

2016 ANNUAL REPORT

CITY OF DUBLIN ECONOMIC DEVELOPMENT



Ohio University Dublin Integrated Education Center



MESSAGE FROM THE **DIRECTOR**



*Colleen Gilger, CECD,
Director of Economic Development*

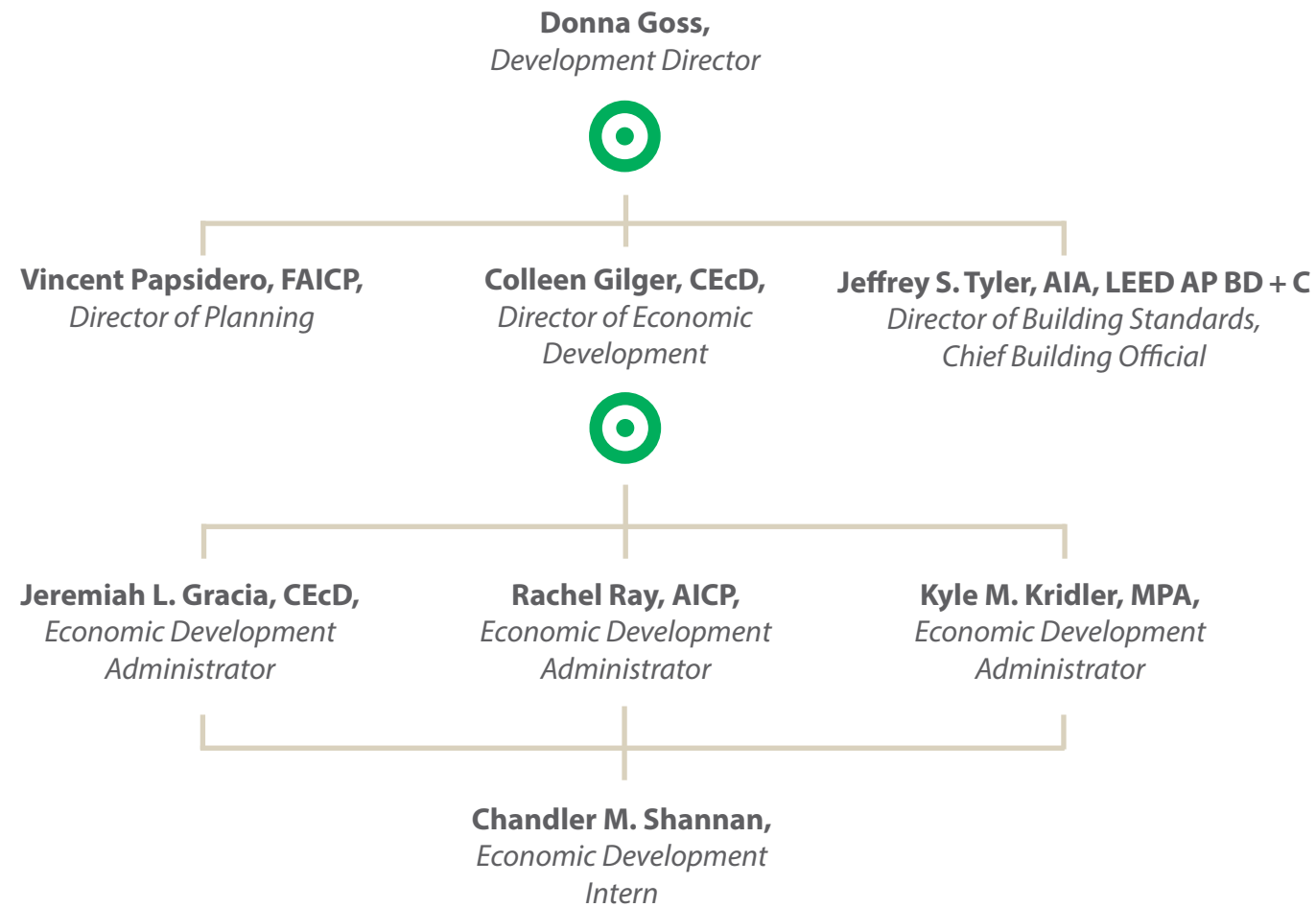
This 2016 Economic Development annual report celebrates all that is happening in Dublin as one of the best business communities in Ohio, recognizing the division's accomplishments and acknowledging the excellent business development that occurred in the past year.

The Economic Development Division manages the day-to-day business retention, expansion, attraction and creation programs, including the management of the Dublin Entrepreneurial Center. Additionally, the team has focused on new initiatives including workforce development programs, office competitiveness solutions and international business relationship development.

It's been an exciting year and 2017 offers much in terms of completing existing projects, initiating new development and continuing the great work of this excellent team.



ORGANIZATIONAL STRUCTURE



Left to right: Kyle Kridler, Colleen Gilger, Rachel Ray, Jeremiah Gracia

ECONOMIC DEVELOPMENT

Retention, Expansion & Attraction Program

In 2016, The Economic Development division negotiated four Economic Development Agreements (EDAs) resulting in the retention of 2,148 jobs and the creation of 25 jobs. The four EDAs represent nearly \$20 million in annual payroll, and 218,634 square feet leased.

Dublin Economic Development staff initiated 370 business outreach and engagement visits. Another 102 business events, open houses and ribbon-cutting

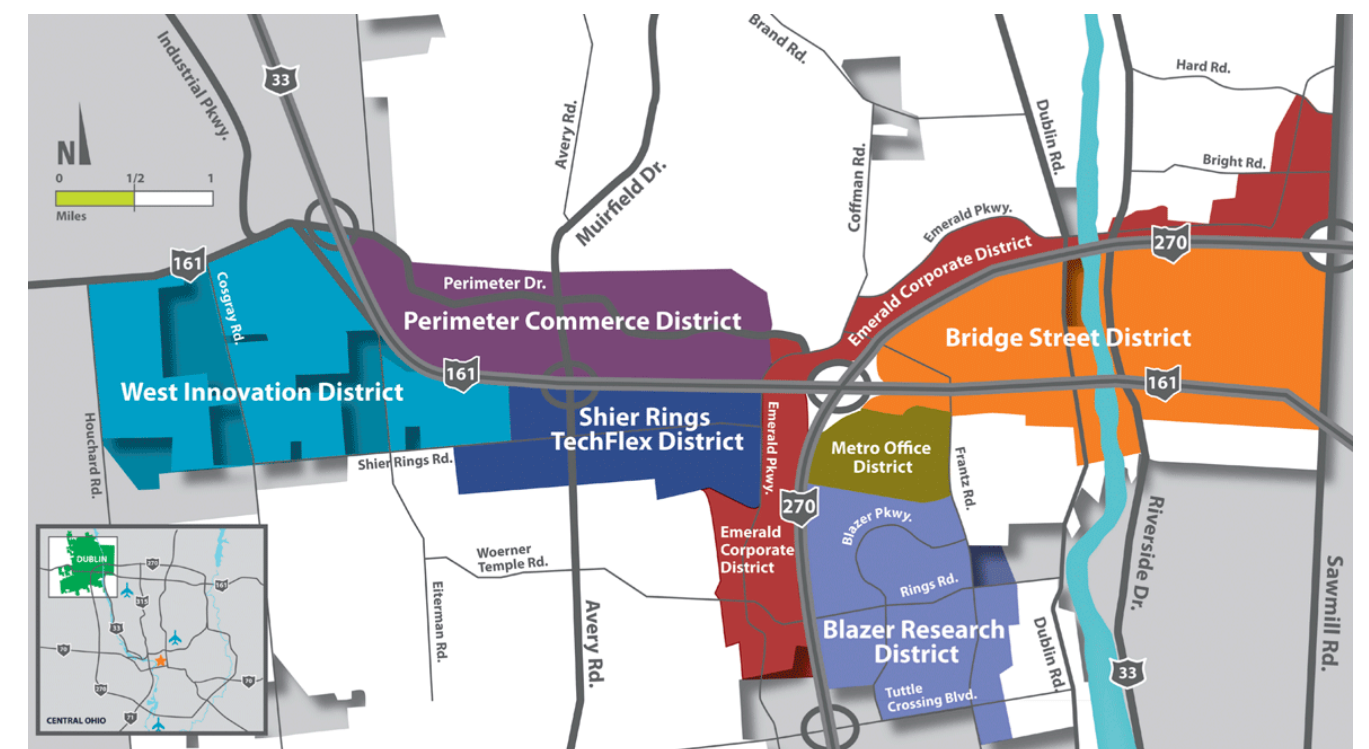
ceremonies were attended. Additionally, 52 new companies moved into Dublin in 2016. Another six Dublin companies renewed leases, without incentives, retaining 776 jobs. And, thanks to two Dublin fiber optic use agreements, the City retained 2,200 jobs with PCCW and CareWorks.

Unemployment figures continued to decline for the sixth consecutive year. Dublin led the way, ending 2016

with an impressively low 3.0% unemployment rate, while the Columbus Region finished with 3.7%, Ohio with 4.9% and the nation with 4.6%.

Through the JobsOhio and Columbus 2020 partner network, 58 project leads were distributed, of which 12 met Dublin site criteria, and RFPs were submitted. Several project teams toured Dublin buildings and the projects remain active.

BUSINESS DISTRICTS



ENTREPRENEURSHIP & JOB CREATION



The Dublin Entrepreneurial Center (DEC) expanded its tenant offerings in 2016 by launching the DEC Pathway Program, a three-year entrepreneurial training program designed to focus on building the strategy behind the company, and strengthening the leader of each organization. Business Plan Development, and six other courses, were held in the first year of the Pathway, and 32 DEC tenants attended those training workshops.

The DEC continued with its mission of education and assistance to small, start-up companies by hosting 356 free education and networking events. By year's end, 86 of 90 offices were occupied, 12 of 15 cubicles were leased, and another 54 companies leased "hotspot"



spaces. Over 30 tours of the DEC and Metro Data Center were conducted in 2016. In addition to the City of Dublin and Metro Data Center, the two host partners of the DEC, 11 other businesses and organizations donated their time and resources to the facility and its tenants in 2016 including: Rev1 Ventures, Ohio SBDC, 5/3 Bank, Rea & Associates, Sequent, Carlile Patchen & Murphy, Arthur Krenzel Lett, Gerber & Mitchell, Juniper Networks, Buffalo Wild Wings, Oakland Nursery Interior Landscapes and Jones Lang LaSalle.



In an effort to extend the entrepreneurial spirit into the educational environment, an intern program launched at the DEC in 2016 where 12 college students served DEC tenants over three semesters. Since the graduation of eight interns, three have been placed as ongoing contractors with DEC businesses and two others have started their own businesses, now leasing Hot Spot space at the DEC.

Three DEC tenants graduated in 2016: Renaissance Tech, Cognitive Ventures and Caregiver USA. All continued their growth outside the DEC, leasing office spaces throughout Dublin.

WORKFORCE



The Economic Development team, along with Alloy, a research & brand strategy company, committed to a three-month qualitative and quantitative research study focused on uncovering the workforce development and employee training needs of companies located within Dublin. These efforts were in response to the skills gap, a significant threat to companies across the US and in many industries.

The team conducted in-depth interviews with Dublin's business leaders and influencers, focusing primarily within the IT and Health sectors. The insights uncovered in the 21 qualitative interviews were then corroborated by a quantitative survey of 144 respondents. The interviews revealed numerous hidden needs of Dublin-based businesses,



including talent recruitment support, training cost support, and access to several specific training topics. The study results will drive the implementation of several new workforce programs in 2017.

INTERNATIONAL EFFORTS



City staff engaged several international organizations over the year, including the Greater Columbus Chinese Chamber of Commerce, the Japan American Society of Central Ohio (JASCO), the Asian Indian American Business Association (AIABG), and the Columbus International Program (CIP). Over 55 international business events, seminars and meetings were conducted and/or attended such as Hidaka's cherry tree blooming celebration, the Columbus Asian Festival, global fluency training, and trade missions. Jeremiah Gracia traveled to Tokyo, strengthening relationships with many Japanese companies that already have a Dublin presence.

He also visited with Dublin's Friendship City, Mashiko. Economic Development teamed with the Global Trade Consulting Group from the Ohio State University's Fisher College of Business to research Dublin's international business and industry strengths and develop a recruitment strategy for specific countries and industries.

We welcomed several internationally-owned companies to Dublin including Cetitec (Germany), L&T Technology (India), and ALDI regional headquarters (Germany).

Friendship City



OFFICE VACANCY RATES



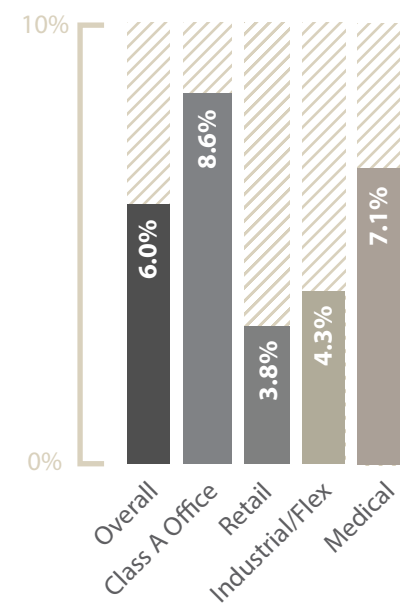
The City's commercial real estate market capped 2016 with tremendous occupancy gains. Similar to the rest of Central Ohio, Dublin's office and service sectors have ramped up hiring and capital expenditures. As a result, the suburban market has witnessed a healthy influx of leasing and ownership activity.

The general market posted positive absorption of 34,168 square feet, helping to drop overall vacancy to 6%. The Class A office vacancy rate declined to 8.6% as 154,000 square feet were absorbed in 2016.

On the retail side, significant leasing activity caused the vacancy rate to plummet to 3.8%. This number looks to remain low, as much of the new retail square footage coming into the 2017 market is pre-leased at Bridge Park.

Industrial/flex space remains hard to find at 4.3% vacancy. Medical office continues to see new building construction, adding to the overall inventory, pushing total square footage citywide to just over one million square feet; and it ended the year strong at 7.1% vacancy.

Vacancy Rates

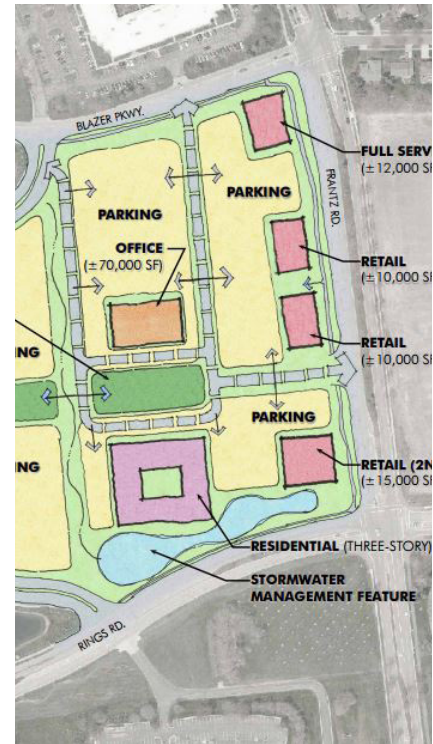


OFFICE COMPETITIVENESS PROJECTS

Dublin Corporate Area Plan

Dublin has defined itself as a premier employment center in the Columbus region since the 1980s. To remain competitive, the City's Economic Development and Planning teams initiated a study in 2016 to understand the existing conditions, current and future market trends, stakeholder requirements, and effects of the changing work space demands on older suburban office complexes.

This plan focuses on revitalizing Dublin's legacy office parks, including Metro Place and the businesses along Frantz Road. The study determined ways to improve these older business parks for businesses, employees and residents and new zoning standards will be brought forward for implementation in 2017.



P.A.C.E.

The City, in conjunction with PlugSmart, an energy consulting provider, organized and completed Property-Assessed Clean Energy (PACE) audits for over one million square feet of Dublin's privately-owned, aging commercial buildings. Each report was shared with the building owner(s) and determined energy conservation measures, eligible PACE projects, and investment payback potential.



Dublink Transport

The City extended a fiber optic backbone that can operate at 100 gigabits of broadband speed and capacity in order to create, retain, expand and attract high-tech and broadband driven industry, businesses and jobs. In 2016, fiber laterals were constructed into six, privately-owned, aging office buildings at Metro Center.

Now, companies have access to 13 internet carriers without having to pay for the transport infrastructure and can negotiate the most competitive monthly price for the highest quality internet from their carrier of choice. Currently, 11 users are accessing this lightning-speed benefit, with more coming online in 2017.

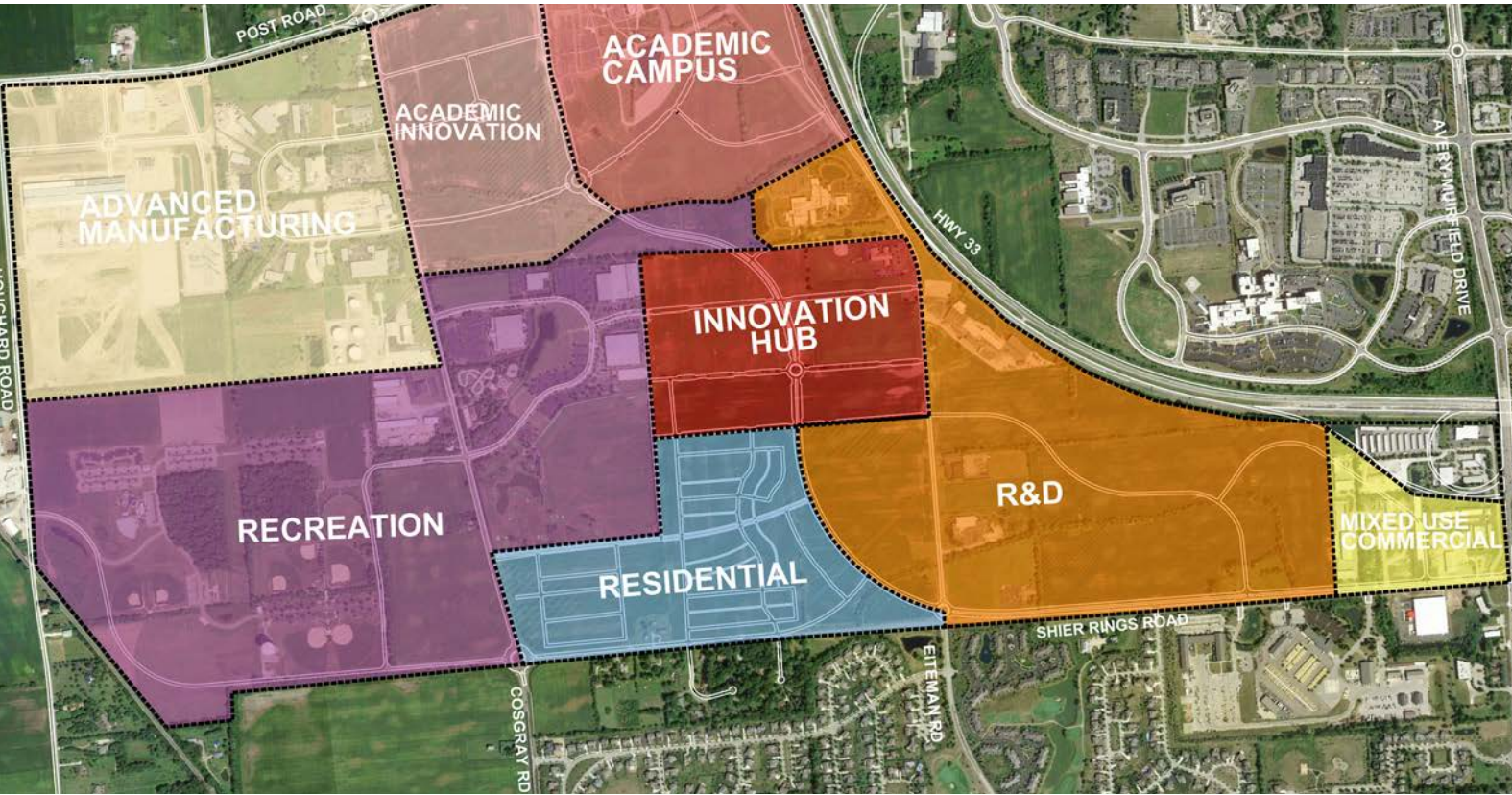


Data Center Racks

The City reserved a pod of cabinets within Metro Data Center's facility at Metro Center. These cabinets have been provisioned to small, growing businesses as incentive to move into some of the city's most vacant office spaces at Metro Center. Currently 16 businesses in the Metro area are using these cabinets in return for executed leases and job growth commitments.



WEST INNOVATION DISTRICT MASTERPLAN UPDATE



A comprehensive master planning update for the West Innovation District occurred in 2016. The refreshed perspective of the original 2007 study now takes into consideration the impact of our community gaining an institution of higher education, and the economic development implications thereof. Concurrently, Ohio University completed its Dublin campus master plan, showcasing the possibility of 2.1 million square feet of facilities as the campus develops.

Investments continued in the area in 2016 as Vadata commissioned its first of five data facilities, Command Alkon opened its new headquarters and the Nestle Quality Assurance Center completed a laboratory expansion.



Conceptual new development at the Ohio University Dublin Campus



Conceptual West Innovation District gateway feature

BRIDGE STREET DISTRICT PROGRESS



Phase One of Crawford Hoying's much anticipated Bridge Park project was under construction, with the delivery of 130,000 square feet of Class A office space, 53,000 square feet of retail space, two parking garages and 154 apartment units expected in early 2017. Many inaugural tenants were announced for the new buildings and we look forward to the grand openings in 2017 for the following:

- ▶ AC Marriott
- ▶ Hosket Ulen Insurance Solutions
- ▶ Stifel
- ▶ Stewart Title Company
- ▶ Cameron Mitchell Premier Events
- ▶ Mesh Fitness
- ▶ Crawford Hoying
- ▶ Pins Mechanical Co.
- ▶ RAM Restaurant & Brewery
- ▶ The Avenue Steak Tavern
- ▶ Fukuryu Ramen USA
- ▶ Local Cantina
- ▶ 3 Palms Pizzeria
- ▶ Cap City Fine Diner and Bar

