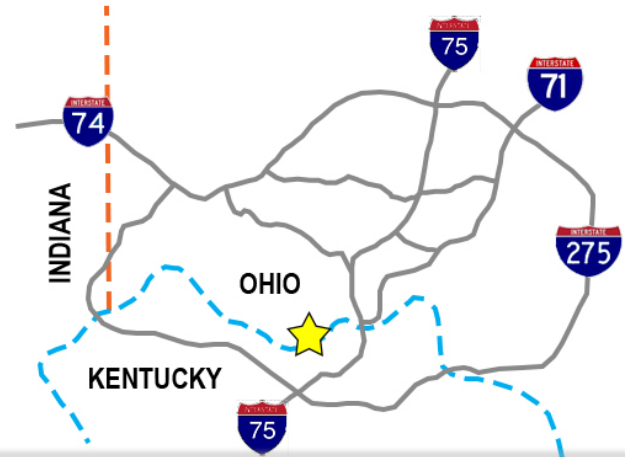
State-Level Orientation

- Within 2 miles of I-75
- 10 miles south of CSX National Intermodal Zone 151
- Within Foreign Trade Zone 151



Regional/Local-Level Orientation

- Access to regional anchors
- Two rail line connections
- Ohio River access
- Metro bus service



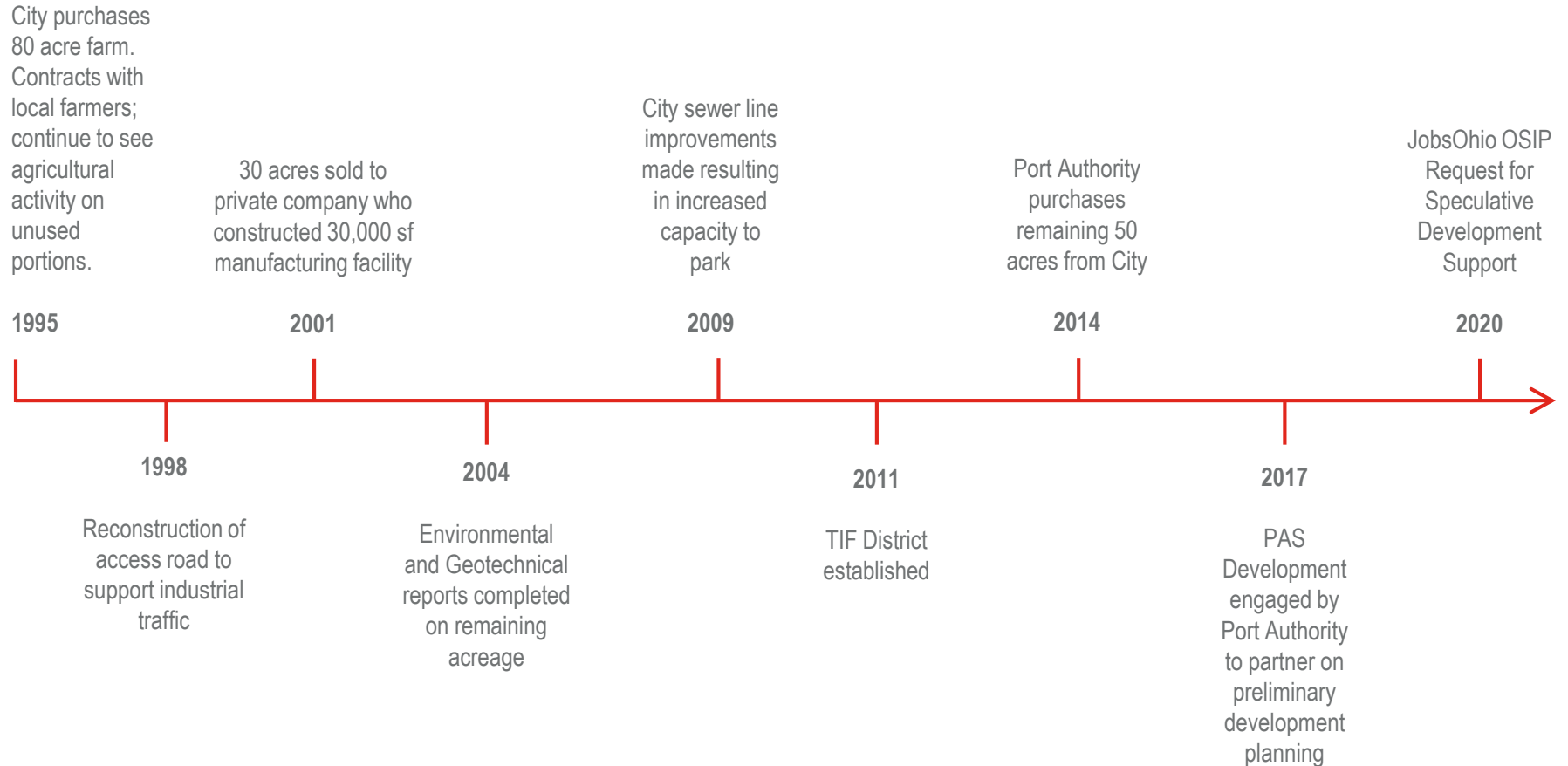
Property Boundaries and Surrounding Uses



Property History



Timeline of Past Events



Historic/Previous Use

Neighborhood

Neighborhood evolved from a bustling walkable business district, to a largely abandoned thoroughfare, and is now undergoing a renaissance into a health-tech corridor.

1939



2020



Development Site

Site was previously a combination of residential, commercial, and light manufacturing uses prior to neighborhood blight leveling in the 1980s.

1952



2020



Previous Work Completed

TASK	COST	PAYOR	COMPLETED
Property Acquisition	\$ 1,850,000	Port Authority	June 2014
Phase I ESA	\$ 20,000	Economic Electric	August 2016
Wetland Delineation	\$ 11,000	Economic Electric	August 2016
Preliminary Engineering	\$ 12,000	City	October 2018
Site Development Plans	\$ 12,500	City	October 2018
Traffic Study	\$ 22,300	City	November 2018
Surface Water Permitting	\$ 1,355	Port Authority	May 2019
TOTAL SPENT TO DATE	\$ 1,929,155		

Physical Property Attributes



Property Information

PROPERTY INFORMATION	
Address:	2020 Investment Drive, Jobs Township, OH 43000
County:	Some County
Parcel Number:	111-435-5678-12
Acreage:	33
Allowable Building Space:	550,000 square feet
Current Land Value:	\$1,250,000
Zoning:	General Manufacturing
Owner:	Greater Area Port Development Authority

Transportation Assets

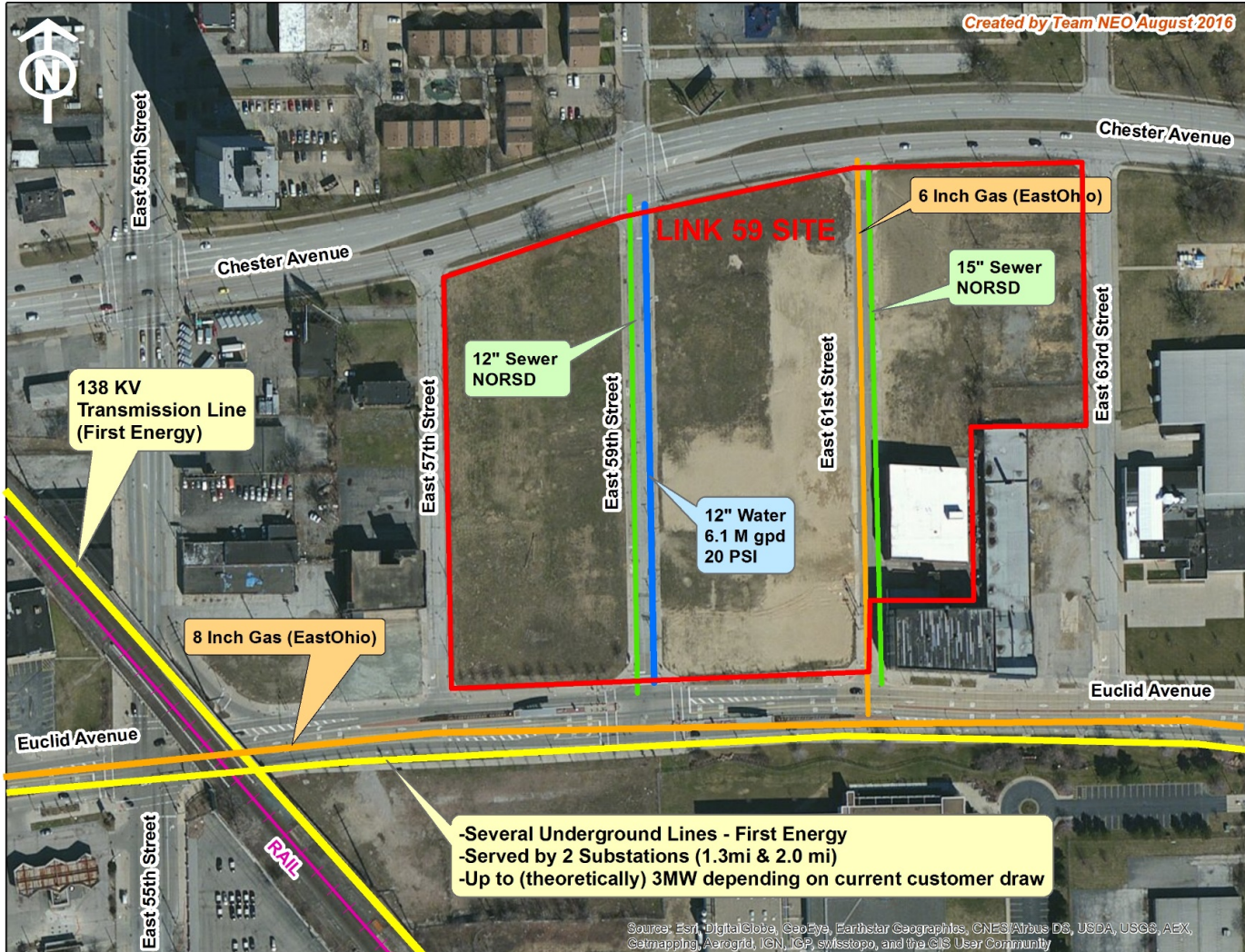


Property is within 1 mile of multiple US State Routes and Interstate Highways.

Property is also located along major public transportation routes.



Utility Map



Utility Details

WATER	
Description:	12" water main on Broad Street
Capacity:	500,000 GPD available at the site (2.5 MGD available at plant)
Provider:	Some County Municipal Water

WASTEWATER	
Description:	Project to result in 12" wastewater line along High Street
Capacity:	650,000 GPD available at the site (1 MGD available at WWTP)
Provider:	Some County Municipal Sewer

ELECTRICITY	
Description:	12.5 kV line crosses southeast corner of property
Capacity:	5 MW available capacity at site (substation 1 circuit-mile away)
Provider:	Economic Electric Company

NATURAL GAS	
Description:	8-inch distribution line in site access road
Capacity:	10 mcf/hr
Provider:	Economic Gas Company

FIBER	
Description:	Both copper and fiber available
Provider:	Economic Telecom

Due Diligence Status

CORE DUE DILIGENCE	
Phase I Environmental Site Assessment:	Complete – 2016
Phase II Environmental Site Assessment:	Not required by the Phase I
Preliminary Geotechnical Report:	Complete – 2018
Surface Water Delineation:	Estimated completion date of October 2020
Threatened & Endangered Species:	Estimated completion date of October 2020
Phase I Archaeological Study:	Not performed
History Architecture Survey:	Not performed
OTHER DUE DILIGENCE	
Archaeological Literature Review:	Complete – 2017
Groundwater Well Production Assessment:	Complete - 2014

NOTE: It is required to provide the status of all “core due diligence” reports listed above. Providing information on other types of due diligence is optional, and will vary from one project to the next. Items listed on this slide under “other due diligence” are strictly examples, and not required.

Current Property Conditions

Strengths/Assets

- Access to I-75
- Robust municipal utilities
- Zoned for manufacturing use
- No existing building capacity within 1-hr drive
- Strong existing manufacturing and distribution economy, including 15 neighboring businesses

Challenges

- Functionally obsolete building on site
- Largely overgrown vegetation
- Substantial fill material from new Interstate Highway project (1990s)
- Difficult time “seeing” the potential
- No public roadway
- Outdated on-site utility infrastructure

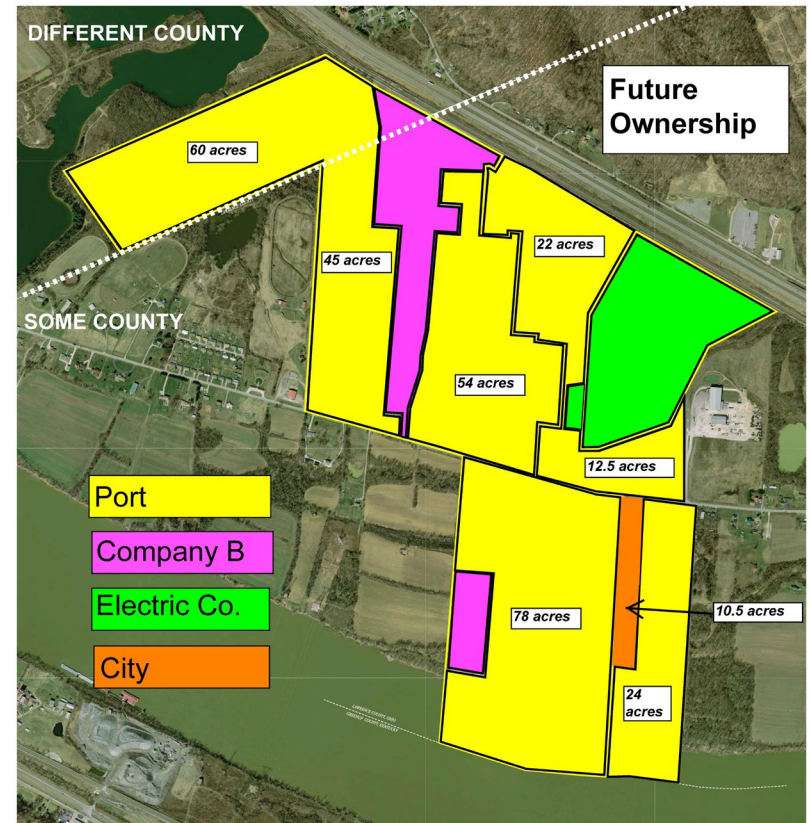
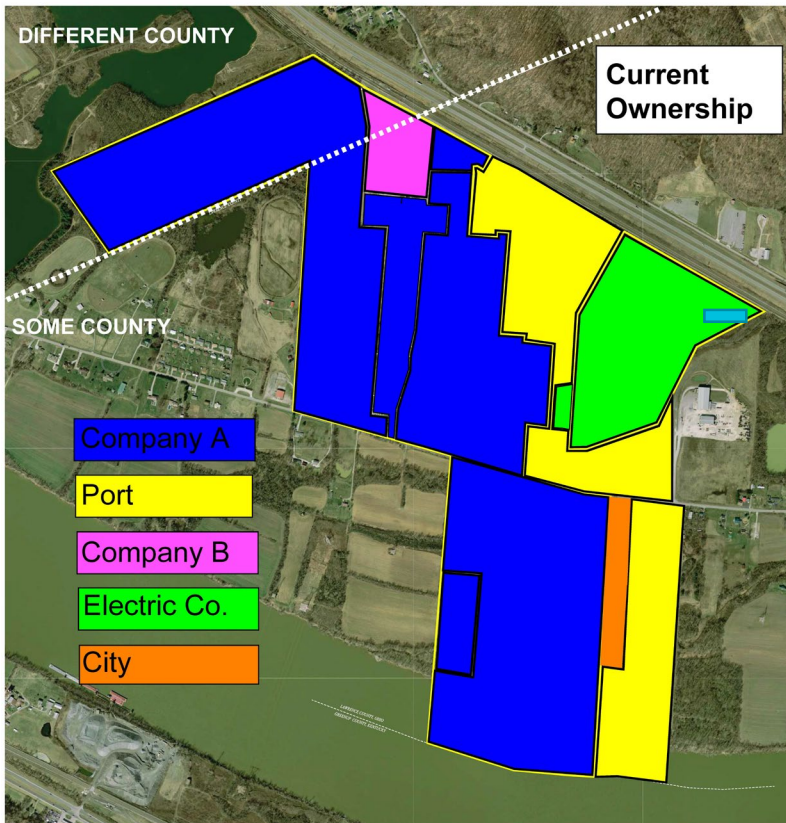
Community Coordination

Close partnership between Port, City, and County ED teams

- Property is zoned for industrial use
- City master plan aligns with targeting future manufacturing growth at this location
- City has performed traffic studies in the immediate area surrounding this property, and has a plan in place for completing any needed improvements when warranted.
- City council is prepared to establish a CRA

Property Ownership

The Port currently owns 58.5 acres at the park. As part of this project, they will purchase an additional 237 acres from Company A. The City maintains control of 10.5 acres.



Development Plan



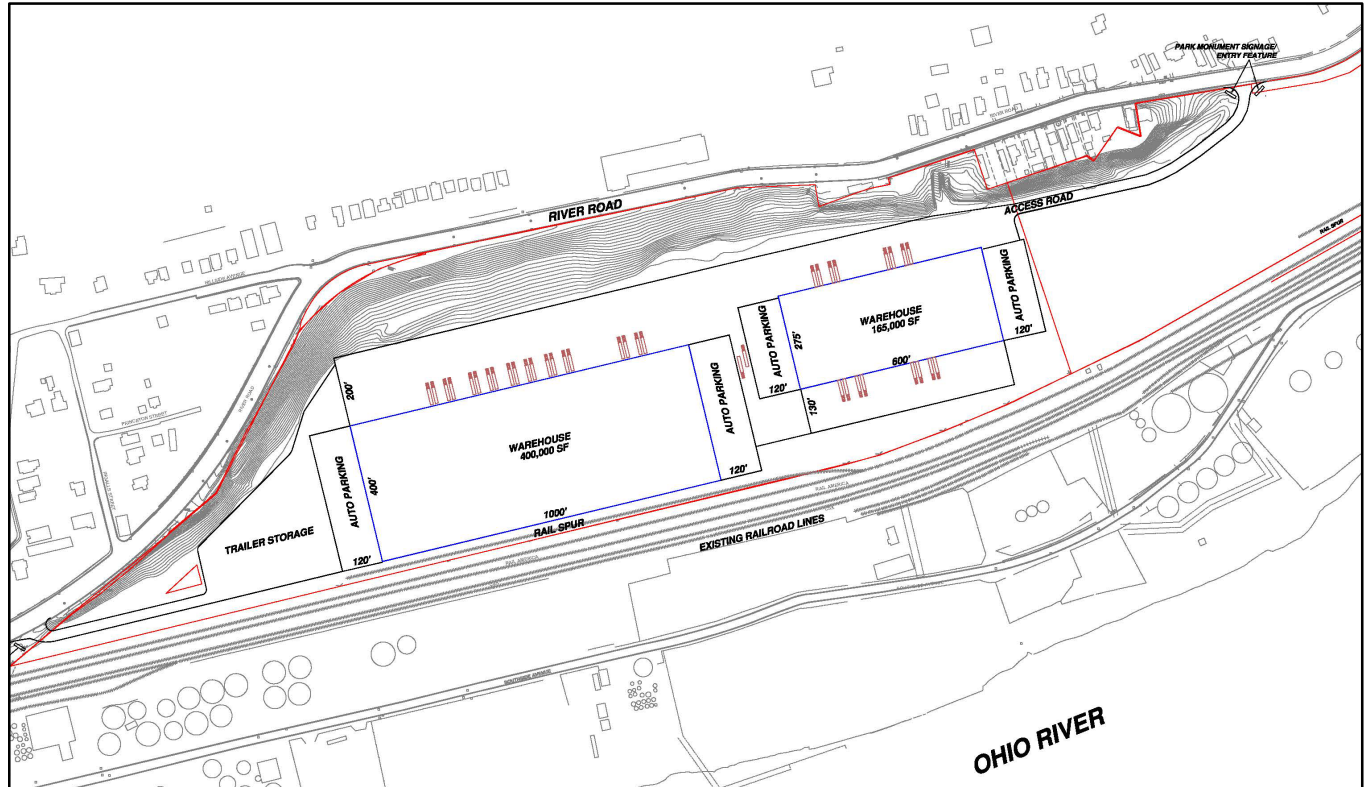
Project Scope

Proposed speculative development project includes:

- Demo and dispose of existing structures and on-site materials
- Complete environmental remediation through VAP
- Develop complete utility and road infrastructure to 65 industrial-zoned acres
 - Improve access to Broad Street with proposed Investment Drive
 - Install utilities along proposed Investment Drive
- Construction of a 100,000 sf Spec Building (Expandable to 200,000 sf)
 - 6" concrete floor through out
 - 40' column spacing
 - 32' clear height
 - Five loading docks and one overhead door
 - 6,000 sf of office space with ADA restrooms

Proposed Site Development Plan

- **Site:** 46 rail served acres
- **Building 1:** 165,000 sf (600' x 275')
- **Building 2:** 400,000 sf (400' x 1000')



Preliminary Appraisal

Completed by Lash Brokers (January 2020)

Estimated Land Value

- \$1,500,000 (\$30,000 / acre)

Comparable Property Sales

- 1200 Barga Drive (Josie, OH)
 - 20 acres
 - \$690,000 (\$34,500/acre)
 - Sold on 2/22/2019
- 1511 Frank Street (Larock, OH)
 - 50 acres
 - \$1,488,000 (\$29,760/acre)
 - Sold on 7/12/2019
- 20005 Whipple Ave (Grant, OH)
 - 40 acres
 - \$1,299,500 (\$32,400/acre)
 - Sold on 12/1/2019



Sources and Uses

Sources	Description	Amount	% of Total
	OSIP Grant Request	\$ 550,000	9%
	OSIP Loan Request	\$2,000,000	31%
	Bank Loan	\$3,074,312	48%
	Owners' Equity	\$ 750,000	12%
	Total:	\$6,374,312	

Uses	Description	Amount	% of Total
	Land Purchase	\$ 812,000	13%
	Demolition	\$ 598,145	9%
	Site Prep	\$ 703,576	11%
	Infrastructure	\$ 512,413	8%
	Professional Fees	\$ 52,500	1%
	Engineering	\$ 450,000	7%
	Construction	\$3,245,678	51%
	Total:	\$6,374,312	

Pro Forma

ASSUMPTIONS		
Number of acres:		20
Approximate building size on 20-acre site:		200,000 SF
LAND PRO FORMA		
	Total	Per Acre
Land Basis:	\$340,000	\$17,000
Site Construction / Earthwork:	\$500,000	\$25,000
Soft Costs (Planning, Engineering, Permits, Legal, etc.):	\$160,000	\$8,000
Total cost to get 20-acres shovel-ready:	\$1,000,000	\$50,000
Anticipated sale price:	\$1,000,000 - \$1,200,000	\$50,000 - \$60,000
BUILDING PRO FORMA		
	Total	Per Square Foot
Land Value in 20 acre site:	\$500,000	\$2.50
Site Construction / Earthwork:	\$500,000	\$2.50
Building Construction Cost:	\$11,000,000	\$55.00
Soft Costs (architecture, engineering, permits, legal, etc.):	\$400,000	\$2.00
Total Cost:	\$12,400,000	\$62.00
Anticipated net rental rate:	\$5.00 per SF / year	

NOTE: The slide deck should provide a summary of the Pro Forma. A complete Pro Forma, along with 3 years of developer/applicant financials, will be required to submit to the JobsOhio Sites / Finance Team as part of the project vetting process.

Development / Construction Timeline

January 2020	OSIP Grant/Loan Request
February 2020	OSIP Grant/Loan Awarded
April 2020	Roadwork Design Complete, Site Preparation Begins
August 2020	Construction of Roadway & Utilities Begins
December 2020	Roadway, Utilities and Site Preparation Complete
January 2021	Site Ready for End User

Developer/ Applicant Strength



Developer/Applicant Experience

The Greater Area Port Development Authority

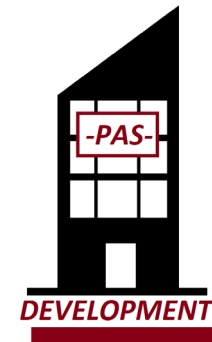
- Lead redevelopment on more than 200 acres in Some County with an estimated annual economic impact of \$1.5 billion
- Owner of over one million square feet of Class A office space in downtown
- Issuer of more than \$700 million in bond financing
- Raised \$20 million in capital for site control and revitalization



Developer/Applicant Experience

PAS Development is located in Jobs Township, Ohio with over 30 years of development experience focused in the Midwest.

- Began in urban redevelopment in 1988
- Expanded focus to industrial in 2002
- Developed over 6,000,000 sf of industrial space while partnering with Riffle Investments over the past 20 years.
- Focuses primarily on a mix of build-to-suit and own-lease strategies, but has been expanding cautiously into spec development over the past decade.



WATSON BUILDING (*Artemis, OH*)

- 75,000 SF spec warehouse
- Completed in 2014
- Sold to XYZ Manufacturing in 2015 for \$6.75MM

DUNKS COMPLEX (*Anton, OH*)

- 5 R&D buildings totaling 250,000 SF
- Completed in April 2019
- 87% leased as of January 2020

Market Need and Marketing Plan



Who Will Site Be Marketed to?

80,000 SF of office and 25,000 SF of built-out clean-room space

- Alignment with JobsOhio's targeted Healthcare industry sector
- Targeting gazelle-stage bio health companies looking for rapid growth expansion opportunities.
- Secondary audience is coastal healthcare research entities seeking new locations to support lower cost research operations.

Healthcare Industry:

Employees = 78,864

GSP = \$15.1B

Establishments = 3,667

Market Need / Gap

80,000 SF office and 25,000 SF clean-room

- Aligns with McKinsey identified need for BioHealth R&D space in Cleveland
- Utility demands consistent with McKinsey defined characteristics for office/R&D space.

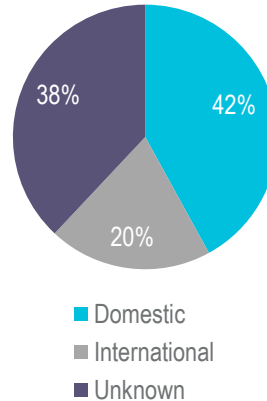
Note: *Construction of clean-rooms requires higher upfront costs largely related to more complex ventilation systems. The higher upfront costs, combined with the niche tenant market, results in developers opting to speculatively construct general office rather than specialized R&D space. This means small companies in Northeast Ohio have minimal options for R&D expansion without large upfront investment to retrofit an existing building, or to settle for an outdated and inefficient facility.*

Market Need/Gap

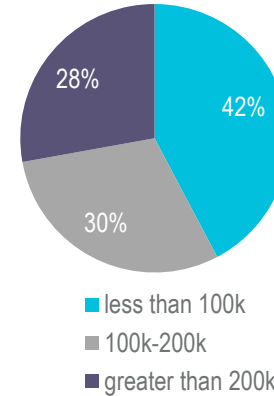
2014

- 64 Search Requests
- 49 were State of Ohio RFIs
- 15 were generated by JON for region

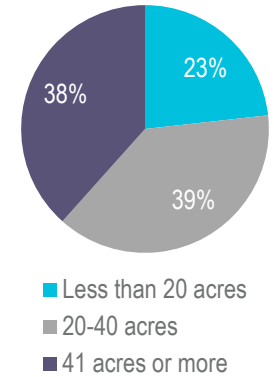
Domestic vs. International



Building Searches: 51 total



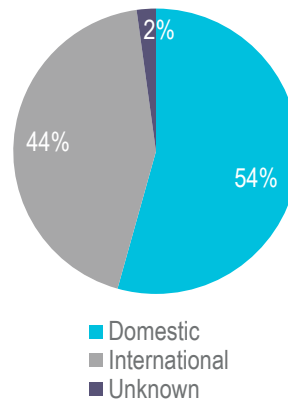
Land Searches: 21 total



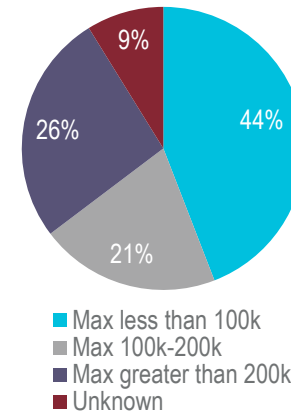
2015

- 46 Search Requests
- 30 were State of Ohio RFIs
- 16 were generated by JON for region

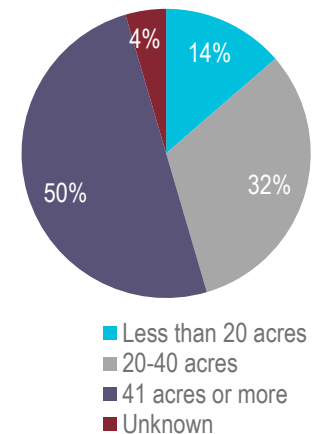
Domestic vs. International



Building Searches: 34 total

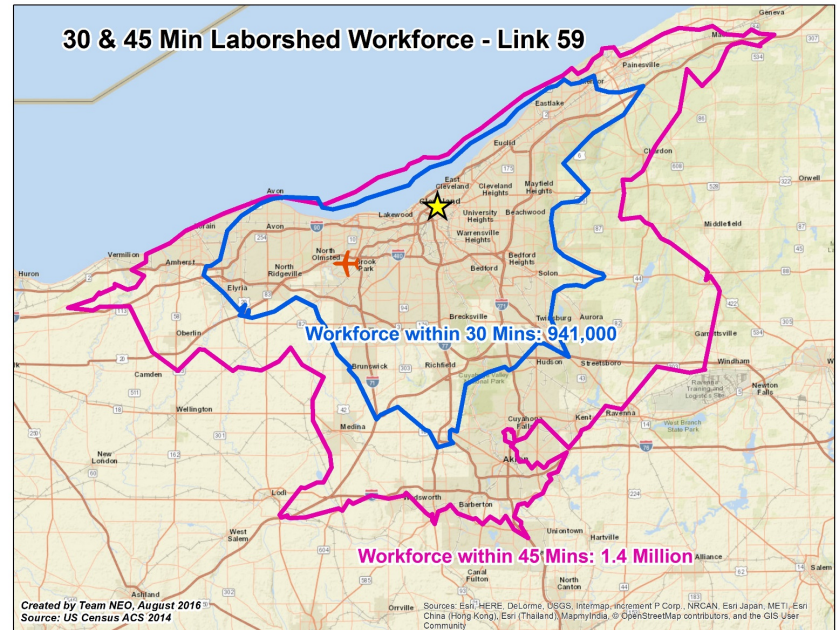


Land Searches: 22 total



Workforce

- **75,773** Some County population
- **45,000** Some County employment
- **3.5%** County unemployment rate
- **Key Industries:**
 - Auto and Appliance Manufacturing
 - Distribution and Logistics



Marketing Strategy

The property will be marketed via multiple outlets, including:

- Direct Calls
- Cooperating Brokers
- Community Relations (local media, property tours, etc.)
- Signage for the Site
- Mailing Programs
- Brochures
- Follow-Up Calls
- Utilizing the Web
 - Developer Website
 - ZoomProspector
 - Xceligent
 - LoopNet
 - CoStar

Economic Incentives for Property

PROPERTY RELATED ECONOMIC INCENTIVES	
Tax Increment Financing District (TIF):	Yes
Enterprise Zone:	Up to 50%
Community Reinvestment Area (CRA):	Yes
Opportunity Zone:	Yes