

**Middletown Master Plan
Economic Development Roundtable
Miami University Middletown
November 11, 2004
12:00 to 2:00 PM**

Minutes

Present:

Name	Organization/Constituency
Timothy Abbott	Cinergy
Harry Bumgarner	Dayton Development Coalition
John Fonner,	Butler County Transportation Improvement District and Butler County Port Authority
Karen Garrett	Warren County Office of Economic Development
Doug Harnish	Gem Real Estate Group
Douglas McNeill	Middletown Regional Hospital
Craig Maynard	Chamber of Commerce Small Business Development Center
Nancy Nix	Middletown City Council; also representing Butler County Economic Development Department
Sheryl Pieratt	Miami University Middletown Development Dept.
Gary Scanlon	Miller Valentine Healthcare Services
Dr. Robert Seufert	Miami University Middletown Applied Research Center
Chris Smith	Governor's Regional Economic Development Representative
Dick Slagle	Ultimate Concepts
Perry Thatcher	Middletown City Council
William Triick	Chamber of Commerce
Larry Wood	MEDC

City Staff: Brian Forschner

Consultants: Brad Schwab, Tim Bender

Sixteen economic development professionals from Middletown and the greater Cincinnati and Dayton regions attended a two hour roundtable meeting to discuss draft economic development strategies prepared as part of the City of Middletown Master Plan Update. Received input was highly instructive. Though seen as largely ambitious, the participants agreed with the most of the draft objectives and strategies. Concerns were raised over the city's ability to implement the strategies given current human and financial resource limitations.

The largest disagreement centered on the organizational framework by which the strategies are proposed to be implemented. The City's planning team proposed creating an in-house economic development organization within city government. About half of the roundtable participants strongly disagreed and felt that the existing arrangement of the Chamber of Commerce and MEDC, or some other private sector-based arrangement, should retain economic development responsibilities.

Other items mentioned as top priorities included the need for leadership as well as the importance of "locking up" market-ready sites and preparing the workforce.

Objective 1: Recruit businesses that allow Middletown to capture a proportional share of new economy jobs found in the region.

The roundtable experts agreed with this objective and further underscored its importance by stating that such action is essential for Middletown's future viability. It was also thought that the City has a relatively narrow window of opportunity, perhaps five years or less, to place the city in a competitive position to gain a proportional share of the region's high tech growth. Summary comments follow:

1. The City does not have a program in place to capture "new economy" businesses. Vacant land with infrastructure in place next to the interchange is needed before a new economy company can be recruited.
2. The City should proactively gain control of at least 100 acres of vacant land out by the interchange before an undesirable land use patterns are established.
3. Successful high tech parks typically have a leading institution or large corporate headquarters that attract other users to the area. It was suggested that the City should "hitch its wagon" to the proposed Middletown Regional Hospital campus by creating a business park in conjunction with the Hospital on adjacent land.
4. A potential recruitment opportunity might be corporations looking to de-centralize from the downtowns of major metropolitan areas for security reasons.
5. Concentrate on Brownfield redevelopment simultaneously with Greenfield development.
6. Offer appropriate incentives to attract new business growth to the city. The City should consider owning business parks as a potential strategy to offer market ready sites for sub market prices or in extreme cases for free.

Objective 2: Establish an economic development entity with the authority and accountability to effectively attract and retain jobs and businesses.

The planning team suggests that the city follow the lead of most large municipalities in the region and hire an in-house economic development director that reports directly to the City Manager. Part two of this strategy is to create an industrial development corporation that works hand-in-hand with both the city and private industry. Roundtable experts were divided over this recommendation. Those against the idea felt that the private sector could do a better job than the City of attracting companies to Middletown. Others expressed doubt to as whether city government had the acumen or wherewithal to perform economic development functions. Participants that were open to the idea expressed the need for change given the limited number of recent success stories. However, all agreed that greater communication and outreach between the City and the Middletown business community is needed to move forward. One participant stated that it does not matter where the Economic Development resources are located. Instead it was thought that the City must start taking Economic Development seriously. Summary comments follow:

1. The City needs to define the role and leadership of ED in Middletown and stand behind its decision and make things happen.
2. Should the Chamber of Commerce's/MEDC retain control over the ED responsibilities of the City? This issue was most debated. Some thought strongly that private sector economic development economic development was preferable because correspondence with perspective firms is not open to sunshine laws, which is important to keep sensitive matters out of the press. It was also mentioned that the private sector economic development model works best. Tri-Ed (Northern Kentucky) was offered as an example.

- It was also mentioned that the City should refrain from an in-house economic development organization so as not to create additional competition between neighboring communities.
3. Alternative views were provided that suggested in-house economic development is needed. The Chamber of Commerce works for Middletown and two other communities. Middletown should have one person that is dedicated to Middletown's needs.
 4. The City's \$100,000 Economic Development budget is not large enough for either private or public sector driven economic development.
 5. It was brought up that the City did not have the financial means to create another city department. A participant responded by saying that the City could not afford not to hiring an economic development director.
 6. Eliminate Fire and Police services from the City's general budget and fund them through separate property tax levies to create money for economic development.
 7. The City must form strong relationships with the Greater Cincinnati Consortium, CINergy, ODOD, and banks, brokerage firms, etc.
 8. The City should be focused on revenue generating strategies rather than just expenditure reduction strategies.
 9. To improve top-down responsibility within the City, some participants recommended looking into changing the City's system of government to strong-mayor so that the head of the city is responsible to the residents. The City Manager position was seen as potentially effective if the appointed person was given the authority to effectively run the City including Economic Development.
 10. The planning team suggested that the city create industrial development corporation to give the city greater flexibility in acquiring land, partnering with other entities, and creating business parks. Some participants mentioned the potential for conflict with the Butler Alliance, which is a similar group that serves all of Butler County. A few participants noted that a CIC was in place and it had the legal ability to implement projects. Others were unaware of the CIC and felt that broader participation and support from the City and the greater business community is needed.

Objective 3: Create market-ready sites at attractive locations with good regional access.

All participants agreed with the importance of Objective 3 and the proposed strategies to implement the objective. Summary comments follow:

1. The City needs to acquire and/or control more land by the interstate and more specifically at the interchange to ensure suitable acreage is available for business development. It was suggested that the City must be aggressive in this regard to have an ample inventory of land to attract a variety of office and industrial uses in the future.
2. Vacant land east of I-75 needs utilities and proper zoning in some instances to be ready for development. This issue was identified as a critical need. It was also mentioned that the City's lack of development ready sites is a real disadvantage and one of the primary causes for the lack of growth.
3. The city does not necessarily need to own the business park but it does need to ensure that the proper controls are in place such as zoning, development agreements, covenants and restrictions, etc.
4. The city should redevelop vacant commercial and industrial properties to create additional market ready sites.
5. The City should start the process of planning for one new interchange now in expectation of opening up more land area for business development. It was noted that the City will

need support from other communities, politicians at all levels, and local funding to receive ODOT approvals.

Objective 4: Prepare workforce for tomorrow's jobs and recruit jobs that match the skills of new residents living in or near Middletown.

An exciting exchange occurred regarding the Middletown Regional Hospital and Miami University Middletown plans for augmenting workforce training programs and facilities in Middletown. There was limited support for recruiting a tech based community college to Middletown given existing nearby resources such as Butler Tech and Warren County Career Academy adult education programs.

1. Workforce training efforts should focus on identifying core skill sets and aiming for incremental, rather than drastic, changes in skills.
2. The City should cooperate with Miami University at Middletown and Middletown Regional Hospital to meet workforce-training needs. Middletown Regional Hospital is constructing "The Green Tree Campus" at the new hospital site. Miami University at Middletown is constructing a new facility primarily targeting workforce training and community business needs.
3. City should avoid spending recruitment dollars attracting Fortune 500 companies since many of these companies are reducing staff. Marketing strategies should focus on attracting mid-market companies that are expanding.
4. The City's housing policy and priorities need to be changed to attract new skilled workers to the City.

Objective 5: Retain and expand businesses by creating and maintaining a positive business environment.

Participants felt this was an important objective in which the community must do well. The general consensus was that the city must fundamentally change the way it views its role in promoting Middletown and working with local businesses. Others felt that the strategies under this objective were, in part, being implemented by MEDC. The debate regarding in-house versus out-of-house management rekindled during this discussion. The need for additional small business advocacy and support was mentioned as a needed and important strategy.

- Participants generally felt that the City was not in touch with business needs. Likewise, it was generally felt that the City must work cooperatively with the business community for the betterment of the entire city.
- It was also mentioned that the City should hire a city manager with an economic development background with abilities to create a pro-business, if not an entrepreneurial, environment in city government.
- Investigate the possibility of hiring a customer service position to the City (as Fairfield has done).
- The City should demand high standards; predictable, clear, and efficient development review procedures; and consistent processes and outcomes as a means to become business friendly and to attract and retain businesses.
- The City needs a small business strategy to foster additional small business start-ups and expansions.