August 2012

John Kasich, Governor, State of Ohio
General Assembly, State of Ohio

Dear Governor Kasich and members of the Ohio General Assembly,

We are pleased to share the Fiscal Year 2012 Ohio Department of Development Annual Report, which outlines the significant accomplishments for the year.

In the last fiscal year, the Ohio Department of Development has assumed the role of support and oversight for JobsOhio, the nonprofit organization that leads the state's job attraction, creation, and retention efforts. In this support role, Development approves and implements business funding assistance structured by JobsOhio and its six regional network partners.

In the second half of Fiscal Year 2012, the Department worked with the General Assembly to pass Amended Senate Bill 314, also known as the Ohio Development Services Agency (ODSA) bill. The bi-partisan bill, sponsored by Sen. Mark Wagoner (R-Ottawa Hills) and Sen. Capri Cafaro (D-Hubbard) passed the House by a vote of 84-5. The Senate later concurred 30-1. The House companion bill, HB 489, was sponsored by Rep. Mike Dovilla (R-Berea) and Rep. Christina Hagan (R-Alliance). The ODSA legislation formally changes the name of the Ohio Department of Development to the Ohio Development Services Agency. It also finalizes the transition of economic development efforts to JobsOhio and streamlines the state incentive approval process; provides a new funding model and name for the Office of Tourism; and improves access to capital for small- and minority-owned businesses. The bill was signed by the Governor on June 26, 2012, and the Department will rebrand the agency, which includes a re-launch of the website, and the launch of a social media program in the first part of Fiscal Year 2013.

The Department's Business Services Division has been effective in supporting the work of JobsOhio, as well as expanding programming for Ohio's small- and minority-owned businesses. Through programs such as InvestOhio, the State Small Business Credit Initiative (SSBCI), and the International Market Access Grant for Exporters Program (IMAGE), the Department is creating access to needed capital and resources to assist Ohio's small businesses. These programs, along with our Small Business Development Centers (SBDC) help small businesses create jobs throughout the state.

The Department's Community Services Division has provided communities the resources they need to retain and attract new businesses as well as provide some of Ohio's most vulnerable citizens with the resources they need to improve their lives. As part of the Department's commitment to improving customer service, the Community Services Division leadership participated in a Kaizen exercise to improve the procedures of the Home Energy Assistance Program (HEAP) so that eligible low-income Ohioans can quickly receive the help they need to meet the high costs of home heating.

Thank you for your support as the Ohio Department of Development transitions to the Ohio Development Services Agency. If you have questions regarding this report or the reorganization of the Ohio Department of Development, please contact me at (614) 466-3379 or Christiane.Schmenk@development.ohio.gov.

Sincerely,

Christiane Schmenk
Director
Ohio Department of Development’s Mission

The Ohio Department of Development works with partners across business, state and local governments, academia, and the nonprofit sector to build strong communities and businesses that support job creation. Through programming that targets businesses, local governments and Ohio residents, the Department provides financial, informational, and technical assistance to those making an investment in Ohio’s future.

With the restructuring of Ohio’s economic development model and the creation of JobsOhio, the Ohio Department of Development restructured its offices to better reflect its mission and address the needs of customers, as well as deliver improved programs and services. Once the ODSA bill is effective, Development will streamline its economic development incentive approval process, create a tourism advisory board, and establish a pilot program for funding the state’s tourism efforts. The bill eliminated the Development Financing Advisory Council, eliminating a redundant approval process and allowing the Director to send recommended applications directly to Controlling Board for approval. The bill also streamlines the Job Creation Tax Credit program by allowing businesses to move forward with projects and allowing new employee positions to be counted toward a tax credit prior to Tax Credit Authority approval in certain circumstances. This decreases the time a company has to wait for approval, allowing them to make business expansions based on market forces, not the timeframe of state government.

The Department is now divided into two divisions, the Business Services Division and the Community Services Division. Within the Business Services Division are the Office of Business Assistance, Office of Strategic Business Investment, Office of Technology Investments, and the Office of TourismOhio. Within the Community Services Division are the Office of Community Assistance, Office of Community Development, Office of Energy, Office of Redevelopment, and the Governor’s Office of Appalachia. Presented below are highlights from each Division.
Business Services Division – 2012 Highlights

Office of Strategic Business Investments Provides Oversight and Support to JobsOhio

In Fiscal Year 2012, the Ohio Department of Development solidified its relationship with JobsOhio as well as its relationship in the state’s economic development strategy. JobsOhio now serves as the engine of Ohio’s economic development efforts, proactively identifying projects that will create jobs as well as provide a positive return on investment for the state. Development, specifically the Office of Strategic Business Investments, works with JobsOhio to provide program oversight of financial incentives as well as community infrastructure and workforce development. The partnership with JobsOhio allows Development to focus its efforts on program reporting and accountability, as well as customer service. To improve customer service and make Ohio more competitive, Development streamlined the approval process of state incentives, allowing the state to adjust to the needs of the company and the global market place.

In Fiscal Year 2012, the Office of Strategic Business Investments provided financial incentives for 616 projects, including 323 grants worth more than $91 million, 176 tax incentives worth more than $179 million, and 107 loans worth more than $206 million. These efforts resulted in commitments to create 47,990 jobs and retain 98,367 positions in the State of Ohio.

JobsOhio and the Office of Strategic Business Investments key successes in Fiscal Year 2012.

Abbott Laboratories (Abbott) is a global, broad-based health care company devoted to the discovery, development, manufacturing, and marketing of pharmaceuticals and medical products, including nutritional, devices, and diagnostics. Abbott Nutrition, one of the divisions of Abbott Laboratories, is a leader in adult and pediatric nutrition, and is a leader in both infant formula and medical nutritionals in North America. The company made the decision to establish a new manufacturing operation in the City of Tipp City to provide aseptic bottle filling and packaging capabilities for its product. This new operation will create 241 new jobs in Ohio with an investment of more than $143 million by Abbott. Ohio was in competition with sites in Canada for this project.

Alexander Mann Solutions Corporation is wholly owned by Alexander Mann Solutions, Ltd. Alexander Mann Solutions, Ltd. provides recruitment process outsourcing services that include the transition, transformation, and delivery of integrated processes in various stages of the resourcing and recruitment lifecycle in Europe and the Asia Pacific. The company will create 300 full-time jobs in the City of Cleveland within their first three years that will generate $12.9 million in new annual payroll in the State. Their employees will establish support activities around talent sourcing and recruitment/HR administrative services in order to support client requirements worldwide. Ohio faced competition from Poland, Philippines, North Carolina, and Michigan for this project.

FWT was founded in 1959 and is based in Fort Worth, Texas. FWT engages in designing and fabricating custom steel products for the telecommunications and utility industries. It offers communication structures such as monopoles, self-supporting towers, guyed towers, and disguised sites; and PowerMounts, utility structures, substation structures, shelters, communication monopoles, and disguised monopoles. Within the first three years the company will create 200 full-time jobs that will generate $7 million in new annual payroll at the company’s new location in the Village of Hicksville. FWT has committed to hiring at least 10 percent disadvantaged and/or minority persons.
New/Expanded Programs in the Office of Strategic Business Investments

Incumbent Workforce Training Voucher Program

In Fiscal Year 2012, the Office of Strategic Business Investments, building on the parameters set forth by Governor Kasich and the General Assembly, developed the Incumbent Workforce Training Voucher Program. This employer-driven program is designed to provide direct financial assistance to train workers and improve the economic competitiveness of Ohio’s employers. The voucher program is designed to offset a portion of the costs to upgrade the skills of a company’s incumbent workforce and will provide reimbursement to eligible employers for specific training costs accrued during training. The program’s funding, from casino tax revenue, will be used in conjunction with private contribution to fund skill-upgrade training. While the final program parameters are still being determined, the Department anticipates that the program will begin to accept applications in early Fiscal Year 2013.

InvestOhio

InvestOhio was created through the passage of House Bill 153 and launched in September 2011. This program was created to help Ohio’s small businesses gain the capital needed to succeed and create jobs. Through the InvestOhio program, individuals who invest up to $10 million in eligible small businesses may receive a 10 percent, non-refundable personal income tax credit if the investment is held for two years.

The Director of Development is authorized to award up to $100 million in tax credits during the current State of Ohio fiscal biennium, which ends on June 30, 2013. In Fiscal Year 2012, 2,363 investors registered for the program. As of June 22, 2012, 2,096 tax credit applications were submitted to the Department, totaling $42.6 million in potential tax credits. These tax credits will be issued at the conclusion of the two-year investment holding period.

The Ohio Motion Picture Tax Credit

Ohio legislators enacted the Ohio Motion Picture Tax Credit program in April 2009, to build the film industry and boost Ohio’s position in attracting film and digital media productions. The program provides a tax credit against the corporate franchise or income tax, up to $5 million per project. The credit is equal to 25 percent of Ohio eligible expenditures and nonresident wages, and 35 percent of Ohio resident wages. An eligible motion picture company must spend more than $300,000 in the state. Amended Substitute House Bill 508, signed by Governor Kasich in June 2012, expanded the tax credit program from $10 million per fiscal year or $20 million per fiscal biennium to $20 million per fiscal year or $40 million per fiscal biennium.

In total, the Ohio Film Office allocated $10 million in tax credits among 10 projects in Fiscal Year 2012. The largest tax credit was awarded for the production of the feature film “The Avengers,” which was filmed in Wilmington and Cleveland. It received more than $5.6 million in funding.

Office of Business Assistance – Working to Grow Ohio’s Small- and Minority-Business Community

The Office of Business Assistance leads the state’s efforts to create, grow, and develop small- and minority-owned businesses resulting in job creation and a strengthened Ohio economy. The Office also provides customized services to increase the exports from Ohio companies.

The Office of Business Assistance, Minority Business Section leads the state’s efforts to grow Ohio’s minority business community. The Minority Business Section provides Ohio’s minority-owned businesses with business counseling and financing related to start-up growth and expansion efforts. Throughout Fiscal Year 2012, the network of eight Minority Business Assistance Centers (MBAC’s) counseled 1,703 clients during 4,474 counseling sessions. As a result of these counseling sessions, the MBAC’s assisted minority businesses in receiving contracts totaling $26.4 million, loans totaling $3.9 million, as well as 150 MBE/EDGE and local certifications, creating 904 jobs and retaining 1,003 jobs. The Minority Business Direct Loan Program provided $422,000 in direct loans to state certified minority-owned business and $2.5 million in Ohio Capital Access Program loan guarantees to small businesses, leveraging $12.6 million in private sector loans. The Minority Business Bonding Program provided more than $3 million in bonding. These loans, loan guarantees, and bonds are projected to create 434 jobs and retain 762 positions in Ohio.
 Businesses served through Procurement Technical Assistance Centers

The Procurement Technical Assistance Centers assist business owners with selling products and services to federal, state, and local government agencies. Throughout Fiscal Year 2012, the network of five statewide centers assisted 5,121 clients in obtaining more than $844 million in federal, state, and local prime contracts and more than $45 million in subcontracts, resulting in 17,792 jobs created or retained.

Entrepreneurs and Small Businesses served through Network Centers

The Office of Business Assistance also oversees a network of Small Business Development Centers (SBDC) in the State of Ohio. The front-line, high-impact Small Business Development Centers strive to accelerate Ohio’s economy by helping people start, sustain, and grow their businesses. The statewide network is comprised of public and private partners that provide small businesses with free, confidential business management consulting, information, and training. The network promotes diversity in entrepreneurship, providing assistance to minority-, veteran-, and women-owned businesses. Throughout federal Fiscal Year 2011, the network of 41 statewide centers counseled and trained 23,204 clients over a total of 76,346 hours. The SBDC assisted clients in securing loans and capital infusion totaling more than $126.8 million and resulted in the creation of 3,833 jobs. The SBDC network is the only statewide program that works with entrepreneurs in all industries, at all stages of business development.

Ohio International Market Access Grant for Exporters (IMAGE) Program helps small businesses go global

The Export Services Section within the Office of Business Assistance, administers the Ohio International Market Access Grant for Exports, or IMAGE, program. IMAGE is a 50 percent reimbursement program funded by the State of Ohio and the United States Small Business Administration as part of the National Export Initiative to double U.S. exports by 2015. The program is designed to increase exports and create jobs by helping small Ohio businesses promote their products and services in new international markets. Since the program was launched in January 2012, the Export Services Section has awarded trade mission stipends to 17 companies, international trade show stipends to 40 companies, U.S. Commercial Service project stipends to 11 companies, web or material translation stipends to 21 companies, and export education stipends to three companies. The IMAGE program has serviced nine disadvantaged businesses (minority-owned, woman-owned, and/or veteran-owned) to date.

The Ohio Department of Development's Export Services Section staff helps Ohio companies explore global trade opportunities and expand into new international trade markets. The Export Services' experienced and professional global trade development managers prepare companies to meet challenges and benefit from opportunities as they expand into export markets worldwide.

Office of Technology Investments Launches New Ohio Third Frontier Strategy to Sustain the Program and Create More Jobs

Ohio Third Frontier committed more than $190 million to 14 existing and new programs that are improving the capacity of Ohio’s entrepreneurial ecosystem, increasing the technical capabilities and business competencies of key Ohio industry value chains, and cultivating a highly collaborative and innovative environment for Ohio technology seekers and solvers to exchange new knowledge and commercial opportunities. Through these programs, more than 37 Ohio technology companies, universities, business accelerators, and regional organizations received funding through grants and loans in Fiscal Year 2012.

In addition, Ohio Third Frontier began utilizing loans to greatly increase the state’s return on these investments and create sustainable funding for the program for years to come. The program continues to fund innovation, entrepreneurial support, commercialization projects having significant industry and economic impact, and the expansion of a skilled talent pool that can support technology-based economic growth. During Fiscal Year 2012, it also put more focus on short-term investments that will yield job creation results within three to five years. Ohio Third Frontier placed an increased investment focus on technology areas and industry sectors showing near-term promise for Ohio. Those technology areas include advanced materials related to advanced polymers, ceramics, composites, carbon fibers and nanotubes, and specialty metals and alloys; aeropropulsion power management; fuel cells and energy storage; medical technology related to imaging, surgical instruments/equipment, implant devices, and regenerative medicine; software applications for business and healthcare; sensing and automation technologies; situational awareness and surveillance systems; and solar photovoltaics.

Since its inception in Fiscal Year 2002, the program has helped create and retain more than 88,000 direct and indirect jobs for Ohio, leveraging more than $7.3 billion in additional private investment. Ohio Third Frontier is the state’s premiere incentive to support Ohio’s technology industries and continues to receive national attention for its effectiveness.
Commercializing technologies developed by Ohio's research institutions

The Ohio Third Frontier's Technology Validation and Start-Up Fund is an innovative approach to increase economic growth in Ohio through start-up companies commercializing technologies developed by Ohio colleges and universities as well as other Ohio not-for-profit research institutions. The program focuses on supporting protected technologies developed at Ohio research institutions needing to be validated or proven, and supports Ohio start-up and young companies licensing these validated or proven technologies. The program provides funding to Ohio research institutions to generate the necessary proof for moving a technology forward, and funds Ohio start-up companies to generate the proof necessary to either commercialize the technology or move it to the point where additional funds needed for commercialization can be raised. The first round of awards is expected to be approved by Controlling Board this summer.

Attracting research and development centers to Ohio

The Ohio Third Frontier’s Industrial Research and Development Center Program is attracting large, nationally designated, and highly visible corporate, nonprofit, and federal research and development centers to Ohio. The program focuses on supporting Ohio organizations’ proposals for such centers by providing cost share funding, thereby improving the competitiveness of an organization’s proposal and enhancing the potential for a center to be located in Ohio. These centers conduct industry-driven, value-added applied research; perform industry-directed and industry-oriented problem solving; and develop technologies that can be commercialized by an Ohio for-profit company.

Philips Medical Systems received $5 million in IRDCP funding to relocate Philips Healthcare's SPECT (Single-Photon Emission Computed Tomography) Imaging Technology Research and Development Center from San Jose, California to its global CT (Computed Tomography) and Nuclear Medicine headquarters in Highland Heights. Philips Healthcare committed to investing an additional $72.3 million to support the project. Collaborators involved with Philips Healthcare on this project are University Hospitals Cleveland and Case Western Reserve University.

Increasing the amount of capital to grow Ohio companies

Ohio Third Frontier has helped establish Ohio as a leading location for early-stage risk capital investment through the capitalization of multiple Ohio-based Pre-Seed Funds. Through these investments, the growth of emerging technology start-up companies has been stimulated, acting as a catalyst for new, innovative, and successful opportunities to support economic growth. The Pre-Seed Fund Capitalization Program provides investment capital to new, proven existing, and/or proven management teams of existing Pre-Seed Funds that will provide capital to early-stage technology companies. Ohio Third Frontier has invested more than $64 million in Pre-Seed Funds, leveraging an additional $2.37 billion of investments; creating and retaining nearly 4,000 jobs; and creating, capitalizing, or attracting to Ohio more than 340 companies. Due to its success and importance to the state’s economy, the Pre-Seed Fund Capitalization Program was expanded in Fiscal Year 2012, making available $25 million for awards (up from $10 million in Fiscal Year 2011), and increasing the potential amount of an award from $2 million to $3 million.
Office of TourismOhio – Tourism Industry Continues to Grow

During Fiscal Year 2012, Ohio's tourism industry grew to an estimated $40 billion in total sales and sustained roughly 443,000 jobs, while also generating approximately $2.7 billion in state and local tax revenue. The Office of TourismOhio helped achieve this growth by marketing Ohio through advertising, public relations, tourism information services, multicultural efforts, special promotions, and social media. Highlights of the year include:

- Passage of legislation that renamed the Office of Tourism the Office of TourismOhio; created a Tourism Advisory Board, and implemented a new five-year pilot funding mechanism. The pilot funding model is performance-based and will direct a portion of tourism-related sales tax growth directly to the Office of TourismOhio for tourism marketing efforts without creating any new taxes.
- Generated $374 million in new visitor spending for a return on investment of 14 new tax dollars created for every public dollar invested.
- Developed a variety of successful social media promotions, including a “Build Your Own OHIO Lego” Facebook contest, and the first Instagram photo contest created by a state tourism office.
- Generated $12 million in earned media through public relations efforts, winning two national awards for having the top public/media relations program in the country.
- Created a robust co-operative marketing program, leveraging approximately $1.39 from the private industry for every public dollar invested and extending Ohio's advertising message.
- Partnered with Honda and Speedway to conduct a promotional campaign to increase tourism throughout the State of Ohio.

Community Services Division – 2012 Highlights

Office of Redevelopment’s Ohio Historic Preservation Tax Credit Continues to Spur Job Creation

The Ohio Historic Preservation Tax Credit Program provides a tax credit to owners of historic buildings who complete rehabilitation projects and reoccupy obsolete and vacant buildings. The tax credit reflects 25 percent of Qualified Rehabilitation Expenditures completed as part of historic rehabilitation projects. In Fiscal Year 2012, 44 new projects were approved for tax credits. Since 2007, Development has approved 142 historic rehabilitation projects in 35 different Ohio jurisdictions. To date, 50 projects have been completed, rehabilitating 54 historic buildings. These completed projects have led to $591 million in private investments, 6,565 permanent jobs, 4,443 construction jobs, and 1,402 residential units. According to a 2011 Cleveland State University study, for every $1 million in Ohio Historic Preservation Tax Credits, 83 construction jobs and 299 permanent operations jobs are created.

Clean Ohio Fund Cleans up Blight, Creating Opportunities for Reinvestment and Jobs

The Clean Ohio Revitalization and Clean Ohio Assistance Funds are key financial components in helping communities create economic opportunities by providing the funds needed for brownfield redevelopment. In Fiscal Year 2012, the Clean Ohio Revitalization and Assistance Fund programs have funded a total of 62 projects, totaling more than $57 million. To date, there have been 226 Clean Ohio Assistance Fund projects that leveraged more than $1 billion and are expected to create and retain 5,800 jobs. Since its inception, 160 Clean Ohio Revitalization Fund projects have been awarded, totaling more than $315 million. Those projects have leveraged $3 billion in private sector investment, and created and retained more than 13,500 jobs.
Governor’s Office of Appalachia Supports Job Creation in Ohio’s Appalachian Region
In November 2011, Governor John R. Kasich appointed former State Senator Jason Wilson of Columbiana County Director of the Governor’s Office of Appalachia. Since that time he has been traveling the region, talking with government officials and community leaders about the resources provided by the local development districts and Governor’s Office of Appalachia. Director Wilson also is working with Connect Ohio to improve broadband service in the region, and co-chairs the Connect Appalachia Broadband Initiative Task Force. This year, the Governor’s Office of Appalachia provided two counties with state grant funds to help improve their connectivity.

Working to stimulate economic activity, during Fiscal Year 2012, state and federal funds awarded more than $4 million to the region. These projects and grantees served 178 businesses. In Fiscal Year 2013, the Governor’s Office of Appalachia will work to support the communities in the region as they navigate the oil and gas industry expansion. Key initiatives will include workforce training, infrastructure improvements, and a study to determine the impact of the oil and gas industry on a community.

Office of Community Development - Administering the Ohio Housing Trust Fund
The Office of Community Development (OCD) provides financial and technical assistance to units of local government and nonprofit organizations in Ohio for project activities that benefit low- and moderate-income citizens. One of the activities the OCD oversees is the allocation of the Ohio Housing Trust Fund (OHTF). OHTF provides funding to nonprofit organizations, public housing authorities, private developers and lenders, local governments, and a consortia of eligible applicants that are interested in increasing affordable housing opportunities, expanding housing services, and improving housing conditions for Ohio’s low- and moderate-income residents. In Fiscal Year 2012, the Ohio Housing Trust Fund Advisory Committee, which is comprised of up to 14 Governor-appointed representatives, recommended the allocation of $53 million to be divided among; Community Development Corporations ($2.65 million), Emergency Shelter Housing ($5.3 million), Resident Services Coordinator Program ($315,000), Community Housing Improvement Program ($1 million), Discretionary Grant Program ($775,000), Homeless Assistance Grant Program ($16.3 million), Housing Assistance Grant Program ($5 million), and Housing Development Assistance Program ($19 million).

Office of Community Assistance - Percentage of Income Payment Plan Plus (PIPP Plus) Improves Service and Benefits
PIPP Plus is an electric bill payment assistance program that allows income-eligible customers to pay a reduced amount. The program also maximizes customer participation while minimizing the burden on ratepayers, by providing a financial incentive and no debt build-up to customers who pay their bills on-time and in-full. Customers may step up to Graduate PIPP Plus when their financial situation improves.

During Fiscal Year 2012, more than 400,000 Ohio households benefited from PIPP Plus, which may be responsible for the decrease in demand, for the second year in a row, for the Office of Community Assistance’s Winter Crisis Program that assists those who are threatened with disconnection notices. (The funds not spent on the Winter Crisis Program are re-allocated to the Summer Crisis Program, and assist the needy during the hot days of summer when high cooling bills impact these Ohioans). The early numbers from the first four months of 2012 indicate a decrease in the cost of PIPP Plus, which is good news for regulated utility customers.

HEAP Summer Crisis Program Begins June 1, One Month Early
Due to the mild Ohio winter and the anticipation of more days of extreme heat this summer, Development began the Home Energy Assistance Program (HEAP) Summer Crisis Program on June 1, 2012 instead of July 1, 2012. Additionally, the HEAP Summer Crisis Program has expanded eligibility for 2012 to include those households facing disconnection of electric service or whose electricity is already terminated. Eligible households can receive a total benefit of $250 to purchase an air conditioner or fan, and/or assist in the payment of an electric bill. The HEAP Summer Crisis Program provides assistance to low-income households with an elderly member (60 years or older), or households that can provide physician documentation that cooling assistance is needed for a household member’s health. This includes a person with breathing problems such as lung disease; COPD (Chronic Obstructive Pulmonary Disease); or asthma, which affects more than 15 million Americans a year, according to the Centers for Disease Control. Last year, more than 40,000 Ohio families were assisted through the HEAP Summer Crisis Program.
Powering Ohio: Office of Energy is Employing Energy Efficiency and Fueling Growth

The Office of Energy works to grow Ohio’s economy by connecting companies and communities with financial and technical resources to increase energy efficiency and deploy advanced energy technologies. The Office of Energy serves as the state’s energy office and provides technical assistance and administers federal and state funds that support energy efficiency, as well as the deployment of advanced energy technologies including wind, solar photovoltaic, solar thermal, biomass, and clean coal for Ohio’s industrial, commercial, and residential customers. During Fiscal Year 2012, the Office of Energy managed 323 projects, totaling more than $99 million. Those projects helped generate 160,000 kWh/year of energy and more than 115,450,000 kWh/year in energy savings.

Energy Loan Fund helps reduce energy usage

In Fiscal Year 2012, the Office of Energy released the Energy Loan Fund that provides low-cost financing for energy efficiency and renewable energy projects for small businesses, manufacturers, and public and nonprofit entities. The Energy Loan Fund is expected to result in energy, economic, and environmental impacts that include a minimum of 15 percent energy-use reduction from existing conditions. Funded projects also are expected to see a return on investment in no more than 15 years, which allows the loan to be paid back within a reasonable time period, and will have a positive economic impact such as job creation or retention, and improvement in environmental quality.

Addition of the Ohio Coal Development Office

The Ohio Coal Development Office was added to the Office of Energy through legislative action in House Bill 153 in Fiscal Year 2012. The Ohio Coal Development Office invests in the development and implementation of technologies that utilize Ohio’s vast reserves of coal in an economical and environmentally sound manner. Projects are identified through public solicitations and may include technologies that improve combustion efficiencies, remove various pollutants from emissions, develop productive uses for the by-products of combustion, and investigate new uses for coal as a feedstock.

Looking Ahead

This has been a year of transition for the Ohio Department of Development, but it has allowed us to implement important improvements and increase efficiency across the board. Moving forward as the Ohio Development Services Agency, the organization remains committed to providing strong customer service to our business and community partners, and most importantly – the citizens of Ohio. There will always be a need for continuous improvement and reviews of our best practices to ensure the agency is current with the needs of Ohio’s economic climate. Our vision is to have the best development system in the nation, and with the agency’s restructuring, we are well on our way!