



Holmes Co/ Millersburg  
Economic Development  
8/18/21

Arnie Oliver opened meeting with introductions. Poggemeyer Design Group reviewed a power point on the Comprehensive Plan and specifically economic development. Existing conditions in the county and visioning themes related to economic development from the visioning session were reviewed. The types of industrial and commercial businesses, infrastructure, and utilities currently in the county and desired in the future were also reviewed. Opportunities and challenges to economic development were also reviewed. A map to determine where future industrial development could be located was presented. Participants filled out visioning cards. In addition to participation by the group, comments that were emailed to the County regarding this workshop were also discussed.

The group also reviewed comments from the first steering committee and the visioning meeting. The group thought there was a large-scale place for events like the Mt. Hope event center, fairgrounds, and heritage center. There are 7 public school systems in Holmes County. There are 95-100 Amish schools. These schools are not governed by state regulations, are K-8, and teachers have an 8<sup>th</sup> grade education. Case studies show the Amish are life-long learners, they don't just stop learning after the 8<sup>th</sup> grade. They go to work after 8<sup>th</sup> grade and have a strong work ethic.

### **How does the area respond to changes in the economy?**

For example, what if furniture become less popular, what happens to the 450 furniture facilities within county and just outside. Group commented that a lot of shops are interdependent providing finishing, drawer boxes, etc. It takes half a dozen shops to make piece of furniture. Factories can scale up and down easily. There is a Hardwood Furniture Guild, and they talk to each other. There was a discussion about supporting the infrastructure for the mills, timber cutters, etc. For the timber business and mills (raw native timber), some of the lumber goes to furniture shops, but majority of the wood is exported. Of the furniture made here, only 15% sold retail here, rest is exported out across the country and product is very diverse design wise. For example, Berlin Gardens brings a PVC component. End products include plastic lumber, poly support vinyl, and are not all wood. Other product such as gazebos, decking, railing is made with PVC. Diversity in these products, so already doing it. Best entrepreneurs in the country, any time a challenge, always finding new opportunities. Same with Krestview, used to make wood outdoor furniture, saw trend towards poly and converted to poly. Krestview just built two- 50,000 square foot additions. Food, jarred goods, and cheese all made here too.

One group member said his business is split between Pittsburgh, Columbus, and Cleveland. Doing excavation, concrete, finished concrete work and his tradespeople are going to all these markets. His business is located here, just not performing the work here. Tradespeople have a short life span, because of long hours (leave early and stay late) and manual labor. Employees turnover to inside work, like an 8 hour a day in a pallet shop. Trades are making 6 figures, common salary for a framed carpenter, concrete finisher, and sign installer. See numbers going up, can't find people to work. Majority of his workers are Amish, 4-5 guys in a truck are Amish and 1 driver who is English.

### **What is missing in economic development?**

Would like to see more students going trade school route, but need job fairs, awareness, and education. Group thought that a lot of people at the two high schools, if knew possibilities would go the trade school route. Ashland Career Center is so far away, need to have something in the county, where an English person can go and be there in 10 minutes, instead of on bus for 1.5 hours. There is a void here. Group commented that there has been movement in former Castle Nursing Home building (Millersburg) to allow Ashland Career Center and Ashland University to partner for trade school. Zoning is about to be approved, a lot of potential here.

Workforce is missing, historically the county has the lowest unemployment in area (3-5%, typically 3%). Holmes County did not have enough workers here under pre covid. Could import workers from counties around them, others had higher unemployment rate. Now can't import workers since so many jobs are available.

Need housing for workforce, but also need housing to attract the people to be the workforce. Not think need low-income housing but need workforce housing. Vacant land with no infrastructure is going for \$52k an acre, just agricultural land with trailer and barn. Hard to develop this into housing based on initial price per acre cost. The cost of land is contributing to the lack of housing. The houses that do go up are in the \$300-400k range and not affordable. In Nashville, Killbuck, Glenmont,

the real estate prices haven't gone up as much. There is the potential to create housing opportunities there. Where do you start, vacant land or cleaning up decline?

Revenue in Holmes Co, more revenue is coming in than going out. Know the big companies/ names, but across the whole county, workforce going out is bringing in revenue. County has # of positions by sector, but County doesn't have the revenue and not know who is leaving the county. Montrose can figure out where workers are leaving the County, identify the arteries. Two different issues, crews leaving, but live here, too. Also, people commuting into Holmes County because no place to live here. One group member has crews that live here and go out to work.

Good example of a residential success, a project in Holmesville with a local builder building 12 homes in the \$150k range. City utilities, flat, smaller lots, built on a slab, and not a lot of dirt to move. Houses were sold (not rentals) before builder was even done. Same developer in Millersburg doing it. Millersburg and Holmesville both have CRAs that allow abatement for residential. Need to identify land that is flat and cheap for potential development.

What about creating a land bank in Holmes County? Could pick up land/houses up at Sherriff's sales, get substandard housing back into the market. Currently, can't find a fixer upper for sale, ones that are available are demos. Land bank would be helpful for this.

Group is concerned with all these changes in workforce, may not have employees here for tourist related industry. A lot of restaurants have to close, close certain days, or close early. For example, Bags is closing for lunch M-F, S. Chalet in the Valley, Old World also closed. What if this causes us to lose the reason people come to Holmes County, to shop, eat and see the Amish Culture? Another issue is that kids used to work in the service industry, but now doing all kinds of sports and activities. Highland picked up a bunch of kids by working around their school/activity schedules. Hear this across the State, employers have to be more creative to get and keep employees.

Stimulus money and the extension of unemployment are national issues and have impacted the workforce. What about foreign labor, going this route? One plant has talked about employees coming from Mexico. Furniture shops are bringing employees from Guatemala, Amish shops are also going this route. A group member mentioned that Puerto Rico has workforce programs, a company works with department of labor in PR and gets paperwork for PR, then provide workers across a number of industry sectors. Missouri uses foreign labor (Ozark tourism) through an agreement with the government, not through third party agency. Housing and certain things need to be provided.

The service industry used to be filled with Amish girls, but they moved to the furniture industry and now into breeding. Auctions of land/farms are going up and property is being purchased for puppy mills. There has been a lot of growth in this industry in the last 10-15 years with about \$50 million in revenue a year. Difficult to track, unknown tax revenue, pure leakage. Interesting to figure it. Dog Warden was at the visioning meeting and gave us some information on the industry. County regulation is educational in nature for smaller breeders, larger breeders are regulated by State. Another void in Holmes County is vets (regular and large animal), none are taking new patients because very busy with puppy mills and vets are retiring.

Additional voids identified include the medical and legal fields. Group members thought the hospital struggles to get medical professionals. Sometimes spouses do not want to be here. Doctors are losing money every time they deliver a baby. Group members were concerned about the danger of losing the hospital. There are problems with Medicare and reimbursement. Amish are typically self-pay. The consultant has heard this in other parts of the state that the recruitment of doctors into more rural areas is difficult. A summary of the challenges identified by Pomerene Hospital include:

- Attracting and retaining doctors and other medical providers. The problem is exacerbated by the lack of desirable housing and the absence of certain cultural and entertainment amenities found in larger metropolitan areas.
- Recruiting doctors who want to practice community medicine. Hospital estimates that nearly half of the family medicine doctors in the two largest medical offices in the community have left their practices in the past five years and have not been replaced.
- Lack of local ambulance service. The hospital has been looking for a facility to house a private ambulance operation but has had difficulty finding a suitable building. The facility would need to have a large enough truck bay to house an ambulance and would also need to have living quarters. The hospital has been contracting with an out-of-county ambulance service – Samaritan – to handle non-emergency transport of patients.

A group member mentioned that county is running out of attorneys, however, there is a national proliferation of attorneys.

There are also supply chain voids, especially during Covid. Companies have had a hard time getting steel, aluminum, adhesives, windows/door, and paint. The list is endless. A company can get the raw material and any little widget missing stops the whole production. There are strong industry sectors in mid-Ohio region- chemicals, rubber. Need to talk about as potential assets in a skilled workforce, take a look what type of supply chain, might be in region that has not been tapped into or is really important. Should talk to realtors/developers and help attract these types of manufacturers to look at Holmes County. A lot of opportunity for people to be creative. Supply chain went away years ago, need to be creative to re-tool. Getting a computer chip from Japan has been an issue. This is in every sector a group member is dealing with. Group agreed there are plenty of resources in Ohio, but sometimes need to re-route how doing the process and what making. For example, Superb Industry partnered with Walnut Creek Cheese to make caps, re-tooled since cap was needed to make their cheese.

Not enough vinyl resin, aluminum, steel recycled domestically to supply it, need to go out of the country to get it. If cut off China, we can't supply it because it is not mined here. Group member commented that overseas connections can be totally unreliable. Could sign a contract and order 1m pounds of aluminum and 3 months later the supplier wants to re-negotiate the price. He can't buy domestic until 2023.

BASF issued force majeure; everything was called off. Wayne Dalton has had to shut down lines because can't get chemical foam to blow between garage doors. Same chemicals used for furniture, different way, but affecting multiple industries. Manufacturers here are really innovative, turn on dime, filling voids. Problem here, it sometimes is almost impossible to get equipment to retool manufacturing in short amount of time. Some manufacturers will have their own machinist to come to that plant to make the needed widget.

Innovation is there, just can't get what need to do the innovation. Look ahead and do forecasting, but there is always something that didn't think of that becomes the issue. Plenty of aluminum, but then need PVC paint. Group member mentioned that this is happening statewide and nationally. Probably the guy making his own widget has 8<sup>th</sup> grade education, but he educated himself to figure it out.

Group members discussed quality of life issues. Want to see investment in public venues, welcome centers at east/west, outdoor amphitheater, growing art scene, etc. Art center is under construction, but not have an outdoor performance space, but will have indoor facilities. Group members felt a lot of things are missing here, could have Shakespeare in the park, an outdoor refreshment ordinance. Holmes County does have Amish Country theater. Good idea to give people things to do during the evening/night, since tourists who spend the night spend a lot more money than the day trippers.

### **Infrastructure & Utilities**

Holmes County is one of only 3 counties in state that gets sales tax for road improvements. The County put on a ballot issue 5 years ago and it is up for renewal this year. Levy collects ¼% sales tax for road improvements and county developed two five-year plans, first five-year plan will be finished shortly. First plan was 130 miles of paving in 5 years. This was forward thinking because in rural counties the gas tax is redistributed by State back to counties by population. This does not consider all tourists, trucks, using Holmes County roads. Group member mentioned that County Engineer deserves all the credit for coming up with the plan. Roads, water, sewers, EMS all figured on 44,000 population, but County gets millions of tourists. Close vote last time, but now residents can see the benefit. Roads have been transformed, used to be chip and sealed, not lined, paved and buggy lanes. Lot of roads now have buggy lanes. Transformed a lot of roads, but now they are filled with e-bikes.

County engineer has plans (3-year plan) to extend water/sewer, reviewing applications right now. Washington Post mapping data shows there is more population on the east side of the county. Higher Amish birth rates may account for this. This data shows most of the development around Berlin, outskirts of Millersburg, and along 39 between Millersburg and Berlin.

### **Industrial Park Development**

Where are industrial areas, potential for industrial land, where is infrastructure available? Identify opportunity to expand acreage. Where are these sites and how build financing, incentives to get funding from the State?

Wendell August Forge is an existing industrial site, but underutilized and not really successful. Public money was spent here, and it didn't work out. A lot of it was turned to residential. Group members commented that Loudonville Industrial Park is not as nice, but part of it is in Holmes County. In private owned industrial parks, developers are maximizing the dollar.

Group members thought a public entity could have different incentives on industrial park development. Could work with OSIP/Rural Industrial Park Program for funding. Acquisition of land is a part of this program. There is also a new water/sewer

program at ODOD. Lots of potential opportunities. A lot of people are looking for warehouse space and distribution space and need to give them this space in order for them to expand within in the County. Heard that loud and clear at visioning session, need space to grow existing businesses. One group member is in that exact situation, landlocked, maxed out at current location, now where go? Group members felt that the county had two swings and misses with industrial park development in the past and want to do it right this time.

One group member commented that acreage prices are very high with no utilities and development would have to get sewer/water from Berlin or Millersburg. Would love to see an industrial park in Killbuck. County wants guidance on how to best do industrial park development. Would love to see spec buildings, sites ready to go, doing one project at a time so public could see the progress.

### **Challenges for Economic Development**

1. Land availability, not even the cost as much as access to land within the county. Hurdle for many local businesses looking to grow their operations within the county. Can county facilitate land acquisitions to help local companies keep their operations within the county?
2. Infrastructure/ SR 39- reality is SR 39 is unworkable in some areas when combine the industry/truck traffic and the tourism traffic. At some point, that could become an issue that makes it harder to do business here locally and also drives tourists away.
3. Business model is to stop entertaining new business, clamp down, protect limited resources, and take care of existing customers. Group member felt entire county is in this model, retention, not expansion. Local businesses can't grow, but even though trying not to grow, still doing it. Furniture guys are in same boat, just at events to see existing customers, not market to new customers.

### **Opportunities for Economic Development**

1. Industrial diversification- the furniture industry (finish shops, furniture builders, lumber, etc.) is a big driver of local economy. If trends or buying patterns of consumers were to change, that would leave the county very exposed. The county would serve well to look to other industries and goods that could be produced here that would help to further diversify the local economy. There may already be new industries starting up that just need the support of the county to further mature and would help to diversify.
2. Investment in Public Venues- compared to other similar sized areas, group member thought the County lacked some of the things that could make the area feel more welcoming and also generate additional revenue for the county.
  - a. Welcome centers- official welcome centers likely on each side (east and west) of the county. Could provide an official entrance to the area, promote businesses, tie in local cultural component and things to know, giving first time visitors a good starting point on how to enjoy and interact with the community. Could use new wayfinding signage with entrance and welcoming signage.
  - b. Outdoor amphitheater- lacking good venues for music and performances. Indoor/outdoor amphitheater would be welcome addition, helping to grow the arts scene within the community and broaden the arts offering within the community. Group member felt locals and visitors would support something like this and could attract an additional type of visitor to the area. Amphitheater would best be located in a scenic area; with views the county is known for. It could be private/partnership. Group member noted new arts center will have indoor facility.
3. Potential Industrial Park Locations
  - a. Killbuck- Crow works building, have another 70 or so acres, but not sure if seller is motivated. Plan for future and at least denote that this is a possibility if change mind
  - b. Holmesville
  - c. Baltic- rail here, access to workforce and reach into Coshocton
  - d. Millersburg- at top of hill at 241, farm up that way, across from "Hillbilly Hill"
  - e. Big Prairie- could have some merit here, land costs a lot less, close to rail, some Amish, but different culture over there
  - f. CR 58- fairly flat, water/sewer here- left at Walmart, past T&L. Utilities would be close. 1800 feet east of SR. In a floodplain, but all of Millersburg south was floodplain 30-40 years ago. Find low land and buy property and can move dirt, unless go to east Holmes County and spend 60K an acre.

4. Availability of land to the south and east, as Amish population continues to grow. Opportunities for them to come west to Killbuck, and land prices are raised at auction. Hardwood furniture guys down in Danville. As a manufacturer and Holmes County business, have to figure out best place to locate and hopefully get assistance to get multiple pieces of land. But what about wetlands, need to find floodplains that don't include wetlands. Have to find land for \$5-6K and spend millions in getting it ready (topo, floodplain), but still would be only \$30-40k an acre instead of \$60k. Excavation becomes major part of project. Very competitive to get land in Holmes County, competing with local businesses, puppy mills, Amish, etc.
5. Funding opportunities- EDA application, CDBG, USDA. EDA public works dollars, buy land, extend infrastructure. Millions of dollars of federal money available. Speculative, but bird in hand with businesses. Businesses need to grow and could become the anchor in a business park, 70-100 acres. Could get community/CIC/County/PA to own the property, then get the EDA money to do infrastructure build out. Could work through OMEGA/ EDA rep is from OH. ARPA, CARES money available, but need business to commit.

### **Next Steps**

1. ED Sub Committee to meet
  - a. Map potential locations, green dots on map
  - b. Address workforce comments, questions.
  - c. Get list of businesses interested in expanding or at least number/size to gauge ripple effect on expansion, succession of businesses. New industrial parks could open up existing land/buildings from moving businesses to new industrial park.
  - d. Create spreadsheet with potential available parcels, ownership, public infrastructure (water, sewer, roads, power), zoning, etc.