



Department of  
Development

Economic Development Division

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## **2008 Program Guidelines and Application Procedures**



Department of  
Development

Economic Development Division

### **Ohio Job Ready Sites**

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# Ohio Job Ready Sites Program

## Program Guidelines and Application Procedures FY 2008 & FY 2009 Grant Awards

### I. OVERVIEW

The Ohio Job Ready Sites (JRS) Program, authorized by Ohio's voters under Issue 1 in 2005, was created to bolster the State's inventory of available facility locations served by utility and transportation infrastructure. Sites improved under the program are kept at-the-ready for future business prospects seeking locations for new or expanded operations.

The State will sell \$150 million in bonds during a seven-year period to fund the availability of JRS Program grant awards.<sup>1</sup> Each grant is capped at \$5 million and may be used to offset costs traditionally incurred in industrial and commercial site development, from acquisition of real property to utility upgrades to construction build-out of speculative facilities.

Funds are directed strategically to achieve two equally important objectives: (1) to create sites filling gaps in Ohio's current site inventory and (2) to foster unique, catalytic re-investments in developed areas of the State. As such, JRS Program funds are available each year to a limited number of sites that offer Ohio's best opportunities for future large-scale development and/or re-use.

All parties desiring to participate in the JRS Program are encouraged to review its enabling statutes, located at Ohio Revised Code (ORC) §122.085 through 122.0820, as well as the program's rules contained in Ohio Administrative Code (OAC) §122:20-1-01 through 122:20-1-05.

### II. DEFINITIONS

1. "Non-profit economic development organization" includes without limitation community improvement corporations, community development corporations, and chambers of commerce or business councils registered, certified, and/or properly recognized in Ohio.
2. "Wealth generating anchor" is a non-profit corporation or a private, for-profit entity, that has made or will make a significant capital investment at the entity's site of operations; has created or will create significant numbers of full-time jobs paying average hourly wages equal to or exceeding the applicable county average wage rate; and which is engaged in at least one of the following activities:
  - a. Research and development, technology transfer, bio-technology, information technology, or the application of new technology developed through research and development or acquired through technology transfer.
  - b. The study and application of data and the processing thereof; the automatic acquisition, storage, manipulation or transformation, management, movement, control, display, switching, interchange, transmission or reception of data, and the development or use of hardware, software, firmware, and procedures associated with this processing. Includes matters concerned with the furtherance of computer science and technology, design, development, installation and implementation of information systems and applications that in turn will be licensed or sold to a specific target market.

- c. The design, creation, or formulation of new or enhanced products, equipment, or processes, and scientific or technological inquiry and experimentation in the physical sciences with the goal of increasing scientific knowledge that may reveal the bases for new or enhanced products, equipment, or processes.
3. "Mixed use" describes the mix of office, residential, retail, hotel and governmental or civic end uses that may occur on the real property of a Smart Office or Research and Development eligible project at the time of application and during the term of an agreement for the grant of JRS Program funds.
4. "Certification" is the process by which a third-party site selection and/or engineering consulting firm hired specifically by the Ohio Department of Development (ODOD) verifies improvements under the eligible project have been completed and that permitting and clearances have been obtained. The grantee must ensure at the time of certification that all site improvements have been performed and satisfactorily completed, to the levels committed, within the time specified under an agreement for the grant of JRS Program Funds. To obtain certification of the eligible project, an application for certification must be submitted in a format as required by ODOD. The costs to certify a grantee's eligible project will be covered by ODOD.
5. "Contiguous" refers to real property, in close proximity, to be improved under a Smart Office or Research and Development eligible project, including sharing the same utility and transportation access points, parking facilities and roadways, or otherwise neighboring, adjoining, near in succession, or in actual close contact. Contiguous property need not touch at a point or along a boundary, but must share specific planning and design inter-dependencies.
6. "Aerial survey" consists of a recent ortho (vertical) aerial photograph, not more than two (2) months old, of the real property to be improved under an eligible project, taken by a camera with a recent United States Geological Survey camera calibration report. Overlaid to the photograph, to scale, is information of record including without limitation boundaries and easements, taken from a current preliminary title commitment. The aerial survey should disclose encroachments on or of the eligible project's real property by or onto adjoining properties, show any visual discrepancies with recorded documents, and be acceptable for title insurance underwriting.
7. "ALTA/ACSM survey" is a real property survey performed in accordance with the most current Accuracy Standards for Land Title Surveys as adopted, from time to time, by the National Society of Professional Surveyors and the American Land Title Association. At present, the 2005 Minimum Standard Detail Requirements are current and in effect, available on the Internet at: <http://www.acsm.net/ALTA2005.pdf>.

### III. ELIGIBILITY

1. Entities that can apply for JRS Program assistance are political subdivisions, non-profit economic development organizations, and private, for-profit entities that obtain prior approval from the Director of ODOD to submit application materials.
2. An eligible applicant under the competitive application process must demonstrate the following, unless waived by the Director of ODOD:
  - a. Incorporated and in continual existence during the 24-month period immediately prior to the date of filing of an application with the applicable district public works integrating committee (DPWIC); and
  - b. Experience successfully managing federal, state and/or other-sourced grants totaling at least \$500,000 during the five (5) year period prior to the date of filing of an application with the applicable DPWIC.

3. Grant funds awarded and disbursed to an eligible project cannot exceed the lesser of \$5 million or seventy-five percent of the total costs of the eligible project, as calculated at the time of application for JRS Program assistance, throughout the period during which improvements are being made under the eligible project, and upon completion of improvements under the eligible project.
4. Grant moneys are disbursed as reimbursement of allowable costs incurred under the eligible project. All funds shall be reimbursed to the grantee within three years from the date the grant award was approved by the State Controlling Board.
5. Disbursed funds may reimburse grantees for allowable costs, as defined in ORC §122.085(A), including:
  - a. acquisition of land and buildings;
  - b. building construction;
  - c. making improvements to land and buildings;
  - d. planning or determining the feasibility or practicability of the site improvement project;
  - e. obtaining surety bonds and costs of insurance premiums;
  - f. remediation of environmentally contaminated property at the eligible project; and
  - g. infrastructure improvements such as construction or renovation of buildings, installation or relocation of water and sewer, construction of roads, bridges, and utility infrastructure, rail access improvements, and costs of professional services.
6. Real property to be improved under a Smart Office or Research and Development eligible project must be contiguous and may be characterized as mixed use in nature. Pursuant to ORC §122.085(D), such real property cannot be intended primarily for residential, retail or government use. The Director of ODOD has established that no more than forty percent (40%) of the available acreage and/or square footage shall be comprised in the aggregate of residential, retail, hotel, and governmental or civic end uses.
7. Infrastructure improvements and assets not located on the eligible project site may be included under an eligible project, so long as the improvements are necessary to implement the eligible project as described in the application. If the off-site improvements also will benefit persons or properties not related directly to the eligible project (e.g., improvements made to a waste water treatment plant serving the eligible project as well as local residents), the allowable costs should be reduced by the proportion of the off-site improvements benefiting persons or properties not related directly to the eligible project.
8. If the eligible project involves remediating environmentally contaminated property under the Ohio Voluntary Action Program (VAP), the Certified Professional responsible for managing the property through the VAP must maintain certification in good standing under the VAP during the term of an agreement for the grant of JRS Program funds, including not having been or being subject to warning, suspension, revocation or similar disciplinary actions undertaken by the Ohio Environmental Protection Agency (OEPA). The grantee may be required to submit documentation confirming the Certified Professional's good standing under VAP.
9. The real property improved under an eligible project must be certified within the first three (3) years from the date the grant award was approved by the State Controlling Board. In the event a grantee fails to obtain certification within that time period, ODOD shall be entitled to and may seek recovery of up to all funds distributed under the grant agreement.

10. The real property improved under an eligible project, upon being certified, must be maintained in such certified condition and marketed appropriately for a period not to exceed the lesser of the following, unless waived by the Director of ODOD:
  - a. The first seven (7) years following the date on which the site becomes certified; or
  - b. The date following certification on which a proportion of the real property equal to at least eighty-five percent (85%) of the eligible project has been purchased by, leased by, or otherwise put to use for the purposes as provided under the program.
11. Each eligible applicant must make a local match investment equal to at least 25 percent of the eligible project's total costs. The local match can include financial or in-kind contributions made by the eligible applicant directly and/or by third party project partners with which the eligible applicant has entered into binding agreement for purposes of completing the eligible project.
12. Eligible financial local match investments include without limitation applicant-sourced funds, such as appropriated, encumbered or committed cash, tax increment financing district revenues, tobacco settlement funds, state-sourced loans, private equity and federally sourced funds such as Appalachian Regional Commission grants and community development block grants. Holding costs associated with the real property improved under an eligible project shall not be included in the local match calculations.
13. Eligible in-kind local match investments are contributions of services and assets that are necessary to implement the eligible project as described in the application. Eligible contributions include without limitation the value of improvements made to a public park set-aside located on the eligible project's real property; the price paid for real property purchased by the eligible applicant for purposes of the eligible project; improvements made to public utility service at the site performed by a municipally owned utility; or a transit authority's cost to extend mass transit service to the eligible project.
14. The local match requirement may be satisfied by eligible financial or in-kind contributions made during the five (5) year period prior to the date the State Controlling Board approves an award to the eligible project. A maximum of one-half the local match investment under the eligible project may be comprised by costs incurred during this five-year look-back period.

#### **IV. APPLICATION**

1. An application shall be filed for each eligible project, and that application shall indicate the eligible applicant that, upon award of grant assistance, will be solely responsible for all grant management responsibilities under the eligible project. There is no limit to the number of eligible projects that may be proposed by any eligible applicant.
2. Requested grant amounts cannot exceed \$5 million or 75 percent of the total costs to be incurred under the eligible project.
3. An application must be accompanied by one (1) complete aerial or ALTA/ACSM survey of the entire real property to be improved under the eligible project. The survey should accurately represent the eligible project site in its current state.
4. Applications will be prioritized according to whether the following are in place at the time of application as to the real property to be improved under the eligible project, and in effect for a duration of at least ten (10) years from the date a grant award is approved by the State Controlling Board, or otherwise for the term of an agreement for JRS Program assistance:

- a. Site control mechanisms, including without limitation zoning ordinances, recorded deed restrictions, restrictive covenants, or options to purchase, setting forth the eligible project's real property use restrictions consistent with the JRS Program.
- b. Price agreements between the eligible applicant and respective landowners, as appropriate, setting forth maximum asking prices for the real property once certified under the program. Price agreements should contain provisions setting forth any agreed upon prices to be asked for the real property improved under the eligible project, including any pre-determined price increases during the term.

#### 5. Competitive Pre-Application Procedures

- a. Prior to the release of competitive application materials for the combined FY 2008 and FY 2009 funding round, a pre-application in a format as required by ODOD will be made available to prospective eligible applicants. The pre-application will request information such as an eligible project's site attributes, location, and proposed improvement plan. This optional step in the competitive application process will allow prospective eligible applicants to obtain feedback from ODOD including the proposed eligible project's relative strengths and weaknesses.
- b. The pre-application review and feedback process is intended as only a service to prospective eligible applicants. Any response by ODOD to the submitted pre-application materials is for information purposes only, to assist a prospective eligible applicant in determining whether to file a formal competitive application. Feedback provided by ODOD does not constitute a determination, either favorable or unfavorable, of the prospective eligible applicant's proposed eligible project, or a formal evaluation of the strength or weakness of any such application materials.
- c. Completed pre-application forms may be submitted at any time prior to ODOD's release of the formal competitive application materials. Feedback by ODOD on submitted pre-applications may be provided via telephone or in person, and may occur prior to the release of the formal competitive application materials.

#### 6. Competitive Application Procedures

- a. An application is due first to the DPWIC in whose jurisdiction is located the eligible project. Information as to DPWIC jurisdictions and district contacts is available on the Internet at: <http://www.pwc.state.oh.us/chair.txt.htm>.
- b. Upon submitting an application to the DPWIC, the eligible applicant will notify ODOD staff in writing. Such notification shall be made using a form developed by ODOD and included in the application materials.
- c. Each respective DPWIC will review and evaluate all submitted applications as to the following:
  - i. Application completeness;
  - ii. Application meets the requirements of ORC §122.0815;
  - iii. Eligible project's current and proposed physical attributes;
  - iv. Application proposes feasible infrastructure improvements;
  - v. Proposed utility improvements meet program certification requirements (when applicable);
  - vi. Project site conforms with surrounding use(s); and/or
  - vii. Traffic impact study materials.

- d. Each DPWIC should notify an eligible applicant in writing if the application is incomplete or does not meet the requirements for participation in the JRS Program with a due date by which eligible applicants may re-submit any corrected materials. The eligible applicant may correct the identified deficiencies and re-submit its application materials to the respective DPWIC by the due date. Failure by an eligible applicant to re-submit its corrected materials by the due date may result in the eligible applicant being disqualified from participating in the program.
- e. Each DPWIC may select up to six (6) applications to forward to ODOD (three (3) applications per fiscal year appropriation, with FY 2008 and FY 2009 appropriations combined into a single funding round). Each application selected will be prioritized from 1<sup>st</sup> to 6<sup>th</sup> place (1<sup>st</sup> through 3<sup>rd</sup> place rankings pertaining to FY 2008 and 4<sup>th</sup> through 6<sup>th</sup> place rankings pertaining to FY 2009). Place rankings will receive appropriate scoring weights during the ODOD evaluation.
- f. Upon receipt of applications from any DPWIC, ODOD will conduct an internal review of each application. The ODOD internal review will evaluate all applications as to the following:
  - i. Eligible project feasibility;
  - ii. Extent of local match contributions invested in the project;
  - iii. Applicant's need for both the site improvements and financial assistance in making the improvements;
  - iv. Applicant's site improvement and marketing plans;
  - v. Site's advancement of the Administration's Turnaround Ohio Plan objectives; and/or
  - vi. Any other criterion the director of development determines is necessary.
- g. Each eligible applicant may be requested, in writing, to provide additional information or materials to ODOD staff.
- h. Each eligible applicant whose application was deemed to be complete and meeting the requirements for participation in the JRS Program will be required to give up to a 30-minute presentation of the eligible project to the ODOD review team. The eligible applicant may use the presentation as an opportunity to highlight the opportunities and strengths offered by the eligible project. The content and quality of project presentations will be considered by the ODOD review team when evaluating applications.

## 7. Discretionary Application Procedures

- a. Eligible applicants are encouraged to participate as fully as possible in the competitive application process; discretionary applications for JRS Program assistance may be acted upon by the Director of ODOD solely at his or her discretion.
- b. The Director of ODOD may exercise discretion in awarding JRS Program assistance to eligible projects for which known end users have been identified.
- c. An eligible applicant may request a discretionary grant award via direct application to the Director of ODOD, care of the JRS Program staff. Once received, an application will be reviewed and evaluated and if qualified, the Director of ODOD may select it for recommendation to the State Controlling Board for funding under the JRS Program.

## 8. Award selection

- a. Prior to the selection of an eligible project for recommendation to the State Controlling Board, an eligible applicant will be asked to undergo compliance reviews internally and with the Ohio Department of Taxation (ODT) and OEPA as to the eligible applicant's outstanding issues or liabilities with ODOD, ODT, or OEPA. An eligible applicant is responsible for ensuring there are no significant outstanding ODT or OEPA issues with the properties comprising the eligible project. Any determinations of noncompliance may result in an eligible applicant not being selected for recommendation.
- b. ODOD reserves the right to reduce requested grant amounts for non-allowable costs, for cost redundancies, or other cost inefficiencies evident in the application materials.
- c. The Director of ODOD will select the most qualified eligible projects and recommend those projects to the State Controlling Board for approval to receive grant assistance.
- d. The decision of the Director of ODOD in selecting applications for recommendation is final and not appealable, and subject only to the approval of grant assistance by the State Controlling Board.

## V. GRANT AGREEMENT

1. Approved eligible applicants must enter into a grant agreement with ODOD to receive assistance under the JRS Program. The term of the agreement will be for a period not to exceed ten (10) years from the date the grant award was approved by the State Controlling Board.
2. Each grantee is responsible for entering into and managing all agreements as required under the JRS Program or as otherwise necessary to complete the eligible project, including binding agreements with third party project partners.
3. In all circumstances, a grantee must demonstrate clearly the appropriate and necessary site controls and price agreements are in place prior to the effective date of an agreement for the grant of JRS Program funds.
4. After the State Controlling Board approves an eligible project for JRS Program assistance, ODOD will send the eligible applicant a grant agreement. Within 60 days, the eligible applicant must sign and return five (5) original copies of the grant agreement. Failure to return the agreement signed within the 60 days may result in the eligible applicant being disqualified from participating in the program. Once properly returned, the Director of ODOD, or his or her designee, will sign the agreement and return one (1) original to the grantee.
5. In the event a site is not certified within the first three (3) years from the date the grant award was approved, or for any other failure to meet the terms of the grant agreement, the grantee may be required to refund to ODOD all or part of the JRS Program grant moneys distributed.

## VI. REIMBURSEMENT AND REPORTING

1. Grantees receive funds on a reimbursement basis upon submission to, and approval by, ODOD of proper invoices, in accordance with the JRS Program Reimbursement Manual (Reimbursement Manual), showing expenses incurred under the grant agreement. The terms and conditions of the Reimbursement Manual include the format as required by ODOD for submitting reimbursement requests. ODOD is the sole judge of the adequacy of submitted reimbursement requests. Based on its review of a reimbursement request, ODOD may deny the request, in whole or in part. All requests for reimbursement are subject to audit by ODOD and/or the Ohio Auditor of State. Not more than one (1) reimbursement request should be submitted to ODOD every 60 days, and each request for reimbursement should be for an amount equal to or exceeding \$20,000.

2. Grant funds may be used to reimburse a grantee for the cost of obtaining and submitting with its application materials one (1) aerial or ALTA/ACSM survey of the real property to be improved under the eligible project. In no event may the amount of reimbursement for survey costs exceed \$50,000.
3. If requested in the application for JRS Program assistance, and if ODOD determines it appropriate, a grantee may receive an advance in an amount not to exceed ten (10) percent of the awarded grant approved by the State Controlling Board.
4. In the event a grant amount is determined to exceed 75 percent of an eligible project's total costs, the Director of ODOD may prospectively limit future reimbursements under the JRS Program award or seek recovery of grant moneys under the terms of the grant agreement.
5. The grantee must file with ODOD an annual progress report during that portion of the term of the agreement within which the site must be certified, not to exceed the first three (3) years from the date the grant award was approved, detailing the progress of the eligible project. This report must be received by ODOD no later than December 18 of each applicable year.
6. Thereafter, for a period not to exceed the first seven (7) years following the date on which the site becomes certified, the grantee must appropriately market and sufficiently maintain the property in its "certified" condition. During this post-certification period and continuing for the term of the agreement for the grant of JRS Program funds, the grantee must file with ODOD an annual report confirming the property's maintained certified condition and its marketing efforts.
7. An annual report of JRS Program activity will be issued by ODOD to interested stakeholders on or before December 31 of each full year following awards of JRS Program assistance by the State Controlling Board. The report will detail each eligible project having received a grant award in the preceding competitive and discretionary application funding rounds, the status of those eligible projects and the distribution to-date of grant awards around the state.

## **VII. DISTRICT PUBLIC WORKS INTEGRATING COMMITTEE**

1. Each DPWIC has the opportunity to recover, in whole or in part, costs incurred in assisting ODOD in the receipt, processing and scoring of submitted competitive JRS Program applications. Funds are available to each DPWIC during each year of the program to recoup overhead and administrative costs incurred relative to the JRS Program, including without limitation time expended to review applications, copies, supplies, and travel for JRS Program-related functions. The specific use of funds is left to the discretion of each DPWIC.
2. Funds are to be made available from the Job Ready Site Development Fund for the FY 2008 and FY 2009 combined funding round in the manner set forth below:
  - a. For Fiscal Year 2008, ODOD shall disburse to each DPWIC an amount equal to \$2,500.
  - b. For Fiscal Year 2009, ODOD shall disburse to each DPWIC an amount equal to \$1,500.
  - c. If during the combined FY 2008 and FY 2009 funding round a DPWIC receives, reviews and scores one (1) or more applications, ODOD shall disburse to that DPWIC an additional amount to not exceed \$1,000 for that combined funding round.
3. Funds are to be made available upon execution of a memorandum of understanding (MOU) between ODOD and each DPWIC and subsequent receipt by ODOD of proper invoices and documentation. A MOU shall be entered into for each applicable funding round and shall detail the terms under which the payment of funds may be made.

4. Each DPWIC shall submit a written request for the amount of funds to which it believes it is entitled for the applicable funding round, together with any necessary documentation. Such requests may be submitted no earlier than the date on which each DPWIC forwards to ODOD its selected applications for the funding round. Each DPWIC shall be responsible for keeping records in a manner consistent with generally accepted accounting principles as related to funds paid under this section.
5. Upon receipt of a written request for payment, ODOD will verify the request and all documentation and issue payment of funds, in the designated amount, to the DPWIC.

#### **VIII. CHANGES TO THESE GUIDELINES**

Pursuant to ORC §122.086, the Director of ODOD has developed these guidelines setting forth the form and manner in which applications for grant assistance under the program are to be made. The Director of ODOD reserves the right to amend these guidelines as necessary and without prior notice.

#### **IX. ODOD CONTACT INFORMATION**

For information regarding the JRS program, interested parties should contact the Office of Tax Incentives at (614) 466-2317 or visit the program website, at <http://www.odod.state.oh.us/edd/obd/jrs/>.

#### ***Footnotes***

<sup>1</sup>The program is funded by bonds issued by the Ohio Office of Budget and Management during the seven-year period during state fiscal years 2006 through 2012. All grant awards must be approved under the program by June 30, 2012.