

County's economic recovery in nation's top 7 percent



[Kent Mallett](#), Reporter 5:03 p.m. EST January 30, 2016

NEWARK – The Licking County economy is the envy of most counties in the United States, recovering from the recession faster than 93 percent of the nation, based on a study by the National Association of Counties.

Licking County, and six others in central Ohio, are among 214 counties in the country that recovered from the recession by 2015 in four key areas — jobs, unemployment rates, economic output and median home prices — out of the nation's more than 3,000 counties, according to the study.

Unemployment, which peaked just shy of 11 percent in early 2010, fell to 3.8 percent in 2015, and ended the year at 4.1 percent. Foreclosures have decreased 60 percent since 2009. Bankruptcy filings fell by 40 percent in the last five years.

Home sales jumped 52 percent and sale prices increased by 23 percent since 2011. New car sales are up 73 percent since 2009. Commercial and residential building has soared, increasing 213 percent and 108 percent, respectively, since 2011.

Licking County sales tax collections show local residents and visitors are willing to spend their money here, up from \$23 million in 2009 to \$32.4 million in 2015, a 41 percent increase.

"People are working," Licking County Commissioner Tim Bubb said. "They're positive and they're consuming. There's a little pent-up demand from the recession years. If people want to work, there's bountiful opportunities. We've passed that rough period."

A 10 percent increase in sales tax collections in 2015, compared to 2014, will allow the county to spend more on its roads, bridges, buildings and employees, Bubb said. But, he said, the budget is not quite as rosy as the sales tax collections may make it appear.

"All it's really doing is helping us tread water because the state cut support to local governments in half," Bubb said. "We're still playing catch-up."

"I prefer to see it spent on capital improvements because one-time money may not be there in the future. During the recession, we didn't do any (capital improvements) and that was painful, too. If we have a little surplus, it's something you can't count on five years from now."

The study showed just 31 counties in the Eastern time zone have recovered from the recession on all four indicators, including Licking County and six others in central Ohio. Ohio and Kentucky led with nine counties in the Eastern time zone, followed by Indiana with five, Michigan three, South Carolina and Vermont two each, and one in North Carolina.

Nathan Strum, executive director of Grow Licking County, said there are a few key reasons Licking County's economy has recovered better than most, but one specific reason stands out.

"It's the quality of the workforce here driving much of this momentum," Strum said. "That's what I hear from people."

In addition to the workforce, Strum said the quality of life in Licking County and the personalities of each community attract companies and workers here. Licking County's location in central Ohio is another factor, Strum said, but not the most important.

"I think Licking County is very fortunate to be located adjacent to Franklin County, but I think you see other counties in central Ohio not faring as well as Licking County," Strum said. "So, it's somewhat location, but so much more about what we're doing here."

The central Ohio counties of Licking, Franklin, Delaware, Knox, Union and Madison all have recovered from the recession in the four categories, according to the study. Only one other cluster of counties in the Eastern time zone can match central Ohio, according to the NACo study map. Six northern Kentucky counties and one in southern Indiana, all around Louisville, have similarly recovered.

One advantage for Licking County, Strum said, is the relationships and partnerships between governments, business and education, helping match skills and training with jobs. It's an area he said seems better here than in the Pittsburgh area, where he worked previously.

"They're still grappling with how workforce blends with economic development," Strum said. "We have great partners with a vision, an alliance, so this community continues to grow. There's such a great foundation."

Kenny McDonald, president and chief economic officer of Columbus 2020, an 11-county economic development organization, said central Ohio has done more than just recover from the depths of the recession.

"We think, especially the last two years, has been perhaps the best economic performance for the region in a generation," McDonald said. "Licking County has received a lot of that growth."

The region benefits from an increasing population and a talent pool helped by 60 college and university campuses, McDonald said. Location is another advantage, delivering products to markets on the east coast, he said.

"We may be the last point of departure from the Midwest to the East that can deliver at a really great value," McDonald said.

McDonald credited Bubb, Grow Licking County, area mayors and the private sector for the county's success.

"It's a community that wants to grow and is willing to prepare to grow," McDonald said.

Joe Nichols, a Newark resident who works with Buckeye Institute, a nonpartisan, nonprofit conservative policy advocate organization based in Columbus, said the economy still has a long way to go, but the study shows Licking County is doing better than most.

"It shows recovery from the recession is a little bit sluggish, but we're finally getting to the point (people) should be feeling better in their personal lives," Nichols said. "Nobody is really recovering that quickly. We're just recovering a little better than most people."

The positives for Licking County, Nichols said, are the increased labor force, new companies coming here, unemployment rate, proximity to Columbus, improved infrastructure and roads to Columbus, and a good, educated workforce.

"A strong labor force and high participation — you want to see people actively looking for work," Nichols said. "It's important to see real wage growth. I think things will slowly, but surely, get better. It's almost a snowball effect. Things will get better faster in the next few years."

The workforce grew from 85,000 in May 2014, to an all-time high of 89,000 in July 2015. More than 70 new companies and businesses opened in Licking County in 2015, including Bath and Body Works' 860,000-square foot facility in New Albany, expected to eventually employ 500. Amazon subsidiary Vadata, Inc., opened a \$300 million Amazon data computing center, also in New Albany.

Ariel Corporation and Chromocare opened in the Central Ohio Aerospace and Technology Center, in Heath.

In September, Amazon plans to open an 855,000-square-foot customer fulfillment center, between U.S. 40 and Interstate 70, in Etna Township, employing 1,500. The state's second-largest Kroger Marketplace, a 123,455-square-foot store, will open this year at the former Meijer site, on North 21st St., in Newark.

"Kroger sees tremendous potential in this market for growth," Bubb said. "A company like that doesn't do something like that on a whim."