



Strategic Plan

February 2024



**Butler County Finance Authority
Butler County, Ohio
Strategic Plan**

Adopted February 12, 2024

Board

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A special thank you to the many Butler County, local government, and business community stakeholders who took time to contribute their input to this plan!

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INTRODUCTION

Project Overview

The Butler County Finance Authority (BCFA) engaged Envision Group LLC to prepare a Strategic Plan to (1) assess the current operation of the Authority and (2) recommend potential future service offerings to better address local partner economic development needs.

Current Staffing and Service Offerings

BCFA currently has no dedicated full-time staffing. Current BCFA service offerings are effectively limited to two options: (1) conduit bond financing and (2) capital lease structure providing sales tax exemption on construction materials.

ASSESSMENT

Stakeholder Engagement

The consultant team conducted a series of stakeholder interviews with BCFA, Butler County, local political subdivisions, and chamber of commerce leadership. Interviewees were asked generally about their experiences working with BCFA and the current state of economic development efforts in Butler County. More targeted questions followed to gauge interest in additional financing options (e.g. standalone bond fund), innovative financing programs (e.g. PACE, New Markets Tax Credits), technical assistance (e.g. feasibility studies, development assistance (e.g. site assembly readiness), and other support services (e.g. marketing, advocacy).

A brief summary of stakeholder engagement and feedback is provided on the next page, with full details in Chapter 3.

RECOMMENDATIONS & ACTION PLAN

The results of stakeholder engagement and assessment process demonstrate the need for BCFA to act in four thematic focus areas:

- **Invest** in a dedicated staff hire employed by BCFA and new service offerings for financial assistance leading to increased program revenue fees
- **Administer** clear and transparent procedures investments along with project monitoring requirements and annual reporting showcasing the key performance metrics
- **Promote** the new BCFA brand through a new website highlighting expanded service offerings, while marketing the new toolkit to prospective developers, and advocating for state and federal policy and investment that support Butler County as an economic engine
- **Facilitate** the regular convening of local economic development partners and provide technical assistance in support of site assembly and readiness efforts

A prioritized summary of 1 to 6 month (Empower phase), 7 to 24 month (Execute phase), and 3 to 5 year (Expand phase) Action Items are summarized on the matrix on Page 3 and detailed in Chapter 5.

STAKEHOLDER INPUT

Highlights



STAKEHOLDER INTERVIEWEES

- BCFA Board Members
- BCFA Interim Executive Director
- County Commissioners
- County Administrator
- Chambers of Commerce
- Fairfield
- Fairfield Township
- Hamilton
- Liberty Township
- Middletown
- Monroe
- Oxford
- Trenton
- West Chester Township

LOCAL PARTNERS: Consensus Needs

- **Transparency / Consistency:** “we need clear expectation of what constitutes a “good project”
- **Desire a proactive BCFA** role in marketing service offerings
 - Need full-time dedicated BCFA staff person
 - Web presence & marketing - “an outward facing presence”
- **BCFA/County support** for catalytic partnerships
 - Technical assistance for special projects
 - Need a County ED Strategy: “What are our target industry sectors?”
 - Acknowledge ED staff/project/incentives at local level... but consistently cited County-level support of catalytic partnerships is crucial
 - Quarterly meetings with updates on major projects/initiatives
- **Advocacy:** BCFA/County at state/federal level (e.g. drive/fly-in)
- **Leverage I-75 Corridor:** Butler County at center of future Cin-Day Metroplex

COUNTY PERSPECTIVE

- Demonstrate ROI for County & avoid risk
 - Sales tax is major driver for County
 - Want to see quantitative analysis of tax revenue implications
- County can help with site readiness if end user/target market identified
- Acknowledge need for Commissioners & BCFA Board to meet annually
- Economic Development staffing needed at BCFA & County
- County needs an Economic Development Strategy

BACKGROUND

Project Overview

The Butler County Finance Authority (BCFA) [previously known as the Butler County Port Authority] engaged Envision Group LLC in July 2023 to prepare a Strategic Plan on their behalf. The purpose of the Plan is twofold: (1) to assess the current operation of the Authority and (2) to recommend potential future service offerings to better address local partner economic development needs.

Current Staffing and Service Offerings

BCFA currently has no dedicated full-time staffing. Butler County and BCFA have a Memorandum of Understanding where the County's Director of Development is made available to the Authority to provide management services and assistance as requested by the BCFA.

Current BCFA service offerings are effectively limited to two options: (1) conduit bond financing and (2) capital lease structure providing sales tax exemption on construction materials.

Given the lack of a full-time dedicated staff person, BCFA has taken a reactionary approach to financing development deals in Butler County as applicants step forward, rather than proactively marketing the suite of economic development tools available.

DEVELOPMENT FINANCE

Exploring the Toolkit

The Council of Development Finance Agencies (CDFA), a national association dedicated to the advancement of development finance interests, has identified several characteristics of high performing development finance agencies:

- Manage and implement a variety of toolbox programs
- Utilize a private-sector driven model focused on market rate returns and development of their portfolio
- Maintain self-sufficiency by earning revenue from transactions and fees that allow them to expand their service offerings
- Avoid sole reliance on government subsidies
- Work outside of constraints of government to move at the speed of business

While each development finance agency is unique in its revenue streams, most generate fees and program revenue from some combination of the following sources:

- General fees (at issuance)
- Ongoing fees (sized to the outstanding portion of bond issuance for the life of the transaction)
- Formula fees (less common but sometimes utilized for tax increment finance deals)
- Interest income (for loan funds)
- Appropriations and tax levies

OHIO CASE STUDIES:

Highly Functioning Finance Authorities

Toledo-Lucas County Port Authority (TLCPA)

TLCPA has developed a national reputation for innovative business financing, assisting over 600 economic development projects representing a total investment of more than \$2 billion while helping to create and retain nearly 20,000 jobs.

Financing options include:

- BetterBuildings Northwest Ohio
- Fixed Interest Rate Revenue Bonds
- Infrastructure Financing
- Conduit Revenue Bonds
- Ohio Regional 166 Loan Program
- Revolving Loan Fund
- U.S. Small Business Administration 504 Loan

The Northwest Ohio Bond Fund provides small and medium-sized companies access to the national capital market as if they were A- Investment Grade companies. It provides:

- Financing for projects from \$2 million to \$25 million
- Fixed interest rates for full term of the bonds
- Typically 90% financing and 10% equity
- Financing up to 30 years for land and buildings
- Financing up to 10 years for equipment
- Tax exempt bonds for manufacturing, non-profit 501(c)3 and governmental operations
- Taxable bonds for all other projects

The Development Finance Authority of Summit County (DFA)

DFA specializes in community and economic development finance, primarily focused on Northeast Ohio, by assisting others in obtaining capital that might not otherwise be available. In addition to issuing taxable and tax-exempt revenue bonds, DFA works closely with affiliated non-profits: the Akron-Summit County Energy Special Improvement District (ESID) enables DFA to issue PACE bonds; the Development Fund of the Western Reserve (DFWR) allocates New Markets Tax Credits; and the Western Reserve Community Fund (WRCF) provides small business and community-based lending.

DFA issues bond financing through:

Jobs & Investment Bond Fund: DFA issue both taxable and tax-exempt bonds underwritten with its A- Bond Rating (S&P). Jobs & Investment Bond Fund loans typically range from \$2M - \$7M and are structured for 10-30-year terms, and the borrower is responsible for service on the incurred debt.

Conduit Bond Financing: DFA issues both taxable and tax-exempt conduit bonds underwritten by commercial lenders and other financing sources. These include private activity bonds (PABs), capital lease bonds, and community development bonds.

Property Assessed Clean Energy (PACE): PACE bonds are available to assist property owners with financing energy efficiency projects, resulting in a better work environment and reduced energy costs. Repayment costs for the improvements are paid through a voluntary special assessment by the property owner.

Butler County COMMUNITY TYPOLOGIES



**Mature Suburban
MIXED-USE INFILL**
West Chester & Fairfield



**Greenfield
GROWTH AREAS**
Liberty, Monroe, Trenton
& Fairfield Twp.



**College Town
BUSINESS INCUBATION**
Oxford



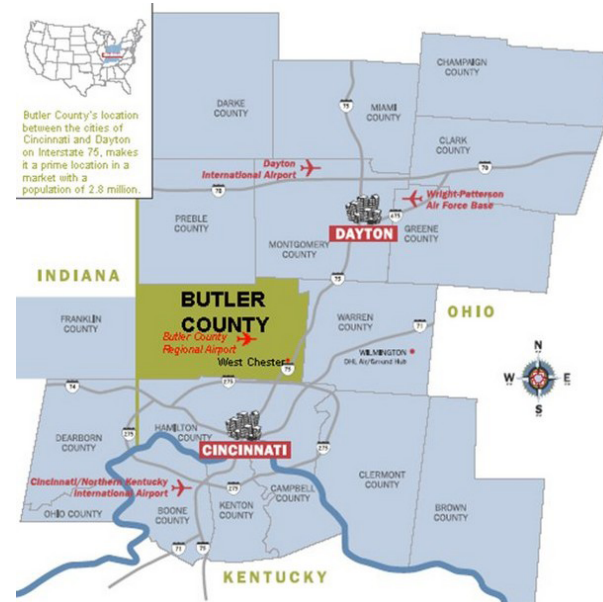
**Legacy City
ADAPTIVE REUSE**
Hamilton & Middletown

BUTLER COUNTY

Regional Context

Butler County is part of Cincinnati OH-KY-IN Metropolitan Statistical Area (MSA) that is home to over 2.2 million residents. Butler County is Ohio's seventh largest county with a population of 390,357 and was the sixth fastest growing county in state by percentage between 2010 and 2020. Butler County benefits from a strategic location along the Interstate 75 corridor connecting Cincinnati and Dayton.

Local development conditions vary widely across the county with urbanized areas most concentrated in the southeastern and eastern parts of the county. For the purposes of this plan, four community typologies were identified (see left) in areas where development is most feasible. While Butler County ranks 18th among Ohio's 88 counties in personal per capita income, there are areas of the county where economic distress is present. This is especially true in Butler County's two legacy industrial cities along the Great Miami River - Hamilton and Middletown.





STAKEHOLDER INTERVIEWEES

- BCFA Board Members
- BCFA Interim Executive Director
- County Commissioners
- County Administrator
- Chambers of Commerce
- Fairfield
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- Hamilton
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- Oxford
- Trenton
- West Chester Township

ANALYZING PERFORMANCE

Stakeholder Feedback

BCFA authorized the consultant team to conduct a series of stakeholder interviews with BCFA, Butler County, local political subdivisions, and chamber of commerce leadership. These interviews were conducted primarily in-person, with some conducted via videoconference due to scheduling constraints, in August and September of 2023.

Interviewees were asked generally about their experiences working with BCFA and the current state of economic development efforts in Butler County. More targeted questions followed to gauge participant interest in potential future BCFA service offerings in the following areas:

- Additional Financing Options (e.g. standalone bond fund and small business lending)
- Innovative Financing Programs (e.g. PACE, New Markets Tax Credits)
- Technical Assistance (e.g. area plans, feasibility studies)
- Development Assistance (e.g. site assembly and readiness)
- Other Support Services (e.g. marketing, advocacy)

The next page summarizes local input received on catalytic project needs relative to the four community typologies. Page 9 proceeds to compare the local partner desired services offerings with those supported by Butler County leadership.

STAKEHOLDER INPUT SUMMARY:

Catalytic Projects Needs by Community Typology

MATURE SUBURBAN

Built Out so need
Mixed-Use Infill

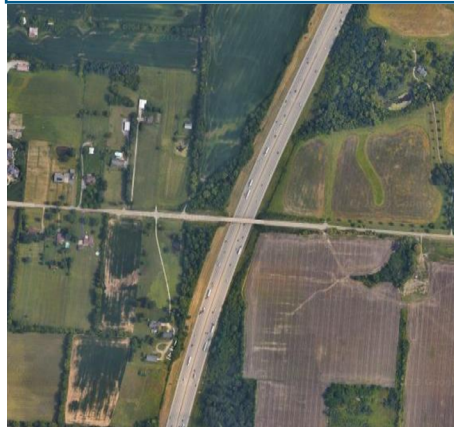
- **Fairfield:** Site assembly & environmental remediation (esp. SR 4 aging commercial)
- **West Chester:** Mixed-Use Residential to support retail/office



GREENFIELD

Catalytic Growth
along I-75 & Exurbs

- **Monroe/Liberty:** Future interchange area site assembly/ infrastructure/ marketing/end user financing
- **Trenton:** industrial park, infill on 73 & workforce housing



COLLEGE TOWN

Business Incubator
& Airport

- **Oxford:** support for innovation district at College & Elm incubator / advanced air mobility industrial park at Airport and select infill parcels on Ringwood Rd



LEGACY INDUSTRIAL

Infill & Brownfield
Redevelopment

- **Hamilton/Middletown:** Expanded financing opportunities for urban core projects & site assembly/ remediation/ infrastructure
- **St. Clair Twp.** brownfield remediation



STAKEHOLDER INPUT SUMMARY: Desired BCFA Service Offerings

WHAT A PORT CAN OFFER

- Standalone Bond Fund
- Small Business Loans & Other Non-Bond Loans
- Innovative Finance (e.g. NMTC, PACE)
- Ownership of Residential, Commercial or Industrial Development
- Strategic Acquisition/Site Assembly
- Public Asset/Infrastructure ownership
- Develop Infrastructure/Apply for Grants
- Environmental Stewardship (e.g. Brownfields)
- Award Community Grants
- Marketing (Shovel Ready Sites)
- Technical Assistance (area master plans/studies)
- Investor Convening (e.g. Opportunity Zones)

WHAT LOCAL PARTNERS WANT IN BOLD

- **Standalone Bond Fund**
- **Small Business Loans & Other Non-Bond Loans**
- **Innovative Finance (e.g. NMTC, PACE)**
- Ownership of Residential, Commercial or Industrial Development
- **Strategic Acquisition/Site Assembly**
- Public Asset/Infrastructure ownership
- **Develop Infrastructure/Apply for Grants**
- **Environmental Stewardship (e.g. Brownfields)**
- Award Community Grants
- **Marketing (Shovel Ready Sites)**
- **Technical Assistance (area master plans/studies)**
- **Investor Convening (e.g. Opportunity Zones)**

WHAT RESONATED WITH COUNTY COMMISSIONERS IN BOLD

- Standalone Bond Fund
- **Small Business Loans & Other Non-Bond Loans (FOR TECH BUSINESSES)**
- Innovative Finance (e.g. NMTC, PACE)
- Ownership of Residential, Commercial or Industrial Development
- **Strategic Acquisition/Site Assembly**
- Public Asset/Infrastructure ownership
- **Develop Infrastructure/Apply for Grants**
- **Environmental Stewardship (e.g. Brownfields)**
- Award Community Grants
- **Marketing (Shovel Ready Sites)**
- **Technical Assistance (area master plans/studies)**
- Investor Convening (e.g. Opportunity Zones)

LOCAL PARTNERS: Consensus Needs

- **Transparency / Consistency:** “we need clear expectation of what constitutes a “good project”
- **Desire a proactive BCFA** role in marketing service offerings
 - Need full-time dedicated BCFA staff person
 - Web presence & marketing - “an outward facing presence”
- **BCFA/County support** for catalytic partnerships
 - Technical assistance for special projects
 - Need a County ED Strategy: “What are our target industry sectors”
 - Acknowledge ED staff/project/incentives at local level... but consistently cited County-level support of catalytic partnerships is crucial
 - Quarterly meetings with updates on major projects/initiatives
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- **Leverage I-75 Corridor:** Butler County at center of future Cin-Day Metroplex

COUNTY PERSPECTIVE

- Demonstrate ROI for County & avoid risk
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BUILDING CONSENSUS

Understanding Partner Needs

Within the four topologies of Butler County communities, each had unique economic development issues based on their geographic, socioeconomic, and local political environments. While each of the local political subdivisions engaged in the stakeholder outreach process had some level of local economic development capacity, all communities were uniform in requesting the need for additional economic development assistance from BCFA as summarized to the top left insert.

BCFA should focus special attention on Butler County’s legacy industrial “River Towns” – Hamilton and Middletown – as each have local distress in their urban core neighborhoods and brownfield redevelopment sites. Several innovative financing tools are available in designated areas of these historically underserved communities, including but not limited to:

- New Markets Tax Credits (NMTC) in certain distressed Census Tracts
- Low Income Housing Tax Credits (LIHTC) in Qualified Census Tracts (QCTs)
- Opportunity Zone preferential tax treatment of capital gains invested in designated Census Tracts
- EB-5 Regional Center investments in Targeted Employment Areas
- Inflation Reduction Act (IRA) Investment Tax Credit “adders” for Energy Communities and/or Low-Income Communities

While the above programs are examples of programs most applicable to Hamilton and Middletown, there are instances where these tools may be applicable to other areas in Butler County based on local Census Tract data.

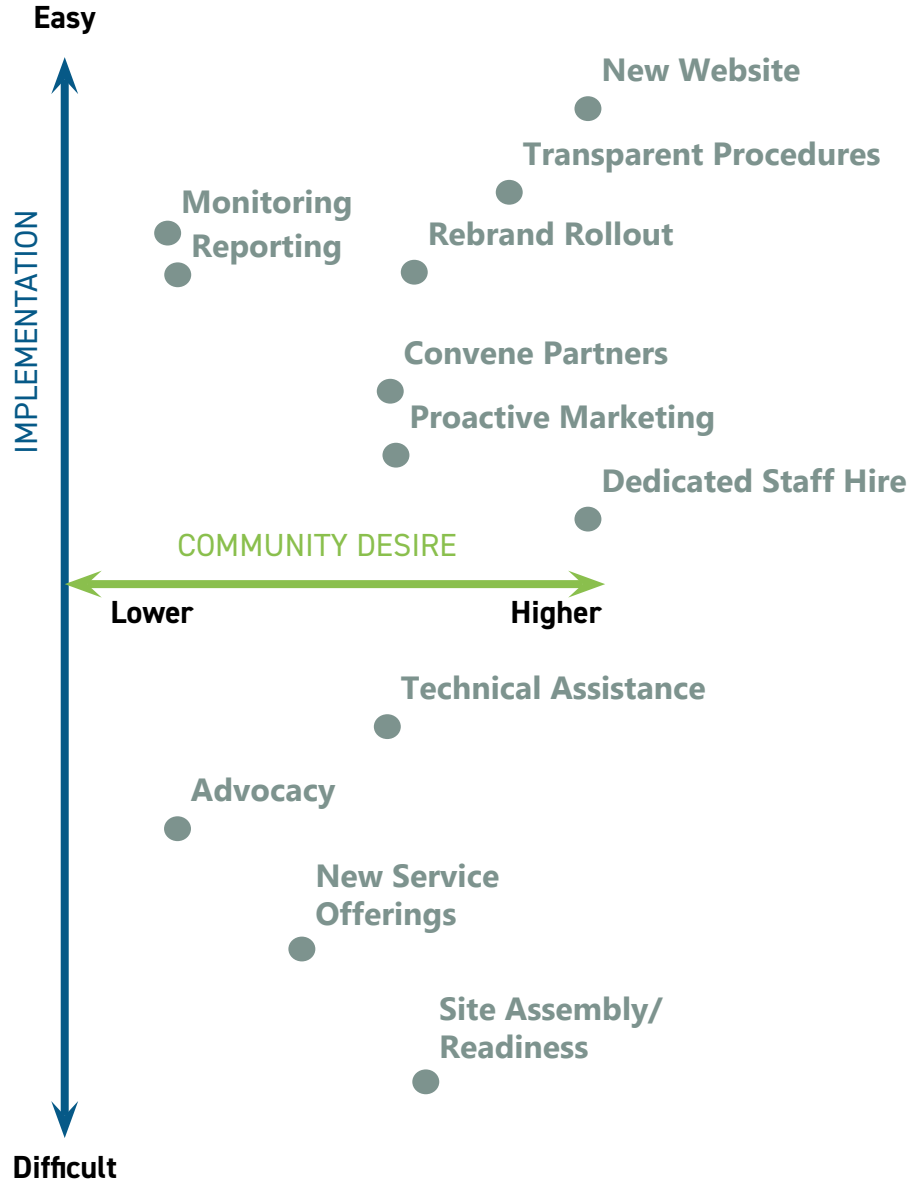


FOCUS AREAS

Addressing Stakeholder Needs

The results of stakeholder engagement and assessment process demonstrate the need for BCFA to act in four thematic focus areas:

- **Invest** in a dedicated staff hire employed by BCFA and new service offerings for financial assistance leading to increased program revenue fees
- **Administer** clear and transparent Project Review Criteria along with project monitoring requirements and annual reporting showcasing the key performance metrics
- **Promote** the new BCFA brand through a new website highlighting expanded service offerings, while marketing the new toolkit to prospective developers, and advocating for state and federal policy and investment that support Butler County as an economic engine
- **Facilitate** the regular convening of local economic development partners and provide technical assistance in support of site assembly and readiness efforts



Continued Delivery of Existing Service Offerings

BCFA should continue to deliver their current service offerings: (1) conduit bond financing and (2) capital lease structure providing sales tax exemption on construction materials.

Fees generated from these services offerings provide a BCFA with a self-sustaining revenue stream that can be reinvested in difficult to develop areas and transformational project across the County.

Prioritization of Action Items

This graph organizes action items by level of community desire and relative ease of implementation.

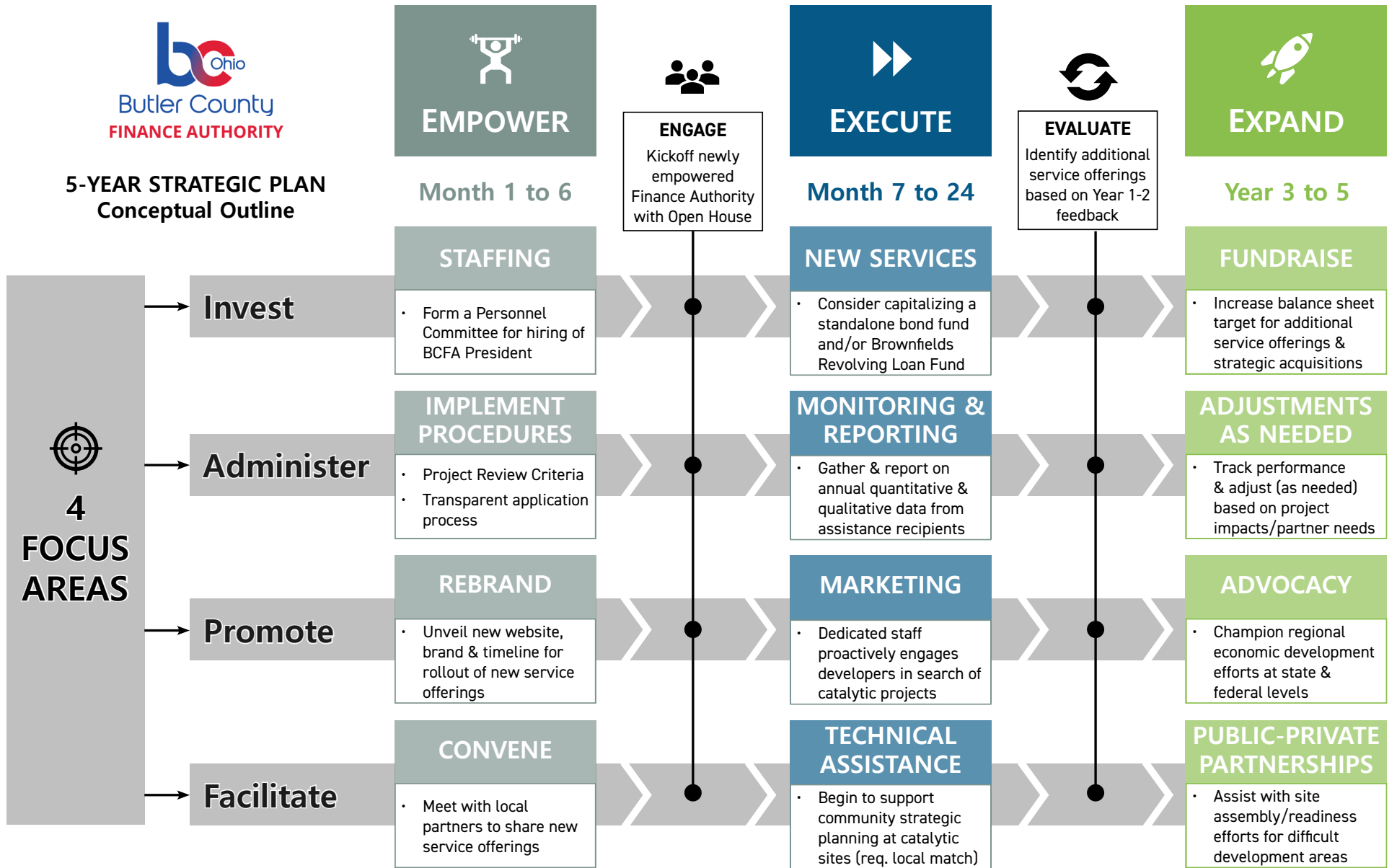
In general, easy to implement items with a higher level of community desire are prioritized as short-term priorities, while more difficult undertakings (e.g. site assembly/readiness) are categorized as medium-term or long-term action items.

The Chapter 5 Action Plan summarized on the next page summarizes these timeline prioritizations as follows:

- Empower (Month 1 to 6)
- Execute (Month 7 to 24)
- Expand (Year 3 to 5)



5-YEAR STRATEGIC PLAN Conceptual Outline





EMPOWER: Month 1 to 6

FOCUS AREA: Invest

STAFFING

An immediate priority for BCFA is the recruitment and hiring of an President that is an employee of the Finance Authority. The new President will be tasked with implementing BCFA's strategic plan and proactively marketing their expanded services.

A job posting should be marketed through CDFA, Ohio Economic Development Association, Ohio Council of Port Authorities, GrowAmerica, and International Economic Development Council.

The targeted candidate (see Appendix A for Job Description) should have the requisite experience to lead BCFA into its reboot:

- 10-plus years of development finance experience
- Working knowledge of the principles of development finance (bonds, tax increment finance, revolving loan funds, tax credits, etc.) with targeted expertise in the industry
- Previous financing experience or employment with a Port Authority or development finance agency is desired
- A bachelor's degree is required
- Candidates should have excellent leadership, communication and presentation skills
- In addition, candidates should possess strong organizational skills, the ability to work under deadlines and successfully handle multiple priorities, and excellent relationship-building skills

FOCUS AREA: Administer

IMPLEMENT PROCEDURES

BCFA shall implement a Project Review Criteria (see Appendix B) that provides clear expectations for prospective financing applicants:

- **Local Community Support** – BCFA's primary point of consideration for a proposed project is the Local Community Support.
- **Long-term Impact on Butler County** - BCFA shall also review the project to ensure that the project will also have a positive long-term impact on Butler County. Benefits can include tax base diversification, job creation, housing stock creation/renovation, business retention and expansion, redevelopment of underutilized properties, and reinvestment in areas of economic distress.
- **Project Capital Stack/Additional Public Support** - BCFA shall take into consideration the proposed funding structure of the project and the additional public support that is being provided by the local community, Butler County, State of Ohio, and federal government, if any.
- **Revenue Generated by the Project** – The BCFA shall consider the amount of revenue that it will generate by its participation in the project. The revenue obtained will be available to be reinvested into projects in Butler County to assist in the growth of the County's economic base.

Project Review Criteria and Financial Assistance Applications (see Appendix D) should be posted on a new BCFA website.



EMPOWER: Month 1 to 6

FOCUS AREA: Promote

Rebrand

It is a high priority for BCFA to develop and unveil a new website incorporating their new brand and an anticipated timeline for rollout of new service offerings contained in the new Strategic Plan.

The new BCFA website should stand separate from the Butler County website with its own distinct Uniform Resource Locator (URL) - ideally "www.butlercountyfinanceauthority.com".

BCFA should post a Request for Proposals (RFP) for a web developer to assist with the following tasks:

- **SEO Optimization:** conduct search engine optimization (SEO) to enable search engines to find and index BCFA's marketing material across both mobile and desktop devices
- **Web Content:** generate web content consistent with SEO campaign that can easily be hosted, maintained, and updated by BCFA staff/local partners with web development capabilities
- **Social Media Templates:** create templates for timely, relevant, and engaging social media posts that boost region's social media following with target audiences including graphics, basic animations, and GIFs formatted for social media platforms

FOCUS AREA: Facilitate

Convene

BCFA should cultivate significant community engagement that demonstrates BCFA's impact on economic development in Butler County and Southwest Ohio. BCFA should launch a regular community engagement process to aggressively articulate and demonstrate the Authority's impact on the community.

The regular convening of stakeholders should include:

- organizing a quarterly meeting of local economic development officials and chambers of commerce to share updates on BCFA projects/initiatives and seek input on local needs and opportunities for collaboration on catalytic projects
- sponsoring and presenting at local and regional events and supporting community development related efforts
- hosting an annual stakeholders event (luncheon, dinner, etc.) with County leadership (Commissioners and Administrator) community leaders, project partners, staff members and others to celebrate the Authority's success and accomplishments in the region



EXECUTE: Month 7 to 24

FOCUS AREA: Invest

New Services

BCFA should conduct a detailed financial assessment of the following potential new service offerings:

Capitalizing a standalone Bond Fund

A standalone Bond Fund provides qualified borrowers access to national capital markets and provides long-term fixed rate financing. One example is the Development Finance Authority of Summit County (DFA) Bond Fund. In 2001, Summit County provided a \$3 million grant and the Department of Development of the State of Ohio provided a grant of \$2 million to capitalize the Bond Fund. In 2003, DFA's Bond Fund was initially capitalized and rated BBB+ by Fitch. By 2010, DFA's Bond Fund surpassed \$50 million.

Pursue seed capital for the creation of Brownfields Cleanup Revolving Loan Fund (RLF)

A revolving loan fund (RLF) is a gap financing measure primarily used for development and expansion of small businesses. It is a self-replenishing pool of money, utilizing interest and principal payments on old loans to issue new ones. While the majority of RLFs support local businesses, some target specific areas such as healthcare, minority business development, and environmental cleanup. In the case of BCFA, a RLF focused on brownfield remediation would be highly beneficial given the presence of environmentally contaminated properties in and around Butler County's legacy industrial cities.

The US Environmental Protection Agency (EPA) offers competitive Brownfields RLF Grants of up to \$1 Million for a grant recipient to capitalize a revolving loan fund and to provide loans and subgrants to carry out cleanup activities at brownfield sites. Through these grants, EPA strengthens the marketplace and encourages stakeholders to leverage resources to clean up and redevelop brownfields. When loans are repaid, the loan amount is returned to the fund and re-lent to other borrowers, providing an ongoing source of capital within a community.

FOCUS AREA: Administer

Monitoring & Reporting

BCFA should contractually require that all recipients of financial assistance receive provide a report detailing their annual investment metrics in Butler County including:

- Jobs created/retained
- Businesses started/expanded/retained
- Private capital expenditures
- Sales activity
- Increased local, county, and state tax collections including real property tax, earnings tax, sales tax, and bed tax

These reporting metrics will be utilized by BCFA staff for the development of a new Annual Report.



EXECUTE: Month 7 to 24

FOCUS AREA: Promote

Marketing

BCFA staff will work to market the authority's service offerings and case study success stories through:

- **Event Appearances** - BCFA staff will attend and present at state and national conferences and host an annual event in Butler County to highlight their successes. Special presentations should be made to critical and influential government leaders and others related to the work of BCFA as needed to ensure regional buy-in, recognition and credibility.
- **Contract Lists** - BCFA staff will build and refresh contact and marketing lists annually that remain diverse and relevant to ensure a wide range of engagement including citizens, elected/appointed officials, private sector partners, developers and non-profit partners.
- **Quarterly Newsletters** - BCFA staff should produce a quarterly marketing newsletter that features current project updates and new funding and financing opportunities. This newsletter will be distributed to all relevant stakeholders in Butler County, Southwest Ohio, and beyond, and placed in a prominent position on BCFA's website.

FOCUS AREA: Facilitate

Technical Assistance

BCFA should establish a local technical assistance grant program to advance project readiness for catalytic development opportunities across Butler County. Grants would be made available to local political subdivisions, CICs, and non-profits. The new program, entitled "Ready Sites Program", would require:

- A minimum 50 percent local (non-BFCA) funding match requirement
- Resolution of support from the local political subdivision
- Preliminary evidence of market feasibility for proposed development opportunity
- Explanation of why BCFA funding is needed to advance the project in lieu of other potentially applicable funding sources

It is recommended that \$250,000 be earmarked by the BCFA board to invest in this new program. Initial targeted grant awards should be between \$20,000 to \$50,000 per project to enable multiple communities to participate in this open cycle funding opportunity.

Projects completing the Ready Sites Program would receive priority on subsequent site assembly/readiness efforts through BCFA.

A Ready Sites Program overview and funding application are provided in Appendix D and Appendix E, respectively.



EXPAND: Year 3 to 5

FOCUS AREA: Invest

Fundraise

As new service offerings lead to additional projects financed in the Authority's portfolio, BCFA should look to increase its balance sheet target for potential additional service offerings, strategic acquisitions, staffing hires, or support services.

Should BCFA create a standalone bond fund, there are several Ohio case studies for fee structures. Development Finance Authority of Summit County (DFA) uses a formula structure for fees and program revenues allowing for their bond financing programs to be self-sustaining, stable, and efficient. The DFA Bond Fund charges a 0.5% annual fee on declining principal balance which is standard amongst Ohio finance authorities. A separate upfront fee is charged equal to 1% of the issuance.

FOCUS AREA: Administer

Adjustments (as needed)

BCFA should track project performance to see where ROI is greatest on their investments and also where gaps in available financing and support tools exist within the local economic development ecosystem. These gaps may include investment by project type (i.e. commercial, industrial, residential), geographic location, target development area (e.g. distressed property or brownfield), or level of impact (e.g. job creation, sales activity, cap ex, etc.).

BCFA should also their reassess service offerings and Project Review Criteria in response to qualitative feedback obtained as part of their regular communications with local community partners.

It is recommended that BCFA staff and board review the Strategic Plan at the following regular intervals:

- Quarterly review with the development of a metrics system to track and gauge success and accomplishment within the plan
- Annual review and directional articulation to discern priorities, assignments and focus areas for the following year



EXPAND: Year 3 to 5

FOCUS AREA: Promote Advocacy

BCFA should serve as a champion and convener of regional economic development advocacy efforts. Proactive policy advocacy efforts at the state and federal level can help ensure that the local development finance needs of Butler County and its constituents are met. BCFA should consider facilitating the following efforts with their local partners:

- **Statehouse “Drive-In”:** Meet annually with state legislators and agency leadership as part of a coordinated effort to advance legislative policy requests and executive decisions that advance Butler County’s economy.
- **County Prioritization of State Capital Budget:** Convene local partners to screen local funding requests and provide the state with a singular Capital Budget request for Butler County.
- **DC “Fly-In”:** Annual trip to Washington, D.C. to meet congressional leadership and federal agency officials to advance legislative policy requests and executive decisions that advance Butler County’s economy.
- **Request Federal Designation of Combined Cin-Day Metro:** Raise awareness of the growing economic interdependency between the Cincinnati and Dayton markets with the goal of strategically positioning Butler County as a strategically advantageous location along Southwest Ohio’s Interstate 75 corridor with easy access to regional workforce and supply chains.

FOCUS AREA: Facilitate Public-Private Partnerships

BCFA should begin to assist with property assembly and site readiness efforts (e.g. environmental remediation, grading, infrastructure) for difficult development areas with catalytic economic potential including but not limited to:

- Brownfield sites
- Infill redevelopment (especially aging/functionally obsolete commercial corridors/districts)
- Town center/mixed-use developments
- Industrial parks / Aero parks
- Interchange areas

Priority emphasis should be placed on locations that have completed a feasibility study through BCFA’s Ready Sites Program. Other special consideration will be given to projects that invest in historically underserved communities and areas of blight or environmental contamination.

Prior to commencing property assembly/site readiness efforts at a site, BCFA staff should consider releasing a Request for Information (RFI) to gauge potential interest from private development partners.



Strategic Plan

APPENDIX A

New Hire Job Description

Job Title: President

Organization: Butler County Finance Authority

Location: Hamilton, Ohio

Overview:

The Butler County Finance Authority (BCFA) is seeking a highly motivated individual to serve as its President to lead their operations and implement their new Strategic Plan completed in early 2024. Based on community partner feedback during the strategic planning process, BCFA needs a President who will be proactive in marketing both the County's development opportunities and BCFA's available development finance tools. In addition, the new President must be responsive to the needs of an evolving local economic development ecosystem and be able to identify new partnerships, programs, and funding opportunities to position Butler County for sustained economic success.

Job Duties:

- Champion the implementation of the BCFA Strategic Plan
- Identify potential catalytic sites/buildings/areas for development
- Maintain a proactive customer focus to actively seek potential community partners and public/private investors
- Promote County economic development initiatives and operations consistent with the BCFA Strategic Plan
- Develop accurate, accessible, and up to date information on BCFA accomplishments, projects, and program data including project monitoring and reporting
- Administers the implementation of new services offerings
- Administer BCFA's new Ready Sites Program to facilitate local technical assistance for site planning and related services to advance project readiness at catalytic development sites
- Oversee the planning, coordination, and facilitation of outreach to local community partners
- Track organizational and programmatic funding needs to develop, recommend, and implement a fundraising strategy and calendar for foundation, government, and corporate sources
- Oversee and track grant milestones including, proposals in development, proposals submitted, proposals issue or canceled, deliverable deadlines, communication, and awards

- Manages the identification and acquisition of new funding opportunities, renewal and further development of current funders and on-going funder relations, including reporting and relationship management

Desired Qualifications:

- 10-plus years of development finance experience
- Working knowledge of the principles of development finance (bonds, tax increment finance, revolving loan funds, tax credits, etc.) with targeted expertise in the industry
- Previous financing experience or employment with a Port Authority or development finance agency is desired
- A bachelor's degree is required
- Candidates should have excellent leadership, communication and presentation skills
- An ideal candidate would possess experience working in difficult to develop areas including urban brownfields and historically underserved areas
- In addition, candidates should possess strong organizational skills, the ability to work under deadlines and successfully handle multiple priorities, and excellent relationship-building skills

Salary Range: Negotiable based on candidate experience and expertise



Strategic Plan

APPENDIX B

Project Review Criteria

Project Review Criteria

The number one message from the Community Stakeholder interviews conducted as part of the Butler County Finance Authority (BCFA) Strategic Plan community engagement process was the need to have transparency in the review and approval of projects supported and advanced by local communities.

Therefore, the following are the Project Review Criteria BCFA will consider when reviewing project requests supported by and advanced by local communities. Additionally, in order to ensure this transparency, the BCFA Board of Directors shall have sole discretion to consider each request for assistance presented by the local community/project sponsor.

- 1) **Local Community Support** – The Butler County Finance Authority’s (BCFA) primary point of consideration for a proposed project is the Local Community Support. This consideration is guided by the belief that the local community is in the best position to determine if the proposed project is in the community’s best long-term interest.

To document the impact of the project, the local community/project sponsor shall provide an overview of the short-term and long-term financial and non-financial impact the project will have on both the local community and Butler County as a whole. Projects seeking BCFA assistance should be consistent with local land use/master plans and development regulations.

- 2) **Long-term Impact on Butler County** - Notwithstanding the above belief that the local community is in the best position to determine the impact of a project in its community, the BCFA shall also review the project to ensure that the project will also have a positive long-term impact on Butler County. Benefits can include tax base diversification, job creation, housing stock creation/renovation, business retention and expansion, redevelopment of underutilized (e.g. vacant, blighted or brownfield) properties, and reinvestment in areas of persistent poverty and economic distress.

Projects that advance craft manufacturing, innovation, technology, or entrepreneurship (provided they are supported by a risk assessment) are highly desirable to expand the economic base of Butler County.

- 3) **Project Capital Stack/Additional Public Support** -The BCFA shall take into consideration the proposed funding structure of the project and the additional public support that is being provided by the local community, Butler County, State of Ohio, and federal government, if any.

4) Revenue Generated by the Project– The BCFA shall consider the amount of revenue that it will generate by its participation in the project. The revenue obtained will be available to be reinvested into projects in Butler County to assist in the growth of the County’s economic base.

Revenue structure can be determined on an individual project basis in consideration of the proposed project type and its impact on the local community and Butler County. Projects that promote and generate consumer, resident, or employment migration to Butler County from outside the County will be viewed favorably. Strong emphasis will be placed on projects structured to attract, retain, or expand County’s economic base through direct, indirect, or induced economic impact.

Monitoring and Compliance Requirements

For each project approved, the BCFA shall establish appropriate monitoring and compliance requirements in order to track the actual project impact/investment versus the proposed impact/investment at time of project approval.

Recipients of BCFA financial assistance will be required to provide annual reporting on the following:

- Jobs created/retained
- Payroll and business profits
- Businesses started/expanded/retained
- Private capital expenditures
- Sales activity generated
- Increased local, county, and state tax collections



Strategic Plan

APPENDIX C

Project Application

Additional Questions for Project Application

The BCFA project application form should be amended to include the following questions in order to assess how an applicant’s project will meet the BCFA Project Review Criteria:

Project Review Criteria:

<p>Local Community Support</p> <p>What is the short-term and long-term financial and non-financial impact the project will have on both the local community and Butler County as a whole?</p> <p>How is the project consistent with local land use/master plans and development regulations?</p>	
<p>Long-Term Impact on Butler County</p> <p>What are the long-term benefits of the projects to Butler County?</p> <p><i>Benefits can include tax base diversification, job creation, housing stock creation/renovation, business retention and expansion, redevelopment of underutilized (e.g. vacant, blighted or brownfield) properties, and reinvestment in areas of persistent poverty and economic distress.</i></p>	

Project Capital Stack/Additional Public Support

How does the proposed funding structure of the project leverage available innovative sources of financing?

Is there additional public project support being leveraged by the local community, Butler County, State of Ohio, or federal government?

Revenue Generated by Project

How is the project structured to attract, retain, or expand County's economic base through direct, indirect, or induced economic impact?

How will the project promote and generate consumer, resident, or employment migration to Butler County from outside the County?



Strategic Plan

APPENDIX D

Technical Assistance: Ready Sites Program

Ready Sites Program – Local Partner Technical Assistance

Program Overview:

The Butler County Finance Authority (BCFA) has established a local technical assistance grant program to advance project readiness for catalytic development opportunities across Butler County. Grants will be made available to local political subdivisions, Community Improvement Corporations, Community Development Corporations, and non-profits. This new program, entitled “Ready Sites Program”, will seek to advance site planning and preliminary studies to advance project readiness. Projects completing the Ready Sites Program would receive priority on subsequent site assembly/readiness efforts through BCFA.

Eligible Applicants:

- Local political subdivisions
- Community Improvement Corporations
- Community Development Corporations
- Non-profits

NOTE: Private for-profit entities may partner with an eligible applicant to apply for funding.

Eligible Uses of Funds:

Ready Sites Program funds are awarded to eligible applicants to cover outside consulting costs for the following activities:

- Site master planning
- Preliminary engineering studies including transportation access/circulation and utility infrastructure needs
- Environmental studies
- Detailed market studies and development finance analyses

Investment Priorities:

Consistent with the BCFA Strategic Plan, preference will be given to projects that meet one or more the following investment priorities:

- demonstrate expected Return on Investment (ROI) for the County based real property valuation; job attraction, creation or retention; increased payroll, multiplier for ancillary economic investments, and increase in other tax revenue generators.
- promote and generate consumer, resident, or employment migration to Butler County from outside the County
- attract, retain, or expand County's economic base through direct, indirect, or induced economic impact
- include low-to-moderate income areas and blighted or environmentally distressed property

Consideration will be given on a case-by-case basis to mixed-use and workforce housing projects that are able to demonstrate how they fill a quantifiable market need in support of targeted development projects.

Other Considerations:

Special consideration will be given to projects that include private sector investment.

Project Requirements:

- A minimum 50 percent local (non-BCFA) funding match requirement
- Resolution of support from the local political subdivision
- Preliminary evidence of market feasibility for proposed development opportunity
- Explanation of why BCFA funding is needed to advance the project in lieu of other potentially applicable funding sources

Funding Award Levels:

It is recommended that \$250,000 be earmarked by the BCFA board to invest in this new program. Initial targeted grant awards should be between \$20,000 to \$50,000 per project to enable multiple communities to participate in this open cycle funding opportunity.

Higher funding awards may be provided based on potential impact of project on the local community and Butler County.



Strategic Plan

APPENDIX E

Technical Assistance Application

Ready Sites Program – Local Partner Technical Assistance
APPLICATION FOR FUNDING ASSISTANCE

Applicant / Project Background

Applicant Name	
Applicant Contract Information (Street address, phone, email)	
Project Name	
Project Location (Political Subdivision)	
Project Address / Limits	

Funding Request:

Amount of Funds Requested	
Matching Funding (must be at least 50%)	
Source of Matching Funds	
Amount of Private Matching Funds (if applicable)	
Proposed Use of Funds (e.g. site planning, preliminary engineering, environmental field studies, etc.)	

Project Details

<p>How will the proposed project result in Return on Investment (ROI) for Butler County?</p> <p><i>Examples include real property valuation; job attraction, creation or retention; increased payroll, multiplier for ancillary economic investments, and increase in other tax revenue generators.</i></p>	
<p>How will the project attract, retain, or expand County's economic base through direct, indirect, or induced economic impact?</p>	
<p>Will the project promote and generate consumer, resident, or employment migration to Butler County from outside the County?</p> <p>If yes, how?</p>	

<p>Will the project advance craft manufacturing, innovation, technology, or entrepreneurship?</p> <p>If yes, how?</p>	
<p>Does the project area include low-to-moderate income areas and/or blighted or environmentally distressed property?</p> <p>If yes, please specify how?</p>	
<p><i>Mixed-use and Workforce Housing Projects (if applicable)</i></p> <p>How will the project fill a quantifiable market need in support of targeted development projects (e.g. craft manufacturing, innovation, technology, or entrepreneurship)</p>	

Required Attachments:

Please attach the following documents:

- Project Area Map highlighting parcels included
- Project Timeline with Key Deliverables and Milestones identified
- Project Budget by Task/Deliverable
- Resolution of support from the local political subdivision

Optional Attachments:

- Partners Letters of Support
- Evidence of Consistency with Local Plans (e.g. Comprehensive Plan excerpt) and/or Development Regulations (e.g. Zoning Map)



Strategic Plan

APPENDIX F

Project Economic Impact Summaries

Overview

An Economic Impact Analysis was prepared using an input-output modeling system, IMPLAN, for three past projects that requested a capital lease structure providing sales tax exemption on construction materials through the Butler County Port Authority:

1. Magnode for an aluminum manufacturing facility expansion the City of Trenton
2. Saica Group for a corrugated paper manufacturing facility in the City of Hamilton
3. North Point for a luxury multifamily apartment complex in West Chester Township

The analysis considers the economic impacts of two phases of each project: (1) construction and (2) annual operations (post-construction).

The analysis was based off the following assumptions provided by BCFA staff as summarized in Table 1.

NOTE: Property tax and income tax abatements/revenues were not included in this analysis which focuses solely on sales tax exemptions/collections.

Table 1 – Project Background Assumptions

Project	Title	Description	Construction Cost	Annual Payroll (post-construction)	Annual Rent Collected
1	Magnode	Aluminum Manufacturing	\$28,473,635	\$11,325,672	n/a
2	Saica Group	Corrugated Paper Manufacturing	\$56,000,000	\$3,607,140	n/a
3	North Point	Multifamily Apartments	\$84,000,000	n/a	\$7,291,000

Sales Tax Exemption on Construction Materials:

The proposed sales tax exemption for each capital lease structure was calculated based on proposed construction costs using applicable Butler County Port Authority multipliers as summarized in Table 2.

Table 2 – Requested Sales Tax Exemption on Construction Materials

Project	Title	Construction Cost	Construction Materials (50%)	Multiplier 1	Sales Tax	Transaction Fee
1	Magnode	\$28,473,635	\$14,236,818	17.50%	6.50%	\$161,944
2	Saica Group	\$56,000,000	\$28,000,000	17.50%	6.50%	\$318,500
3	North Point	\$84,000,000	\$42,000,000	17.50%	6.50%	\$477,750

Return on Investment

Return on Investment (ROI) for each requested sales tax exemption was calculated from the perspective of Butler County and summarized in Table 3 as follows:

- **Column A – Actual county sales tax exempted** was calculated using IMPLAN software based on construction project value, proposed facility type, and construction material vendors located in Butler County.
- **Column B – Annual operating county sales tax collected** (post-construction) was calculated using IMPLAN software based on direct, indirect, and induced economic activity generated by the project based on employment/leasing output.
- **Column C – County ROI after five (5) years** was calculated by multiplying annual operating sales tax (Column B) by 5 years, then dividing by actual county sales exempted (Column A).
- **Column D – Period (in years) to recapture county sales tax exempted during construction** was calculated by dividing by actual county sales exempted (Column A) by annual operating sales tax (Column B).

Table 3 – ROI: Butler County Port Authority & Butler County

Project	Title	A	B	C	D
		From IMPLAN	From IMPLAN	$C = (B \times 5) / A$	$D = A / B$
		Actual County sales tax exempted (based on construction material vendors located in Butler County)	Annual operating County sales tax (post-construction)	County ROI post-construction after year 5 of operation	Period to recapture County sales tax exempted during construction (years)
1	Magnode	\$14,482	\$47,908	16.54	0.3
2	Saica Group	\$57,249	\$22,379	1.95	2.6
3	North Point	\$100,523	\$24,704	1.23	4.1

It is evident from the results of the analysis that both manufacturing facilities generate a higher ROI than multifamily residential. It is worth noting that the ROI of the Magnode facility (Project 1) is over eight (8) times higher than the Saica Group facility (Project 2) likely due to the disparity in the values of products being manufactured (i.e., higher-value aluminum products for Project 1 vs lower-value corrugated paper products in Project 2).

In all three project cases, Butler County sales tax exempted during construction is recaptured through increased operating sales activity within 4.1 years post-construction.

NOTE: Port Authority transaction fees, calculated in Table 2, were not factored into the ROI analysis, but represent an additional benefit to Butler County as they can be reinvested into catalytic projects in difficult to develop areas.