

YOUNGSTOWN STATE UNIVERSITY

ORAL HISTORY PROGRAM

Sheet and Tube Shutdown Project

Sheet and Tube Shutdown

O. H. 156

WILLIAM D. DECICCO

Interviewed

by

Philip Bracy

on

November 23, 1981

WILLIAM D. DECICCO

William DeCicco was born in Youngstown, Ohio on February 7, 1941. He graduated from Boardman High School in 1959 and received his Bachelor of Arts from Denison University, Granville, Ohio in June 1963. In 1966, Mr. DeCicco received his Master of Arts from Kent State University.

Mr. DeCicco's employers have included the Tri-County Regional Planning Commission, Akron, Ohio, City Planning Associates, Inc., Mishawaka, Indiana, Plus Five Limited, Youngstown, Ohio, the Eastgate Development and Transportation Agency, Youngstown, and his present position is the Executive Director of CASTLO Community Improvement Corporation, Struthers, Ohio.

Mr. DeCicco, his wife Carole and their two children reside in Poland, Ohio. His affiliation with professional associations include: The American Planning Association, The Association of American Geographers, The Ohio Planning Conference, The Lake to River Planning Directors Association and Gamma Theta Upsilon.

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INTERVIEWEE: WILLIAM D. DECICCO

INTERVIEWER: Philip Bracy

SUBJECT: Sheet and Tube Shutdown and subsequent organizations that evolved.

DATE: November 23, 1981

B: This is Philip Bracy for the Youngstown State University's Oral History Program concerning the Shutdown of Youngstown Sheet and Tube and subsequent organizations that evolved. This morning I am interviewing Mr. William D. DeCicco, Executive Director of the CASTLO Company Improvement Corporation.

Mr. DeCicco could you tell us a little about yourself, some biographical background?

D: Yes. I was born and raised in Youngstown. My formal education includes a Bachelors degree (1963) from Denison University, Granville, Ohio, and a Masters degree (1966) in Geography from Kent State University, Kent, Ohio. For the past sixteen years I have been involved in various forms of urban and economic development. Initially, while completing my graduate studies, I worked a year at the Tri-County Regional Planning Commission in Akron, Ohio. I was next employed by City Planning and Associates, Inc. of Mishawaka, Indiana as manager of their Youngstown office for seven years, from 1966 to 1973. From 1973 until January of 1980 I was employed as the chief comprehensive planner with the Eastgate Development Transportation Agency. Effective January 9, 1980 until the present I've been employed as Executive Director of the CASTLO Community Improvement Corporation.

- B: Could you tell me about the formation and founding of CASTLO, what brought it on, and how it got started?
- D: Castlo was formed as an effort to revitalize the five CASTLO communities [Campbell, Struthers, Lowellville, Poland Township and Coitsville Township] that were severely impacted by the closing of Youngstown Sheet and Tube Campbell Works in September, 1977. There were approximately 4,200 jobs lost at that time and although it had an immense impact on the entire Mahoning Valley, the impact was most severe in the five CASTLO communities. Something had to be done to restore jobs, eliminate the unemployment problems and all the things associated with the plant closing. A group of public and private representatives serving the communities joined forces in March of 1978 to organize CASTLO for the express purpose of promoting, advancing, encouraging economic and industrial and community development in the communities of Campbell, Struthers and Lowellville and in the two adjacent townships of Poland and Coitsville.
- B: Are you familiar with the role that Governor Rhodes played in trying to help the communities? Was he involved in that at all?
- D: Governor Rhodes was instrumentally involved in the creation of CASTLO and with providing it funds to institute activity. It should be pointed out that CASTLO was initiated primarily through the efforts of Governor Rhodes and State Senator Harry Meshel. It was truly a nonpartisan effort. Through their leadership, the State of Ohio Controlling Board provided a considerable amount of funds to enable CASTLO to purchase the former Struthers Works of Youngstown Sheet and Tube Company, and start a program to develop it into a first class industrial park. Non only did the State Controlling Board Grant provide for the funds to acquire the facility, it also earmarked some funds for the future development of the facility.
- B: Okay, was the foundation brought on by, see there seems to be a kind of question mark as far as who initiated it. Did the mayors of the respected communities approach Governor Rhodes to kind of get funding and to see what was available or was it kind of an initiative from the Governor that led to the formation of CASTLO?
- D: That's difficult for me to answer because it was two years before my involvement with CASTLO. As I understand it, a group of local officials, together with some of the

leading business men in the community impressed upon our governmental officials the need for attention in this area. I think the records will show that out of 4,200 people that lost their jobs, something like six or seven hundred people actually resided in the city of Campbell. Over 35 % resided in the CASTLO area. It was a mutual thing. The state officials realized they had to provide some assistance to this area and simultaneously the local leaders approached state and even federal officials to try and find some sort of assistance to help with the dilemma.

B: Again some of these questions I realize were before your time.

D: That's all right.

B: Originally there was an aid, one of Governor Rhodes aids that helped, I don't know if they helped financially to put the package together or they were just assigned to help the communities?

D: You're probably speaking of George Wilson.

B: Yes.

D: George Wilson is still associated with CASTLO. He has been associated with CASTLO from its inception. Just briefly some background on George; he was the State of Ohio's first Director of what is now known as the Ohio Department of Economic and Community Development. Governor Rhodes worked with him for a number of years and was very impressed by his qualifications and credentials and felt that Mr. Wilson could be a key individual in helping turn things around in this Valley. At the suggestion of Governor Rhodes, Mr. Wilson was assigned to the area and was instrumental in organizing CASTLO. Mr. Wilson directed the organizational matters including the drafting of the articles of incorporation and the code of regulations. He also assisted in identifying some of the major goals and objectives and setting up programs to implement the goals and objectives.

B: Okay, could you elaborate on the goals of the organization?

D: I had indicated the purpose of CASTLO earlier which is to advance and promote economic and industrial development. In simple terms, we are trying to retain as many of the existing jobs as we can through various retention programs, but probably more important than that, we are

helping existing firms expand and we are looking for new companies that might come into the area to create new job opportunities.

B: What I guess I was getting at was in order for CASTLO to operate they've set up a Community Improvement Corporation?

D: That's correct.

B: Okay, to get started, like the money, does that operate on like the counties C.I.C. where the banks help finance it? What's the source of funding, I guess I'm trying to get at, is it involving loans?

D: Let's go all the way back to the beginning. CASTLO started with no funds whatsoever. First of all I should probably clarify that there's two CASTLO's. Most people aren't aware of that. There is a CASTLO Project which is financed by the State of Ohio. There is also CASTLO Community Improvement Corporation. Now when the State CASTLO was formed it was anticipated it would take some time for the Community Improvement Corporation to become economically self sufficient. The CASTLO Project was essentially the state setting up an office here, actually an office of the Ohio Department of Economic and Community Development, to provide the C.I.C. with seed money, an office, and an administrative assistant. In the meantime, the CASTLO Community Improvement Corporation was organized in March of 1978 and initially the Lowellville Businessmen's Association, feeling that CASTLO had an important purpose, donated \$100. and that's all we had to work with for some period of time. In a way, CASTLO was essentially a Board of Trustees, a group at that time, eleven individuals who were very much committed to furthering economic development in the area. Most of the programs and activities took place as a result of volunteer effort. As time went on, the Economic Development Administration funded the regional two-county body ( the Mahoning Valley Economic Development Corporation) but they felt special attention had to be given to the CASTLO community. Thus, a small portion of MVEDC's budget, at least through the end of 1982, was earmarked to CASTLO.

Also, we thought in order to help us establish programs to revitalize the economy, we had to know more about our problem: what were our assets, what were our disadvantages and things of this sort. In 1979, the Community Improvement Corporation Board of Trustees made a presentation to the Federal Regional Council. As a result, CASTLO was able to find some funds from the US Civil

Service Commission which enabled us to collect data about the communities that could be used in attracting new industry or information that might be useful to existing industries that might want to expand. CASTLO received two small government grants, but the Civil Service grant is completed and the MVEDC grant expires at the end of 1982.

I think perhaps the most significant grant to help CASTLO achieve its goals was the grant monies we received from the State in October, 1979 to acquire the former Struthers Works of Youngstown Sheet and Tube. Almost simultaneously, CASTLO leased space to the Youngstown Steel Corporation, which reactivated the former spike mill at the industrial park. Also, CASTLO embarked on a program to find additional funds which could be used to retrofit buildings and make various site improvements to attract new industry. Presently, CASTLO's deriving a lease income from its tenants. These funds will assist CASTLO with its operations. Aside from Youngstown Steel, CASTLO has entered into a couple of short term leases and other leases that will supplement our income. Initially, the lease income will be used to maintain our existing operations. But there will be a certain point in time when the monies that come in will be in excess of the monies that we need for administration and operation. The excess monies will go into the additional development provided at the industrial park itself, or let's say a few years down the road if we're successful in upgrading the industrial park, excess monies may go into acquiring other sites in the CASTLO communities for industrial development as well as other efforts that would promote the creation of jobs.

B: So in effect it creates a revolving long time of effect?

D: Not per-se, although one of the ways to set aside excess monies for the acquisition and development of additional sites, or another method might be to assist businesses by setting up some sort of fund where we can provide financial assistance to new and expanding businesses, whether that be a revolving loan fund or some other vehicle.

B: There also seems to be at least going through the files and looking, that really CASTLO had to come out on its own initially really because it was excluded basically from the Mahoning Valley Economic Development Committee when it first started. I hate to ask you a politically loaded question, but even though you were on the Board,

the feelings that you got when you first came on board did you get that sense that there had been any kind of . . . ?

D: Well, I heard rumors to the fact that there was friction, but I think that was overstated.

B: What do you anticipate now?

D: Ever since I've been on board, the relationship between MVEDC and CASTLO has been one of cooperation and complimenting of one another's efforts. We realize, for instance, that they have a much broader role being the Regional Economic Agency for the two-county SMSA ( Mahoning and Trumbull Counties). They realize that we're trying to apply a concerted effort in one small segment of the Valley or what amounts to not even seven or eight percent of that SMSA. By the way, I might mention that we have three individuals who sit on the Board of Trustees of both organizations. Also, there is exchange on various committees. More important than that is the day to day relationship. Frequently we get calls here and somebody will say, "Well, I'm looking for a building with a 25 ton crane in a 200,000 square foot building," and I have to say, "Unfortunately, we don't have anything that can accommodate you, but I'll be glad to put you in touch with the Mahoning Valley Economic Development Corporation which has an inventory of all industrial buildings and sites in the two counties." There are times when a firm that we're dealing with, I can even say three instances, that needed some financial assistance and we've referred them to the Mahoning Valley Economic Development Corporation, the revolving loan fund of that organization has provided assistance. Frequently businesses will go to MVEDC which maintains a complete list of CASTLO's buildings and sites, and many times they'll bring prospects down to our industrial park and I can give you one instance where they brought an industrial prospect to us and we were able to sign a lease agreement. As a result of this agreement approximately fifty jobs have resulted with prospects for creating four times that in the next couple years.

I think you heard a lot of stories back in 1977, 1978 after the shutdown, how everybody wanted to get in there and be recognized as the leader. Well, maybe to a certain extent that is true, but I think maybe some of these organizations have matured and they realize that the problem is so severe in the Mahoning Valley that the only way to be able to solve the problem is to join forces and work together. If an agency has a particular area of



expertise let them be out in front and everybody support them or the other way around.

- B: How has the organizational structure changed from its inception with say like today, in other words, what components make up your basic. . .?
- D: The key part of the Community Improvement Corporation of course is its decision making body which is the CASTLO Board of Trustees. Now I suppose two changes have occurred; one in terms of the number of communities that were represented. Initially just the communities of Campbell, Struthers, and Lowellville were represented, and it was determined that these three communities did have some vacant industrial buildings that could be used to maybe attract new industry. But vacant land in those three communities and especially Campbell and Struthers was minimal. In addition to bringing in new business and industry to existing buildings, an objective was to bring in new industry that would have to have a new site. It was felt that the two townships that surrounded the three charter communities, Coitsville and Poland Townships, did offer much land that was suited for industrial development. Thus, one change was expanding from three to five member communities. As CASTLO was expanding, the size of the Board of Trustees was also expanded. I believe the size of the original board was eleven people. As we added the two townships it went to fifteen. Just within the past year new legislation has appeared for the Small Business Administration that provides for what they call 503 local development corporations. I think this is going to be the vehicle a lot of businesses are going to be looking to in the future for financial assistance in order that they can grow and expand, especially due to the demise of some of the Economic Development Administration programs. To qualify as a 503 company, an agency's board must consist of at least 25 individuals. To meet this requirement, CASTLO expanded its Board from fifteen to twenty-five members. The expansion of the board has enabled CASTLO to bring to our Board of Trustees many more individuals that are concerned in turning this area around and many people with a lot of expertise that can help us again do a better job of meeting our goals and objectives.
- B: You mentioned the Governing Board, now what groups are represented on your Board?
- D: The code of regulations establishes who is on the Board. There are three different categories of membership.

First of all there are the public sector representatives. This includes the mayors of the three municipalities. It also includes a township trustee from each one of the two townships, so that's eight right there. The code then provides for private sector representatives from the CASTLO communities based primarily on population, but not necessarily. The cities of Campbell and Struthers are provided with two private sector representatives which can be businessmen or entrepreneurs representing, actually residing in or having a business in the community. The remaining three communities have one private sector representative.

This adds to fifteen. With the recent change of our Board structure, a third category was added which is essentially an at-large group. At-large members can be any individual, public or private, that might be interested in the economic growth of the CASTLO communities. We do have one requirement, they must reside in Mahoning County, although I should point out in the at-large group I think six or perhaps seven out of the ten either reside or have businesses in the CASTLO communities. We feel that whether you live in Austintown or Boardman or Youngstown or what have you, we're not that parochial that we don't feel that we can't draw upon the help, advice and the guidance from somebody outside of the community that still is interested in this community as part of the larger community in turning it around.

B: You mentioned the Governing Board, do they have sub-committees?

D: Yes, there are several. We have of course, as most organizations have, an Executive Committee which is comprised of essentially the officers of the corporation. This group meets periodically and more or less reviews in detail all the principal items of business which come before the full Board. One committee that has received a considerable amount of attention, especially within the past year is the Industrial Park Management Committee. This committee consists of six people that have been working with the staff and a consultant that is formulating a five year development plan. This plan will establish priorities for improvements at the industrial park.

We do have other committees as well. A Nominations and Personnel Committee which performs traditional functions along those lines. We have a Finance Committee that advises financial investment and budgetary matters. We have a Program Committee that meets periodically to

evaluate current areas of study and new areas of development that should be explored. The CASTLO Project, aside from the Community Improvement Corporation, has a committee too, the CASTLO Building and Sites Committee. Their objective is to provide data on the buildings at the CASTLO Industrial Park and to collect as much data as possible on other industrial sites and buildings in the CASTLO communities. If an industrial prospect comes to visit, CASTLO desires to have considerable information, not only the CASTLO Industrial Park, but on anything the prospect wishes to know that might help him make a decision as to perhaps doing business in these communities.

B: The Community Improvement Corporation and the Project, do they have a pretty intergrated, in other words are there people that serve on those committees who serve on the Community Improvement?

D: Yes. The General Policy Board for the CASTLO Project however is inactive because most of the day-to-day business, the programs for future development are handled by the C.I.C. Since the individuals are essentially the same, there's no point in meeting twice. Again, you have to go back to the original purpose of the CASTLO Project which was to assist the C.I.C. with its organization development. It is my guess that in a minimum of eight months and a maximum of twenty months the CASTLO Project will probably phase out. The reason will be that the Community Improvement Corporation should be essentially self-sufficient by that time.

B: What is the process of industrial, say somebody from some industry comes in and says I want to expand my facility or I want to create a job situation in the CASTLO Community. What process do they go through?

D: I suppose we could group the industries into three categories. First, we look to see if they are going to expand or do business within the CASTLO Communities. If they are not, we generally refer them to somebody else that might be able to help, whether it be the Mahoning County Community Improvement Corporation, the Mahoning Valley Economic Development Corporation or someone similar. Second, if they're in expanding in one of the five CASTLO communities, but not necessarily in the CASTLO Industrial Park, we provide them with some form of financial assistance. We can help with forms of assistance that might be available through various federal, state and local organizations, be they

industrial revenue bonds, low interest loans through the Ohio Development Financing Commission or working with the Mahoning Valley Economic Development Corporation to take advantage of its revolving loan fund. The third or final category are those firms that we are trying to lure into our industrial park.

CASTLO is of the opinion that if properly done, the Industrial Park could accommodate 1,000 to 1,500 jobs. The peak employment years, except for during World War I and World War II, as best as can be determined for the Struthers Works was back around middle to the late 1940's when there were maybe 1,200 to 1,400 people employed there. Of course at that time the plant was all owned by Sheet and Tube. Since then a few buildings have been demolished, but we feel that if we properly develop the park, at least initially the park could accommodate at least as many as 1,000 jobs and perhaps even more than that if we are able to develop some of the vacant land east of the existing buildings.

B: Are there particular types of industries or whatever that you are looking to place within the park itself?

D: Well, I suppose two qualifications: Number one, we're not really particular as long as it is an employment-intensive type of industry. In other words, we want as many jobs per square foot as we can. Secondly, we prefer to attract industrial or basically manufacturing jobs because these kinds of jobs create what they call this multiplier effect that causes a spinoff for more jobs in the retail, service and other employment sectors. We're somewhat particular sometimes. We've had, for instance, a few occasions where people have come to us and said, "Well, I'd like to rent building A," and we reply, "Well, what do you have in mind for it?" "Well, it's a nice 50,000 square foot building and it would sure make a nice warehouse for my company." "How many jobs are you going to create?" "Well maybe four, five." "We're not interested." We'll hold out to the day when perhaps somebody might say, "This would be an excellent facility for my operation, I would like to put 75 people to work in this building."

B: So if somebody came in and said, "Well, I'll take the remaining space, whatever it happens to be, and create you know 1,500 jobs, are you trying to stay away from that?"

- D: Well, that would be ideal. It's nice to try for that big company, but approximately 80% of the jobs are associated with small businesses that are in the process of going through existing expansions. It would be nice for that big employer to come walking through your door and we've hoped that might happen someday, but that might be too idealistic. I think our best bet is to work with small or moderate size industry.
- B: Well, what I was getting at, is there a kind of leanness about going into something like having the Sheet and Tube kind of industry in place and possibly going through that somewhere down the line of layoffs and hitting these communities all at once again like that happened previously?
- D: Generally speaking, not only as it implies to the industrial park, but the entire Valley, we'll be satisfied with anything that we get. I think it would be to our advantage to try to diversify as much as possible. That way, one particular segment of the industry in the community would fall on hard times or if it would choose to close or move out, we wouldn't experience the drastic impacts that we are now experiencing.
- B: I believe you mentioned it's 503 that you were applying for? Could you kind of expand on that, what does that really mean, I mean, how does that function?
- D: The reason why we are going after the 503 Designation is that when President Reagan's Administration was elected to office, they announced many cutbacks. One of the programs that previously offered considerable assistance was the Economic Development Administration which is being phased out. I guess there may be some funds in fiscal 1982, but after that probably no more. Also we feel that SBA can be of assistance to the smaller industries and anybody that might be going after a loan of \$500,000 or less.
- B: Are the dimensions like loan guarantees? What makes it desirable? I mean, given the facts that the E.D.A. maybe just about through, what is it in this particular status that will help you do what you're doing presently? Are there specific items like loan guarantees or anything that helped you financially as for backing?
- D: Under the 503 Program, the borrower would have to provide ten percent of his own funds, obtain possibly fifty percent from the bank, and the balance would be through the 503 SBA Program at a lower interest rate. By pooling the

bank and SBA funds, the borrower is going to get a lower rate of interest.

B: Is there anything in the process as we've been talking, that I probably should have asked you, but I didn't? A point maybe that is important to you that should be said that I didn't cover?

D: Well, I think we briefly touched upon it. The parochialism on the part of some individuals is disturbing. As you know, this Valley is made up of several different communities and we've been talking today about the problems that affect Campbell, Struthers, Lowellville, and Poland and Coitsville Townships. At the other end of the Valley, the Village of McDonald and the communities around it have experienced as has the central city, Youngstown, many problems. This area and I mean Mahoning and Trumbull Counties and even our neighbors in Columbiana County and Lawrence and Mercer Counties in Pennsylvania have fallen on some pretty hard economic times. I think whatever existing organizations we have we should be working together. Frequently, I am dismayed by some of the parochial efforts that I see, even within our own organization. I have heard said, "The CASTLO Industrial Park is located in the City of Struthers. Well, what are you doing for Lowellville?" or something like that. Well maybe Struthers would be getting all the tax benefits, but some of these employees are going to live in Lowellville. There's going to be a point in time when the industrial parks fully develop and it will be unable to accommodate anymore businesses. However, there might be other businesses that might want to come into the area to be closer to the existing industrial plant businesses, and they're going to possibly locate in the neighboring communities. And then you take for instance, a point I make frequently. Although the automobile industry is going through some tough times now, the area was indeed fortunate back in 1966 when General Motors built the Lordstown plant and put it into operation. Now that plant is located about 22 miles from where we are sitting right now, but people are mobile. That plant, way out there, has been very good to the economic health of this valley. If we're bringing in a business to the Valley, whether it's going to be located in Struthers, Girard, Hubbard, Canfield, Youngstown, Warren or what have you, who cares. Let's get it in here to the Valley because all the communities are going to benefit as a result. So I think again if I have anything to say, economic development is going to require cooperation and working together and getting away from some of the petty stuff,

some of the parochial stuff. By working together, we're all going to benefit.

B: Well, thank you very much for taking your time in letting me interview you this morning.

D: Oh, that's quite all right Phil. One last comment, I neglected to say that CASTLO is a non-profit community improvement corporation and any income that we generate over and above our expenses would be put back into economic and industrial development efforts. If you want specifics as to what non-profit community improvement corporations can do, Section 1724 of the Ohio Revised Code should be reviewed.

B: Okay, thank you.

END OF INTERVIEW