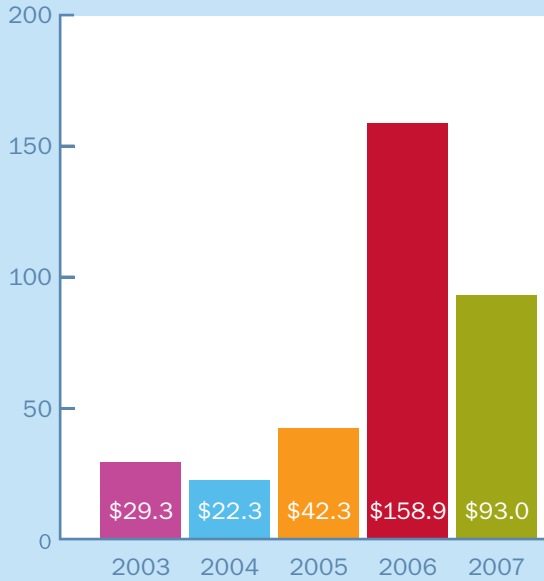




INDUSTRIAL DEVELOPMENT

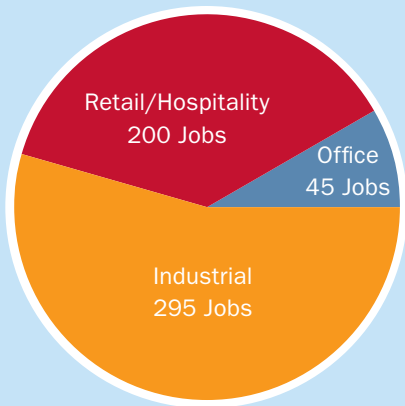
2007 OVERVIEW

Construction Activity (Millions)



540 New Middletown Jobs in 2007

Numbers reflect jobs created or announced in 2007.



Middletown recently welcomed the announcement by officials with **Pac National, Inc.** that the company planned to consolidate and grow its operations in Ohio by building a new facility in the City of Middletown. Middletown officials were contacted in early-2007 by Miller Valentine Realty about available property along Cincinnati–Dayton Rd. The location was one of several sites being considered by the company for its expanded Midwest production and warehousing operations. Working closely with Miller Valentine, the City identified a 28.1 acre tract of land on Emerald Way in the City’s Greentree Industrial Park. The \$15 million project promises to bring more than 150 jobs when the 350,000 sq. ft. facility is completed in 2008. Pac National also announced that it expects to hire an additional 50 employees over the next three years as the company’s product line increases. The company is a leading provider of durable plastic and paperboard mailers. Its primary lines include the airjacket®, mailjacket®, and polyjacket® products but also offers a variety of products from custom printed mailers and bank bags to window envelopes and bubble wrap.

In mid-2007, **Innatech** announced plans to occupy a 50,000 sq. ft. facility adjacent to the City’s Greentree Industrial Park. The building provides the company with the space needed to receive, assemble and ship products associated with the appliance and automotive industries. These products include refrigerator and dishwasher control panels for GE, as well as five components for the new 2008 Chevy Malibu instrument panels—all of which are produced at the company’s Lebanon manufacturing facility. In addition to the 50 employees initially transferred to the Middletown facility, 15 additional were added in the third quarter of 2007 as a result of the new 2008 Faurecia/Chevy Malibu instrument panel component launch.

Ventilex USA, Inc. was the most recent addition to the Greentree Industrial Park. The company began construction on a new 10,000 sq. ft. facility that will eventually house the company’s North American sales staff. The site will handle all sales, service, and parts business for USA, Canada and Mexico. The company is the U.S. subsidiary of Ventilex B.V., a leading producer



of fluid bed drying and cooling systems. As part of the move, the company will relocate six employees to the new location in mid-2008. The company also expects to hire an additional 19 employees over the next three years. As the only U.S. presence for this company, the City hopes the availability of additional land at the site will provide opportunities to capture additional sales, distribution or manufacturing locations for this or other potential U.S. subsidiaries.

Finally, in late-2007, **Wausau Paper** announced a \$31 million capital investment at its Downtown Middletown facility. The investment will increase toweling capacity at the facility by 16,000 tons annually. The rebuild, scheduled for completion in the first quarter of 2009, will utilize state-of-the-art technology to substantially improve manufacturing capabilities and capacity, support future product introductions, and reduce manufacturing costs. Although the investment does not include any new jobs, the project promises to keep the Middletown facility among the most productive and profitable in the company’s portfolio. Wausau Paper offers a complete line of Bay West® brand towel, tissue, wiper, soap and dispensing systems for the away-from-home washroom market. This includes the company’s higher-margin value-added products, such as its highly successful Green Seal®–certified EcoSoft® line of environmentally preferable products.

PARTNERING FOR SUCCESS

The Small Business Development Center at Middletown

Middletown knows first-hand that economic development happens when people and organizations work together to address the needs of our local businesses and entrepreneurs. That’s why we focus much of our time and energy on developing and nurturing relationships with our public and private sector partners.

A great example of how these partnerships work is the Small Business Development Center (SBDC) at Middletown. Earlier this year, local officials recognized a need for additional small business and entrepreneurial assistance in the City of Middletown because of an increased demand for start-up and existing business counseling. Discussing how best to address this opportunity with other economic development officials, it became clear there was a similar need in other parts of Butler County. The City then contacted the Ohio SBDC at the University of Cincinnati’s College of Business, which serves as the region’s lead center, on how best to address this issue. The University immediately went to work on a number of alternatives, including the possibility of partnering with other organizations to expand the services of the SBDC in Middletown. After exploring these options, the University identified BizTech Center as the logical choice for this partnership. As a respected business incubator in Hamilton, the Center had been an active partner with the SBDC program.



Ultimately, the additional counselor’s position was made possible through state and federal grants secured as a result of collaboration among the City of Middletown’s Economic Development Department, BizTech Center, the SBDC at the University of Cincinnati and the SBDC Program of Ohio, which is funded through the Ohio Department of Development and the U.S. Small Business Administration. Middletown, BizTech Center, and BizTech Center’s Business Resource Partners provided matching funds and in-kind services needed to continue and secure the grant while the university provided the support services necessary to meet the grant’s reporting requirements.

This is just one example of how we believe partnerships make the difference and why we are committed to doing whatever it takes to make projects like this a reality. If you would like to learn more about this partnership or how we can work with you on your next project, please visit the City’s website at www.ci.middletown.oh.us.



Success in the middle
SUCCESS IN THE MIDDLE

2008 STATE OF ECONOMIC DEVELOPMENT





letter from the community

LETTER FROM THE COMMUNITY



Lawrence P. Mulligan, Jr., Mayor



Ken Cohen, President,
Middletown Moving Forward, CIC

The City of Middletown enjoys a rich history of innovation and manufacturing prowess. From its early days as a steel and paper town, Middletown has taken advantage of its strategic location in the heart of Southwest Ohio. Located between Cincinnati and Dayton, the City is again capitalizing on its location as a destination of choice for new investments. From technology and healthcare providers to advanced manufacturing and distribution, businesses large and small are renewing their confidence in our community through new investments and job creation.

Looking back at the accomplishments of 2007, Middletown has much to celebrate. Last year, the City saw \$93 million in new construction activity. This represents the second highest figure in the last 15 years and follows \$158.9 million in new construction activity recorded just a year earlier. We believe this growth trend will continue over the next several years as the region between Cincinnati and Dayton comes together as a formidable, regional economic engine.

In the East End/Renaissance Area, development activity was particularly impressive. The City's largest project, the Atrium Medical Center, completed its \$195 million hospital on the Premier Health Campus—Middletown after 18 months of construction. It is important to point out this investment represents more than just a new hospital: it promises to bring opportunities for all aspects of the healthcare continuum to the community through partnerships with Dayton Children's Medical Center, the Great Miami Valley YMCA, Miami University Middletown, Sinclair Community College, Cincinnati State

Technical and Community College, just to name a few. Other noteworthy developers have also taken notice of the area's opportunities. Clayton LLC recently opened the first phase of its Renaissance Professional Village and Al. Neyer Inc. partnered with the City to obtain a Job Ready Sites Grant from the State of Ohio for a "Smart Office Building" to be located just across from the Premier Health Campus.

Industrial development was also a major driver in this year's impressive development figures and was largely focused on Middletown's Greentree Industrial Park. Among those companies planning to relocate to Middletown was Pac National. The company announced plans to consolidate and grow its Midwest operations in a new 350,000 sq.ft. facility in the park. In mid-2007, Innatech finalized plans to occupy a facility and bring new distribution jobs to the city. Ventilex USA, Inc., a subsidiary of Dutch-based Imtech, also announced plans to build its first North American sales office and positioned the company for potential expansion opportunities at the site.

As you can see, Middletown is moving forward. Working with our local, regional and state partners, we will continue to nurture and develop our city as a destination of choice for new investment in the Cincinnati–Dayton region. We hope you share our excitement about our community's good news and that you too will find **"Success in the Middle."**

Lawrence P. Mulligan, Jr.
Mayor, City of Middletown

Ken Cohen
President, Middletown
Moving Forward, CIC

MIDDLETOWN COUNCIL MEMBERS

Lawrence P. Mulligan, Jr., Mayor
James Armbruster, Sr., Vice Mayor
Bill Becker, Council member
Leslie A. Ford, Council member
Anita Scott-Jones, Council member
Anthony "Tony" Marconi, Council member
David Schiavone, Council member
Judith A. Gilleland, City Manager

MIDDLETOWN MOVING FORWARD CIC

Ken Cohen, President
Cohen Brothers
Lawrence P. Mulligan Jr., Vice President
City of Middletown
Bill Trick, Secretary
The Chamber of Commerce
Judith A. Gilleland, Treasurer
City of Middletown
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American Savings Bank
Anthony "Tony" Marconi
City of Middletown
Greg Martin
Greg Martin Excavating
Alan McCoy
AK Steel
Douglas W. McNeill
Atrium Medical Center
Bill Murphy
City of Middletown

Middletown Moving Forward CIC is a non-profit public/private organization charged with directing the city's economic development priorities. The organization was founded in 2005 as a partnership of the City and The Chamber of Commerce and includes representation from the community's two largest employers, AK Steel and Atrium Medical Center.

CITY OF MIDDLETOWN ECONOMIC DEVELOPMENT DEPARTMENT

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our plan for success

OUR PLAN FOR SUCCESS

The City's economic development efforts are focused on bringing opportunities to those who choose to call Middletown "home." These efforts concentrate on four areas where we believe the City can have significant impact: retaining, attracting, growing and advocating. Also, as our region's economic make-up continues to evolve, Middletown has recognized these opportunities exist in four core industry segments: *advanced materials & manufacturing, aerospace & aviation, information technology & data management, and healthcare & life sciences*. These industries represent areas where Middletown and Southwest Ohio have a competitive advantage and where we believe opportunities exist for significant new investments and job creation.

Retaining

Much of any community's growth rests with the expansion of its existing businesses. Studies have shown that more than 80% of employment and capital growth comes from existing companies. Understanding this statistic, the City partnered with Montgomery County to bring the resources of the **BusinessFirst!** program to Middletown businesses. The program, a coordinated effort of more than 80 development and government agencies, promises to help us better understand and address the challenges of our local businesses.

Attracting

Business attraction is often the most visible and competitive part of a community's economic development work. In order to be successful, a community must look to partnerships to compete for new investment. Middletown understands this necessity and works closely with our Chamber of Commerce, our county economic development offices, **Cincinnati USA Partnership** and the **Dayton Development Coalition** to bring new business to our community. Early last year, we also



launched **MiddletownProspector**, an interactive, GIS-based site and building database to help guide businesses in their search for potential locations in our community.

Growing

Small businesses and entrepreneurs represent another important part of our economic development efforts. Southwest Ohio is well-known for its entrepreneurial spirit and business expansion opportunities; growing companies like NCR, Procter & Gamble and AK Steel from modest beginnings in the early 20th Century to Fortune 500 companies today. Recognizing this impressive history, the City partnered with local business incubator Biztech to provide a **Small Business Development Center (SBDC)** office in the City Building.

Advocating

Our one-stop approach to development means businesses can expect to get information and answers in an efficient and timely manner. We also believe it is important to talk with these businesses about the opportunities that exist to expand or relocate in our community. As such, the City actively engages our private sector partners by participating in events and networking opportunities throughout the Cincinnati–Dayton region.

east end renewal **EAST END RENEWAL**

The City of Middletown's East End is poised to capture the growing demand for new commercial/office space and housing along the growing Cincinnati–Dayton corridor. Recognizing this opportunity, the City assembled a team to master plan and initiate development of the East End, which was one of nine areas identified for development in the City's 2005 Master Plan. The **East End/Renaissance Area Master Plan** describes a regional business and living center, providing an economically and environmentally-sustainable balance of office, commercial, hospitality and residential development. Based on sound market potentials, the plan is designed to optimize land use through quality development at optimum densities, to create and retain jobs, and to diversify the community tax base as it develops over the next 25 years.

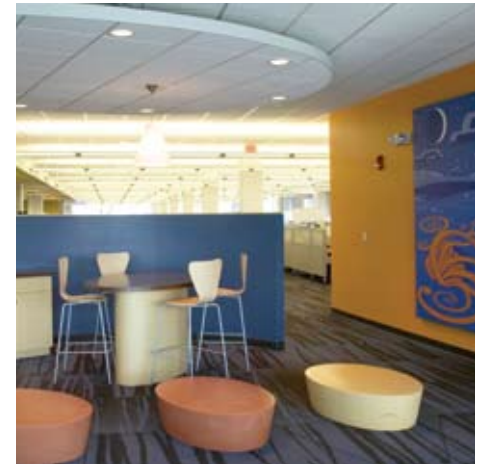


One of the most anticipated East End projects, the **Atrium Medical Center**, officially opened its doors in late-2007 after 18 months of construction and more than seven years of planning. The new \$195 million hospital is part of the 190-acre **Premier Health Campus—Middletown** and promises to be a catalyst for new investments in the City's East End/Renaissance District. The medical center will add new services and care to Warren and Butler Counties, including an expanded emergency department—accommodating 80,000 patients per year, a comprehensive cancer center and new heart care services. Other elements of the new campus will provide the region with an array of services, covering the healthcare continuum:

- The five-story **Medical Office Building** at the center of the campus connects with the main medical facility for easy patient and physician access. It houses physician offices as well as several hospital services, including Cardiac Rehabilitation, the Women's Center and Education Services.
- The **Behavioral Health Pavilion**, a partnership with a leading behavioral health management company, provides a dedicated pavilion with separate inpatient and outpatient areas for adult and geriatric behavioral healthcare.
- The new **Dayton Children's Specialty Care Center** is part of an expanded partnership between the Children's Medical Center of Dayton and Middletown Regional Health System offering advanced pediatric subspecialty care and is expected to be completed by mid-2008.
- The **Ann & Arthur W. Bidwell Surgery Center**, a stand-alone outpatient surgery facility, will feature four state-of-the-art operating rooms and have the capacity to add two more rooms as needed and opens in 2008.
- The **Atrium YMCA** will be built on 10 acres at the north end of the campus. Construction on the 67,000 sq. ft. YMCA began in August and is expected to be complete by summer 2008. The building will be the new home to the Middletown Sports Medicine and Physical Therapy team, along with the child care center currently operated by the YMCA.
- The **Otterbein Retirement Living Community** will have five "houses" containing 10 bedrooms and a communal space equipped with a kitchen, dining room and living room. The \$8 million project is expected to be completed in late-2008.
- The **Greentree Health Sciences Academy** will be an exciting addition to the campus when it is completed in 2009 and will provide continuing education opportunities for healthcare workers from several educational partners, including: Miami University, Sinclair Community College, Cincinnati State Technical and Community College, Butler Tech and the Warren County Career Center.

Clayton LLC completed the first phase of its office park development in late-2007. Once complete, the \$42 million **Renaissance Professional Village** will comprise over 200,000 sq. ft. of Class "A" office condominiums and will compliment the company's Renaissance residential development. At build-out, the company will have invested more than \$190 million in the area since the company's first broke ground on its residential development in 2003.

Other exciting elements of the area include a proposed technology park across from the Premier Health Campus. The City of Middletown, in partnership with Al. Neyer Inc., received a \$2.16 million grant through the **Ohio Job Ready Sites Program** for the construction of a 40,000 sq. ft. "Smart Office" building in the park. The \$7.5 million building will incorporate the latest in telecommunications and green building technologies, including Leadership in Energy and Efficiency Design (LEED) certification. More than 228,000 sq. ft. of new office space is planned for the 15-acre site.



success around town **SUCCESS AROUND TOWN**

Middletown also saw other notable projects either announced or completed in 2007. From schools and a new Senior Citizen's Center to retail projects in the City's East End and reinvestments in Downtown, success is happening all around Middletown.

Middletown City Schools continued work on its \$75 million building program to renovate or replace school buildings throughout the district. In 2007, construction was completed on **Miller Ridge Elementary** while two other schools, **Mayfield Elementary** and **Wildwood Elementary**, were well under construction and expected to be ready for the 2008 school year.

With new development around the Atrium Medical Center and the Renaissance, attention was also focused on the retail opportunities around the Towne Mall. Among the new investments in this area were a recently completed **Kroger Marketplace** and **Drury Inn** hotel as well as a new **Wal-Mart Supercenter**, currently under construction. All told, 200 new employees will be added to Middletown's retail employment base.

Building on the success in the Arts Central District, the City's Downtown also provided the community with good news in 2007. Early in the year, officials announced plans to bring **Miami University Middletown's Applied Research Center** to the former Bank One building along historic Main Street. The move brought 15 full-time and—as projects dictate—another 40–50 temporary employees to Downtown. Finally, a major investment by **Better Built Construction Services** along Central Avenue promised to bring 30 new employees to the City's urban center over the next two years.

