

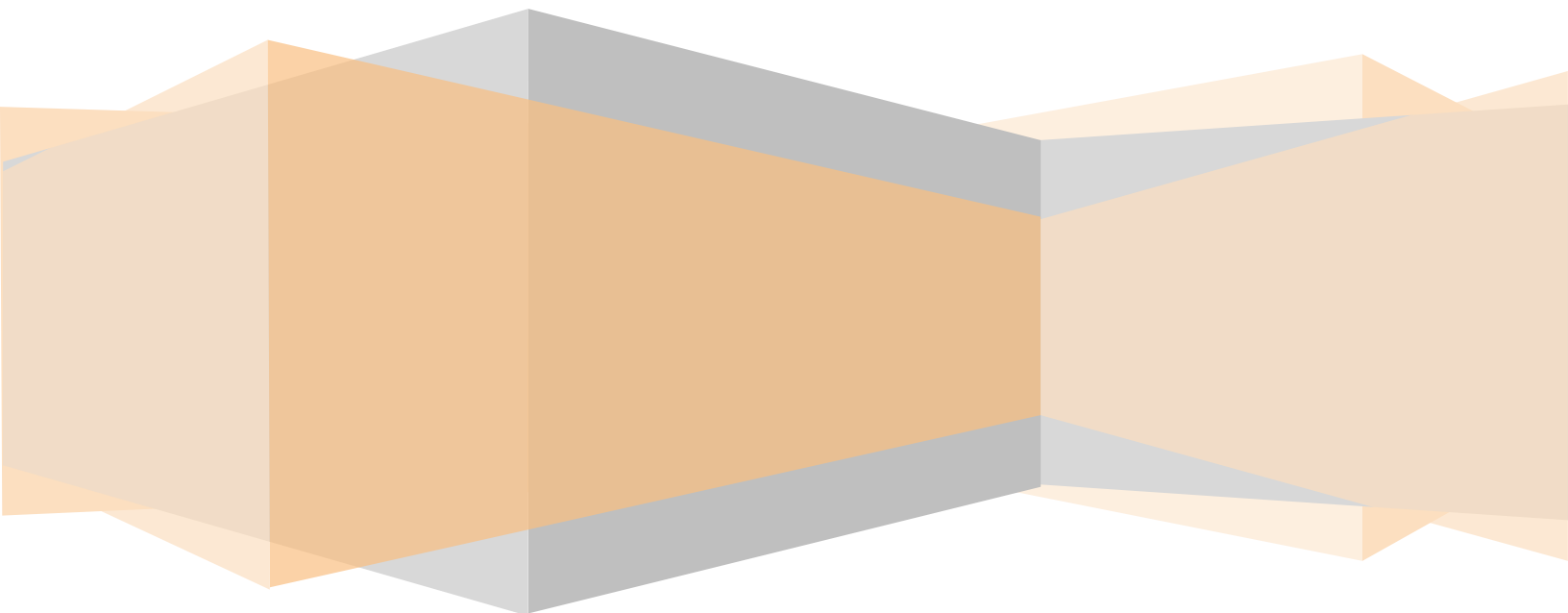


# Business Retention

**A report prepared for Amberley Village Council**

by Scot Lahrmer, Village Manager

September 6, 2016



# Summary

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One of the many assets within Amberley Village is the seven properties that house our industrial businesses. Their presence in the southwest area of the Village adjacent to rail service is vital to the Village's financial security. With pressure to provide essential public services in the face of constraints on Village finances, our industrial businesses share the tax burden with our residents to provide Village services. In recent years, the tax burden has shifted more to residents which is why the Village must have a dynamic business retention program. Promoting local economic development adds to the earnings tax, property tax, sales tax and other revenues. Therefore, it is critical to encourage business investment in our Village.

One of my roles as village manager is to be the economic developer or strategist that establishes relationships between the Village and the businesses. Similar to residents who have a voice in local government when they have a need, our industrial properties have needs except they don't typically have a voice. Their needs must be met in order for them to thrive and expand. Being a key liaison between them and the Village to increase their economic viability and meet the needs of businesses is critical.

**Economic development is typically categorized into three categories:**

- 1. Business Retention and Expansion**
- 2. Job/Business Creation**
- 3. Business Attraction**

Regardless of which category of economic development is being implemented, business development helps the Village by increasing our tax base which supports our local infrastructure, such as streets and storm sewers while also helping to maintain our services like police, fire and maintenance. Job development, retention and attraction provide better wages, benefits, and opportunities for advancement for residents. Businesses feel appreciated by the community and are more likely to stay in the Village contributing to our economy when there is a strong business retention program.

Another element of economic development is economic diversification. Having a variety of businesses and not relying on one single industry helps expand our local economy and reduces a community's vulnerability to a single business sector. The productive use of property for its highest and best use maximizes the value of property and that is even more critical within our Village due to the limited industrial businesses. And having strong economic development

improves the quality of life since local tax dollars and jobs raise the economic tide for our entire community.

For the purposes of this report, **business retention** will be the focus with a summary of the Village's seven industrial businesses.

## Ohio Pulp Mills

Ohio Pulp Mills is located off of Losantiville Road, wedged on 2.8 acres between two other Amberley businesses, Topicz and EZ Pack. Ohio Pulp recycles poly-coated paper and is a supplier of 100% recycled bleach pulp.

Ohio Pulp Mills is owned by Donco Recycling Solutions out of Chicago. The owners, which purchased the 41,000 square foot business in 1969, visit a few times a year and I met with them in 2014 after their General Manager retired. Their current General Manager, who began in June 2014, commutes from North Carolina.

2100 Losantiville Avenue, 45237



Ohio Pulp works round the clock; their employee count is approximately 30. Their employees are primarily forklift and bobcat operators along with bailers. They currently utilize the rail line and ship out of state and also use trucking to bring in product.



## National Liftgate Parts

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6550 Wiehe Road, 45237

National Liftgate Parts is located at the end of Wiehe Road, to the east of E-Z Pack and bordered by Golf Manor to the south, Losantiville School to the east and Ohio Pulp Mills to the north.

This one acre site houses a 20,000 square foot building where National Liftgate Parts ships replacement parts for liftgates and snow plows.



This owner-managed company has been at this site since about 2006 and employs 20 as they ship parts across the country.



National Liftgate's facility size provides capacity to store product and primarily functions as a shipping and receiving location.



## E-Z Pack (SJS Packaging)

6545 Wiehe Road, 45237



E-Z Pack is locally owned and managed by an Amberley resident. SJS Packaging is their corporate umbrella business whose business is primarily in the packaging products and services industry as well as printing. SJS Packaging has other businesses under its banner mostly related to printing and paper products and they have a history of purchasing

businesses. They are located off of Wiehe Road, in three different buildings nearing 46,000 square feet on 2 acres. Approximately 2/3 of the warehouse building is in the Village of Golf Manor.

E-Z Pack employs 24 consisting of sales, pressmen, folders and machine operators. E-Z Pack most recently acquired a graphic art company and relocated it to its Amberley facility.



They also invested in a die cutter that allows for die cutting large 40 inch sheets at speeds up to 8,000 per hour. Their niche is being able to do small print jobs.

# Pepsi

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2121 Sunnybrook, 45237



Pepsi Beverages Company is located on Sunnybrook Drive, situated to the north of the Port's property and south of P&G. Pepsi is a bottling company and last year, invested over \$9 million in its German-designed Krones blow mold operation. This enables Pepsi to blow bottles and fill on site, a move that has made the Pepsi plant much more competitive than its sister plants in Ohio. Pepsi employs 82 employees split between production and sales; production employees are unionized.



Pepsi works shifts covering 20 hours per day at the 165,000 square foot Amberley facility where they own 10 acres. Depending on product demand and season, their production may vary. They have a distributing warehouse in Erlanger and trucking is their primary source of transporting

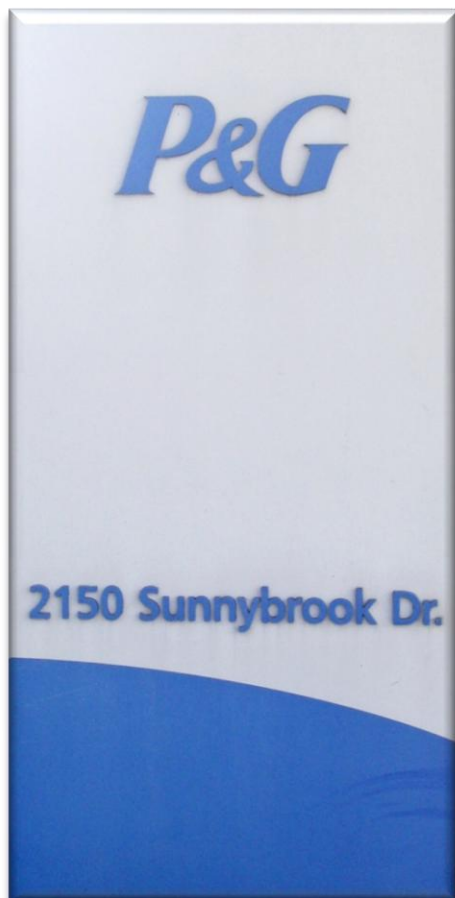
their product. They are managed by a General Manager, who at one time managed both the Dayton and Cincinnati plants, until the Dayton facility was closed. The General Manager commutes from Dayton. Pepsi is a major water user as well as electric consumer and have ambitious sustainability goals.



## Procter and Gamble

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2150 Sunnybrook, 45237



P&G has owned the Amberley Business Center on Sunnybrook Drive since 1957. Their most recent operation has been the coupon redemption and fraud unit until that portion of the business was outsourced this summer to a firm in Milford. What remains at the site is a fulfillment center where product is packaged for marketing purposes. In the past, this has been done by contract operations.



The 183,000 square foot building sits on 23 acres and borders the City of Reading to the north and west. P&G sits directly north of Pepsi and are the only two Amberley businesses with Sunnybrook addresses. Elbrook is to the east of their facility.



The facility manager for the facility indicated P&G is running the site as normal and have no plans to change this in the short term.



# Topicz

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2121 Section Road, 45237



Topicz is located on the south side of Section Road butting up against Ohio Pulp Mills to the south, City of Cincinnati to the west, Port's property (former Gibson) to the north and residential to the east. Topicz is a full-line supplier to convenience stores in a 3 state area using trucks to deliver goods to the various stores. They are housed in 125,000 square feet on approximately 11 acres.



Topicz expanded their facility in 2013, adding 33,000 square feet including cooler and freezer capacity along with technology upgrades for their picking system by investing nearly \$4 million. The Village facilitated the expansion with authorization of a tax incentive that abated 75% of the property tax on the building expansion for 6 years. Topicz has been in compliance with the tax incentive exceeding their investment and jobs projection. Topicz employs 130 which include pickers, administrative and drivers for their business.



## 2100 Section Road

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This property was recently acquired by the Port Authority of Greater Cincinnati for redevelopment purposes. The most recent tenant, Saturday Knight Ltd. vacated the property in May 2016 and relocated to the City of Cincinnati. Prior to Saturday Knight Ltd., the property was the home to Gibson Greeting Cards.

This property is critical to the Village's industrial portfolio. With the Port Authority's investment of over \$13 million into 2100 Section Road, redevelopment and revitalization of this complex property is a key objective of the Village's overall financial strategy. Maximizing the development potential of



this site will enable the Village to grow the tax base and attract a suitable end user to anchor the property and returning it to a higher and better use.



Vacant buildings  
currently located on  
re-development site at  
2100 Section Road



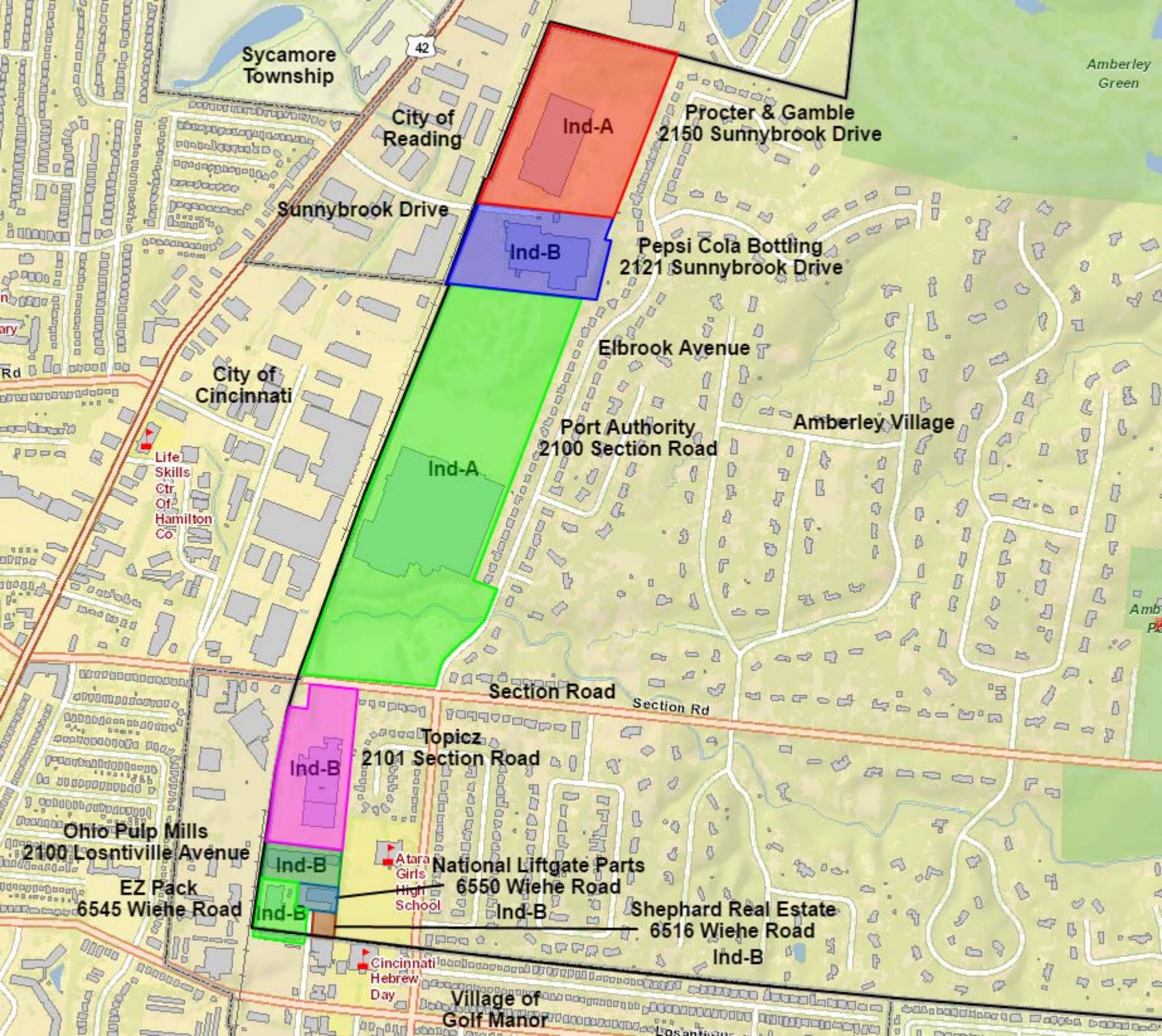
# Retention

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Learning what challenges exist for private businesses can be difficult when, unlike government, businesses are not driven by public records to allow the Village to find out the internal financial health of the company or when a business may be on the verge of restructuring. Governments do not have a seat at the boardroom table which means the Village must have ongoing business retention efforts. The relationship and ongoing conversations with our businesses is one role the Village can exercise to show our support and interest in the success of our industrial businesses.

Three of our businesses have shown recent growth and expansion of services and one added operational space by 33,000 square feet. This forward progress is refreshing. Another step toward diversification has been the acquisition of 2100 Section Road by the Port Authority. The vacant building and overgrown property has not met its potential as a revenue producing industrial site for many years. The Village has been working closely with the Port to prepare this site for a new end-user. Reviving a once vacant building, which causes a drain on public safety services, into a job and revenue producing property meets a number of goals for the betterment of our community.

Retention and revitalization of our community's industrial zone is integral in our approach and remains the focus as the Village continues along a path toward financial sustainability while working to lessen the tax burden upon its residents without sacrificing the high level of services provided. Successful businesses in our industrial zone are a component that has several puzzle pieces within it and each business and property is very important and valuable for the greater community's overall success now and into the future.



Sycamore  
Township

42

City of  
Reading

Ind-A

Procter & Gamble  
2150 Sunnybrook Drive

Sunnybrook Drive

Ind-B

Pepsi Cola Bottling  
2121 Sunnybrook Drive

City of  
Cincinnati

Elbrook Avenue

Amberley Village

Life Skills  
Ctr Of  
Hamilton  
Co

Port Authority  
2100 Section Road

Ind-A

Section Road

Section Rd

Ind-B

Topicz  
2101 Section Road

Ohio Pulp Mills  
2100 Losntville Avenue

EZ Pack  
6545 Wiehe Road

Ind-B

Atara  
Girls  
High  
School

National Liftgate Parts  
6550 Wiehe Road

Ind-B

Shephard Real Estate  
6516 Wiehe Road

Ind-B

Cincinnati  
Hebrew  
Day

Village of  
Golf Manor