

## Economic Development

### Summary

Wayne County has uniquely benefited from a strong economy across several major economic sectors and including significant agricultural-related companies, as well as Fortune 500 corporate headquarters with international operations. The **Comprehensive Plan** recognizes the important role the economy plays as a basis of the County's quality of life. It also seeks to strengthen the economy's role by focusing future resources on industrial development, downtown revitalization and agriculture/agribusiness. This Plan should be viewed in context with the Wayne Development Council's **Strategic Economic Development Plan**.

### Planning Issues

*The following is an overview of economic development-related planning issues. For a detailed discussion, please refer to the report **Planning Issues**.*

Diversifying the local economy and providing for additional opportunity is key to economic development. The County should build upon the existing economic base, higher education and the Ohio Agricultural Research and Development Center (OARDC), and use utility extensions, zoning and improvements in the labor market (e.g. post secondary and vocational education) to attract new businesses. Issues raised included:

- Can the local economy be sufficiently diversified to strengthen its durability in the long term? Can the economy build upon existing businesses and relationships to attract new firms?
- Can additional opportunity be created through utility provisions, zoning and improvements in the labor force? Can the business climate be sufficiently improved to make Wayne County competitive on a global scale? Does Wayne County need to be competitive on a global scale?

Additional issues raised covered a range of topics, including the tax benefits of retail development, a weak labor market that forces higher wages and benefits to attract qualified employees, lack of utilities to attract industry and tax abatement concerns.

### Existing Conditions and Trends

*The following is an overview of existing conditions and trends. For a detailed presentation please refer to the report **Existing Conditions and Trends**.*

Data used to identify existing conditions and trends included U.S. Census and Bureau of Economic Analysis, 1996 Harris Industrial Directory, OSU Extension's assessment of agricultural economy and various chambers of commerce documents. Trends were forecasted by Donald T. Iannone & Associates.

### Economic Structure

- **Business** - Wayne County has nineteen major employers with 250 or more employees. The wholesale trade sector has experienced the strongest growth, with a sales increase of 33 percent between 1987 and 1992. Retail trade sector experienced a strong 17.3 percent increase. Between 1989 and 1993, 1,081 businesses were started and 962 businesses closed, for a net increase of 119 businesses. New construction for the same period included 42 industrial buildings and 121 commercial buildings.

- **Labor Force** - The labor force was about 40,000 in 1994. Wayne County's unemployment rate in June, 1996 was 4.0 percent, which was somewhat lower than Ohio's unemployment rate of 4.7 percent (the national unemployment rate was 5.5 percent). Fifty percent of the labor force were operators, fabricators and laborers and in technical, sales and administrative support occupations, a figure comparable to the State reported figure of 49 percent. Twenty percent were in the managerial and professional specialty occupations, lower than the 25 percent reported for Ohio. About 57 percent of the labor force was employed in the manufacturing and services industries.
- **Income** - Wayne County reported a lower 1994 per capita income than the State, yet was characterized by a lower percent of persons below the poverty level. The County's 1989 median household income was higher than the State.
- **Taxes and Finance** - Over \$917 million was reported as the 1992 taxable value of real property in Wayne County. County personal income tax returns exceeded \$34 million for 1991, with an average of \$772 per return. As reported in 1995, eight banks were headquartered in Wayne County with deposits totalling over \$654 million, and one savings and loan had an asset value of over \$240 million.
- **Agriculture** - In 1992 about 1,582 farms were located in Wayne County, with the majority - 642 or 41 percent - between 50 and 179 acres in size. The average size was 156 acres. Agricultural products sold in 1992 had a market value of over \$138 million, yielding an average of \$88,000 per farm. In 1992, over one-quarter (414 farms or 26 percent) of farms had a sales value of \$100,000 or more, while about one-third (542 farms or 34 percent) reported a value of sales of less than \$10,000.

Full-time farmers accounted for 62 percent of farm operators, with the balance part-time farmers with other fulltime employment. Following an analysis based on a sample of farms, the 1992 Census reported a total of 2,130 hired farm workers on 567 farms. The figures yield an average of 3.76 workers per farm.

A broader definition of agricultural economic impact was prepared by OSU Extension (**Assessing Food and Agriculture in the Wayne County Economy**, Sporleder and Jackson, 1995) which estimated that food and agricultural industries together accounted for over \$1 billion in economic output in the County, contributing one of every five jobs and producing one of every five dollars of the economy's income. This study used a broad definition of agriculture and food beyond traditional definitions, including restaurants, forestry and food processing.

### **Economic Base**

In June, 1996, an economic base analysis for Wayne County was conducted by Donald T. Iannone & Associates for the **Strategic Economic Development Plan**. It was determined that the following seven primary economic clusters serve as the driving forces of the County's economy:

- Manufacturing
- Agriculture
- Corporate headquarters and offices
- Travel and tourism
- Retail trade
- Educational sector (primary and secondary)
- Professional sector (medical, legal, engineering, consulting and other)

### **Employment Forecast**

In 1970 Wayne County reported 37,460 jobs available to the labor force. The figure reached 58,050 in 1995. Based on historic trends, that number is forecast to increase 84 percent to 68,880 jobs by 2010. In 1995 the manufacturing sector accounted for 27 percent of total employment, the services sector accounted for 21 percent and the retail sector accounted for 14 percent. The remaining 38 percent was classified as less significant sectors.

The employment forecast prepared for the **Strategic Economic Development Plan** estimates an average annual growth rate of 2.48 percent over the next decade. Observations are noted below.

- **Total Increase** - Average annual growth rate is forecasted to be 2.48 percent, resulting in an increase from 45,614 jobs in 1995 to 62,572 in 2010. This is a gross increase of 37 percent or 16,958 new workers.
- **Services and Wholesale/Retail** - The largest percentage increase is forecast for Services and Wholesale/Retail, each sector with a 3.0 percent annual growth rate. Services would result in a 56 percent increase or 4,011 new workers. Wholesale/Retail would result in a 5,265 additional workers, the second largest actual increase as well.
- **Manufacturing** - The largest actual increase is forecast for Manufacturing, with the addition of 5,896 workers or 35 percent. The annual growth rate is forecast at 2.0 percent.
- **Mining and Agriculture/Forestry** - These two sectors are forecast to decline in workers by an annual rate of -0.5 percent.

### **Economic Output**

Wayne County's economy grew approximately 45 percent from \$1.36 billion in economic output (CEO) in 1977 to \$1.96 billion in 1995 on a constant dollar basis. These figures are comparable to the constant Gross State Product values, which increased approximately 29 percent or from \$169.4 billion in 1977 to \$217.7 billion in 1995. The current CEO increased by over 200 percent, from \$782.3 million in 1977 to \$2.5 billion in 1995. The current GSP increased 181 percent from \$97.4 billion in 1977 to \$274.1 billion in 1995.

Manufacturing accounts for an estimated 47 percent of the County's annual economic output, or about \$928 million in 1995. Manufacturing played a dominant role in the County's economic growth, especially when compared to manufacturing's 27 percent share of Ohio GSP. A broad definition of agriculture's economic impact in Wayne County, as determined by OSU Extension, estimates over \$1 billion in economic output for food and agricultural-related industries.

The constant CEO is forecast to increase 23.2 percent between 1995 and 2005, increasing by \$458.4 million to over \$2.4 billion. The constant GSP is forecast to increase to \$260.5 billion by 2005, an increase of 19.7 percent from 1995. The

current CEO and GSP values have been forecast to increase 45.8 percent and 34.0 percent respectively - the CEO to over \$3.5 billion and the GSP to approximately \$367.3 billion. (Constant estimates are adjusted to 1987 dollar values and current estimates reflect current dollar values of the particular time period - reflecting inflation.)

The County averaged growth of 2.17 percent annually over the 1977 to 1995 period, as compared to Ohio's average annual growth rate of 1.5 percent. The constant dollar growth rates are forecasted at 2.2 percent annually for the County and 1.9 percent for the state in 2005.

### **Economic Growth Trends**

Wayne County's economy has an estimated current total output of \$1.975 billion in real 1987 dollar terms, and \$2.45 billion in current dollar terms. This output is just under 1.0 percent (0.91 percent) of Ohio's gross state product (GSP). County economic output is the combined value of output produced by all industrial sectors of the County's economy, as estimated by Donald T. Iannone & Associates.

Since 1977, Wayne County's constant dollar value economic output has grown at an average annual rate of 2.17 percent. In current dollar terms, the County's economic output has grown at a 6.27 percent average annual rate. By comparison, Ohio's economy has grown at the average annual rate of 1.5 percent in constant dollar terms and 5.6 percent in current dollar terms over the same time period.

Wayne County's economic output growth can be used as a quantitative benchmark for the County's future economic growth promotion and management activities. Wayne County officials have expressed interest in pacing the County's annual growth in the 2.0 percent range. Many economic development organizations attempt to measure the number of jobs they played some role in creating or retaining. Within Northeast Ohio, the Greater Cleveland Growth Association and the Akron Regional Development Board (ARDB) use these type measures of performance.

Wayne County's historical economic growth rate has averaged 2.17 percent. Its projected annual growth rate over the next decade is expected to average 2.48 percent, which is an annual increase of 0.33 percent. A one percent increase in Wayne County's economy is valued at \$19.8 million in real economic output, therefore the 0.33 percent increase is valued at \$6.5 million in real economic output.

### **Goals, Objectives and Strategies**

Policies are the basis of the **Comprehensive Plan** and this section presents the Economic Development Goal and four objectives. Together these policies are the driving force behind this Element and should be coordinated with the **Strategic Economic Development Plan**. The Implementation section presents actions for each objective. The Economic Development Goal is:

**Quality jobs with good pay and benefits, orderly commercial and light industrial growth to be encouraged, with sensitivity to downtowns, agribusiness, family farms and tax implications.**

The objectives and their respective strategies are:

**Objective 1 - Industrial Reuse - Encourage reinvestment in existing industrial areas, by:**

- 1.1 Targeting economic incentives to existing industrial areas.
- 1.2 Encouraging reuse and rehabilitation of existing industrial structures.

- 1.3 Discouraging industrial development in areas lacking appropriate infrastructure and access, and where land use conflicts will occur.

**Objective 2 - Industrial Park Development - Facilitate the development of two industrial parks during the planning period, by:**

- 2.1 Obtaining public support for development of industrial parks.
- 2.2 Identifying and adopting criteria for locating industrial parks.
- 2.3 Identifying sources of funding and securing sufficient funds to facilitate development.

**Objective 3 - Downtown Revitalization - Encourage commercial retail development and housing in downtowns, by:**

- 3.1 Coordinating and providing technical assistance through Main Street Wooster and Downtown Ohio Inc. to cities and villages in Wayne County.
- 3.2 Assisting cities and villages identify appropriate locations for retail and residential development on undeveloped sites and within existing structures.
- 3.3 Identifying and securing state funding to assist revitalization programs.
- 3.4 Assisting in funding infrastructure improvements that support downtowns.

**Objective 4 - Agriculture and Agribusiness Development - Give agriculture and agribusiness the same consideration as other industries and businesses, by:**

- 4.1 Encouraging and promoting agriculture/agribusinesses to the same extent as other commercial and industrial businesses to help maintain the county's diverse economy.
- 4.2 Identifying an agriculture/agribusiness association to work with existing development councils.
- 4.3 Promoting the completion of a retention and expansion program for agribusiness.
- 4.4 Obtaining public support for the development and advancement of agriculture/agribusiness by educating the public of the impact of agriculture/agribusiness on the County's economy.
- 4.5 Applying Industrial Reuse and Industrial Park Development strategies to agribusiness.
- 4.6 Encouraging agriculture/agribusiness to continue to use sound environmental policies.
- 4.7 Encouraging the adoption of economic strategies that will help production agriculture to be profitable.
- 4.8 Strengthening farm markets.

**Objective 5 - Tourism - Continue to support travel and tourism, by:**

- 5.1 Developing a strategy in conjunction with the **Strategic Economic Development Plan**.

## 5.2 Continue to fund travel and tourism efforts.

### Economic Development Plan

The Economic Development Plan focuses on several areas that are uniquely connected to the **Comprehensive Plan**. This Plan recognizes that economic development is crucially integrated with a host of other areas of countywide interest, including quality of life, land use, infrastructure and utilities. This has resulted in a defined focus for this Plan, as compared with the broader strategy simultaneously created by the Wayne Development Council.

### Strategic Economic Development Plan

The Wayne Development Council has completed a simultaneous planning effort to develop a comprehensive strategy that will guide countywide economic development activities (**Strategic Economic Development Plan**). That effort was coordinated with the County's comprehensive planning effort. While this Economic Development Plan has focused on specific areas, such as agriculture/agribusiness, WDC's effort is broader in scope and impact. The **Comprehensive Plan** strongly supports that effort and encourages its implementation.

### Economic Partnerships

It's important to note that economic development is addressed by a number of different entities in Wayne County and as a result, partnerships are important to ensuring long-term success. These partnerships must continue and strengthen if the County is to prosper from future economic growth. Coordination is a very important aspect and primary responsibility rests with the Wayne Development Council. The following are the major partners:

- **County Commissioners** - At the County level the Commissioners establish policies that directly affect economic development and have approval authority for some incentives.
- **County Planning Department** - The Planning Department provides administrative assistance and grantsmanship for several economic funding sources and incentive programs.
- **Wayne Development Council** - The Council is charged with coordinating and overseeing economic development countywide and works with local chambers of commerce, utilities and banking, and the real estate community to undertake these efforts.
- **Wayne Convention and Visitor's Bureau** - The Bureau plays an important role in supporting travel and tourism in Wayne County and works with other partners, such as local tourism entities.
- **Chambers of Commerce** - Within their own jurisdictions, local chambers provide economic development assistance to corporate citizens and potential prospects.
- **Cities and Villages** - Local incorporated communities in the County have undertaken their own economic development efforts as well, sometimes with County assistance.
- **Business Community** - The business community plays an ongoing role both supporting public efforts to encourage economic growth, as well as initiating growth itself through local plant expansions, attracting

suppliers to the County and promoting the benefits of doing business in Wayne County to other companies.

### **Industrial Development**

The Economic Development Plan establishes as a priority the continued use and reuse of existing industrial structures. Wherever feasible, companies should first consider using existing structures before initiating construction projects. This is a priority because it ensures that existing capital resources (buildings and land) and public infrastructure are continually recycled, especially before tax dollars must be spent creating new infrastructure. Just as important, this approach also reduces the continuing spread of development around the County. This helps to implement the land use recommendations of the **Comprehensive Plan** that seek to redirect development.

In terms of new industrial park development, the Economic Development Plan supports the creation of two industrial parks in Wayne County over the next 10 or so years. These parks are not viewed as alternatives to using existing structures, but are intended to facilitate expansion and the attraction of new companies where existing sites and facilities are inadequate. The Wayne Development Council is expected to coordinate these efforts and the **Strategic Economic Development Plan** provides guidance in this regard. The County Planning Department is called upon here to assist in identifying potential sites via its geographic information system (GIS). The County may also be called upon to assist in financing the development of these parks, either directly or through non-tax sources; its' support will be crucial.

- **Site Criteria** - The criteria to be used in selecting possible sites for future industrial parks should include the following recommendations:
  - Located within a 10-minute drive of a major interstate highway (preferred) or on a major US or state highway which has a direct connection to an interstate highway.
  - Served by rail.
  - Easily served by electricity, water and sanitary sewer service, telephone and natural gas.
  - Easily accessed from the existing road network.
  - Adjacent to similar industrial uses or commercial development, but not adjacent to residential development.
  - Not within close proximity to an underground aquifer, groundwater recharge area or wellheads.
  - Not constrained by environmental features including floodplains, streams, high-quality timber, wetlands, prime agricultural soils, species habitat, etc.
  - Preferably in a community with zoning.
- **Development Standards** - As each industrial park is designed, the following general development standards are recommended to be incorporated into either the zoning documents applicable to the properties or as deed restrictions with review and approval by the Wayne Development Council:
  - Controlled site access which minimizes curb cuts onto the public road network. Entrances and exits should be clearly marked.

- Parking lots and service areas should not be the principal visual elements of the site and emphasis should be placed on the building and landscaping. Service areas located to the rear and sides of buildings.
- Convenient access, visitor parking and on-site circulation to facilitate movement. Safety and efficiency should be emphasized.
- Screening of outdoor storage, work areas and equipment with evergreen plant materials, earthen mounds and walls or fences.
- Emphasis on main building entry and on-site landscaping. A landscaped buffer should separate off-street parking areas from the road right-of-way and office portions of industrial buildings.
- Building setbacks from property lines should increase as building size increases. A minimum setback of 35 feet should be provided, with a minimum of 100 feet if adjacent to existing residential property. Parking lots should be setback a minimum 25 feet from property lines.
- Signs should be groundmounted, monumental-type signs with masonry bases. The sign should be designed to be compatible with the main building.
- Building facades should be broken through varying setbacks to avoid monotonous building facades. Exterior colors should be neutral or earth toned.

### **Downtown Revitalization**

The County is blessed with some very strong downtowns that meet many of the retail, professional offices and cultural needs of local residents. In other cases downtowns have lost their vitality because of a weak retail market or competition from other retail sources. Commercial development at the north end of Wooster in particular has been pointed to by the public as a concern (although from an economic standpoint big box retailers have captured shoppers (and sales tax) that normally travel outside the County for those retail services).

The Economic Development Plan recommends that several efforts be undertaken to strengthen the County's downtowns. These efforts include providing technical assistance under the guidance of Main Street Wooster, a nationally-recognized and successful nonprofit. Locations should be identified to encourage commercial and residential infill, funding assistance garnered to direct revitalization efforts and infrastructure improvements made in downtowns to improve their function and service levels.

These efforts will require the support of the County Commissioners, County Planning Department, Main Street Wooster and individual communities, businesses and property owners. As a development organization, the Wayne Development Council could play a role in encouraging commercial reinvestment.

### **Agriculture and Agribusiness**

The Economic Development Plan recognizes the important role that agriculture and agribusiness plays in Wayne County's economy. The Plan seeks to attract additional attention on agriculture's place at the County's economic table by encouraging an organization to promote agriculture and work with existing development councils.

The Plan recommends a retention and expansion program to assist current agribusiness remain profitable and continue operating in Wayne County. Development of economic strategies are recommended to help production agriculture be profitable and generate public support. Sound environmental policies are also recommended for agriculture to adopt and implement. Combined the intended outcome is a stronger, more economically successful agricultural sector, which serves as one of the County's traditional economic foundations.

### Implementation

As mentioned earlier, a series of economic partnerships are present in Wayne County which serve to coordinate and implement economic development activities. The degree to which these partnerships are successful depends on the degree of communication, coordination and commitment from individual players. This Economic Development Plan and the **Strategic Economic Development Plan** should together provide a blueprint that assists elected and appointed officials make difficult decisions regarding economic incentives.

The actions recommended in this Plan focus on three key areas: industrial development, downtown revitalization and agriculture/agribusiness. The **Strategic Economic Development Plan** is much broader in scope and addresses a host of important issues. Each provides guidance to implement their respective recommendations. Instead of reiterating this guidance, the reader is encouraged to review the SEDP's implementation section.

### Actions

A detailed set of recommended actions follows which provide direction relative to the strategies presented earlier in this chapter. Actions are intended to be very defined steps that are necessary to implement individual strategies. Parties are identified that are responsible for implementing individual actions. Recommended timeframes are also provided as a measure of success. A summary of all actions presented in the **Comprehensive Plan** is provided in the Implementation Element.