Ohio's Competitiveness – 2020

Key Issues Impacting Economic Development

JobsOhio

About JobsOhio

JobsOhio has been Ohio's privatized economic and business development organization since 2011. This shift from a state agency to a privatized economic development model was enhanced by the purchase of Ohio's spirituous liquor enterprise in 2013 by the JobsOhio Beverage System. This provides JobsOhio with long-term, stable and substantial funding to support economic development initiatives on behalf of Ohio. Additionally, state government leaders have enacted pro-growth policies that have facilitated the creation of new jobs and an improved, more resilient business climate in Ohio.

Results Since Inception (2011)

210K+ New Jobs

590K Jobs Retained

$64B Capital Investment

$10B New Payroll

The COVID-19 health and economic crisis has presented Ohio with many challenges – but also, a Generational Opportunity.

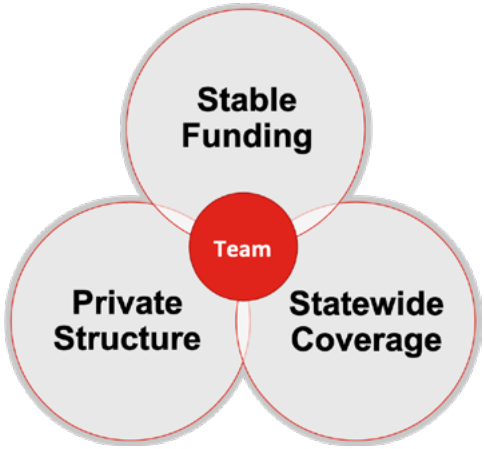
Ohio law requires JobsOhio to annually prepare and submit to leaders of the Ohio General Assembly and the Governor "an analysis of any statutory or administrative barriers to successful economic development, business recruitment, and job growth in the state identified by JobsOhio during the preceding year." O.R.C. 187.03(F)(5).

***Ohio's Competitiveness – 2020* will deliver this analysis in a truly unprecedented year – and together, we can lead Ohio's resurgence.**

Partnership

Continued partnership between JobsOhio, the State of Ohio, and our partners

Ohio's unique economic development model, JobsOhio, consists of an industry experienced team, a private structure with stable, long-term funding through the JobsOhio Beverage System, and statewide coverage through the JobsOhio Regional Network.





Ohio is recognized for our innovative economic development model – JobsOhio wants the State and our citizens to be proud of our collective work.

Site Selection's 2020 Governor's Cup Rankings

#1 Total Projects Per Capita

#2 Overall in the Governor's Cup

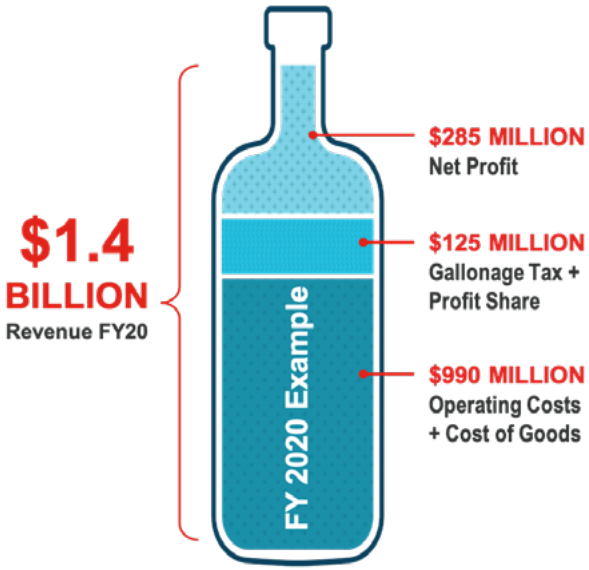
Ohio's model will allow significant investment in economic development, during a time in which many other states have to pause or scale back on their economic development initiatives – JobsOhio will be central to the state's economic recovery, and we thank State of Ohio leaders for their continued support.

About Ohio's Spirituous Liquor Enterprise

Ohio Liquor is a partnership between the Ohio Division of Liquor Control and JobsOhio Beverage System (JOBS).

JOBS owns the spirituous liquor product (liquor containing more than 21 percent alcohol by volume) in Ohio for retail and wholesale sales. The division manages wholesale and retail operations for the sale of spirituous liquor in Ohio. OHLQ Locations are private businesses which own and operate retail outlets and sell spirituous liquor products on consignment. Profits from spirituous liquor provide dedicated funding for JobsOhio's economic development efforts.

Funding in a Bottle



Ohio Liquor constantly strives to innovate

- The strategic public-private partnership, OHLQ, stands out nationwide and allows for innovative programs
  - Examples of this from 2020 include the liquor buy back and liquor rebate programs
- OHLQ has and will continue to focus on "Social Responsibility" initiatives
- Becoming an early implementer among nationwide control states of e-commerce with delivery of spirituous liquor (HB674, 133rd General Assembly) will give Ohio a strategic advantage

Ohio's model can allow significant investment in economic development, during a time in which many other states have to pause or scale back on their economic development initiatives – JobsOhio will be central to the state's economic recovery, and we thank State of Ohio leaders for their continued support.

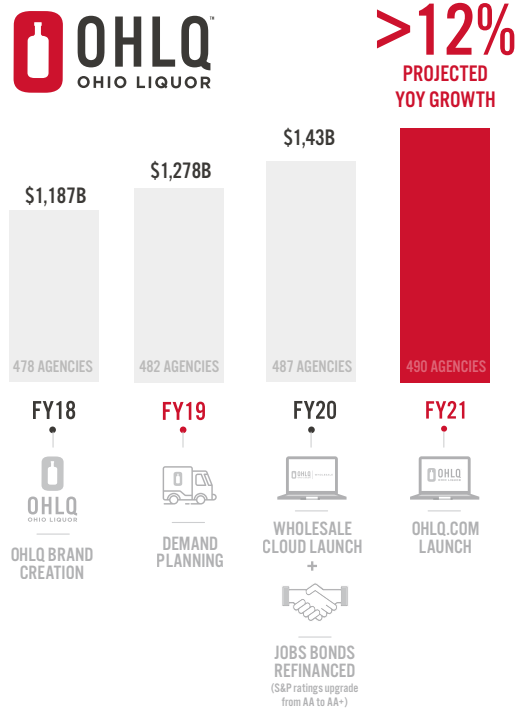
COVID Response programs

Liquor buy back
900+ businesses
15,600 jobs

Liquor rebate
12,503 businesses
250K jobs

Nationwide Recognition





Key Issues

Inclusive Economic Development

Innovation, Entrepreneurship, and Early-Stage Capital

Workforce and In-Demand Talent Pipeline

Growth-Friendly Infrastructure

Business Climate and Taxation

Quality of Life

Inclusive Economic Development

Inclusive Economic Development and Growth

Ohio's economic rebound from 2011-2019 never reached all regions or all populations of Ohioans equitably. The COVID-19 health and economic crisis also disproportionately impacted distressed communities and underrepresented populations.

JobsOhio's effort to support Inclusive Economic Development and Growth:

- Beginning in mid-2019, JobsOhio set out on an Inclusive Economic Development and Growth Initiative including JobsOhio Inclusion Grants, designed to support eligible projects in distressed communities and/or businesses owned by underrepresented populations
- Broadband – JobsOhio is committed to working with BroadbandOhio and all stakeholders to address expanding broadband access to all Ohioans
- JobsOhio's support for ELITE USA programming with the southeast Ohio region, Stark County Minority Business Association, Youngstown, amoung others

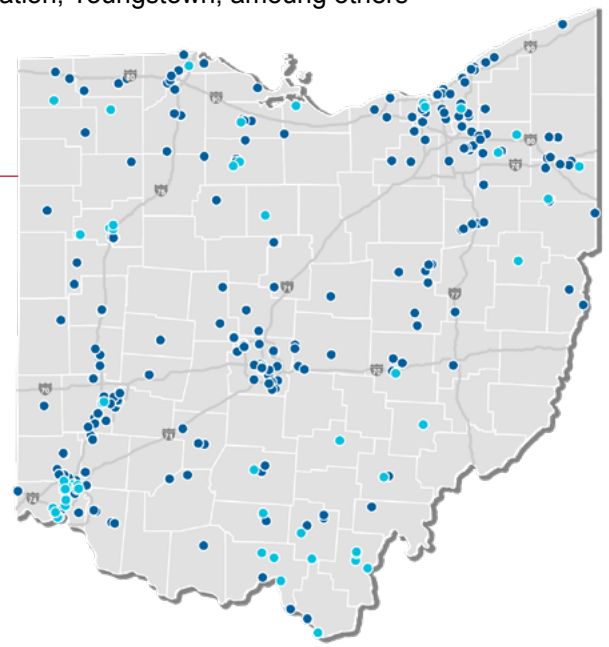
JobsOhio Inclusion Grants (JOIG) in 2020 featured:

57 projects

$25M Total Investment

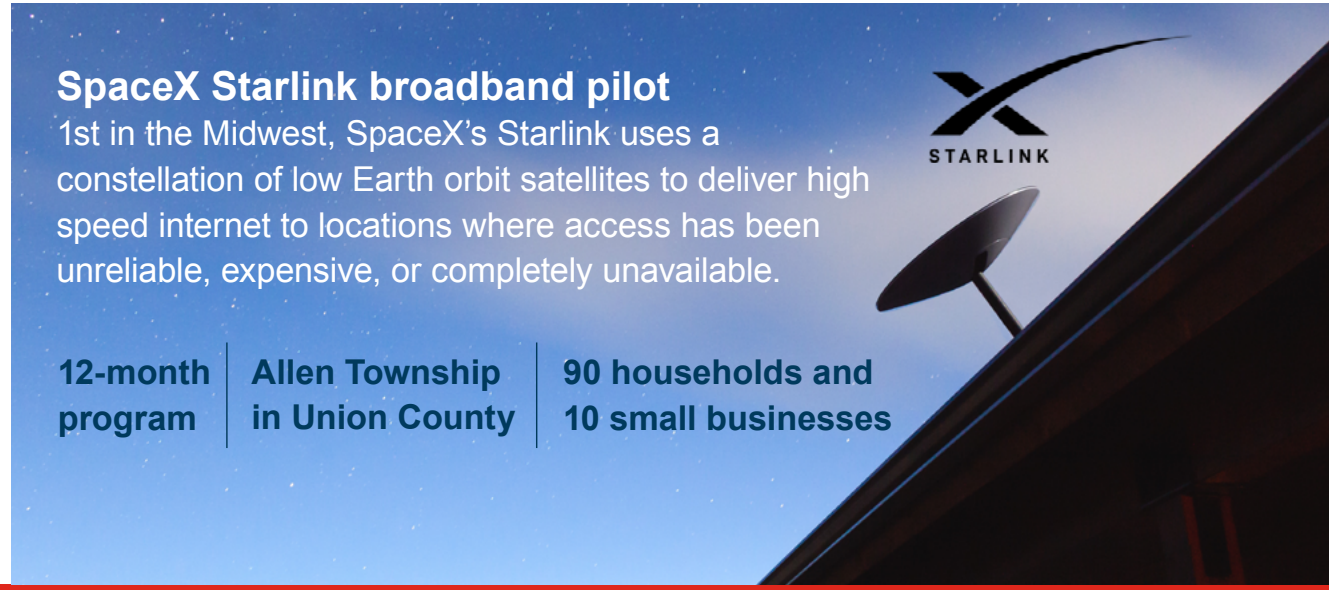
319 new jobs ($12.3M in payroll)

920 retained jobs ($32.9M in payroll)



How can Ohio drive Inclusive Economic Development and Growth?

- Ohio should continue to support programs that will assist distressed geographies and underrepresented populations and ensure that all voices are being heard and all solutions are brought to the table and considered
- Broadband – access to affordable high speed broadband internet connectivity is vital for participation in the modern economy
- Supporting resources for rural development – Ohio can support the Rural Industrial Park Loan Fund and other programs that spur rural development
- Embracing inclusion– Gov. DeWine has protected state employees from discrimination based on sexual orientation or gender identity – these types of policies signal that Ohio is open to business for all who want to call Ohio home
- Exploring opportunities to increase minority banking and financial resources within the state



SpaceX Starlink broadband pilot

1st in the Midwest, SpaceX's Starlink uses a constellation of low Earth orbit satellites to deliver high speed internet to locations where access has been unreliable, expensive, or completely unavailable.

12-month program | **Allen Township in Union County** | **90 households and 10 small businesses**

Innovation, Entrepreneurship, and Early-Stage Capital

Innovation, Entrepreneurship, and Early Stage Capital

Job growth in America has been highly concentrated in the technology and healthcare sectors; additionally, small companies are the primary driver of net job creation.

JobsOhio is making investment's in Ohio's innovation ecosystem:

- JobsOhio is investing in Innovation Districts that will create jobs, produce a high volume of STEM talent, increase Ohio research and development, and have significant economic impact
- JobsOhio established an Innovation Fund to provide convertible loans to small, innovative, early stage Ohio businesses
- JobsOhio has a Research and Development Grant Program

Ohio can innovate by:

- Supporting JobsOhio's creative approach to growing the innovation economy – to lead innovation in the Midwest and across America, we will need to accept risk
- Supporting Ohio's signature Entrepreneurial Services Providers Program
- Determining the long-term role and funding for Ohio Third Frontier and establishing new resources to incentivize research, development, and innovation
- Allowing for flexibility within Ohio's regulatory framework – an example would be the concept of a "Regulatory Sandbox" for financial and insurance-related innovations
- Continuing to improve Ohio's tax policy – improving Ohio's state income and capital gains taxing-structure, and creating incentives for venture-capital investment, will make Ohio more competitive

Ohio saw $1.5B in venture capital investment in 2020, higher than every year on record (since 2006)



Rendering of Cincinnati Innovation District

Ohio Innovation Districts: Cincinnati, Cleveland, Columbus

3X
STEM degree output

60K
New Jobs

$9B
Announced Capital Investment over 10 years

Workforce and In-Demand Talent Pipeline

Workforce and In-Demand Talent Pipeline

Skilled labor and access to a diverse workforce continues to be a top driver of companies' investment decisions and COVID-19 has created a pool of displaced talent.

JobsOhio is supporting Ohio's workforce development system and investing in innovative Talent solutions.

- JobsOhio continues to offer incentives, such as the JobsOhio Workforce Grant, and services, such as Talent Acquisition Services, to help companies meet their talent needs on a project-by-project basis
- JobsOhio has launched aggressive marketing campaigns, such as Ohio is for Leaders and Find Your Ohio to attract talent and industry to Ohio
- In 2020, JobsOhio launched the "Ohio To Work" pilot program in Cleveland-Cuyahoga County

Ohio can lead talent and workforce outcomes by:

- Supporting K-12 and higher education in the state by ensuring appropriate funding and accurately reporting the performance of Ohio institutions
- Protecting, strengthening, or restoring key state workforce programs, such as TechCred
- Exploring opportunities to incentivize the retention of Ohio higher education talent and the attraction of highly skilled, in-demand talent to Ohio
- Additional support for tech-education throughout K-12, industry credentialing, and a general acceptance that Ohio offers multiple pathways to a fulfilling career

2020 Pilot program results

5,094
Job Seekers Served

81
Enrolled in Reskilling

368
Placed into Jobs

83,530
Job Seekers reached
167% to goal

SUCCESS STORY — Lois Brown



We have been able to attract more diverse candidates through OTW. And assessment scores of accepted candidates beat our regular process!

- Tech Elevator

Ohio TO WORK — CLEVELAND-CUYAHOGA COUNTY

Ohio MEANS Jobs® | Cleveland–Cuyahoga County
A proud partner of the American Job Center network

Urban League of Greater Cleveland
Empowering Communities. Changing Lives.

Goodwill
Industries of Greater Cleveland & East Central Ohio, Inc.

Growth-Friendly Infrastructure

Infrastructure: Sites, Broadband and Air Service

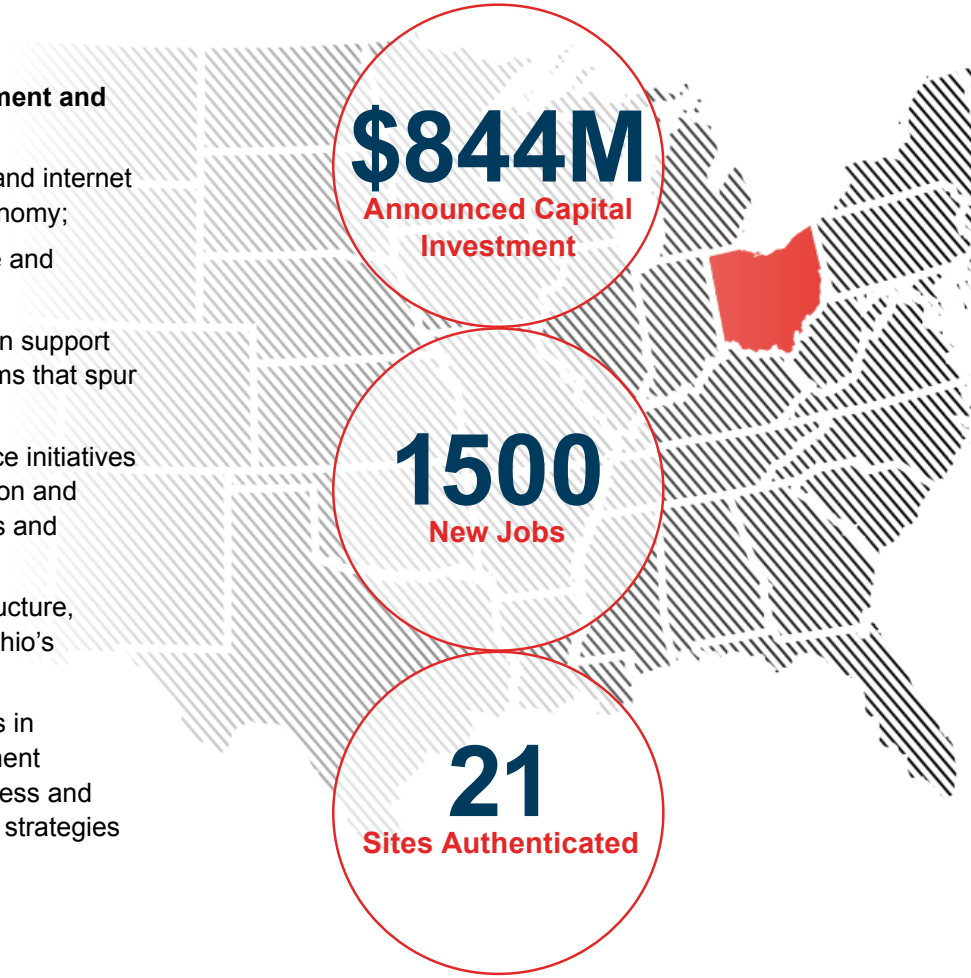
Ohio has a unique blend of people, geography, and industry — however, when Ohio loses a competitive economic development opportunity, it is often because we lack a site with the appropriate infrastructure.

- **2020 marked JobsOhio's most aggressive year ever in terms of investment into Ohio's portfolio of sites and buildings that are ready to win competitive investment.**
- JobsOhio continues to support the marquee SiteOhio program
- The Ohio Site Inventory Program (OSIP) is a $250mm grant and loan program that will make investment in speculative site development over the next five years
  - Due to the unique hurdles of the region, JobsOhio has also invested heavily in the "JobsOhio-OHSE Site Due Diligence initiative" in Appalachia
- JobsOhio created an Air Service Restoration Grant program – as Ohio recovers from the health crisis, this new program will help Ohio lead in air service opportunities
- JobsOhio's Inclusive Growth Strategy: Project Planning and Vibrancy, helps communities plan for growth and make significant investment in catalytic development projects
- Broadband – JobsOhio is committed to working with BroadbandOhio and all stakeholders to address the digital divide in Ohio

Ohio has prioritized site and infrastructure development and should continue to do so.

- Broadband – access to affordable high speed broadband internet connectivity is vital for participation in the modern economy;
  - BroadbandOhio is a significant platform for the state and additional investment in this area is critical
- Supporting resources for rural development – Ohio can support the Rural Industrial Park Loan Fund and other programs that spur rural development
- Ohio could support and augment JobsOhio's air service initiatives by creating additional resources for air service attraction and retention – and investing in Ohio's commercial airports and incentivizing private investment into them
- Continued support for public roadways, public infrastructure, and transportation systems will play a pivotal role in Ohio's continued growth
- Leveraging state-owned land or assisting communities in providing free or low-cost land for economic development opportunities may also lead to increased competitiveness and could coordinate well with JobsOhio site development strategies

SiteOhio

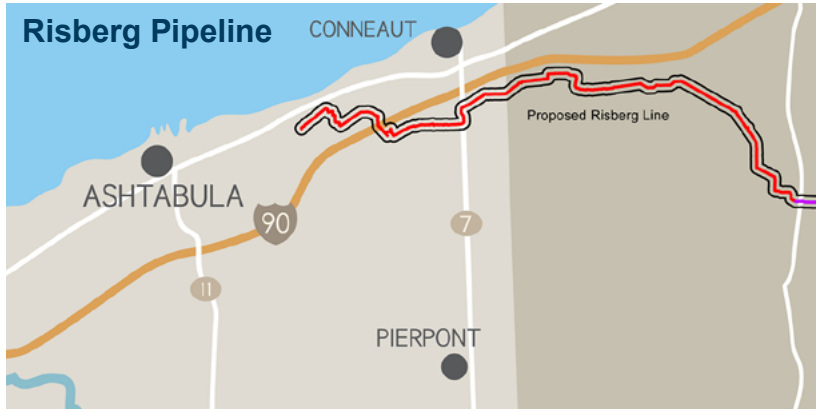


Infrastructure: Energy

Access to a sustainable, competitively priced energy supply is helping Ohio compete as the ideal location for domestic and international capital investment from energy-intensive industries.

JobsOhio works to ensure that the energy needs of Ohio's companies and prospective job creators are met.

- JobsOhio will continue to pursue opportunities to attract energy industry investment in Ohio and strategically bolster the state's access to energy assets and infrastructure, as well as market them to companies looking to invest
  - The Risberg Pipeline is a case study of successful energy infrastructure investment that has led to economic development opportunities



Certainty and predictability are key – current and future investment depends on a reliable energy policy and pro-business-oriented leadership within key state entities and organizations.

- State leaders should continue to promote that Ohio is open and accepting of capital investment from across the globe
- Ohio has the opportunity to embrace partnership with other states on key energy infrastructure issues that impact interstate commerce – such as the Enbridge Line Five
- Ohio possesses one of the lowest-cost, most abundant supplies of natural gas in the developed world, yet many areas of the state lack the necessary infrastructure to access the resources and face detrimental capacity shortages – Ohio can address this by investing in the tools necessary to build out this infrastructure
- Programs such as the natural gas infrastructure development rider created in HB26 (132nd General Assembly) have proven beneficial – state government leaders can explore replicating this program for electric utilities
- Regionalization of key infrastructure can result in increased capacity, coverage, and ultimately more job creation and capital investment



Business Climate and Taxation

Business Climate and Taxation

Pro-growth policies enacted at the state-level over the past decade have improved Ohio's competitiveness — and our business climate and tax policy will continue to play a major role in economic development outcomes.

JobsOhio's economic development programs ultimately complement Ohio's overall business climate and tax policy– incentives are meant to fill gaps in competitive projects, and strategic talent, sites and infrastructure, innovation initiatives prepare Ohio for future investment.

- A strategic relationship where state government leaders continue to establish pro-growth and business friendly policies, while JobsOhio and key partners offer competitive programs to attract jobs and investment, is key to success for Ohio
- JobsOhio is marketing the business-friendliness of Ohio through Ohio is for Leaders

Boston



NYC



Seattle



Chicago



LA



SF



Ohio has taken significant steps in making the state more competitive — and we can keep improving.

- Continuing to reduce burdensome government regulation and finding ways to provide regulatory flexibility in the quest for innovation, such as the concept of a "regulatory sandbox" for financial or insurance-related innovation
- Key state tax policy areas include:
  - Continuing to make Ohio's state income and capital gains taxing-structures more competitive
  - Protecting the small business tax exemption
  - Creating incentives for venture-capital investment
- Local tax policy can significantly impact competitive economic development projects – Ohio should seek a balance where local governments have access to adequate resources, while ensuring that Ohio's local taxing system is competitive
- Employers and consultants have also reported using labor policy as a reason to consider or reject locations at an early stage during national site selection projects, especially within the automotive and advanced manufacturing sectors
- Ohio can explore opportunities to add additional tools to attract "Mega Projects" – projects with significant job creation and/or capital investment
- As the COVID-19 health and economic crisis accelerates the trend towards remote work, Ohio's economic and workforce development incentives should be cognizant of this trend and fit the demand of the constantly evolving workspace
- State leaders can explore policies that will empower Ohio to lead the region and the nation in reshoring of PPE production and other
- Renewable energy continues to be a key issue for companies of all sizes, across all sectors, and Ohio's energy policy should match the needs and desires of these job creators
- As exemplified in the Mahoning Valley, Ohio can grab a leadership position nationwide in the future of the automotive industry – Ohio should explore strategies to lead the nation in the manufacturing of electrified vehicles and the lithium-ion battery production supply chain, as well as the consumer adoption of electrified vehicles

Quality of Life

Quality of Life

Quality of life and community assets can be a determining factor as companies make investment decisions.

JobsOhio programs and strategies can play a significant role in increasing the quality of life in Ohio – most directly, through winning competitive economic development opportunities that create career opportunities for all Ohioans.

- JobsOhio markets Ohio's overall quality of life; Find Your Ohio is an example of this
- Wages and benefits weigh heavily into JobsOhio incentive offers to economic development opportunities
- JobsOhio's Vibrancy and Innovation Programs focus on placemaking and developing areas within the state where citizens can live, work, and play

Now, more than ever, quality of life and trust in government leadership are critical for Ohio to be recognized as best place to live, work, invest and live YOUR American Dream.

- So many things go into Ohio's quality of life – education, the arts, diversity, equity and inclusion, parks and recreation, access to transportation, housing, and quality healthcare all factor into the equation
- State government leaders recognize that policy changes or deliberations can attract national headlines and impact Ohio's overall brand and competitiveness
- Embracing inclusion – Gov. DeWine has protected state employees from discrimination based on sexual orientation or gender identity – these types of policies signal that Ohio is open to business for all who want to call Ohio home
- Public Safety – continued investment in public safety will make Ohio more attractive



find your Ohio