

West Central Indiana Comprehensive Economic Development Strategy



**Annual Performance Report
01/01/15 - 12/31/15
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Prepared by

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Introduction

This Annual Comprehensive Economic Development Strategy (CEDS) Performance Report communicates the West Central Indiana Economic Development District's major accomplishments in economic and community development in the past year and fulfills its obligation to annually report to the Economic Development Administration (EDA) on the state of the region and progress made implementing the CEDS.

Adopted in September 2013, the 2013-2017 CEDS was developed to set West Central Indiana Economic Development District's (WCIEDD) vision for economic development and to maintain the region's federal designation as an Economic Development District (EDD). Designation as an EDD allows communities in the region to be eligible for funding opportunities through the Economic Development Administration (EDA), a Division of the United States Department of Commerce.

Development of this report was a cooperative process between WCIEDD staff, the CEDS Committee, and our public and private sectors partners from throughout the District. Therefore, this report is compilation of data collected by WCIEDD staff and information provided by our partners. The information and data was the best information available at the time of the production of this report.

This report is a supplement to the complete CEDS. More detailed information about the region and its economy can be found in the complete CEDS which is available for review at: <http://westcentralin.com/ED/WCIEDD%20CEDS,09-23-13.pdf>.

Questions regarding this report should be directed to Jim Coffenberry, Economic Development Division Director, at (812) 238-1318 or jcoffenberry@westcentralin.com.

Adjustment to the CEDS Strategy

Due to the fact a new CEDS was just approved in September 2013 all economic and demographic realities remain basically the same though the local economic outlook is slowly improving. No adjustments to the strategy are required at this time.

Economic Development Goals & Major Activities

Goal 1: Improve & Develop Infrastructure throughout the WCIEDD District and Municipalities

Objectives:

- Create opportunities to expand, upgrade and improve the District's existing sewer systems as well as developing new sewer systems.
- Develop, upgrade, and connect water infrastructure networks so as to ensure adequate availability of clean and safe water.
- Improve redundancy of backup power for all infrastructure such as electricity for water/sewer utilities backup generators.
- Increase the accessibility and use of telecommunications/wireless/broadband technology.
- Continue the planning process to aid in the improvement and development of the District. Diversify the District's economy by focusing on growing existing business and meeting infrastructure needs.

- Seek to upgrade existing storm water infrastructure and integrate storm water quality improvements within the communities of the District.
- Support/coordinate with the District's Redevelopment Commissions economic development efforts.

Major Activities:

- Completed Terre Haute Hulman Dam Improvement Project.
- Completed Town of Dana Water Plan.
- Completed Town of Russellville Water Improvement Project.

Goal 2: Improve and Develop Transportation Systems

Objectives:

- Maximize safety and mobility within the transportation networks of the District.
- Consider all modes of transportation relevant to the ground network (automobiles, railroads, bicycles, pedestrians, trucking).
- Upgrade and improve the existing bridges within the District.
- Invest in the proper equipment to provide added resources for the District's County Highway Departments.

Major Activities:

- Assisted the Clay County Redevelopment Commission in reconstructing the Clay County Industrial Park's Industrial Drive to allow safe ingress and egress for truck traffic.
- Continue to provide support to the City of Brazil and the Clay County Redevelopment Commission, and the Brazil Redevelopment Authority as it issued a supplemental bond that permits the City of Brazil to reconstruct at least 80 % of the streets in the City of Brazil with the proceeds from the North Central Economic Development Area and the newly established Southwestern Economic Development Area.

Goal 3: Develop and Improve Infrastructure to Existing, Potential and Proposed Industrial/Business Areas

Objectives:

- Continue participation of the District's Redevelopment Commissions, as county-wide business and industrial development efforts, to promote growth in existing employers and attract new business and industry.
- Evaluate and conduct studies on existing potential to ensure availability of necessary industrial infrastructure such as rail, power, water, sanitary sewer, fiber optics, etc
- Creation of additional employment opportunities within the District.
- Improve and expand airport facilities to achieve economic and industrial growth.
- Promotion and development of appropriately scaled industrial sites with utilities and road access in the small towns located in the District.

Major Activities:

- Continued to provide technical advice and assistance to the Redevelopment Commissions in Clay County, the City of Clinton, Town of West Terre Haute, Town of Shelburn and the Town of Cloverdale.
- In partnership with the applicable Redevelopment Commission, advanced the following significant projects that support the objectives outlined above.
 - Clay County Redevelopment Commission:
 - Created the PDF Economic Development Area to generate revenue from a large, pending expansion project proposed by Process Development and Fabrication.
 - Expanded the IVC Industrial Coatings Economic Development Area to include Great Dane Trailers, Hancor, Inc., and Technifab to generate additional TIF revenue for the infrastructure needs of the Industrial Park.
 - Initiated the formation of the Southwestern Economic Development Area in the City of Brazil in order to support the development needs of a proposed \$7 million Memory Care Assisted Living Facility which will employ 60-80 persons and is due to be complete by late 2016 a revenue and supplemental lease were initiated to generate revenue from the project.
 - Assisted with the location of a Compressed Natural Gas fleet facility and secured 20 acres for development of the I 70/SR 59 Economic Development Area.
 - \$500,000 expansion of Process Development and Fabrication in Brazil involving both equipment purchases.
 - \$800,000 expansion of Britt Aerospace in Brazil.
 - \$3.2 million expansion of Morris Manufacturing.
 - City of Clinton Redevelopment Commission:
 - Installed access road into to the newly developed Meadow Park Villas.
 - Expanded the Clinton Industrial Park Economic Development Area to include 17 acres just south of the industrial park as well as the newly constructed Meadow Park Villas.
 - Worked with Harbor Rail Services Company a railcar remanufacturing facility in the Clinton Industrial Park to provide tax abatement for the company's recent expansion.
 - The Redevelopment Commission acted as a pass-through to acquire tax delinquent properties and turn them over to the City for redevelopment.
 - West Terre Haute Redevelopment Commission:
 - Assisted the Commission in fulfilling reporting requirements under Indiana Code for Tax Increment Financing (TIF) Districts.
 - Assisted the Commission with process of establishing a new TIF District on the North side of town along the old business district

now referred to as Old Paris Avenue Corridor. TIF designation to be finalized in February 2015.

➤ Assisted the Commission and a housing developer with making improvements to the existing Housing Tax Increment Finance District (HOTIF) to support implementation of new housing development plans that should result in an expected groundbreaking in 2015.

- Development Area. Town of Shelburn Redevelopment Commission:
 - Formulated a funding strategy for the renovation of the Town of Shelburn's Interurban Building utilizing the Shelburn Redevelopment Commission and the Shelburn Redevelopment Authority to supply financing using a lease strategy.
 - Assisting the Town Council and Shelburn Redevelopment Commission with a CDBG funded demolition of a collapsing abandoned manufacturing facility .

- Town of Cloverdale Redevelopment Commission:
 - Assisted the Commission in identifying owners of an abandoned quarry in the Town and established a dialogue about the company donating the property to the Redevelopment Commission for redevelopment purposes..
 - Obtained funding for the environmental delineation of an abandoned brownfield site adjacent to I-70 and in the Town's US 231/ I-70 Economic

Goal: 4 Continue to Improve and Sustain Quality of Life

Objectives:

- Encourage downtown revitalization and neighborhood stabilization by preserving and improving existing residential/business areas.
- Continue to identify, characterize, and redevelop brownfield sites within the District.
- Improve, develop, and encourage park and recreation opportunities as well as preserving/recognizing the District's historical structures and environmental assets.
- Continue fostering of cooperative tourism to result in the District's tourism being a yearlong attraction.
- Provide support for the delivery of efficient, affordable health care services. Promote and develop recycling programs/facilities throughout the District.

Major Activities

- Working on various projects that have started to address issues related to blight and the need for redevelopment of dilapidated properties within communities in the District.

- Over \$1,000,000 in Environmental Protection Administration (EPA) funding has already been leveraged to enhance the overall quality of life and expand opportunities for area residents.
- EPA funding will have generated over \$17,000,000 in private investment.
- Continue to manage the expenditure of the City of Clinton's \$350,000 EPA funding to help eliminate blight in the City of Clinton which is currently continuing. To date over 22 blighted structures and homes have been demolished or redeveloped.
- WCIEDD submitted its application for a second round of EPA Brownfield Coalition funding for consideration by EPA. \$600,000 was requested and this time the request was for a Coalition that includes all counties within the District.
- WCIEDD assisted Vigo County in submitting a Blight Elimination Program application that was funded in the amount of \$425,000. This will allow Vigo County to demolish and redevelopment a large number of abandoned and dilapidated structures.
- Helping to educate local officials about the effects pending legislative action may have on tax increment financing and about the potential impact that elimination of certain business personal property taxes would have on local government budgets.

Goal 5: Improvement of Emergency Services/Equipment/Facilities within WCIEDD District

Objectives:

- Provide residents a safe and healthy environment in which to live and work by improving public safety.
- Obtain backup generators for public facilities/shelters, utilities, EMS, and firehouses.
- Improve interoperability of Emergency Services.
- Provide and maintain adequate shelters/safe zones in the County during flood and other hazard events.

Major Activities:

- Continued to support and assist counties in the District in their efforts to become disaster resilient with critical infrastructure and facilities.
- Continued to administer various disaster recovery projects that were conceived from the flood recovery planning activity undertaken in 2009 after the 2008 Flood Disaster.
- Continued to provide technical advice and assistance to county emergency management agencies throughout the District on an as needed or as requested basis.
- Helped improve interoperability and emergency response by continuing to facilitate the operations of the Wabash Valley Traffic Incident Management Group composed of First Responders from throughout the District.

Goal 6: Develop and Revitalize Housing/Businesses

Objectives:

- Provide affordable and energy efficient housing to meet the demand for low-to-moderate income housing throughout the District.
- Provide quality housing at all price points to encourage economic diversity and stabilization.
- Encourage downtown revitalization and neighborhood stabilization throughout the communities by preserving and improving existing residential/business areas.
- Identify, evaluate, and address the foreclosed/abandoned/neglected/environmental contaminated properties in the communities of the District.
- Encourage private homeowners/business owners to demolish and clear vacant, dilapidated structures.
- Identify potential public and private funding sources that are available for securing, rehabilitating, or demolishing vacant/condemned properties.

Major Activities:

- Assisted City of Brazil with a Rural Housing Tax Credit project that will renovate an abandoned school building and a former historic bank facility in the City into senior and multi-family housing.
- Encouraging cities and towns to take advantage of the Indiana Blight Elimination Program.
- Working with the Town of Shelburn to secure funding to restore and re-purpose its former Interurban Depot.
- Obtained CDBG funds for the demolition of an abandoned manufacturing facility in the downtown area of Shelburn.

Goal: 7 Increase Employment Opportunities within WCIEDD

Objectives:

- Continue to build on higher and secondary education opportunities by encouraging/promoting the expansion and diversification of vocational and technical education throughout the District to better meet the needs of local employers.
- Reduce unemployment and underemployment by creating employment opportunities that mesh with the skills or interests of the majority of the unemployed.
- Establish educational and training facilities and programs consistent with the needs of existing business and industry.
- Attract new businesses and industries to the District by supporting the efforts of the West Central Accelerate Group.
- Utilize and market existing industry sites to provide additional employment opportunities.

Major Activities

- Provided expertise and advice to several companies in the District seeking financing for expansion projects.
- Developed a network of relationships with financing groups who can help companies gain access to alternative financing through SBA, USDA, and the federal EB-5 program.
- WCIEDD provided technical expertise to several manufacturers in Clay County who, as a result, invested in excess of \$14 million and created the potential for many new jobs.
- At the request of local manufacturers, WCIEDD has been working to establish some sort of manufacturing apprenticeship program that would serve as a source of trained individuals to meet the needs of local manufacturers. Local companies claim there is a significant shortage of quality labor available in the District and that several hundred positions are currently unfilled. Also, in response to this need, WCIEDD is working with the Clay County School Corporation to familiarize their counselors and administrators with modern manufacturing needs and realities. They will now be participating in our Clay County retention/expansion visits.
- Collaborated with the West Central Indiana Leadership Alliance, a group that seeks to coordinate regional development efforts by effectively using resources available to meet the development needs of the District.
 - Partners in the group include area educational institutions, the Rural Urban Entrepreneurship Development Institute, WorkOne of Western Indiana, the Indiana Small Business Development Center and other important players in District economic development efforts.
 - The group supports and participated in the development of the new 2013-2017 CEDS and is also committed to solving the labor force issues identified by local manufacturers.
- Worked with the Purdue Center for Rural Development on an EDA funded project to develop a database that allows users to quickly find information about industrial clusters and to analyze the characteristics of companies within the clusters.
- Continue to work with the Rural Urban Entrepreneurship Institute at Indiana State University on their development of a cloud-based portal for the sharing of demographic and economic information.

Schedule of Major Goals for 2016

As the economy hopefully continues to recover in 2016, the District has several overarching challenges that it will have to address in order to move forward with attainment of the Goals discussed in this document and the adopted 2013-2017 CEDS. To help meet these challenges WCIEDD will work toward completing the following major initiatives:

1. Staff will continue to work with the appropriate local educational and workforce development organizations to help build a workforce which is properly qualified and motivated to meet the needs of local manufacturers. This is the key to putting more people to work in well-paying jobs because employers cannot currently find motivated, qualified workers. This is also essential to quash the

current trend of jobless expansion projects where companies buy equipment to replace the need for skilled employees they cannot find.

2. WCIEDD plans to work with local and State of Indiana development officials to encourage companies with cash to invest it into job creating projects. There are several large companies who are being pushed to carry out expansion projects as the economy begins to grow and the demand for their products increases. WCIEDD plans to carry out an extensive expansion/retention effort to encourage these companies to move on such plans.

In addition, WCIEDD staff will:

3. In cooperation with our public and private sector partners, continue efforts to advance economic and community development projects identified in the adopted CEDS.
4. Attempt to expand its well-developed blight elimination program into other communities in the District. This effort will include the pursuit of a \$600,000 EPA Brownfields Assessment Grant for the District. It may also include preparation of Blight Elimination Program Grants for interested communities if a supplemental cycle occurs.
5. Seek out new infrastructure projects that improve quality of life and/or support development of the area's industrial parks.

All of these goals are ultimately meant to improve the quality of life for District residents while creating new opportunities for well-paying jobs across the area.

Performance Measures

The following performance measures were established in the 2013-2017 CEDS to broadly evaluate development and implementation of the new CEDS and progress toward attainment of goals and objectives.

Number of Jobs Created After Implementation of the CEDS

Total employment in base and subsequent year(s):								
2013 (Base Year) 9.7% Unemployment	2014		2015		2016		2017	
	Number	% Change	Number	% Change	Number	% Change	Number	% Change
93,102	95,738	2.8						

Number of Jobs Created as a Result of Federal Investments								
2013 (Base Year)	2014		2015		2016		2017	
	Number	% Change	Number	% Change	Number	% Change	Number	% Change
210	74	-64.7						

Number of Jobs Created as a Result of State and Local Investments Only								
2013 (Base Year)	2014		2015		2016		2017	
	Number	% Change	Number	% Change	Number	% Change	Number	% Change
51	81	58.8						

Number and Type of Public Sector Investment Undertaken in the Region

EDA Sponsored Investments								
2013 (Base Year - Dollars)	2014		2015		2016		2017	
	Dollars	% Change	Dollars	% Change	Dollars	% Change	Dollars	% Change
\$55,465	\$55,465	-0-						

Significant State/other federal and Local Investments								
2013 (Base Year - Dollars)	2014		2015		2016		2017	
	Dollars	% Change	Dollars	% Change	Dollars	% Change	Dollars	% Change
\$3,274,182.57	\$1,456,290*	-55.5						

Remarks: The decrease in State, federal, and local investments was due to a change in how CDBG funds were made available by the State of Indiana and the fact that the District had a significant number of communities completing major projects from the previous year and, therefore, not investing in new projects.

Number of Jobs Retained in the Region

Number of Jobs Retained as a Result of All Federal Investments (local match included)								
2013 (Base Year)	2014		2015		2016		2017	
	Number	% Change	Number	% Change	Number	% Change	Number	% Change
295	382	29.5						

Number of Jobs Retained as a Result of State and Local Investments Only								
2013	2014		2015		2016		2017	

(Base Year)	Number	% Change	Number	% Change	Number	% Change	Number	% Change
0	64	Undefined						

Amount of Private Sector Investment

2013 (Base Year - Dollars)	2014		2015		2016		2017	
	Dollars	% Change	Dollars	% Change	Dollars	% Change	Dollars	% Change
\$23,950,000	19,015,000*	-20.6						

*Remarks: The lower amount of private investment reflects the hesitant attitude of companies holding back needed expansion projects because of economic uncertainty that was prevalent throughout the year. This number should increase markedly in 2015 as companies have already committed to expansion projects for this year based on expected economic growth.

Changes in the Economic Environment of the Region.

Year	Narrative description of changes in taxes and fees, new incentive programs, etc.
2013	None
2014	None
2015	None
2016	
2017	

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