



The Montrose Group, LLC

TRANSFORMING YOUR WORLD

STRONGSVILLE ECONOMIC DEVELOPMENT STRATEGIC PLAN

NOVEMBER 21, 2023

PRESENTED BY

NATE GREEN, DAVID J. ROBINSON & HARRISON CRUME

THE MONTROSE GROUP, LLC

ABOUT THE MONTROSE GROUP, LLC

The Montrose Group, LLC provides economic development planning, lobbying, marketing and public finance and incentive consulting services. The firm brings together some of the leading practitioners in economic development planning and strategy engaged in economic development planning at the state, local, and regional levels, and corporate site location. Together the team utilizes a Learn, Listen and Do approach to economic development planning that starts with fundamental economic development research to understand who a community or site is then listens to what the community wants the region or site to be and then develops a detailed action plan tied to local and outside funding sources centered on the business retention and attraction of high wage jobs and capital investment.

Nothing in this report should be considered legal advice as the Montrose Group LLC is not a law firm and does not provide legal advice. Competent legal counsel should be sought prior to relying on any strategy outlined in this report.



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THE MONTROSE GROUP STRATEGIC PLAN PROCESS

In January of 2022 the City of Strongsville partnered with The Montrose Group to conduct a Strongsville Economic Development Strategic Plan. The philosophical approach of Montrose is to focus on the creation of high-wage jobs and private sector capital investment at targeted development sites through the creation and implementation of a comprehensive economic development strategic plan. Montrose utilizes a Learn, Listen and Do approach for its economic development planning services. This process creates a thorough examination of Strongsville’s current economic development activities and programs; benchmarks Strongsville amongst its peers in northeast Ohio, the state of Ohio, and throughout the United States; identifies existing and future opportunities for development sites; evaluates Strongsville’s reputation with the corporate and development community in Ohio; and presents a comprehensive roadmap to guide future economic development priorities of Strongsville. Montrose will utilize our proven Learn, Listen and Do approach for economic development strategic planning services.

| Learn Phase: January - March 2023 | Listen Phase: April - May 2023 | Do Phase: June - July 2023 |
|---|---|---|
| <ul style="list-style-type: none"> • Montrose will learn who Strongsville is through research from primary economic and demographic data sources • Learn Elements: <ul style="list-style-type: none"> - Industry cluster analysis - Demographic analysis - Macroeconomic analysis - Incentive analysis - Site development and infrastructure analysis | <ul style="list-style-type: none"> • Montrose will then listen to community, political, education, and business leaders to understand how these leaders view Strongsville from an economic development standpoint. • Montrose will use these sessions to set a vision for what Strongsville wants to be in the future. • Listen Elements <ul style="list-style-type: none"> - SWOT Analysis - One-on-one key stakeholder briefings - Focus group discussions | <ul style="list-style-type: none"> • Montrose will develop an action plan that recommends how Strongsville should implement an economic development strategy • Do Elements <ul style="list-style-type: none"> - Economic development tools and processes analysis - Site development and infrastructure analysis - Analyze growing and emerging sectors & financial impacts - Development of a five-year economic development strategic plan |



STRONGSVILLE ECONOMIC DEVELOPMENT STRATEGIC PLAN & INFRASTRUCTURE ANALYSIS EXECUTIVE SUMMARY

Strongsville remains a premier community to live, work and play. Strongsville has substantial economic development assets that include its proximity to major markets such as Cleveland, Columbus, and Pittsburgh, highway infrastructure access providing economic development opportunities, highly educated resident and workforce base, and fiscally sound government that provides high-quality services to residents and businesses. Strongsville benefits from a NE Ohio regional economy that is large in scale but is struggling from a macroeconomic and population growth standpoint. However, the region remains a leader in the arts, management, education, healthcare, and manufacturing. Strongsville also has an impressive quality of life with low crime, quality housing and health care but struggles a bit with commute times and walkability.

Strongsville SWOT Analysis

| | |
|---|--|
| <p>Strengths</p> <ul style="list-style-type: none"> • Strongsville is an attractive city with low crime rates and high-income levels. • The local industrial / business parks are very successful. • Strongsville is a strong community with successful civic groups and festivals. • Close proximity to the airport and major highways. • Financial Stability-Aaa Bond | <p>Weaknesses</p> <ul style="list-style-type: none"> • Lack of attainable housing. • Limited developable land available within Strongsville city limits. • Strongsville struggles to bring younger talent into the city. • Regional population and macroeconomic decline create larger economic and demographic challenges. |
| <p>Opportunities</p> <ul style="list-style-type: none"> • Partnership with local education centers to create workforce development programs. • Show high school students that there are other beneficial options other than college. • Protect viable industrial land and development sites. • Capitalize on the growth at the port of Cleveland. • Capitalize on the city's strategic location on the I-71/I-80 industrial corridor. | <p>Threats</p> <ul style="list-style-type: none"> • Businesses are experiencing workforce shortages. • Shortage of safety workers (police and fire) in Strongsville and the surrounding communities. • Market shift away from brick-and-mortar retail stores that may require redevelopment |

Montrose recommends five critical action steps for Strongsville to remain an economic leader in Northeast Ohio. Montrose recommends that Strongsville's Strategic Economic Development Plan Goal be to make Strongsville the premiere community for businesses and quality of life in northeast Ohio built around three strategies-- expanding the developable land within Strongsville, create an improved workforce development program, and develop a resilient base of local businesses. Finally, to implement these strategies, Montrose recommends that Strongsville adopt five action steps:

- Grow Strongsville's industrial parks and amount of developable land.
- Better leverage and maximize small business assistance programs to support local businesses.
- Review and refine the current business retention and expansion protocols.
- Redevelop the workforce development programs as a tool to support the local businesses employment challenges.



STRONGSVILLE ECONOMIC DEVELOPMENT PLAN

Strongsville Economic, Demographic, Industry Cluster, and Workforce Analysis

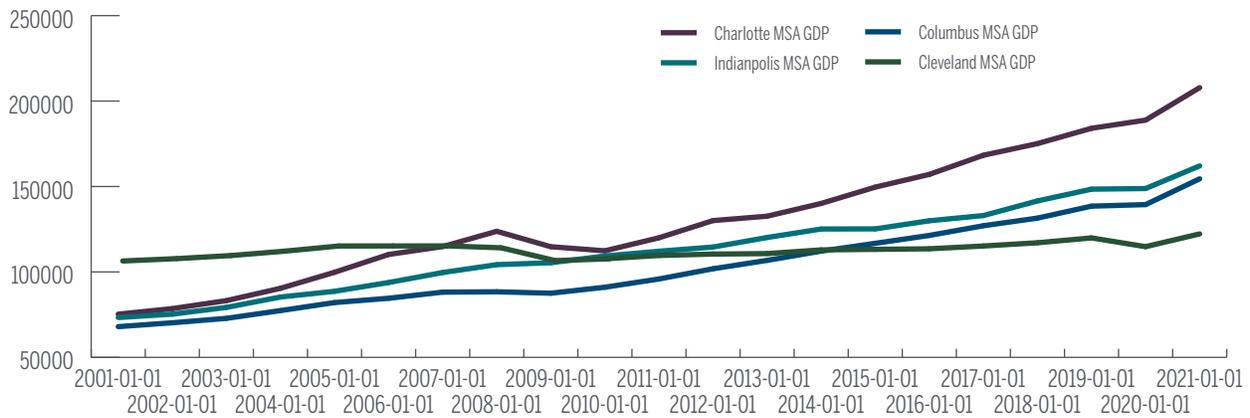
Strongsville, Ohio is a suburb of Cleveland, Ohio located on the southern border of Cuyahoga County in northeast Ohio. The city of Strongsville provides a combination of high-quality residential neighborhoods, as well as robust business developments throughout the area. Strongsville provides residents with an abundance of opportunities to comfortably live and work throughout its borders. Strongsville is home to a diverse grouping of businesses and industries including PNC Bank, Union Home Mortgage Vitamix, PPG Industries, Swagelok, Cleveland Clinic, and Momentive Technologies.ⁱ It is important to note the City's location along the major Interstate 71 highway infrastructure. Interstate 71 runs north/south throughout the eastern portion of Strongsville and provides access to downtown Cleveland, Columbus, and Cincinnati. Also, traversing throughout the northern portion of Strongsville is Interstate 80, which runs east/west throughout the entirety of the United States. The residents of Strongsville feature high educational attainment and wealth levels higher than many of the surrounding communities. The diversity of businesses and employment opportunities, combined with quality-of-life assets and fiscal responsibility makes Strongsville an attractive location for residents to live and work in the years to come.

STRONGSVILLE ASSET INVENTORY

- Proximity to major markets such as Cleveland, Columbus, and Pittsburgh.
- Highway infrastructure access providing economic development opportunities.
- Highly educated resident and workforce base.
- Fiscally sound government that provides high quality services to residents and businesses.

Strongsville Macroeconomic Analysis. Strongsville is supported by a strong macroeconomic marketplace within the city but is in a region that is not growing from an economic standpoint.

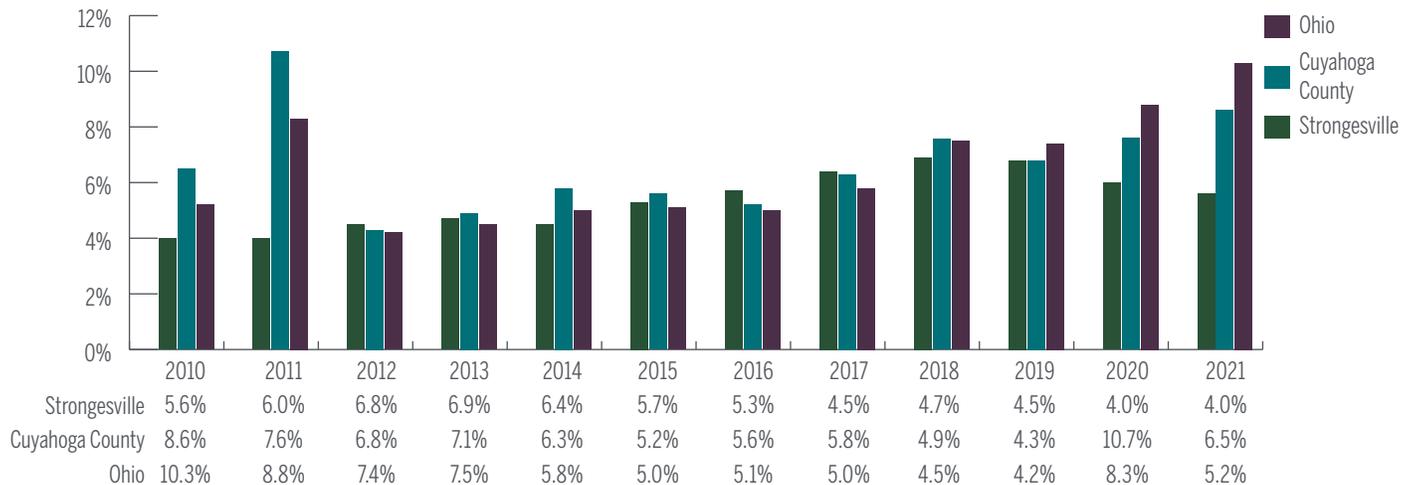
Cleveland MSA Economic Comparison



Strongsville is in the Cleveland Metropolitan Statistical Area (MSA). As the table above illustrates, the Cleveland MSA began the 21st Century ahead of markets like Columbus, Ohio, Indianapolis, Indiana and Charlotte, North Carolina but the last twenty years have seen these regions fly past the Cleveland market from an overall economic perspective.

While the Cleveland region has struggled over the last several decades, Strongsville's economy has remained strong. A region's unemployment rate is an important measure of its economic success. Looking at recent unemployment rate data, Strongsville has maintained strong workforce engagement and employment opportunities for job seekers over the last decade. Strongsville has continued the trend of being at or below Cuyahoga County and the state of Ohio's unemployment levels. Additionally, Strongsville's economy and workforce fared well throughout the COVID-19 pandemic, demonstrating economic resilience to unexpected external economic shock. Unemployment levels slightly decreased within Strongsville during a time when most areas around the nation saw unemployment rates double or even triple. Cuyahoga County's unemployment rate rose from 4.3% in 2019 to 10.7% in 2020 and has slowly decreased to a rate of 3.6% as of December 2022.ⁱⁱ The fact that Cuyahoga was not significantly impacted by this recessionary period helps to bolster the fact that the northeast Ohio workforce is tied into a diverse industry sector landscape that can weather the ebbs and flows of the economy. This resilience related specifically to the pandemic may also be attributed to a large portion of the workforce represented by health care workers within northeast Ohio and Strongsville. Health care is an industry that is naturally resistant to recessionary periods, and currently in high demand.

City of Strongsville Unemployment Rate Trends 2010 - 2021



Source: U.S. Census Bureau

Strongsville Industry Cluster Analysis. The city of Strongsville's 2021 total population estimate is 46,187 of which 24,837 are active in the labor force. Strongsville's employment sector is largely made up of companies in the manufacturing, healthcare, and retail industries. These industries provide many of the jobs to residents of within Strongsville and provide a framework for what industries Strongsville should market to for future growth. The current major employers within the Strongsville City limits are primarily found within the retail, healthcare and manufacturing sectors. Within the manufacturing sectors are the sectors of primary metal manufacturing, electrical component manufacturing, and machinery manufacturing.



Top 10 City of Strongsville Employers (Non-Governmental)

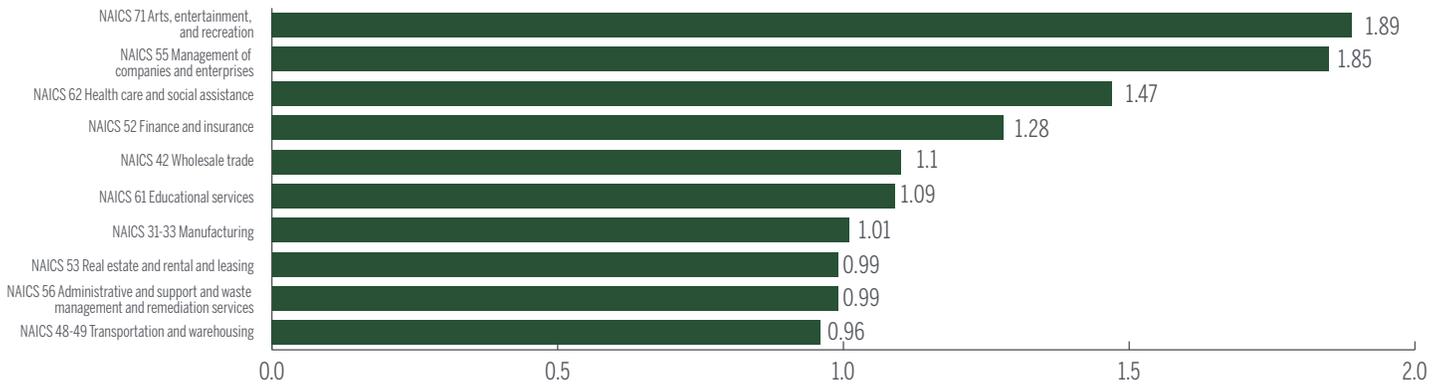
| Major Employers | Type |
|------------------------------------|--|
| 1. The Cleveland Clinic Foundation | Healthcare and Social Assistance |
| 2. Strongsville City Schools | Educational Services |
| 3. PNC Bank | Finance and Insurance |
| 4. City of Strongsville | Government |
| 5. Union Home Mortgage | Finance and Insurance |
| 6. Swagelok Manufacturing | Manufacturing |
| 7. Foundation Software | Professional, Scientific, and Technical Services |
| 8. Momentive Technologies | Manufacturing |
| 9. Cintas Corporation | Manufacturing |
| 10. Vitamix Manufacturing Company | Manufacturing |

Source: The City of Strongsville, June 2023

A location quotient is a method of using federal industry cluster data to identify the economic concentration of a certain industry in a state, region, county, or metropolitan statistical area compared to a base economy, such as a state or nation. The Bureau of Labor Statistics does not provide data at the individual city level, therefore, for the purposes of this analysis, location quotients for Cuyahoga County, Ohio were analyzed. A location quotient greater than 1 indicates that a locality, in this case Cuyahoga County, has a higher concentration of companies in a specific industry sector than does the rest of the nation. For this analysis, data was gathered on the ten industry sectors with the highest location quotient. From a high-level industry sector perspective, Cuyahoga County exhibits a higher concentration in the industries of Arts, entertainment, and recreation, Management of companies and enterprises, Health care and social assistance, Finance and insurance, Wholesale trade, Educational services, and Manufacturing when compared to the rest of the nation. This information is not surprising when looking at the major employers in Cuyahoga County. In Strongsville, companies like The Cleveland Clinic Foundation fall under the 2-digit NAICS Health care and social assistance sector. Momentive Technologies is classified under the 2-digit NAICS code Management of companies and enterprises. A majority of Strongsville's largest employers, like CCL Label, Inc., Schaeffler Group, Swagelok, and Vitamix fall under the Manufacturing sector. The sector with the highest concentration in Cuyahoga County, NAICS 71 Arts, entertainment, and recreation, also has the smallest number of annual average employees. It is worth noting while the Arts, entertainment, and recreation sector represents the strongest location quotient in Cuyahoga County, this is likely attributed to professional sports stadiums such as the Cleveland Browns and Cleveland Guardians, and museums such as the Rock 'n Roll Hall of Fame. These facilities account help define the identity of the Cleveland metropolitan area, however, do not reflect major industry sectors in the city of Strongsville.



2021 NAICS 2-Digit Location Quotient Cuyahoga County, Ohio Q2 2022

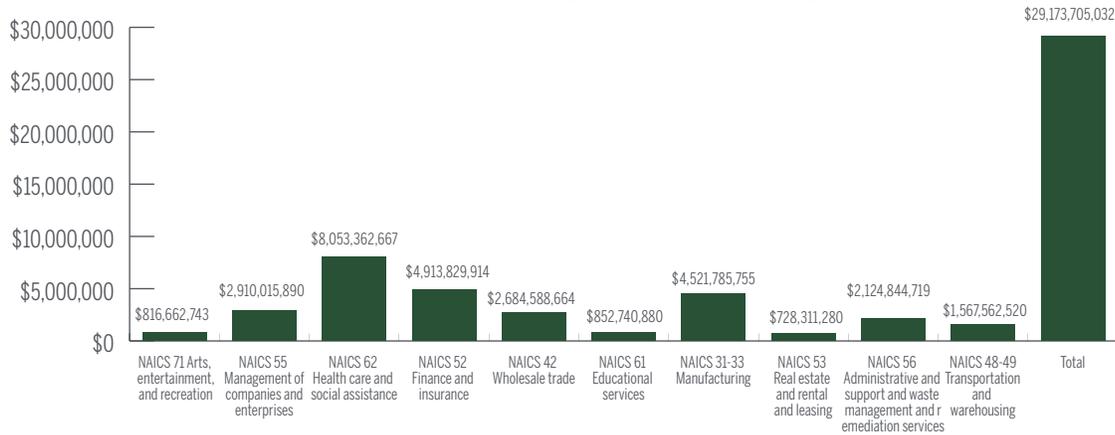


Source: U.S Bureau of Labor Statistics

The annual wages represent the amount paid out to Cuyahoga County employees over a one-year period. Overall, the top 10 sectors paid out \$29,173,705,032 during the year of 2021. On average the top ten industries provide an average of \$2,917,370,503 in wages to the employees working throughout Cuyahoga County. NAICS 62 Healthcare and social assistance provided the highest in total wages in 2021 with \$8,053,362,667. Despite having the strongest location quotient in Cuyahoga County, NAICS 71 Arts, entertainment, and recreation has some of the lowest total wages paid with just 2.8% of the total annual wages for the top ten industries coming from NAICS 71 Arts, entertainment, and recreation. Cuyahoga County is reliant on the manufacturing and healthcare industries as these two sectors represent 43.1% of the county's total annual wages among the top ten industries.



2021 NAICS 2-Digit Total Annual Wages Cuyahoga County, Ohio Q2 2022



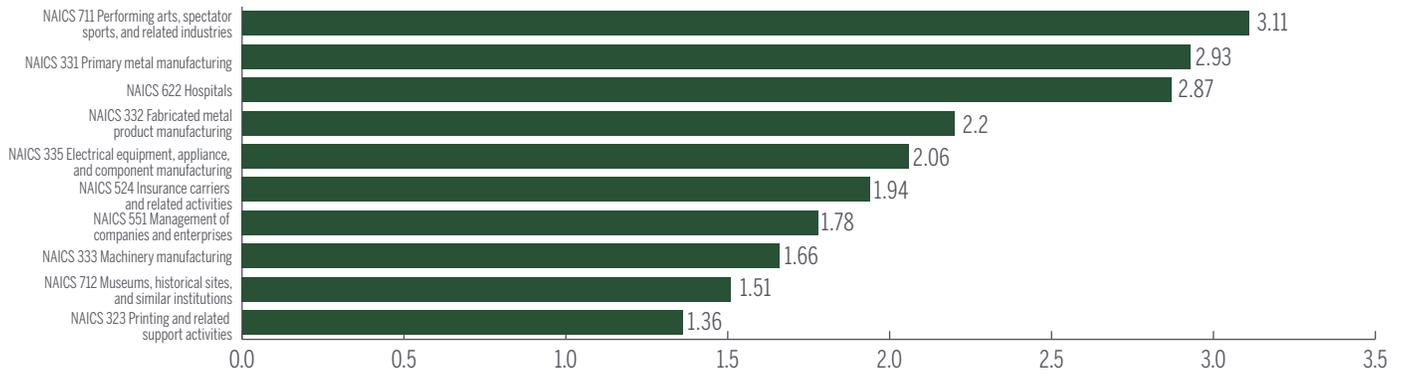
Source: U.S Bureau of Labor Statistics

Drilling down further into industry sector strengths across Cuyahoga County demonstrates specific activities of major employers throughout the county. Looking at 3-digit NAICS codes, the top ten sub-sector strengths include NAICS 711 Performing arts, spectator sports, and related industries that has a location quotient of 3.11, employment of 3,476 and average weekly wages of \$3,864. NAICS 331 Primary metal manufacturing has the second highest location quotient at 2.93 with 4,340 employees and average weekly wages of \$1,785; NAICS 622 Hospitals has a location quotient of 2.87, employs 60,628 with average weekly wages of \$1,642; NAICS 332 Fabricated metal product manufacturing has a location quotient of 2.20 and employs 14,189 with an average weekly wage of \$1,284; NAICS 335 Electrical equipment, appliance, and component manufacturing has a location quotient of 2.06 and employment of 3,584 with average weekly wages of \$1,569; NAICS 524 Insurance carriers and related activities has a location quotient of 1.94 and employment of 24,274 with weekly wages of \$1,614; NAICS 551 Management of companies and enterprises has a location quotient of 1.78 with 21,746 employees and weekly wages of \$2,458; NAICS 333 Machinery manufacturing has a location quotient of 1.66 with 9,119 employees and average weekly wages of \$1,381; NAICS 712 Museums, historical sites, and similar institutions has a location quotient of 1.51 with 957 employees and average weekly wages of \$907; and NAICS 323 Printing and related support activities has a location quotient of 1.36 and employment of 2,711 and weekly wages of \$950. This analysis demonstrates that, while an industry sector may have a high location quotient and higher concentration of businesses in a particular sector, this does not always translate into higher levels of employment and wages.

Strongsville's major employers are generally reflective of the major sub-sector strengths of Cuyahoga County, especially sub-sectors within the various metal manufacturing operations and healthcare facilities.

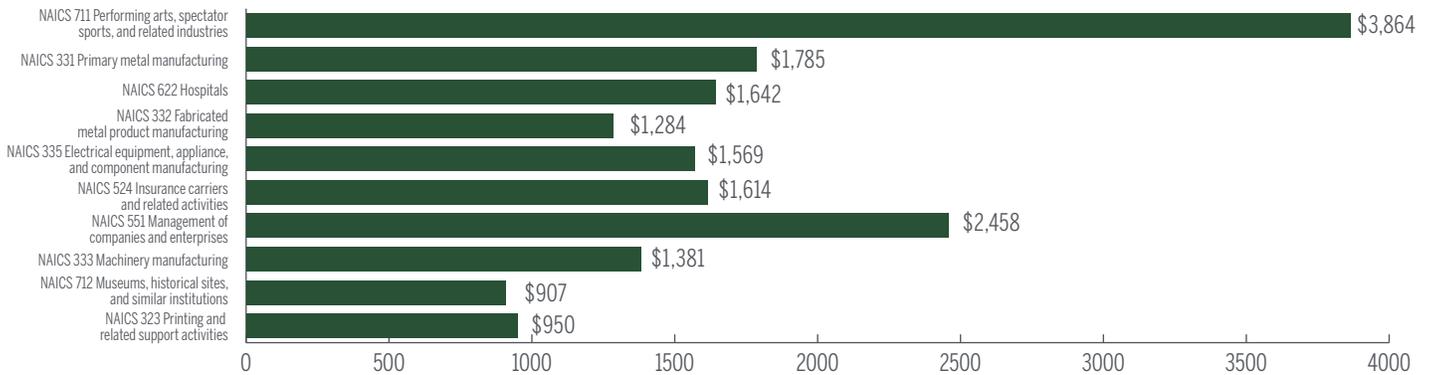


NAICS Sub-Sector Location Quotient Cuyahoga County, Ohio Q2 2022



Source: U.S. Bureau of Labor Statistics

NAICS Sub-Sector Average Weekly Wages Cuyahoga County, Ohio Q2 2022



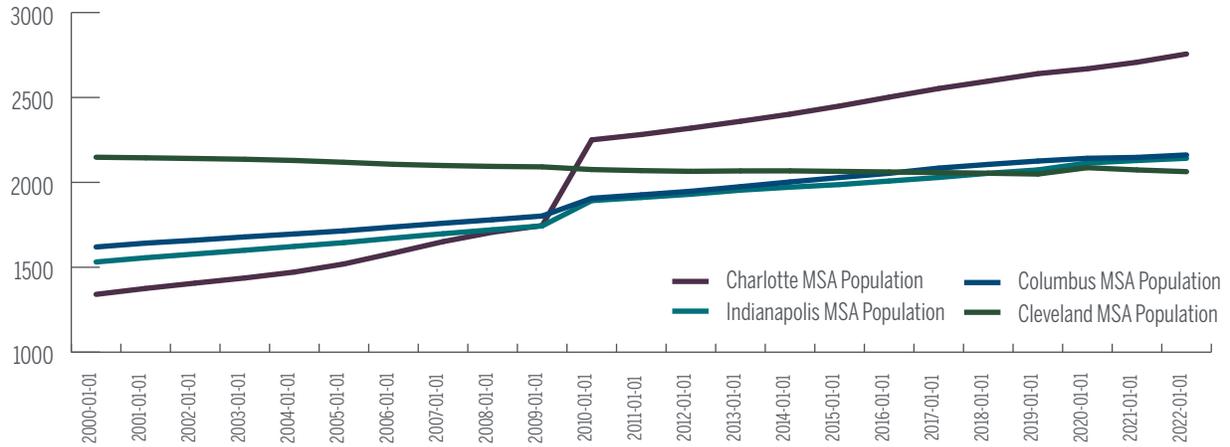
Source: U.S. Bureau of Labor Statistics

Demographic, Labor Market and Workforce Analysis. A region's workforce is a critical measure of its economic success. The retirement of the Baby Boomer generation and a lack of alignment between industry and both K-12 and higher education are creating widespread shortages in qualified workforce even in times of high unemployment. Regions that are successful with the retention of a high-quality workforce start with a strategy of targeting good jobs using initial upfront training and job-matching services and create support for workers such as childcare and transportation networks plus financial incentives for companies that take such an approach. An examination of a community's workforce includes a review of its size, unemployment rate, education level, occupations, earnings levels, and more.

Much like the economic performance of the Northeast Ohio region, the Cleveland MSA has not performed well when it comes to the critical demographic measure of population growth. Markets with growing populations are more attractive to employers seeking corporate site locations as they have a generally have a larger pool of workers from which to choose. As the table below illustrates, the Cleveland MSA started well ahead of competitors like Columbus, Ohio, Indianapolis, Indiana and Charlotte, North Carolina from a regional population standpoint but over the last twenty year has lost that lead in population as these other regions have grown substantially while Cleveland is in a steady population decline.



Cleveland MSA Population Comparison



Fortunately, Strongsville again is going against the demographic trends in Northeast Ohio. According to data from the 2021 U.S. Census Bureau, Strongsville has an estimated population of 46,187. Over the past decade, Strongsville has achieved relatively high growth in comparison to many other municipalities in Ohio. With a population growth of 3.96% since 2010, Strongsville has grown more than Cuyahoga County and the State of Ohio. A majority of areas across Ohio that are not located in the central Ohio region have experienced population loss over the previous decade. Strongsville, being located outside of the growing central Ohio region and experiencing population growth is a testament to the strength of the local community. To expand on this, Strongsville has higher rates of owner-occupied housing units, owner-occupied unit values, and median household incomes when compared to Cuyahoga County and the Ohio. These factors help to establish the current strength of Strongsville, especially within the region where they are located. Strongsville is positioned to continue this trend given positive economic growth and development to sustain their population.

| Regional Comparison | | | | |
|-------------------------------|--------------|-----------------|------------|-------------|
| Area of Focus | Strongsville | Cuyahoga County | Ohio | U.S. |
| 2021 Population | 46,187 | 1,278,103 | 11,539,449 | 331,893,745 |
| Population Growth 2010 - 2021 | 3.96% | 2.25% | -2.08% | 6.79% |
| Persons 65 years and over | 22.0% | 19.0% | 17.8% | 16.8% |
| Owner-Occupied Housing Units | 81.9% | 58.4% | 67.2% | 65.4% |
| Owner-Occupied Unit Value | \$226,700 | \$166,000 | \$180,200 | \$281,400 |
| Median Household Income | \$95,000 | \$55,109 | \$61,938 | \$69,717 |
| Poverty Rate | 4.5% | 16.7% | 13.3% | 12.8% |

The median age of residents located within Strongsville is older than the state of Ohio and the surrounding northwest Ohio region. With a median age of 47.1 years in 2022, Strongsville is significantly older than the state of Ohio with a median age of 40.6, and northwest Ohio with a median age of 40.4. The median age of residents in Strongsville has increased from 44.1 in 2010 to 47.1 in 2022 and is projected to increase to 47.7 in 2027. This follows the trend of increasing median age seen throughout a majority of Ohio and the northwest Ohio region. The availability of a workforce primed for employment based upon age is a major advantage for any region and one that many states struggle to address. In addition, regions need a pipeline of future workers with a strong student-age population. This workforce pipeline creates an opportunity for communities to grow not just through importing workers from other regions but through the retention of their student population following the completion of school or technical training. For the city of Strongsville, the pipeline of population 18 and younger is not keeping pace with those between 19 and 64. Like most communities, Strongsville is not retaining enough of its young people, and those who live in the city are not producing enough new citizens to keep pace.

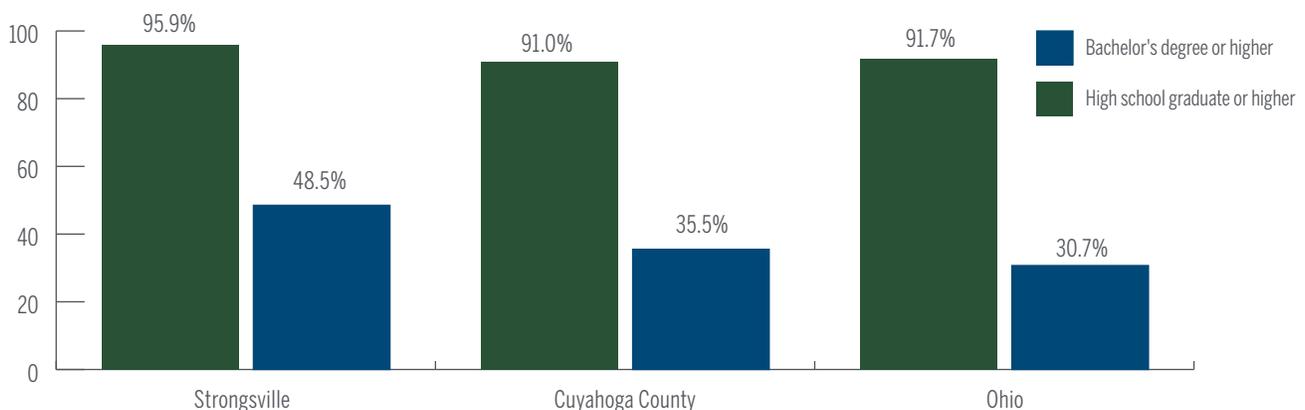


| Strongsville Population by Age | | | | | | | | |
|--------------------------------|------------|---------|---------|--------|---------|---------|--------|---------|
| 2010 | | | 2022 | | | 2027 | | |
| Age | Population | Percent | Age | Number | Percent | Age | Number | Percent |
| Total | 44,750 | 100.0% | Total | 45,835 | 100.0% | Total | 44,551 | 100.0% |
| 0-9 | 4,887 | 11.0% | 0-9 | 4,097 | 8.9% | 0-9 | 3,966 | 8.9% |
| 10-19 | 6,456 | 11.6% | 10-19 | 5,368 | 9.2% | 10-19 | 4,642 | 9.2% |
| 20 - 24 | 1,951 | 4.4% | 20 - 24 | 2,279 | 5.0% | 20 - 24 | 1,939 | 4.4% |
| 25 - 29 | 2,047 | 4.6% | 25 - 29 | 2,519 | 5.5% | 25 - 29 | 2,056 | 4.6% |
| 30 - 34 | 1,967 | 4.4% | 30 - 34 | 2,444 | 5.3% | 30 - 34 | 2,673 | 6.0% |
| 35 - 39 | 2,461 | 5.5% | 35 - 39 | 2,581 | 5.6% | 35 - 39 | 2,834 | 6.4% |
| 40 - 44 | 3,199 | 7.1% | 40 - 44 | 2,500 | 5.5% | 40 - 44 | 2,777 | 6.2% |
| 45 - 49 | 3,907 | 8.7% | 45 - 49 | 2,700 | 5.9% | 45 - 49 | 2,561 | 5.7% |

Source: ESRI Demographics

The educational attainment of a region is important as it relates to the availability of a skilled workforce. Those regions with a high concentration of college-educated workers are primed to retain and attract high-wage, white-collar jobs in financial services, information technology, health care, and professional service firms that drive many successful economies. Strongsville residents currently showcase educational figures that are higher than the surrounding Cuyahoga County and the state of Ohio. 95.9% of Strongsville residents are high school graduates, compared to 91% of Cuyahoga County residents and 91.7% of Ohio residents. The percentage of individuals having attained post-secondary education of a bachelor’s degree or higher in Strongsville is 48.5%. This figure is significantly higher than Cuyahoga County, 35.5%, and the state of Ohio, 30.7%. The ability to attract and retain high wage jobs in advanced fields is directly dependent on the ability to supply these companies with a highly educated workforce. Strongsville is in a fortunate position of having an abundance of accredited universities within proximity to them including Cleveland State University, the University of Akron, Kent State University, Cuyahoga Community College, and more.

City of Strongsville Education Attainment

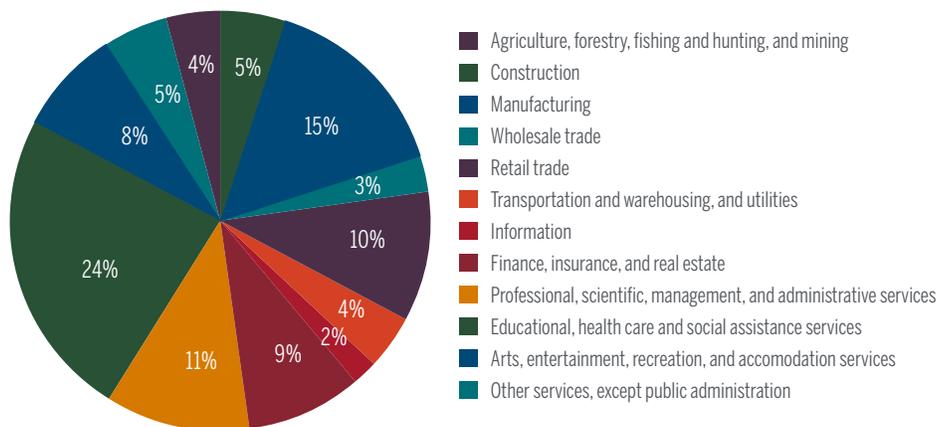


Source: U.S. Census Bureau



The city of Strongsville has an industry representation that is similar to the state of Ohio. The City's largest sector, Educational, health care and social assistance services, represents 23.5% of Strongsville residents' employment. Registered nurses and nursing assistants represent over 190,000 jobs within the state of Ohio. Also, registered nurses and nursing assistants are one of the state's most in-demand occupations, having over 17,000 job openings statewide as of January of 2023. These jobs also typically require education levels past high school, given that Strongsville has an abundance of residents that have obtained higher education degrees, this industry sector is beneficial to Strongsville's economic development. Following Educational, health care and social assistance services, the four largest industry sectors by employment include: Manufacturing with 14.9%, Professional, scientific, management and administrative services, with 10.6%, Retail trade with 10.2%, and Finance, insurance, and real estate with an 8.9% share of overall employment. These top five industries in Strongsville represent 68.1% of the total industry breakdown. Overall, Strongsville's top five industries represent a significant portion of the workforce and are in industry sectors with historically strong wages and advanced levels of education and training, which contributes to the overall economic and community wellbeing of the city.

City of Strongsville Residents Employment

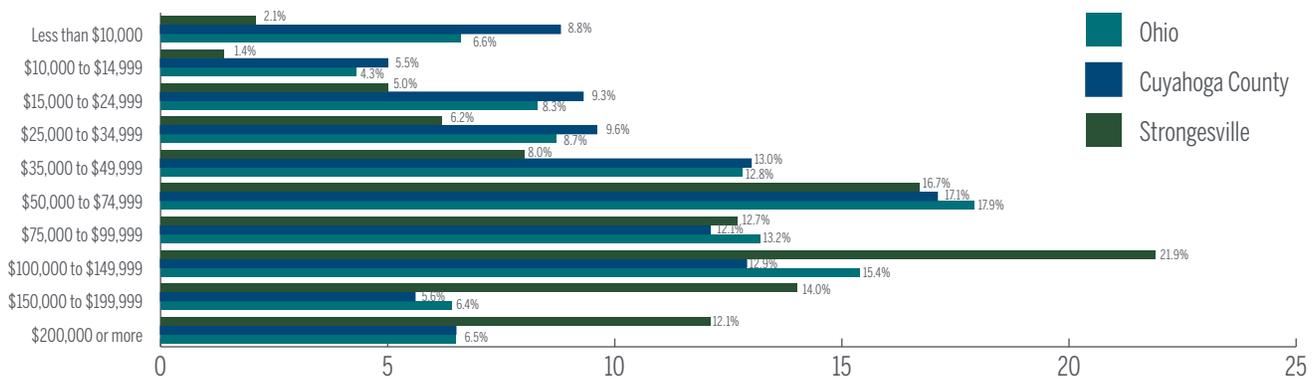


Source: U.S. Census Bureau

The city of Strongsville has a median household income of \$95,000. This median household income is significantly higher in comparison to Cuyahoga County (\$55,132) and the state of Ohio (\$62,262). Strongsville has just 22.7% of residents falling within the lowest income brackets, which range from \$0 to \$50,000, while Cuyahoga County has more than two times the number of residents located in these same five lowest income brackets at 45.7%. This factor helps demonstrate the strength of resident income of Strongsville compared to neighboring communities in Cuyahoga County. Additionally, Strongsville has a poverty rate of 4.5% which is significantly lower than the 16.7% poverty rate across Cuyahoga County. Having access to a large portion of high wage earners within Strongsville provides the city with access to a solid base of tax revenue that supports high quality public services and amenities. These factors all allow the residents of Strongsville to have a strong and attractive quality of life. Strongsville should leverage these factors when competing for business development and retention.



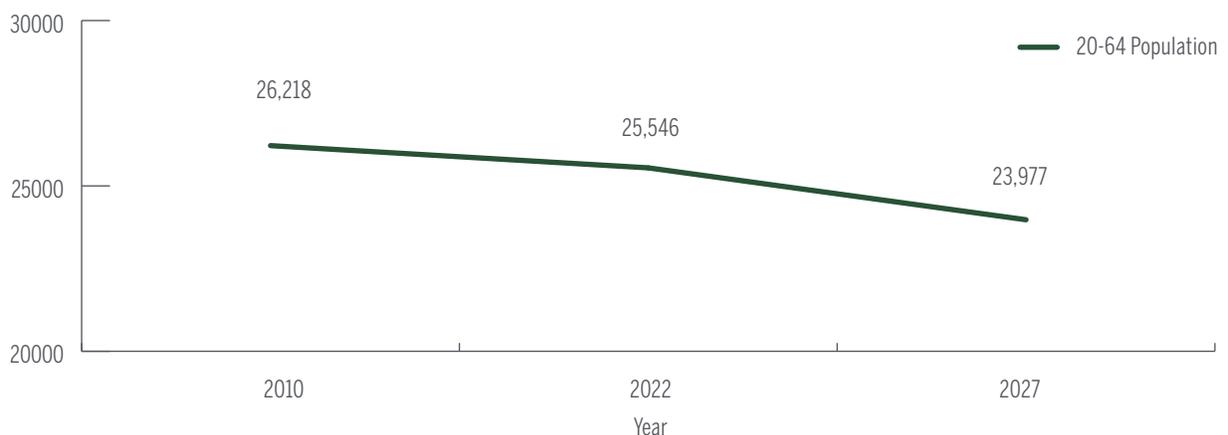
City of Strongsville Household Income Comparison



Source: U.S. Census Bureau

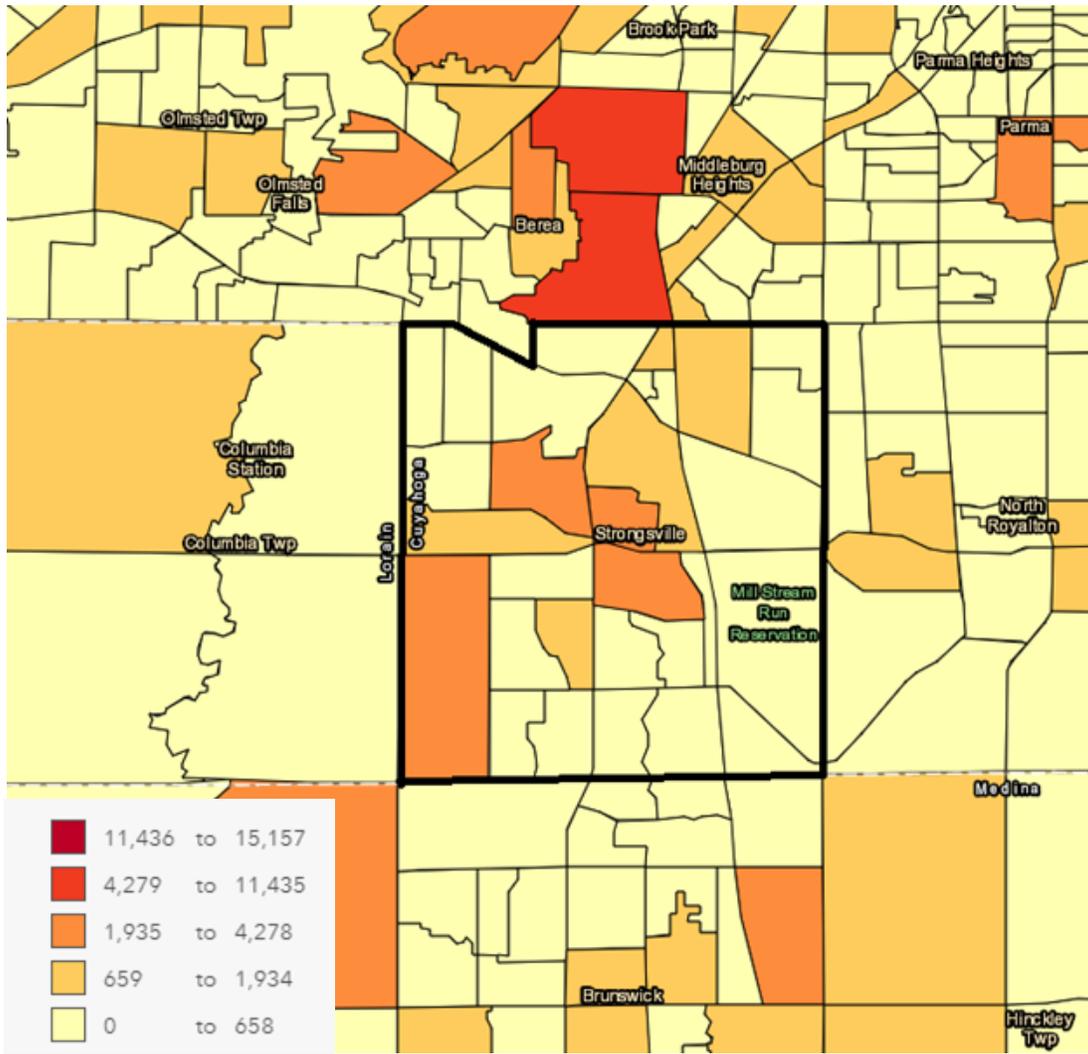
A municipality's working age population is an increasingly important factor in the health of a community. As the Baby Boomer and Generation X residents exit the workforce within an area, a new supply of workers is required to refill this workforce. Without retaining younger generations within an area's workforce, municipalities will face a multitude of difficulties from risking local businesses that leave the area in pursuit of easier access to employees, to a decreasing tax base and increasing poverty levels. While the Strongsville economy is currently strong and has proven resilient through the pandemic, the City faces a retracting population that is not unlike many areas within Ohio. Strongsville lost an estimated 672 residents within the working age population from 2010 to 2022. From 2022 to 2027 Strongsville is projected to lose another 1,569 residents aged 20 to 64. A majority of the state of Ohio is experiencing a similar problem, with only the central Ohio region and Cincinnati projected to gain population from 2022 to 2027. For example, the JobsOhio partner region represented by Team NEO, which Strongsville is located in, is projected to decrease from 4,298,526 residents in 2022 to 4,265,095 residents in 2027 which is a decrease of 33,431. In order to retain the current strength of the Strongsville economy, attracting new residents and convincing current residents to stay and reside in the area will be a major focus point.

City of Strongsville Working Age Population



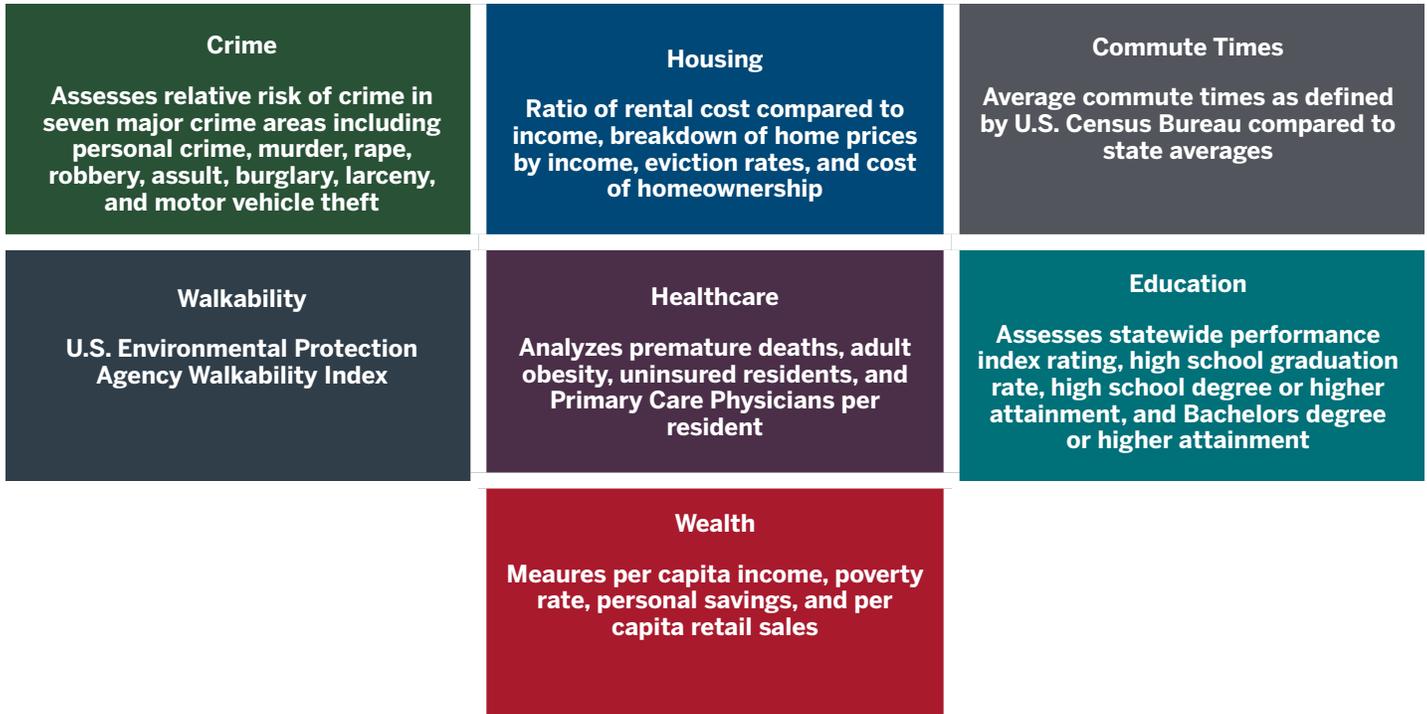
Source: ESRI Demographics





Source: ESRI Demographics

Quality of Life Index. Montrose Group’s quality of life index (QLI) relies less on traditional cost of doing business measures such as occupational wage rates, construction and real estate costs and other traditional costs of doing business measures that drive larger manufacturing, logistics and industrial or technology based corporate site location projects. Instead, Montrose focuses on aspects regarding social well-being, access to healthcare, educational attainment, and more to display the status of a community. These aspects play an important role in creating a healthy community which in turn produces an impact on the economic status of an area. Many companies are more focused on the long-term prospects for a region to succeed and to be attractive to their workers to live.

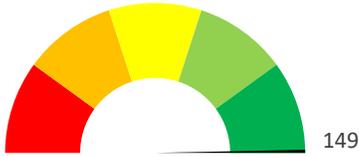


The Montrose Group Quality of Life Index is a multidimensional analysis that scores key aspects of a community and can be thought of as an analysis of a range of objectively measurable community and social wellbeing conditions in seven key areas that are measured nationally and at the statewide level. Federal, state, and proprietary data sources are used to collect and analyze Quality of Life data which are weighted to generate a community Quality of Life score that is then compared to a baseline score of 100. Communities with a baseline score of 100 or higher have a ranking that meets or exceeds federal and state statistics, a score between 60-80 indicates a good ranking, and so on. Much like the federal location quotient statistic, communities with a higher QLI score have an exceptional competitive advantage over other areas. The QLI analysis should be used to understand strengths and weaknesses and identify opportunities to drive change via community development strategies, private sector engagement, and multi-jurisdictional cooperation. This wide scope makes QLI research a powerful, practical, and effective measure of socioeconomic development policies and actions.

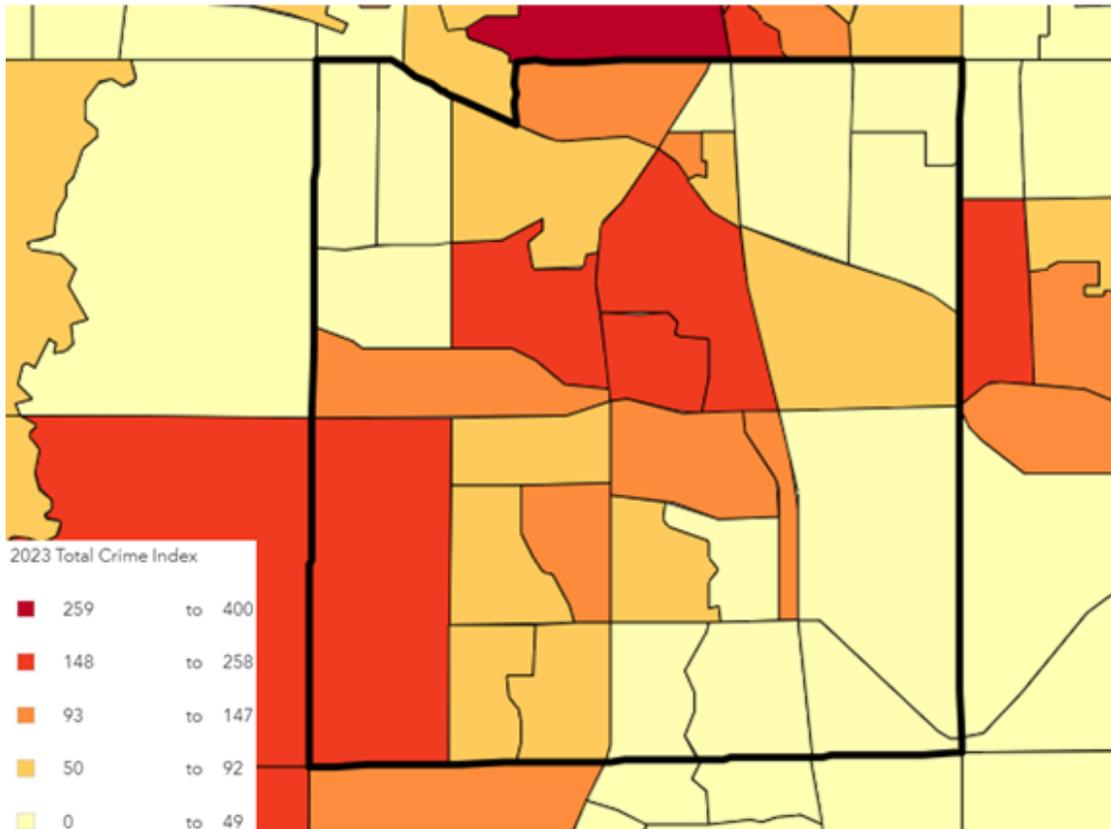


Strongsville Crime Index

Strongsville Crime Index



| |
|---|
| Excellent |
| 149 |
| *Total Crime Index as compared to the state of Ohio |



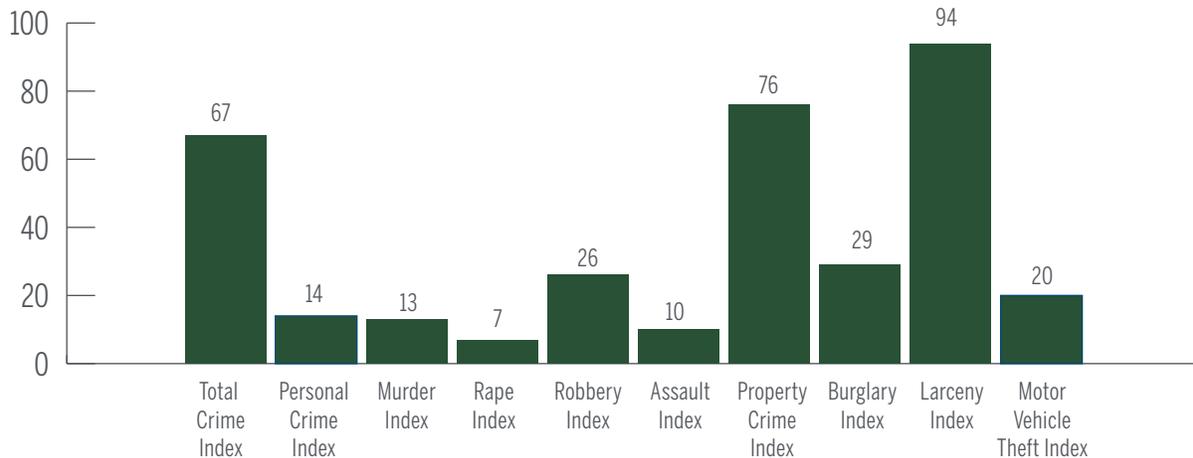
Source: ESRI Demographics

A *Crime Index* provides a view of the relative risk of crime in a community as compared to the rest of the nation using data from resources such as the Federal Bureau of Investigation's Uniform Crime Reporting system. According to economic theory, crime should decrease as economic growth and opportunity improve. Communities with lower crime indexes suggest higher labor force participation rates, stable wage rates, and lower risk for business operations. The Crime Index is an indication of the relative risk of a crime occurring and is measured against the overall risk at a national level. Values above 100 indicate the area has an above average risk of occurring compared to the US. Values below 100 indicate the area has a below average risk of occurring compared to the US. Crime Risk is intended to provide an assessment of the relative risk of seven major crime types and their summarization to the block group scale. Relative crime rates are especially important in real estate applications, insurance underwriting, shopping center and stand-alone retail facilities. Crime Risk is a block group and higher-level geographic database consisting of a series of standardized indexes for a range of serious crimes against both persons and property. It is derived from an extensive analysis of several years of



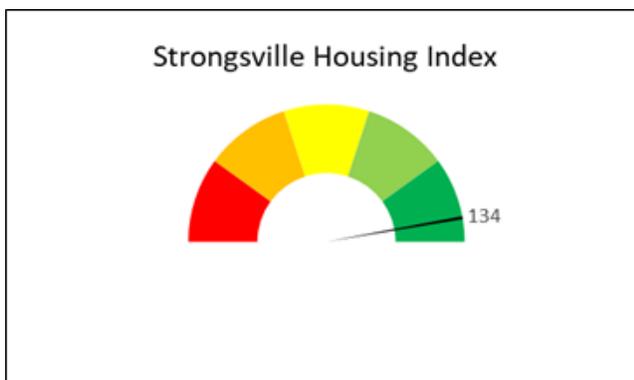
crime reports from the vast majority of law enforcement jurisdictions nationwide. The crimes included in the database are the “Part 1” crimes and include murder, rape, robbery, assault, burglary, theft, and motor vehicle theft. These categories are the primary reporting categories used by the FBI in its Uniform Crime Report (UCR), with the exception of Arson, for which data is very inconsistently reported at the jurisdictional level. Crime Indexes provide a view of the relative risk of specific crime types. It is not a database of actual crimes, but rather the relative risk in an area compared to the United States in its entirety. Updated semiannually, the database includes indexes for several categories of personal and property crime. Strongsville has a Crime Index of 96, which registers as an Excellent index rating and demonstrates the low relative risk of crime and the overall safety and well-being of the community. An Excellent Crime Index score will be important to the health and wealth of the City, maintaining strong property values, and attraction of private sector investment into targeted development areas within Strongsville.

Strongsville Crime Index



Source: ESRI Demographics

Strongsville Housing Index



| |
|---|
| Excellent |
| 134 |
| *Housing Index as compared to the state of Ohio |

Housing is an essential sector of the economy and makes up the largest component of an individual’s wealth at almost a third of the total assets.ⁱⁱⁱ Quality housing must not only be reflected in the structural aspects of a home, but also in average prices. For individuals, the lower the price, the better. For communities, the higher the price of housing, the better as property values translate into tax base. However, adequate housing across multiple price points can also facilitate labor mobility within an economy and as communities grow, corresponding growth of residential housing options must also keep pace. When looking at building a better

community, housing affordability and availability is key to ensuring mobile talent considers your community as a viable community to live in and there is adequate housing stock to choose from. Strongsville residents spend less money on rent and mortgage costs when compared to the state of Ohio. The vacant property rate in Strongsville is 3.90%, which is well below the state average of 8.27%. This can be attributed to the high percentage of homeownership in Strongsville (81.9%), which is 15.6% higher than the state of Ohio average of 66.3%. Strongsville residents are also spending a lower percentage of overall earnings on housing costs compared to the state averages. On average, Strongsville residents spend 21.8% of their monthly income on their mortgage costs. This figure is lower compared to the state average of 26.5%.

| Housing Comparison | | |
|-------------------------------------|--------|--------|
| Area of Study | County | State |
| Rent As A Percentage of Income | 13.60% | 17.03% |
| Home Cost As a Percentage of Income | 21.80% | 26.55% |
| Vacancy Rate | 3.90% | 8.27% |
| Homeownership Percentage | 81.9% | 66.3% |

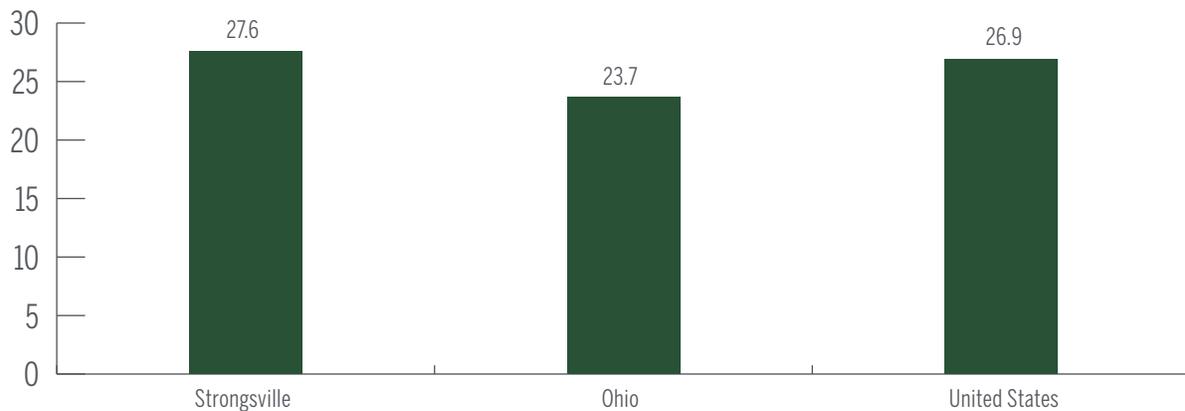
Source: U.S. Census Bureau

Strongsville Commute Index



Commute Times vary depending on the geographic locations and access to multiple modes of transportation. A diverse transportation network shortens commute times, increases company productivity and competitiveness, and increases access to a broader pool of talent. Arduous commutes may deter talent from considering jobs in a given location.^{iv} As businesses look to communities with strong quality-of-life features, convenient locations, and ease of travel to work by car, bike, or foot should be considered. Strongsville has a higher mean commute time when compared to the state of Ohio and the United States. During an average five-day work week, Strongsville residents will spend an average of 19.5 minutes more commuting to work than the average Ohio resident. Assuming the average citizen works five days a week for 49 weeks out of the year, the average Strongsville resident will spend 15.9 hours more commuting to work compared to the rest of the state.

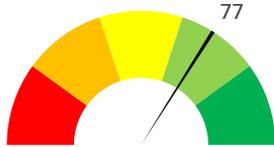
Mean Commute Time Analysis



Source: U.S. Census Bureau

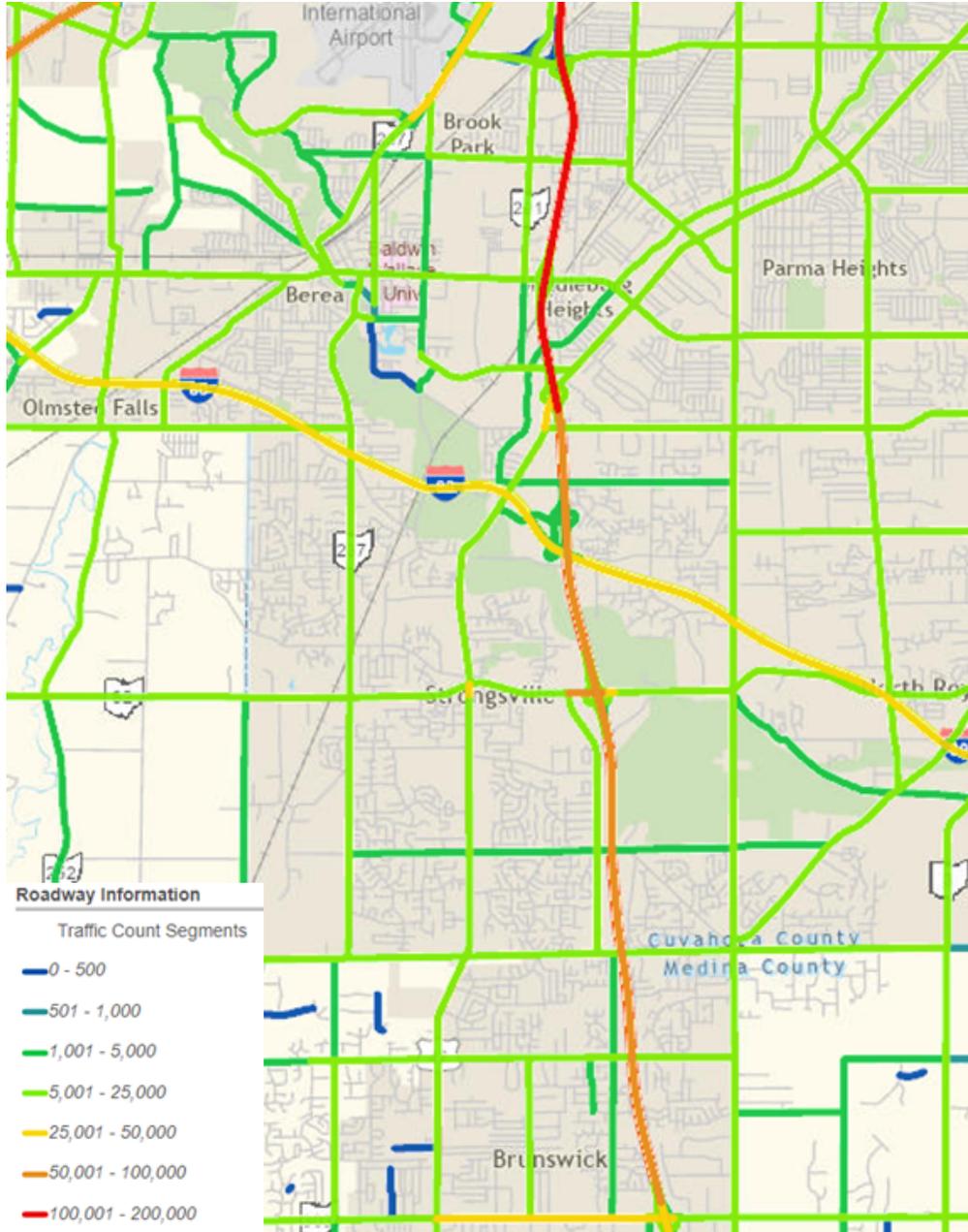


Strongsville Commute Index



| |
|---|
| Fair |
| 54 |
| *Commute Index as compared to the State of Ohio |

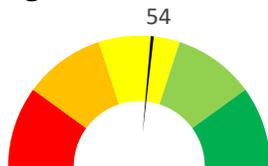
Average Annual Daily Traffic (AADT)



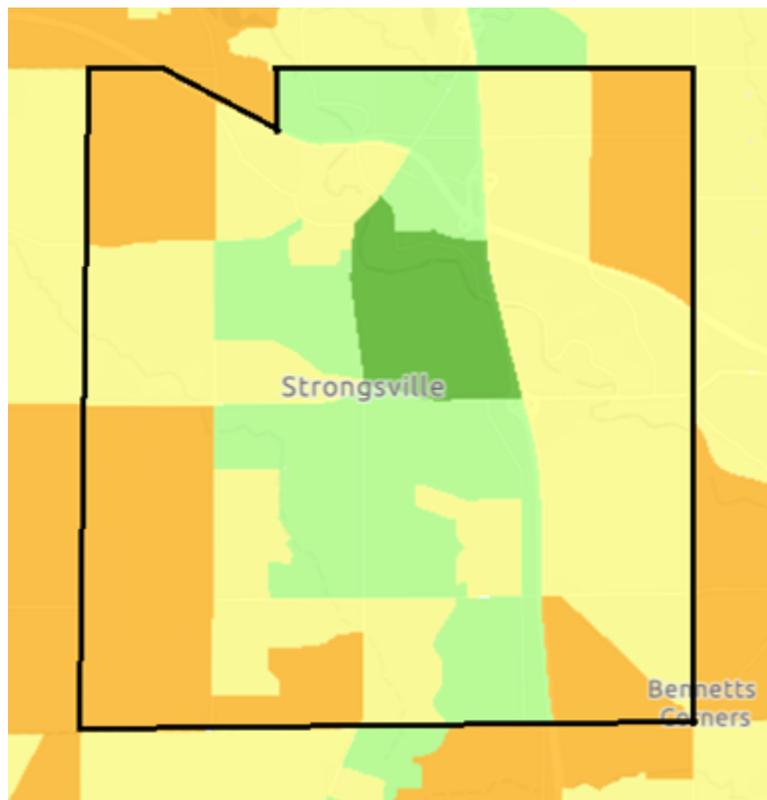
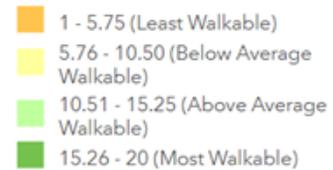
Strongsville Walkability Index. A *Walkability Index* is a nationwide geographic ranking system led by the U.S. Environmental Protection Agency. The Walkability Index uses selected variables on density, diversity of land uses, and proximity to transit to calculate the ease of walking around. Walkable communities vary depending on population and land mass (urban, suburban, rural) and take into account access to public transit.^v The EPA's Walkability Index covers every census block group in the nation, providing a basis for comparing walkability from community to community. Selected variables incorporated into this index include:

- Intersection density - higher intersection density is correlated with more walk trips.
- Proximity to transit stops – distance from population center to nearest transit stop in meters where shorter distances correlate with more walk trips.
- Diversity of land uses:
 - o Employment mix – the mix of employment types in a block group (such as retail, office, or industrial) where higher values correlate with more walk trips.
 - o Employment and household mix – the mix of employment types and occupied housing such that a block group with a diverse set of employment types (such as office, retail, and service) plus many occupied housing units will have a relatively high value and higher values correlate with more walk trips.^{vi}

Strongsville Walkability Index

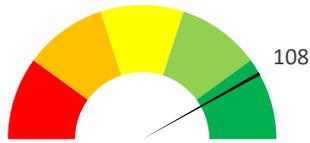


Walkability Index



Strongsville Healthcare Index

Strongsville Healthcare Index



| |
|---|
| Excellent |
| 108 |
| *Premature deaths, adult obesity, uninsured residents, Per capita PCP's |

Access to health care and services, and improving health outcomes, can demonstrate the health and wellbeing of a community. A *Healthcare Index* considers access to health care services and helps identify underperforming markets where barriers to health care such as social, racial, economic and physical factors may exist, and where there are markets that have the services needed to support healthy living.^{vii} The 2022 County Health Rankings used data from 2019 for this measure. Cuyahoga County ranks 2nd out of the 88 total counties in the ratio of population to primary care physicians which can likely be attributed to a strong healthcare system throughout the county where entities such as Cleveland Clinic and University Hospitals have a strong presence. Although, Cuyahoga County has a higher rate of premature deaths and adult obesity compared to the state of Ohio. The health of a community is not only important to the individual, but to the economy of a community as well. As the population ages, workers begin to leave the work force and move into retirement. If a community features an overall negative healthcare system a community's workforce will be directly impacted. Workers will leave the labor force at a younger age and be required to spend more disposable income on healthcare needs. Community health assessments, typically led by the local health department, can help identify voids in healthcare services and prioritize enhancing services and specialized care.

| Health Comparison | | |
|------------------------------------|-----------------|-------|
| Area of Study | Cuyahoga County | Ohio |
| Premature Death | 9,200 | 8,700 |
| Adult Obesity | 37.0% | 35.0% |
| Uninsured Residents | 7% | 8% |
| Primary Care Physicians Per Person | 870 | 1,290 |

Source: U.S. Census Bureau, Ohio County Health Rankings

Strongsville Education Index

The strategy for communities looking to attract talent and grow population should include an analysis of *Education*. Educational attainment has long been a cornerstone for business retention, expansion, new business attractions, and entrepreneurship. The level of education and occupational skills found in communities traditionally correlates to demonstrated economic growth and stability. Approximately half (51.4%) of all entrepreneurs hold at least a bachelor's degree.^{viii} From an individual's perspective, higher educational attainment is generally linked to better employment prospects, higher income, and a better quality of life. And from a Placemaking and QLI standpoint, communities should maximize opportunities to attract a skilled workforce that will not only fill existing jobs but will attract new employers and generate entrepreneurial activity that will draw in new entrepreneurs and business start-ups.



Strongsville Education Index



| Excellent |
|---|
| 121 |
| *Ohio Department of Education PI Ranking, Graduation Rate, HS degree or Higher, Bachelor's degree or higher |

The Performance Index is a calculation that measures student performance on the Ohio Achievement Assessments/Ohio Graduate Tests at the 3rd, 4th, 5th, 6th, 7th and 8th grade levels and English I, English II, Algebra I, Geometry, Integrated Math I and Integrated Math II.^{ix} The average performance index school score for Ohio schools in 2022 was 77.05. Strongsville City School District was awarded a higher performance index score than the state average. In 2021, the statewide graduation rate for Ohio was 87.2% while Strongsville City School District reported a graduation rate of 94.0%. Strongsville residents are also significantly more educated than the average across the state of Ohio. The percentage of residents in Strongsville that have obtained a high school diploma or higher is 5.1% higher than the state of Ohio. While the percentage of residents in Strongsville holding a bachelor's degree or higher is 19.5% higher than the state of Ohio average.

| Education Comparison | | |
|-----------------------------|-----------------|-------------|
| | Cuyahoga County | Ohio |
| PI Ranking | 98.13 | 77.05 |
| Graduation Rate | 94 | 87.2 |
| HS or Higher | 95.90% | 90.80% |
| Bachelor's degree or Higher | 48.50% | 29.00% |
| Per Pupil Expenditure | \$11,980.21 | \$10,289.32 |

Source: Ohio Department of Education, U.S. Census Bureau

Strongsville Wealth Index. *Wealth* in a QLI analysis considers education and income, however, it also looks at the wealth of a community. Is a community's tax base growing? Are property values increasing? Are homeownership rates strong? Are residents actively engaged in the workforce? While these factors are analyzed individually, collectively they paint a strong picture for the future of a community.

| Wealth Comparison | | |
|-------------------|--------------|--------------|
| Area of Study | Strongsville | Ohio |
| Per Capita Income | \$47,976 | \$32,465 |
| Poverty Rate | 4.50% | 13.40% |
| Assets | \$264,616.04 | \$171,362.32 |
| Earnings | \$2,395.84 | \$1,591.09 |
| Liabilities | \$37,168 | \$26,057 |

Source : ESRI Demographics, U.S. Census Bureau

Strongsville is comparatively better than Ohio and the nation in terms of per capita income, population in poverty, and personal wealth. These factors show that Strongsville can create a healthy ecosystem for economic and social growth. Strongsville should leverage these elevated population statistics when attracting prospective business opportunities. Low poverty rates and high per capita incomes are two of the main foundations for maintaining a healthy community. These aspects have impacts on a community that help promote small business growth, attract large private investment, and create healthy social interactions.



Overall, Strongsville is excellent in standing and should continue efforts to generate high-wage jobs and generate wealth in the community.

Strongsville Wealth Index



| |
|---|
| Excellent |
| 137 |
| *Ohio Department of Education PI Ranking, Graduation Rate, HS degree or Higher, Bachelor’s degree or higher |

Quality of life is a dynamic concept that ranges over evolving objective and subjective measures. Determining quality of life is crucial to understanding a community’s overall contentment. Increasing quality of life measures impacts both the social and financial standings of residents. Overall, Strongsville can be considered strong when taking all of these factors into account. The best performing sectors for Strongsville are a low crime rate index, a high housing index, a high wealth index, and a high education index. With lower crime rates than many of the surrounding counties and the state, Strongsville is considered a generally safe community. A high housing index indicates the affordable nature of housing and the homeownership rates that exceed surrounding communities and the state overall. A strong education index demonstrates the Strongsville City School District is providing high-quality education for the future workforce pipeline. Commute times and walkability are the two lowest-performing indicators. Strongsville, being located on the outer edge of Cuyahoga County, leads to many of the residents traveling into the city of Cleveland for employment. Improvement in these lagging indicators can provide substantial benefits to the residents involved directly in these areas. Commute times and walkability also directly impact each other, with improved walkability having a direct impact on the well-being of residents. Government systems play a direct role in quality of life, from funding to public schools and offering more affordable healthcare.

City of Strongsville SWOT Analysis

| | |
|---|--|
| <p>Strengths</p> <ul style="list-style-type: none"> • Strongsville is an attractive city with low crime rates and high-income levels. • The local industrial / business parks are very successful. • Strongsville is a strong community with successful civic groups and festivals. • Close proximity to the airport and major highways. • Financial Stability-Aaa Bond | <p>Weaknesses</p> <ul style="list-style-type: none"> • Lack of attainable housing. • Limited developable land available within Strongsville city limits. • Strongsville struggles to bring younger talent into the city. • Regional population and macroeconomic decline create larger economic and demographic challenges. |
| <p>Opportunities</p> <ul style="list-style-type: none"> • Partnership with local education centers to create workforce development programs. • Show high school students that there are other beneficial options other than college. • Protect viable industrial land and development sites. • Capitalize on the growth at the port of Cleveland. • Capitalize on the city’s strategic location on the I-71/I-80 industrial corridor. | <p>Threats</p> <ul style="list-style-type: none"> • Businesses are experiencing workforce shortages. • Shortage of safety workers (police and fire) in Strongsville and the surrounding communities. • Market shift away from brick-and-mortar retail stores that may require redevelopment |

Listen Sessions Report. In the spring of 2023, Montrose and the city of Strongsville conducted two listen sessions with representatives and leadership in the community. The two groups represented stakeholders from education, government, community members, and business leaders. The listen sessions were conducted via stakeholder group discussions and included individuals from various sectors including business, development, education, government, elected office, and local residents. Each participant was given a questionnaire ahead of time, included as Appendix A, and asked to provide feedback around each of the questions. The listening sessions were instructive and provided the city of Strongsville and Montrose with the opportunity to understand the strengths and weaknesses that exist in the area and what the community wants to see by way of economic development. The challenges and opportunities identified in the listen sessions fit into several different categories outlined in the chart below.

| Question | Comments |
|---|--|
| <p>1. What is your understanding/ impression of the economic development successes and efforts of the city of Strongsville? How would you rate the City's economic development effectiveness?</p> | <ul style="list-style-type: none"> • Strongsville has been very successful in their economic development efforts over the past ten years. • The business / industrial parks have very low vacancy rates, which shows the strength of the area. • Strongsville should focus on growing the businesses that are already located there. • Strongsville has done well over the previous years, but how does the city innovate and stay ahead of the curve. |
| <p>2. In your view, what are the priority hurdles or challenges, which currently impact Strongsville from attracting new investment?</p> | <ul style="list-style-type: none"> • There is limited available land for new developments within Strongsville. • The younger generations don't want the same things that the older generations want. Why do the younger generations want to come to Strongsville? • Companies within Strongsville are struggling to find suitable employees. • Strongsville and their education partners need to create a streamlined pool of workers for the local businesses. • The workforce that many companies within Strongsville need cannot live in Strongsville and often commute from other areas. • The local companies need to work on their employee retention efforts, people are much more inclined to switch employers these days. • Workforce programs are too long, the current 16-week model does not work for most people |
| <p>3. What industry sectors, either existing or new, should be a focus for economic development to encourage economic growth?</p> | <ul style="list-style-type: none"> • Strongsville should look to attract businesses in new and emerging industry sectors. • The proximity to the airport is crucial to Strongsville and should be utilized. • Strongsville should work to attract businesses in the technology sector. • The Port of Cleveland is a significant advantage and growing. Strongsville should look to capitalize on this asset. • Capitalize on the emerging Intel supply chain. • The creation of a marketing plan for high-school students revolving around the opportunities that are not college. • White-collar jobs are a good fit for Strongsville's future development. • Local education centers should create programs that are tailored to the businesses and industry sectors that are already in Strongsville. |
| <p>4. What is the appetite from the private sector to invest, and/or partner in economic development efforts?</p> | <ul style="list-style-type: none"> • Strongsville has seen large private capital investment from local families and investors. • Over 300 local businesses donate to the local festivals and events around Strongsville. • There are very strong relationships between the education centers, businesses, and government. • There is a strong sense of community within Strongsville that allows people and businesses to work together. |



City of Strongsville Economic Development Action Plan. “Do” steps in the Montrose economic development strategic planning report include the creation of an Economic Development Action Plan that outlines specific goals, strategies and tactics that Strongsville should follow to achieve additional economic prosperity outlined in short term, near term and long-term goals tied to specific funding sources. Typical “Do” action steps focus on the creation of industry targets, workforce development strategies, site development strategies, economic development organizational models and business retention and expansion programs.

The Strongsville Economic Development Action Plan focuses on how the City of Strongsville implements their economic development strategy, retention, and attraction of a new generation of workers and a diverse industry base to continue the economic success of the city through the adoption of a goal, numeric based outcomes, broad strategies, and specific tactics. Comprehensive economic development plan objectives are numeric measures of success that need to be used annually to determine the success or failure of the plan. These objectives need to align not just with the goal of the plan but also the strategies and tactics. Metrics are essential to measure success for an economic development strategic plan. Reviewing simple measures of success in a silo such as unemployment rate, poverty, and personal income without comparing a region’s economy to others creates a weak measure of success. Successful economic development is not redeveloping a community “eyesore” but creates additional community wealth.

| Strongsville Strategic Plan Goal |
|---|
| <ul style="list-style-type: none"> • Make Strongsville the premiere community for businesses and quality of life in northeast Ohio. |
| Strongsville Strategic Plan Strategies |
| <ul style="list-style-type: none"> • Expand the developable land within Strongsville. • Create an improved workforce development program. • Develop a resilient base of local businesses. |
| Strongsville Strategic Action Plan Tactics |
| <ul style="list-style-type: none"> • Grow Strongsville's industrial parks and amount of developable land. • Strongsville should utilize existing funding and grant opportunities. • Review and refine the current business retention and expansion protocols. • Redevelop the workforce development programs as a tool to support the local businesses employment challenges. |

Action Plan Tactic #1. Grow Strongsville's industrial parks and amount of developable land.

In 1966 the Strongsville Industrial Park (now called the Strongsville Business & Technology Park) opened in the City’s southwest corner.^x The development of this business and technology park has strengthened Strongsville’s workforce and created wealth throughout the area for almost 60 years. Now in 2023, the Strongsville Business & Technology Park routinely has very low vacancy rates and a plethora of businesses revolving around multiple industry sectors. The southwest corner of Strongsville is one of the most successful economic development projects in the City’s history. To continue the successful history of economic development initiatives the city of Strongsville should annex land west of the Strongsville Business & Technology Park into the City of Strongsville municipal limits. To achieve this goal, Strongsville should utilize the Strongsville Community Improvement Corporation (CIC).

Annexation in Ohio. Chapter 709 of the Ohio Revised Code (“ORC”) explains the annexation process for municipalities and townships.^{xi} Annexation is the legal process by which land located in an unincorporated area may become part of a neighboring city or village. To qualify for annexation, the unincorporated land must be immediately “contiguous to” (next to and touching) the existing municipality’s boundaries.^{xii} Annexation enables economic development by bringing land into a local government territory to supply its businesses and residents with municipal utility services, such as water and sewer, and other public services which help

create or expand existing infrastructure.^{xiii} Annexation can also allow municipalities to create housing and jobs as well as improve the overall economy of the community. However, township governments often oppose annexations, based on concern that annexation will hurt the township's own economic growth and its continued integrity as a governmental unit. Annexation is also a relatively permanent process. While it is relatively simple to annex property, it is very difficult to remove annexed land from a municipality. Approval of the city council is required before land can be de-annexed. Rarely have Ohio city or village councils allowed annexed land to leave city or village boundaries.

There are five paths to annexation in Ohio. Regular Annexation is initiated by the owners of real property immediately contiguous to a municipality and requires the signatures of a majority of the property owners in the territory proposed for annexation. Once properly signed by the required number of owners, the petition is filed with the county commissioner's office. The statute specifies notice requirements that must be met before a public hearing. Before becoming effective, the petition must be approved by the county board of commissioners and by the municipality to which the land will be annexed. Type 1 Expedited Annexation is also initiated by the real property owners immediately contiguous to the municipality, but it must contain all the signatures of the affected property owners in the territory proposed for annexation. This type of petition must include an annexation agreement, or a cooperative economic development agreement ("CEDA") signed by the township and the municipality. Because all affected parties are involved in the agreement, no notice or public hearing is required, and the petition must be approved as a matter of right. Type 2 Expedited Annexation is analogous to Type 1 in that it requires all necessary property owner signatures, but it is unique because the land will not be excluded from the township. The land is still subject to the taxing authority of the township and the adjacent municipality. Once filed, if the township and city both agree to the annexation, the board of county commissioners must approve the petition without a hearing. The petition is then submitted to the city council for review. Type 3 Expedited Annexation is only permitted when there exists a "significant economic development" project as authorized by the State of Ohio. This method requires signatures of all the property owners and an agreement that the property will not be excluded from the township unless an annexation agreement or a CEDA provides otherwise. This type of annexation may require hearings before being granted. Finally, Annexation by Petition of a Municipality may be initiated by a municipality for contiguous land owned by the municipality, the county, or the state. Under this type of annexation, the territory annexed shall not be excluded or removed from the township under ORC 503.07. If the only territory to be annexed is contiguous territory owned by the municipality, the board must adopt a resolution granting the petition. If the only territory to be annexed is contiguous territory owned by a county, the board may grant or deny the petition, by resolution. If the only territory to be annexed is contiguous territory owned by the state and the Director of Administrative Services has filed a written consent to the granting of the annexation, the board must grant the annexation.

Under ORC 709.192, the legislative authority of one municipal corporation, by ordinance or resolution, and the board of township trustees of one or more townships, by resolution, may enter into annexation agreements. An annexation agreement may be entered into for any period of time and may be amended at any time in the same manner as it was initially authorized.^{xiv} According to Ohio Revised Code, annexation agreements may provide for any of the following: the territory to be annexed; any periods of time during which no annexations will be made and any areas that will not be annexed; land use planning matters; the provision of joint services and permanent improvements within incorporated or unincorporated areas; the provision of services and improvements by a municipal corporation in the unincorporated areas; the provision of services and improvements by a township within the territory of a municipal corporation; the payment of service fees to a municipal corporation by a township; the payment of service fees to a township by a municipal corporation; the reallocation of the minimum mandated levies established pursuant to section 5705.31 of the Revised Code between a municipal corporation and a township in areas annexed after the effective date of this section; the issuance of notes and bonds and other debt obligations by a municipal corporation or township for public purposes authorized by or under an annexation agreement and provision for the allocation of the payment of the principal of, interest on, and other charges and costs of issuing and servicing the repayment of the debt; agreements by a municipal corporation and township, with owners or developers of land to be annexed, or with both those landowners and land developers, concerning the provision of public services, facilities, and permanent improvements; the application of tax abatement statutes within the territory covered by the annexation agreement subsequent to its execution; changing township boundaries under Chapter 503. of the Revised Code to exclude newly annexed territory from the original township and providing services to that territory; payments in lieu of taxes, if any, to be paid to a township by a municipal corporation, which payments



may be in addition to or in lieu of other payments required by law to be made to the township by that municipal corporation; and any other matter pertaining to the annexation or development of publicly or privately owned territory.^{xv}

Annexation agreements shall not be in derogation of the powers granted to municipal corporations by Article XVIII, Ohio Constitution, by any other provisions of the Ohio Constitution, or by the provisions of a municipal charter, nor shall municipal corporations and townships agree to share proceeds of any tax levy, although those proceeds may be used to make payments authorized in an annexation agreement.^{xvi}

If any party to an annexation agreement believes another party has failed to perform its part of any provision of that agreement, including the failure to make any payment of moneys due under the agreement, that party shall give notice to the other party clearly stating what breach has occurred. The party receiving the notice has ninety days from the receipt of that notice to cure the breach. If the breach has not been cured within that ninety-day period, the party that sent the notice may sue for recovery of the money due under the agreement, sue for specific enforcement of the agreement, or terminate the agreement upon giving notice of termination to all the other parties.^{xvii}

In order to promote economic development or to provide appropriate state functions and services to any part of the state, the state may become a party to an annexation agreement upon the approval of the director of development and with the written consent of the legislative authority of the municipal corporation and each of the boards of township trustees that are parties to the agreement.^{xviii}

The board of county commissioners, by resolution, or any person, upon request, may become a party to an annexation agreement, but only upon the approval of the legislative authority of the municipal corporation and each of the boards of township trustees that are parties to the agreement, except that, if the state is a party to the agreement, the director of development is responsible for giving the approval.^{xix}

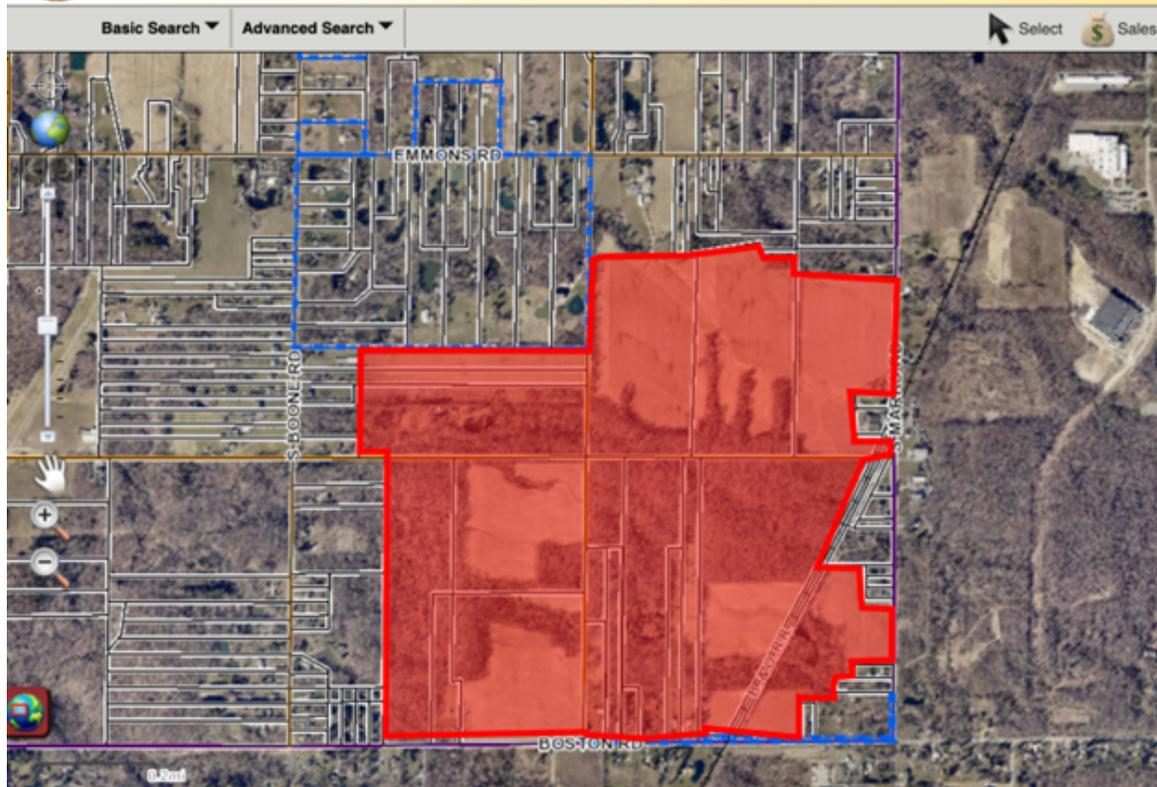
The powers granted by this section and any annexation agreement entered into under this section shall be liberally construed to allow parties to these agreements to carry out the agreements' provisions relevant to government improvements, facilities, and services, and to promote and support economic development and the creation and preservation of economic opportunities.^{xx}

Utilizing the Strongsville Community Improvement Corporation (CIC). A CIC is the most basic form of economic development corporation. A CIC is a not-for-profit corporation with a very public purpose. They are often required to file a financial report, are not limited to a specific geographic area and membership on the CIC board is not a “public office” can negotiate incentive deals in private.^{xxi} CICs are only effective if they are fully funded. To accomplish this goal, CICs are often permitted to borrow money through bonds or mortgage CIC owned property, purchase, sell or lease real and personal property, acquire assets and serve as an agent for local government for grant administration.^{xxii} The composition of a CIC Board illustrates its public focus. In many communities, at least two fifths of the CIC Board must be local elected or appointed government officials.^{xxiii} CICs have the powers of most not for profit corporations but have a focus on development. They permit local governments to create a single organization—often working with other local government entities and the private sector—to focus on the development or redevelopment of a specific site.

The Strongsville economic development staff should partner with the CIC to purchase land to consolidate into their Strongsville Business & Technology Park. The Strongsville economic development leaders and the CIC should prepare sites for development by providing funding to property owners to make sites "pad ready". The prime role that the Strongsville CIC can play is to purchase land or secure options to purchase land with potential for industrial, technology or general business growth within the business & technology park. Additionally, a CIC can help to certify sites for developers to ensure the site has the appropriate utilities, infrastructure, zoning, and tax incentives are in place. Local governments typically use CICs to purchase land or options tied to economic development and fund site certification.

In order to expand the industrial land available for development in Strongsville, the City needs to consider acquiring and annexing properties in the southeast corner of Columbia Township, Lorain County, as shown on the map below, utilizing the CIC. This property, which is nearly 800 acres, is directly adjacent to the City along Marks Rd and Boston Rd. The property has access to rail as the Baltimore and Ohio Railroad bisects the property.





The Strongsville CIC should not just purchase property or options but should take proactive moves to prepare the site for private sector development through the negotiations and enactment of land use entitlements at the site as well as through proactive site certification efforts. Preparing these sites with land use entitlements helps Strongsville determine the ultimate use of the site and sends the signal to a potential private sector end user that the site is ready for development.

In order to attain new land and utilize the Strongsville CIC the city of Strongsville can enter into a cooperative economic development agreement (CEDA) with neighboring townships. A CEDA is an economic development tool allowing one or more municipal corporations to provide assistance to each other. A detailed analysis of CEDA agreements can be found below.^{xxiv}

Community Economic Development Agreement (CEDA) - ORC 701.07

| | |
|-------------------------------|---|
| Who may enter into Agreement? | <ol style="list-style-type: none"> 1. Municipal Corporations 2. Townships 3. County (with approval of 1 & 2) 4. Person or private entity (#10 below) 5. State or State Agency - upon approval of Governor and other parties to agreement |
| What can it contain? | <ol style="list-style-type: none"> 1. The provision of Joint Services/Permanent Improvements in incorporated or unincorporated areas. 2. The provision of services/improvements by municipality in unincorporated areas. 3. The provision of services/improvements by township or county in municipality. 4. The provision of service fees from township/county to municipality 5. The provision of service fees from municipality to township/county 6. The issuance of notes and bonds and other debt obligations by a municipal corporation, county, or township for public purposes authorized by or under a cooperative economic development agreement and provision for the allocation of the payment of the principal of, interest on, and other charges and costs of issuing and servicing the repayment of the debt purposes in the CEDA. 7. The issuance of industrial development notes, bonds, and debt obligations by a municipal corporation to finance projects in territory located outside the municipal corporation but located within the territory covered by a cooperative economic development agreement and provision for the allocation of the payment of the principal of, interest on, and other charges and costs of issuing and servicing the repayment of the debt. 8. The territory to be annexed to a municipal corporation when agreed to by the municipal corporation to which annexation is proposed and the township in which the territory to be annexed is located. 9. Any periods of time during which no annexations will occur and any areas that will not be annexed during the period when agreed to by the municipal corporation and township affected by the annexation moratorium. 10. Public service, facility or improvement agreements with landowners or developers 11. The application of tax abatement statutes within the territory covered by the cooperative economic development agreement. 12. Change township boundaries under ORC 503 to exclude annexed area from old township and provide services in area. 13. Municipality may earmark to its general fund, a portion of utility charges collected from outside municipality but in CEDA - if the CEDA does not cover annexation matters. 14. Payments in lieu of taxes to a township from municipality. 15. Any other matter regarding annexation territory or development. |
| Sharing of tax revenue | Any municipality may not share proceeds from tax levies, but such proceeds may be used to make payments authorized under the CEDA agreement to a township |
| Public Approval | A public hearing is required before entering the CEDA agreement. The agreement must be open to public for 30 days prior to hearing. |
| Changes | A CEDA may be amended at any time in the same manner as initially authorized. |



Action Item #2: Strongsville should utilize existing funding and grant opportunities to assist its small businesses and medium-sized businesses grow.

Small businesses are the backbone of a local economy and employ up to 60% of all jobs according to the United States Small Business Administration. The City of Strongsville has access to programs in Cuyahoga County and Northeast Ohio that it can tap into for its small and medium-sized businesses. These programs are strong, well-funded and offer small and medium sized businesses a path to funding that might not be available to these businesses through traditional lending resources. The City should make its small and medium size businesses aware of these programs through marketing on the City's social media outlets as well as the through the Strongsville CIC and Chamber of Commerce. Through its Business Retention & Expansion (BR&E) visits, the City can introduce these programs to its small and medium sized businesses. Below is a list of some of the programs that businesses in Strongsville have access to in Cuyahoga County and Northeast Ohio.

The Business Growth Lending program from Cuyahoga County was established with the intention to maximize the potential of businesses located there. The Business Growth Lending program is available to any established business in Cuyahoga County. Established companies in need of financing to support growth within Cuyahoga County may be eligible for a repayable, fixed-term loan. To qualify for the loan, Strongsville businesses need to provide information on the business, their financial situation, the funding that the business requires and the number, rate of pay, and quality of new jobs the business will create as a result of growth.

The Advanced Manufacturing Fund is dedicated to supporting promising early-stage manufacturing ventures in Ohio, guiding them through the distinctive challenges inherent in building and funding such businesses. The main initiative of the Advanced Manufacturing Fund addresses the common struggle that many advanced manufacturing companies encounter which is securing early-stage funding. This is especially evident when compared to the ease of funding access that is available to financial technology and software development. Manufacturing startups typically demand more time and capital to reach scale, creating a funding gap that the Advanced Manufacturing Fund aims to bridge. This fund would provide a unique combination of appropriately sized funding and seasoned advice from experienced investors and economic development partners. The fund is organized and collaborated through multiple investment partners like JumpStart, MAGNET, and Northeast Ohio's Manufacturing Extension Partner (MEP). These organizations contribute expert advice and technical support to both the investor group and portfolio companies.

The Property Assessed Clean Energy (PACE) loan program is an innovative financing initiative designed to support and promote energy-efficient and renewable energy improvements in residential and commercial properties. PACE programs exist at the state or local level, and their primary objective is to facilitate the adoption of environmentally friendly upgrades by providing accessible and affordable financing options. In Strongsville's case the PACE program is provided through NOPEC. NOPEC is an energy supplier in Ohio that provides energy cost savings to residents and small businesses through a buy-in-bulk approach.^{xxv} The PACE loan is a powerful financing option for commercial property owners who are looking to complete a \$100,000 - \$1,000,000 energy efficiency or renewable energy project. By placing an assessment on the real property, PACE will extend financing anywhere from 5 – 20 years with interest rates as low as 2.5%.^{xxvi} The PACE loan allows for business owners to tackle energy-related projects without investing any cash up-front. Commercial property owners can use a PACE loan to complete energy efficiency or renewable energy improvements for the building envelope, systems, and lighting, for example.^{xxvii}

The Savings Through Efficiency Program (STEP) is another energy efficiency and renewable energy loan that companies in Strongsville can utilize to upgrade their current structures. The STEP provides a more affordable financing option that allows commercial property owners in a NOPEC community like Strongsville to complete qualifying projects without taking out a high-interest loan. The typical STEP loan ranges from \$5,000 to \$125,000 or up to 75% of eligible project costs. Term options for the loan go up to ten years and loans are fixed at a 3% interest rate.^{xxviii} There are a variety of different businesses and organizations that qualify for STEP financing including: public sector facilities, private sector facilities, non-profit organizations, retail businesses, offices, industrial buildings, apartment buildings with five or more units, schools, healthcare facilities and religious organizations.



Action Item #3: Review and refine the current business retention and expansion protocols.

Strongsville should aggressively continue a business retention and expansion (BR&E) program. There are several compelling reasons why economic and workforce development organizations should make BR&E a priority. It is a well-known fact, backed by industry data, that 80% of all new jobs and capital investments come from existing companies.^{xxix} In economic development, communities spend much of their time trying to attract new businesses to our community. There is a pay-off to those attraction efforts, but often, a good BR&E program can pay even greater dividends than an attraction program. Benefits of a robust BR&E program include:

- An effective BR&E program creates ongoing interaction with EDO's primary customers – business leaders and decision-makers.
- Existing companies, large and small, are the backbone of a local economy. The success of these companies creates a vibrant business environment where other companies want to locate.
- A vibrant business environment signals to new business startups that they too will have resources available to start and grow a new business.
- An effective BR&E program brings to light economic and workforce trends that an EDO and community should pay attention to.
- It is significantly more cost-effective to work with existing businesses than continually cultivating new companies.

A well-planned and strategic approach to BR&E activities will assist the city of Strongsville with addressing competitiveness needs and expansion by:

- Partnering with local and regional stakeholders to develop an annual list of targeted companies based on defined company factors including a largest employers list, companies experiencing market growth, hiring trends, and state or regional industry sector and strategic cluster targeting.
- Coordinating with local government representatives, state or regional partners, and workforce development partners to plan visits and develop outcomes for existing industries to succeed.
- Meeting with local company executives to gather input on the issues they face and addressing their issues to help these companies grow in the region.
- Facilitate conversations with decision makers to aid a company's issues related to access to capital, addressing regulatory issues, better transportation access, and other business and policy issues.
- Adequately funding operations, through investment by private and public sector economic development partners, annually to provide proper funding of a BR&E program to ensure that proper staffing and promotion is available.
- Investing in BR&E software and surveys to gather and track data and trends from local companies.



City of Strongsville Business Retention & Expansion Program Approach



- 1. Adequate BR&E Staff:** Strongsville should dedicate public and private resources to an ongoing BR&E campaign that may include the addition of a new team member. The job of assisting existing industries is a daily task that must be coordinated across multiple organizations in a community. Without dedicated BR&E staff, issues that businesses face do not get addressed and opportunities for investment may be missed.
- 2. Company Targets:** No matter how big or small, Strongsville needs to develop its list of targeted companies that it wants to visit on an annual basis. This list can change from year to year but should remain relatively constant to track the trends of these companies and these sectors. Economic development staff should build relationships with these companies to give them comfort in reaching out when an issue arises. BR&E target companies are companies that:
 - i. Match community assets or competitive advantages.
 - ii. Match the community's development goals.
 - iii. Could operate from another community altogether (relocation is easy).
 - iv. Export products or services from the community.
 - v. Have potential to expand or diversify local economy.
 - vi. Are identified within a strategic plan's SWOT analysis.
- 3. Local Executive Briefings:** A BR&E program is only as good as the information gathered in briefings with company executives and the strategies developed or maintained to support existing companies. Once companies are targeted a calendar should be developed for the visits, Strongsville should coordinate schedules with local representatives, partners and stakeholders, and visits should be scheduled. A BR&E visit training should be held before the visit, even for BR&E veterans. The visits should seek out the information in the common survey tool, but not follow a script as these visits should be a conversation.
- 4. Solving Company Challenges:** Be it regulatory, incentives, workforce, or utilities, companies face challenges that economic development professionals, elected officials, and their partners can address. Strongsville's local executive briefings should be followed by calls, emails, and other communication to ensure that the challenges identified in those meetings are addressed and fixed. The biggest downfall of any BR&E program is a lack of follow through leaving companies having to address their challenges on their own.

| BR&E Stakeholder Roles & Responsibilities | | | | | | | | |
|---|-----|-------------|--------------|----------|-----------|----------------------|-----------------------------|---------------------|
| BR&E Role | EDO | Local Gov't | County Gov't | Chambers | Utilities | Educational Partners | Individual Business Leaders | Other Organizations |
| Manage the program | X | | | | | | | |
| Serve as advisor to program | X | X | X | X | X | | X | X |
| Financial support for program | X | X | X | | X | | | |
| Collect data | X | X | X | X | X | | | X |
| Evaluate data | X | | | | | | | |
| Provide technical assistance | X | X | X | | X | X | X | X |
| Promote program | X | X | X | X | X | X | X | X |
| Advocate for program | X | X | X | X | X | X | X | X |

A community's economic health is dependent on the number and quality of jobs provided by employers in the community. Good jobs keep residents living in rural communities, support the local tax base, and reinvest disposable income back into the local communities. Today, forward-thinking community leaders all across the United States should embrace a strong business retention and expansion (BR&E) strategy. A successful BR&E program provides community leaders with advanced warning about problems that may lead to business or plant closures which can lead to proactive intervention and creative solutions to retain employers in the community. BR&E also encourages community leaders to identify new opportunities for businesses in the community and support them in expanding and creating new jobs.

Action Item #4: Redevelop the workforce development initiatives as a tool to support the local employment challenges.

With a large existing employer base and workforce retention a prime concern, Strongsville should create a workforce development program. Employers around the county are facing unprecedented challenges in finding enough workers to fill open positions. As of April 2023, there are over 9,500,000 open jobs throughout the United States but only 5,600,000 unemployed workers. If every unemployed person in the country found a job, there would still be nearly 4,000,000 open jobs.^{xxx} The COVID-19 pandemic caused businesses to close nationwide creating a rapid increase in the number of unemployed workers. Since then, job openings across the United States have continued to increase while unemployment has slowly declined. Northeast Ohio is no exception to the employment challenges felt throughout the nation. There are over 50,000 job openings in just the northeast Ohio region.

| Northeast Ohio In-demand Jobs | | | |
|---|---------------|------------|----------|
| Job Title | Median Salary | Employment | Openings |
| Laborers and Freight/Stock/material movers | \$30,000 | 34,838 | 4,998 |
| Office Clerks, General | \$33,000 | 36,328 | 4,013 |
| Customer Service Representatives | \$35,000 | 25,664 | 3,322 |
| Registered Nurses | \$67,000 | 50,389 | 3,263 |
| Nursing Assistants | \$28,000 | 25,904 | 3,095 |
| Secretaries, Except Legal, Medical, and Executive | \$36,000 | 31,510 | 2,898 |
| Heavy and Tractor-Trailer Truck Drivers | \$44,000 | 25,859 | 2,832 |
| Bookkeeping, Accounting, and Auditing Clerks | \$39,000 | 23,465 | 2,452 |
| First-Line Sup/ Mgrs. of Retail Sales Workers | \$39,000 | 20,701 | 2,230 |
| General and Operations Managers | \$98,000 | 24,131 | 2,127 |

Source: topjobs.ohio.gov/list



Workforce development programs are initiatives aimed at enhancing the skills, knowledge, and employability of individuals in order to meet the needs of the labor market. These programs are designed to bridge the gap between the skills possessed by job seekers and the skills required by employers. In today's economy workforce development programs are a crucial aspect used by communities and businesses to retain their

workforce. Workforce development programs can take various forms and are often implemented by governments, educational institutions, non-profit organizations, and private companies. The city of Strongsville should implement a new workforce development organization to facilitate the connection between the local schools, businesses, and community organizations. To accomplish this, Strongsville should create Strongsville Works modeled after Pickaway WORKS in Pickaway County, Ohio.

Strongsville WORKS, which stands for World Of Real Knowledge and Skills, should be created as a collaborative effort to align Strongsville employers with the local education and workforce training resources available. Strongsville WORKS should be created as a 501c3 non-profit with formal by-laws in place. Program activities are implemented by the executive director and program advisors, at the direction of the director. A five-member Operations Committee, a formal subcommittee of the Strongsville WORKS Advisory Board, should provide general oversight on budget and personnel matters, make recommendations to the full Advisory Board, and meet quarterly in advance of the Advisory Board meetings. An in-depth review of the program is conducted at the annual strategic planning retreat, to review feedback, evaluate program performance, and provide direction moving forward. Strongsville WORKS should promote college and career readiness for Strongsville students for over thirteen years now, financially supported by all county school districts as well as the city of Strongsville.

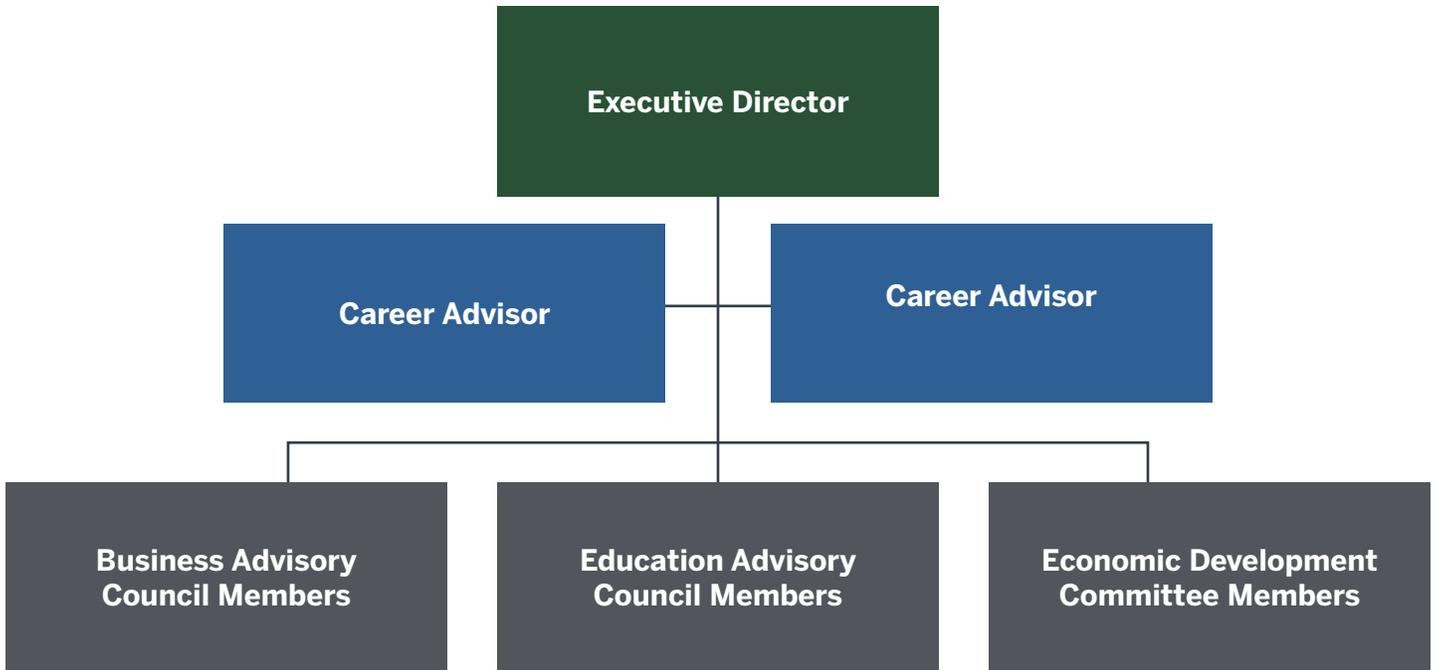
Strongsville WORKS can provide ongoing program initiatives and is building partnerships among the key stakeholders that are creating relevant career pathways for Strongsville students, helping meet the workforce demands of our employers, and strengthening the economic stability of our community.^{xxxi} This can be achieved through a variety of different programs and initiatives including:

- **Educator Business Tours** - small groups of educators visit businesses to learn about career pathways and local opportunities, as well as to connect real world work scenarios to learning in the classroom.
- **Reverse Business Tours** - business and community leaders are invited “back to school” for tours and updates on programming and progress.
- **Job Shadows/Internships** - onsite and virtual opportunities to help students explore career interests and gain valuable real world work experience, various levels of interaction.
- **Guest Speaker Events** - career day and other networking and career awareness events for business and community members to share career path stories and connect students, educators, and employers.
- **High School Boot Camps** - mock interview sessions and small group workshops on relevant topics to prepare students for success in life after high school.
- **Thinking Partnerships** - business and community members partner with a classroom teacher to provide real world problem scenarios and allow students to problem solve and develop solutions.
- **Business Showcase** - students created business spotlight videos to be featured in schools and online, as well as for the benefit of business.
- **Strongsville College & Career Night** - annual county-wide event with over 100 educational institutions and employers sharing information about education options, future career paths and local job opportunities.
- **ACT Prep Workshops** - spring and fall workshop sessions to help students prepare for college entrance exams.
- **FAFSA Day** - annual financial aid workshop with personal assistance from Ohio Christian University professionals in filing the FAFSA, the necessary first step in the financial aid process.
- **Kids on Campus** - summer enrichment camp for grades 1-4 and focusing on math, science, music, art, and technology, providing hands-on activities in a fun learning environment and early exposure to a college campus.

In order for Strongsville WORKS to be successful the reliance on strong partnerships with local entities is of the utmost importance. There are three main councils that should be actively involved in the management of the organization: a business council, an education council, and a governmental council. The business advisory council should be comprised of local businesses with an active investment in the community. Organizations like The Cleveland Clinic, Swagelok Manufacturing, Vitamix, and more. Strong and vibrant communities contribute to the long-term success of businesses. By actively supporting local economic development, businesses can help create a favorable business environment, attract investments, and foster a skilled workforce, which can ultimately benefit their own operations. Strongsville should partner with local education partners like Strongsville High School, Polaris Career Center, and St. Joseph & St. John School to structure and create the Strongsville workforce development organization. Workforce development programs allow schools to understand the needs and expectations of employers. By collaborating with local businesses and industries, schools can identify the specific skills and competencies that employers are seeking in potential employees. This information can then be used to shape the school's educational offerings to better meet those needs. Finally, governments can help to facilitate collaboration and partnerships between educational institutions, businesses, industry associations, and other stakeholders involved in workforce development. By



bringing together different sectors, governments can leverage resources, share best practices, and promote a coordinated approach to address workforce challenges effectively. Workforce development can promote social inclusion and equity by providing equal opportunities for all individuals to access education, training, and employment. Governments can implement policies and programs that address systemic barriers, support diversity and inclusion, and ensure that underrepresented groups have access to skill development opportunities. This fosters a more inclusive society and reduces inequality.



ENDNOTES

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