



INDIANA
REGIONAL CITIES
INITIATIVE



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EXECUTIVE SUMMARY

This report is the culmination of efforts made over this past year by a group that volunteered their time to the Indiana Regional Cities Initiative—referred to as the Strategic Review Committee. Selected by the Board of Directors of the Indiana Economic Development Corporation (IEDC), the Strategic Review Committee was charged with reviewing and recommending regional development plans submitted under Governor Michael R. Pence's visionary Regional Cities Initiative. Members of the Strategic Review Committee can be found in Appendix A.

This report was drafted by the IEDC to reflect the input of the Strategic Review Committee and from various experts within the departments of state government. The IEDC submitted this report to the Strategic Review Committee for its review and approval, and the Strategic Review Committee approved this report as its final set of recommendations to be considered by the IEDC Board of Directors.

Below are the regional development plans submitted for consideration (listed in the order that was randomly selected for regional presentations held in October):

- North Central – “Innovate Indiana” Plan
- Northwest – “Indiana's Third Coast Gateway Initiative” Plan
- Northeast – “Road to One Million” Plan
- West Central – “Wabash River Region” Plan
- Central – “Metro Momentum Agenda” Plan
- East Central – “ADVANCE” Plan
- Southwest – “Indiana's Great Southwest” Plan

On behalf of the Strategic Review Committee, the IEDC has classified each regional development plan as Phase 1 or Phase 2, as follows (shown in alphabetical order, without rankings):

Phase 1: North Central, Northeast and Southwest

Phase 2: Central, East Central, Northwest and West Central (Wabash River Region)

Plans in Phase 1 are recommended for full funding of \$42 million each as they offer the greatest potential to catalyze transformations into destinations for talent over the next several years. The tremendous success of Governor Pence's 2015 Tax Amnesty Program, which was created in part to fund this initiative, provides the ability to fund three regions instead of two as originally planned. Therefore, Phase 1 includes three regions. Plans in Phase 2 are recommended for continued support from the IEDC, which may include assistance in identifying public or private funds for planning to maintain and build on regional momentum.

The Strategic Review Committee recommends to the IEDC Board of Directors that the regional development plans in Phase 1 be approved for full funding and that the plans in Phase 2 be considered for future funding.

In addition, due to the unprecedented levels of regional activity and collaboration across the state that has been sparked by Governor Pence's Indiana Regional Cities Initiative, the state should consider further funding for future rounds of competition among the Phase 2 applicants and other regional development authorities that might be formed by the remaining 30% of the state's population.

The specific recommendations are as follows:

Recommendation 1: Seek any necessary approvals to allocate all Tax Amnesty Program revenues in excess of \$90 million to the Regional Cities Initiative.

Recommendation 2: Subject to any necessary approvals for Tax Amnesty funds, award all three Phase 1 regional development plans (North Central, Northeast and Southwest) \$42 million each.

Recommendation 3: Continued IEDC support of the four Phase 2 regional development plans (Central, East Central, Northwest and West Central). This support may include assistance in identifying public or private funds for planning in order to encourage and enable the continued development of their regional plans. The amounts of any planning funds would be determined based on availability.

BACKGROUND OF GOVERNOR PENCE'S REGIONAL CITIES INITIATIVE

Upon taking office in 2013, Governor Pence tasked the IEDC with identifying major threats to Indiana's economic future. The IEDC's research indicated that population stagnation—and a correlating shortage of talented workers choosing to continue living in or moving to the state—represents a significant threat to the state's economic development over the long term. Indiana's current low unemployment rate further demonstrates the need to grow the labor force with people who will fill vacant positions or create companies of their own.

After identifying the 'what,' the IEDC's next step was to study 'how' this challenge might be tackled. We know that workers increasingly choose where to live based on factors that are not necessarily centered on a job. The Governor directed the IEDC to undertake a thorough review before proceeding with plans for a new initiative.

This led to the Peer Cities Report, which provides a detailed examination of 11 regional economies across the nation that performed exceptionally well over the previous two decades. These 11 regional economies were identified using 78 different measures (economic, demographic, social, etc.). From the basis of this data-driven analysis, the Peer Cities Report identified nine universal and foundational principles common among these 11 regional economies:

1. A bold vision, tenacious leadership, and broad civic infrastructure
2. A region rallies around its city
3. Engage and strengthen industry in a whole new way
4. Regional investment that supports quality of place
5. Plans must be visionary, market-based, and action-oriented to guide regional transformation
6. Private sector investment responds to business climate and talent base
7. Financing regional transformation requires a multifaceted approach
8. Long-term partnership requires non-partisan thinking
9. Higher education partners are critical for regional transformation

The Peer Cities Report goes into considerable detail on each of these principles, exploring them within the context of other peer cities across the nation and demonstrating that state partnerships with regions that pursue excellence in quality of place accelerates regional development. The Peer Cities Report was released in October 2014 and can be found online at www.IndianaRegionalCities.com.

These principles serve as the basis for Governor Pence's Regional Cities Initiative. For the past decade, tireless work at the local, regional, and state levels has made Indiana a state that works for business. Indiana's recognized national and global standing now allows us to concentrate on making our regions—composed of counties, cities, towns, and neighborhoods—nationally and globally recognized places to live, work, and play. Now, we must make Indiana a destination for talent—and that is the objective of Governor Pence's Regional Cities Initiative.

In the 2015 legislative session, the IEDC supported Governor Pence's pursuit of House Enrolled Act (HEA) 1403 to create a framework for voluntary regional collaboration. Generally speaking, two counties, a county and a "qualified city" in an adjacent county, or two qualified cities in two adjacent counties could form a regional development authority. (A qualified city is defined as a

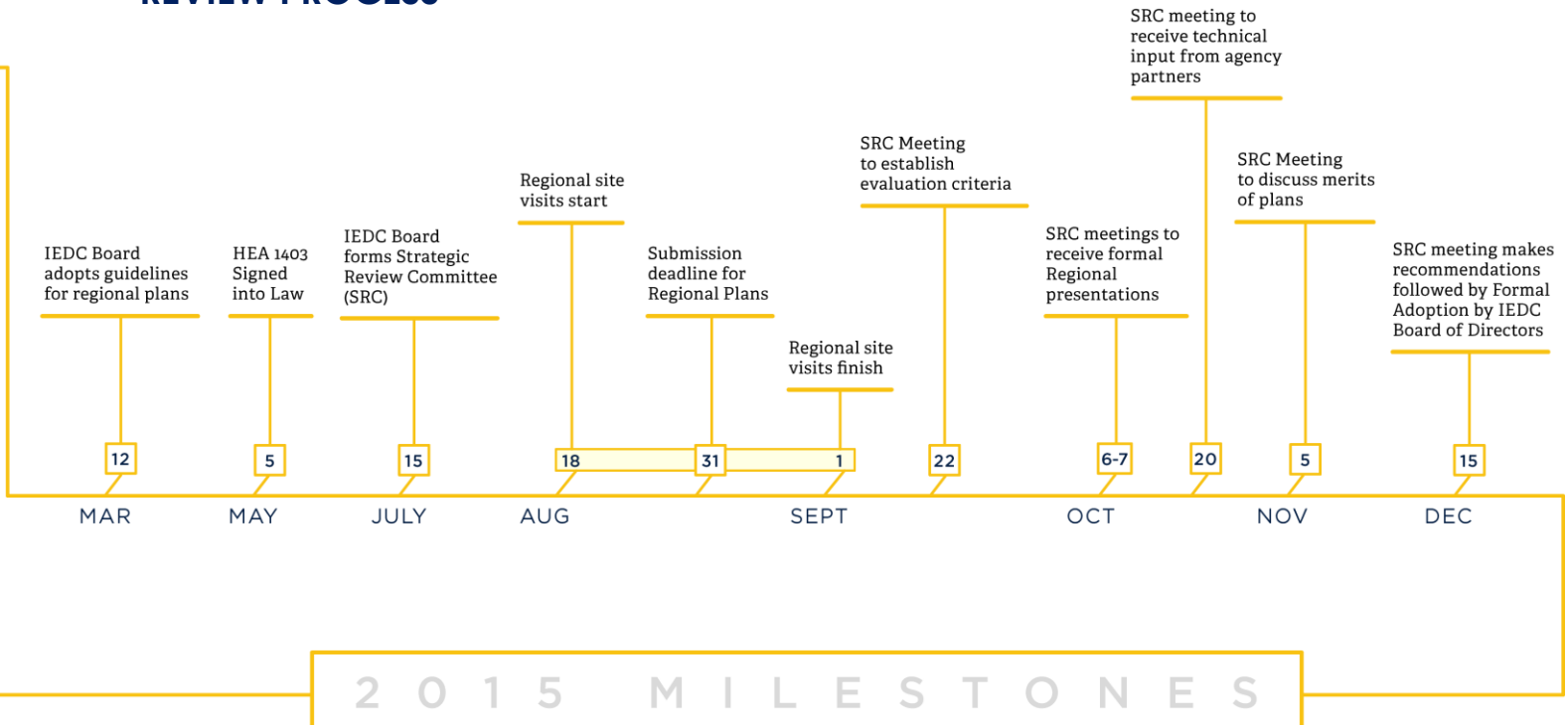
second class city, or a city or town that is eligible to become a second class city.) Other provisions of the law allow for participation by smaller communities as well.

To incentivize regions across Indiana to focus on collaborative planning aimed at developing and maintaining attractive communities—communities where people want to live and work—Governor Pence made it a top priority in the 2015 session of the Indiana General Assembly to appropriate sufficient funds to support a state matching fund .

The new law also provided that the IEDC Board of Directors form a Strategic Review Committee to evaluate regional development plans submitted and to make recommendations to the Board of Directors. The Board of Directors asked a group of qualified volunteers to serve as the Strategic Review Committee in July and Board of Directors member John Thompson was selected to serve as its chairman.

By the August 31 deadline, seven regions had formed and submitted regional development plans consisting of more than 420 projects aimed at improving quality of place and amounting to a combined \$3.8 billion in total investment. The geography of these self-identified regions covers approximately 70% of the state's population and one third of all counties.

REVIEW PROCESS



Objective

Identify the regions that, through the implementation of a bold plan to develop a nationally recognized brand, offer the greatest potential over the next eight years to become destinations for talent.

IEDC Board of Directors Engagement

The IEDC Board of Directors has been fully engaged in Governor Pence's Regional Cities Initiative, aiding in the development of the review process.

In March, the Board of Directors adopted a set of guidelines that delineates the basic requirements for regional development plans that are submitted. These guidelines incorporated the principles from the Peer Cities Report and provided the seven regions with direction concerning main elements of their regional development plans. These guidelines, along with other resources for applicants, can be found online at www.IndianaRegionalCities.com.

After passage of HEA 1403, the Board of Directors formed the Strategic Review Committee. This committee is composed of volunteers with extensive experience in both the public and private

sectors and representing organizations or interests with statewide, national and/or global reach, lending a diverse set of expertise to the review process.

Commitment to Transparency

From the outset, Governor Pence encouraged the IEDC and the Strategic Review Committee to maintain an open and transparent review process for the Regional Cities Initiative. Several administrative measures—some statutorily provided and others voluntary—were implemented in order to ensure the public remained informed throughout the process.

Statutory Measures:

- The Strategic Review Committee complies with the Indiana Open Door Law and the Indiana Access to Public Records Act.

Voluntary Measures:

- Within 24 hours of receipt, the IEDC published online all seven regional development plan submissions in full, followed by a press release that provided direct links to each plan. Each plan includes the cost-benefit analysis conducted in cooperation with the Indiana Business Research Center.
- Prior to the formal regional presentations, the Strategic Review Committee discussed its evaluation criteria in a public meeting, which were subsequently posted online.
- Formal presentations to Strategic Review Committee (October 6-7)
 - The order of presenters was determined randomly at the public session of the IEDC Board of Directors meeting on September 8, and the results were communicated live via social media.
 - The IEDC sent notice of the presentations three weeks in advance via email to several hundred stakeholders, including all 150 members of the Indiana General Assembly.
 - The IEDC live-streamed the presentations and posted the archived video online.

Site Visits

During August and September, Secretary of Commerce Victor Smith, IEDC President Jim Schellinger, other IEDC leadership, and members of the Strategic Review Committee traveled to each region that indicated an intent to submit a plan, allowing them to meet with the leadership teams associated with development of the regional plans and to learn about major parts of their regional development plans. These site visits also presented an opportunity for members of the IEDC Board of Directors and the Strategic Review Committee to see first-hand the energy and momentum present in each region.

Indiana Business Research Center Cost Benefit Analysis

To satisfy IC 5-28-37-5, the IEDC engaged the expertise of the Indiana Business Research Center (IBRC) to establish a process to develop projected return on investment figures for each regional development plan. The estimated measure of return on investment, detailed in the cost-benefit

analysis, was used as a threshold for a plan's eligibility for approval, not as a decision-making measure. The overall results of this analysis shows that Indiana stands to benefit significantly by investing in these regions.

Strategic Review Committee Meetings

The Strategic Review Committee convened six times between September and December to conduct business. Its first meeting on September 22 focused on establishing the criteria it would use to evaluate the plans. Once consensus was reached, the final criteria was distributed to each of the regions and posted online. The final criteria consisted of four primary elements: regional collaboration, quality of place, traditional economic development factors, and viability.

The next two meetings on October 6-7 included two full days of formal presentations by each of the seven regions. Each region gave a one-hour presentation followed by 30 minutes of Q&A with the Strategic Review Committee members. These meetings offered great insight into the principal themes of each plan, and the public an opportunity to watch from anywhere.

On October 20, the Strategic Review Committee met again and received input on the seven regional plans from several state agency partners. These partner agencies addressed technical and feasibility questions raised by members of the Strategic Review Committee in order to gain insight into the viability of the regional plans. They included the:

- Office of Community and Rural Affairs (OCRA)
- Indiana Housing and Community Development Authority (IHCDA)
- Indiana Office of Tourism Development (IOTD)
- Department of Natural Resources (DNR)
- Indiana Department of Transportation (INDOT)
- Indiana Arts Commission (IAC)

The meeting on October 20 also included an overview of the cost-benefit analysis conducted by the IEDC in partnership with the IBRC.

The fifth meeting of the Strategic Review Committee on November 5 focused the discussion on each of the regional plans. The objective for the Strategic Review Committee was to begin honing in on where each plan stood within the context of the evaluation criteria. This deliberation is captured in the Summaries and Discussion section of this report.

December 15 marks the culmination of nearly four and a half months of review, deliberation, and analysis by the Strategic Review Committee and IEDC staff. The following sections contain a summary of the Strategic Review Committee's evaluation and provide its recommendation for funding.

Next Steps

Following action taken by the IEDC Board of Directors, the IEDC will pursue any necessary approvals for Tax Amnesty funds and the selected regions will enter into a contractual agreement with the IEDC. This agreement will delineate the process through which the region will receive



funding and lay out the reporting structure. The funds awarded will be disbursed to the regions on a draw-down basis, project by project. In other words, once a project has progressed to the point of requiring state funds, the region will submit a request for payment and then, following a prompt, diligent, and otherwise appropriate review, the IEDC will transfer the necessary funds. The IEDC will ensure that state funds are spent consistent with the law, the policies of the administration, and the expectations of lawmakers who approved the funding.

During the planning process, the IEDC called on each region to explain how and when it will execute its plan in the absence of state funding. It is important that the regions maintain the momentum that they have built in concert with the initiative. In order to help them refine and pursue their plans, the IEDC will continue to find ways to support the remaining regions that are not selected for state matching funds under this initiative.

SUMMARIES AND DISCUSSION OF REGIONAL DEVELOPMENT PLANS

This section of the report includes for each plan: 1) an executive summary authored by each region, and 2) discussion and analysis intended to capture the deliberations in the Strategic Review Committee meetings. This section provides the foundation on which the Strategic Review Committee classifications and recommendations are based. The order of plans discussed in this section is the same order used for presentations on October 6-7.



NORTH CENTRAL "INNOVATE INDIANA" PLAN

Executive Summary: The Innovate Indiana plan leverages unique physical, environmental and intellectual resources found only in the South Bend/Elkhart region to rapidly expand upon and develop a rich new regional innovation ecosystem that retains and attracts the brightest minds and best new businesses in the country. Consisting of 39 projects with a total investment of \$703 million, it will fundamentally change the economic fabric of Northern

Indiana as an accelerant for existing business, a home for technologists and an incubator for innovative new ideas, products and companies.

In the Renaissance District near downtown South Bend where datacenters and other high tech businesses are already locating, the reuse of the Studebaker facilities as the largest mixed use Technology Center in the Midwest will address urban density, productivity, amenities and connectivity.

New and expanded trails between cities and major improvements to the South Shore rail service to-and-from Chicago will dramatically impact quality of place and physical connectivity. Existing fiber optic cable allowing massive amounts of transactional, scientific and entrepreneurial data to flow inexpensively to-and-from global markets will be extended to the furthest corners of the South Bend/Elkhart region. In addition, downtown waterway amenities will receive major new support through residential, sports, recreation, park and wellness center improvements in this plan.

Over 40,000 people are enrolled in the region's universities and colleges. The Innovate Indiana plan builds a network of smart, connected communities, developing the quality of life amenities and employment opportunities needed to retain graduates from the University of Notre Dame and other anchor institutions.

Over half a million Hoosiers who live and work in the three-county region will benefit directly from the Innovate Indiana plan. More than 6.5 million Hoosiers statewide will also benefit as existing

businesses expand and new companies, as well as entrepreneurs and families move to the South Bend/Elkhart region.

Discussion: The planning efforts in this region began in late 2014 with workgroup meetings that brought together leaders from both the public and private sectors to discuss and agree on goals for the region. This led to additional meetings in each of the three counties, reaching over 2,700 residents, and an open call for project ideas for the regional plan. Key leaders, by their own admission, acknowledge this kind of regional thinking is new in this part of the state. However, the regional development authority (RDA) was established with unanimous support from the necessary local elected officials.

While active collaboration among neighboring communities is a relatively novel concept in this area of the state, the positive effects are already taking shape. The region is realizing the benefits of regionalism at a rapid pace due in large part to the active participation by the University of Notre Dame. Notre Dame's contribution to this initiative has been impressive. Rather than being a passive partner, the university has taken a leadership role both in financing projects and through membership on the RDA board in an effort to rapidly move the North Central region forward.

Notre Dame has for years talked about enhanced engagement in the region, but never with this level of focus and intensity. This development holds game-changing potential for the entire region. The university openly admits that its participation is not intended to be philanthropic. Notre Dame's position as a preeminent research university relies on its ability to attract talented researchers and other top talent to its South Bend campus. Without attractive places that offer high quality amenities to these professionals and their families, the university's ability to attract them is diminished. By joining with the communities in North Central Indiana, Notre Dame is lending its global brand to the region's effort to attract and ultimately retain talented people to Indiana.

The plan identifies strengths and threats that are addressed in its vision statement and by its proposed projects. The threats include flat population growth rates, a labor force participation cliff, lagging productivity rates, and the need for additional amenities. Its strengths include many existing place-based assets, a competitive cost structure, access to key economic markets, higher education resources, and cultural diversity.

The plan's vision statement reads: *[Northern Indiana] will be recognized for our World-Class Higher Education and Community Partnerships, Superior Access and Connectivity, and High-Performing Communities. Northern Indiana is the proud home to Notre Dame, and will become a region of connected innovation hubs.*

Much of the plan builds on Notre Dame's research and educational efforts as well as existing natural and man-made assets that connect people and ideas. This is reflected in its five marquee projects, which anchor its \$703.4 million plan that requests \$104.7 million in state matching funds.

Innovation District: This multi-phase project requires \$26 million in Regional Cities funding that will be divided between three individual projects completed between 2016 and 2019.

South Bend Blueways/East Bank Village: Five separate projects totaling \$62.3 million are planned for the East Bank and Armory locations. In total, these five projects require \$2.9 million in Regional Cities funding.

South Shore: The two South Shore-related projects in this plan will require a total of \$7.6 million in Regional Cities funding.

Metronet Extension: The region plans a multi-million dollar project to install dark fiber in key areas of the region. This project requests \$2.3 million in Regional Cities funding.

Elkhart Market District/Blue Zone Initiative: A series of four projects in the downtown Elkhart Market District are planned, with \$13 million in Regional Cities funding requested.

These marquee projects provide a balanced approach through a concentration of investment in the urban cores of South Bend and Elkhart (Innovation District, Blueways/East Bank Village, and Elkhart Market District/Blue Zone Initiative) while seeking to enhance physical and virtual connectivity throughout the region. These projects offer transformative potential in a region aiming to retain – after graduation – more of the 40,000 students enrolled in its institutions of higher education.

In all, the plan includes 49 projects that amount to \$703.4 million in total investment, including three Notre Dame-led projects totaling \$60 million. Notre Dame also plans further investments in and around its campus of about \$700 million over the next three to five years. The region is requesting, based on a 1:1 match of local public funds, \$104.7 million in state matching funds. While bold, this presents a challenge that would need to be reconciled given the state's allocated resources. In addition, the region would also be forced to prioritize its marquee projects since they collectively require \$51.7M in state funds to complete.

Timing is an important element in each plan as the state funds should be deployed in an efficient manner. This plan indicates that 45 of its 49 projects could begin in its first year (July 2015-June 2016), while the remaining four projects could begin in the following year. Of note, the \$102 million Phase 3 revitalization of the Studebaker factory would begin in the first quarter of 2017, ostensibly contingent on the progress and completion of Phases 1 and 2.

The viability of the Studebaker campus revitalization is boosted by the recent private-sector activity and investment in the vicinity, which includes significant players like GE, Notre Dame, and the new South Bend Cubs ownership, all of whom have invested millions into this specific area. The audacity of converting a one million square foot building that's been vacant for a generation is incredibly compelling. Successful implementation has the potential to spawn a generation of transformational activity in this community.

A comprehensive set of 24 metrics are outlined in the plan that are centered on four areas: environment, economy, diversity, and society. In addition to population growth, these will help both the region and the state monitor the impact of this plan's implementation.

This plan meets the threshold criteria and addresses the evaluation criteria in a meaningful way. There is a considerable likelihood that this plan can move the needle on talent attraction and retention.



NORTHWEST

"INDIANA'S THIRD COAST GATEWAY INITIATIVE" PLAN

Executive Summary: Today, Northwest Indiana is at the crossroads of what's possible and what's next. Commuter rail is a proven economic development winner nationally and internationally, a rare case in which "if you build it, they will come" is actually true. Quick, reliable and frequent access to the third-largest metro economy in the country will directly answer the Regional Cities challenge for plans that attract and

retain talent, encourage economic development and improve quality of place.

The Northwest Indiana Regional Development Authority is requesting \$42 million from the Regional Cities program for rail improvements, service upgrades and transit-oriented development (TOD) along the South Shore line from Gary to Michigan City that will make the South Shore "A Train That Works."

The heart of the proposal involves fully double-tracking the South Shore line from Gary to Michigan City. Currently, the South Shore line is double-tracked from Chicago to Tennessee Street in Gary. For 17.2 of the 25.9 miles from there to Michigan City, the South Shore has only a single track for both eastbound and westbound trains. As a result, trains must regularly slow or stop on passing sidings to allow a train travelling in the opposite direction to pass.

Double-tracking would greatly reduce commuting times to and from Chicago by allowing the South Shore to increase the number and speed of trains it runs each day. This will elevate the region above suburban Illinois in the competition for TOD, new businesses and new residents – especially transit-oriented millennials.

Our inclusive, collaborative proposal will benefit four counties – Lake, Porter, La Porte and St. Joseph – with a combined population of more than 1 million. This investment, in concert with the \$571 million West Lake Corridor expansion, will increase weekday ridership on the South Shore from approximately 12,000 to more than 20,000 by 2033.

Discussion: For over a decade, the Northwest RDA has been planning and executing economic development and quality of life projects in Lake and Porter counties. During this time, the region has demonstrated the ability to rally around the RDA and its efforts to improve the quality of life in the Northwest corner of the state.

Uniquely situated just a short distance from Chicago, the Northwest region has the potential to once again become a major contributor to the state's economy. Its identity is linked to Chicago and its strategy rightly recognizes this fact by seeking to truly become Chicago's southeastern suburb. Despite its close proximity to this global economic hub, however, the region faces many

economic and social challenges that are exacerbated by its industrial past. The region's plan outlines many challenges it faces as a result of this economic transformation. The specific threats to the regional economy are grouped into ten major categories including education, environment, workforce, and transportation.

The plan convincingly identifies how these challenges collectively affect the region's ability to attract and retain talent. Based on the region's analysis of its challenges and assets, it determined that *"Building and enhancing NICTD's [Northern Indiana Commuter Transportation District] commuter rail service will link Northwest Indiana residents with high-paying jobs and boost the regional economy."*

Originally a component of the NICTD strategic business plan that was adopted by the district's board of directors in 2014, the double tracking of the South Shore Line is the only project included in the region's application. The plan includes a request of \$42 million from the Regional Cities Initiative to help the region obtain a matching federal grant. The project will require a total of \$114.6 million in federal, state, and local investment.

Although the region has provided an estimated project completion date of 2020, concerns have been raised regarding the availability of the federal funds. State investment may increase the likelihood the project will receive the 50% maximum federal match, but without the federal funds the project will not move forward.

Should the project receive funding, the region expects privately-funded transit-oriented development to eventually reach over \$360 million. If realized, this amount of investment along the line and around the railway stations would significantly and positively impact the local economy.

This project represents a strategic investment with economic impact not unlike that of the state's investment in the Ohio River bridges. Consequently, the state of Indiana should consider ways to support the South Shore double tracking project. However, one major concern that must be dealt with is the incremental operating costs associated with increased usage of the train. If the project was successfully implemented and began to draw in new residents who commute by train, more cars would be required and those costs would need to be reconciled. The uncertainty created by the entire plan being tied to federal government approvals combined with the need to account for the inevitable incremental increase in operating costs imposes a higher risk profile with respect to its viability. Additionally, the regional development plan could have more directly addressed the other identified challenges, in addition to the South Shore project.

This region should use the momentum it created to expand on this plan. An apparent first step would be to identify the private sector partners who would undertake the transit-oriented development, even if those developments are contingent on the double tracking. Also, each region has its own unique set of needs. Working with community leaders to identify solutions to the region's other major challenges would be a compelling addition to an expanded plan.



NORTHEAST

"ROAD TO ONE MILLION" PLAN

Executive Summary: The Road to One Million Plan represents Northeast Indiana's vision to grow our population to one million residents. With retiring Baby Boomers and lagging growth among Millennials, our regional (and state) labor force will shrink in the coming decade. If Northeast Indiana's population growth approximated best-in-class regions, growing at 2.1% annually, we would add over 120,000 workers into the economy and double our real gross

domestic product (GDP) by 2031. It would change the trajectory of our region and our state.

At the heart of our proposal is investing in historic downtowns throughout our region. Taken together, they are an asset that is coveted by young talent: authentic quality of place. We will focus investment into four key areas: (1) downtowns and community development, (2) greenways and blueways, (3) arts and culture, and (4) education and industry. Our marquee projects include Phase 1 of the Fort Wayne Riverfront Redevelopment plan (inclusive of promenades, beach and recreation areas, mixed-use development, and natural sanctuaries), and expanding our regional trail network by over 100 miles.

As the largest RDA in the state, our portfolio contains 38 projects to be implemented in the next two years, with a total investment of over \$400 million. Once the Road to One Million Plan is entirely implemented (10 years), we will have invested \$1.5 billion in 70 visionary projects.

With a 10-year head start, Northeast Indiana has led the state in regionalism. Our decade of collaborative efforts has created tangible results. Half a billion dollars have been invested in downtown Fort Wayne and post-recessionary job growth outpaced the state and the nation. Recently named one of the Top 35 cities in the country for people under 35, Fort Wayne and Northeast Indiana are best positioned to attract the talent needed to grow a global workforce for the state of Indiana.

Discussion: The Northeast region has more than a decade under its belt of choosing to function in a regional manner, noted by the formation of the Regional Partnership, which is responsible for promoting the region and generating ideas to help it prosper. The plan highlights the region's experience in doing deals that enhance the attractiveness of its economic hub, Fort Wayne, with more than \$520 million of investment in downtown during this time.

The planning process for its regional development plan began in 2014 with meetings and interviews aimed at a cross section of the community that included young professionals, business groups, philanthropy, the arts community, and others. The team interviewed 40 regional leaders and 160 people participated in focus groups to identify future opportunities and objectives. This effort

culminated in the creation of an 11-county RDA with near unanimous support among the voting local elected officials. Today this RDA is geographically the largest in the state.

The plan includes an overview of quality of place assets in each of the 11 counties followed by a discussion involving the primary weaknesses and threats to the region, identified through interviews and engagement of the community. These include diversity, transportation, alignment for regional impact, housing, entertainment, and broadband. The plan is heavily built on a steady vision that has been fostered within the region for several years.

The plan's vision statement reads: *To be a top global competitor, exceeding the expectation of businesses and residents.*

Its projects are grouped into four large themes that include connecting to: Nature, Community, Culture, and Ideas. These projects are dispersed across the 11-county region with the trails network project acting as the thread that weaves it together.

Its two marquee projects include the downtown Fort Wayne riverfront development and the continued development of the regional trails network. Combined, these projects represent \$141 million of the plan's \$471.8 million price tag (for the first phase of the plan). Like several of Fort Wayne's downtown development projects over the last decade, such as the ballpark, the Anthony Wayne building, convention center, and others, the riverfront development represents an opportunity for significant transformation of the core. Due to the nature of this project and history of flooding, the project leadership has shared some of its due diligence that includes approvals from and coordination with the Army Corps of Engineers as well as the Indiana Department of Natural Resources. The unavoidable involvement of these third parties represent potential, though not certain, pitfalls to the project's timeline and full implementation. Despite this risk, the region has rightly indicated its full commitment to working through appropriate channels to realize the project's vision.

The regional trails network builds on an existing set of trails and individual community plans for new trails in a coordinated effort to connect them with many of the other quality of place projects outlined in the plan. Since a great deal of preparation has already gone into many of the trail projects that will make up the network, the completion date could come as soon as 2019.

Thirty-six other projects span the region, which largely focus on revitalizing historic structures in the downtowns of communities like Bluffton, Wabash, Huntington, Decatur, and others. In the next phase of the plan, another 32 projects are planned totaling an estimated investment of \$1.1 billion. While these projects do not currently have robust details and are not targeting state matching funds, they offer a glimpse into what may happen next in this region.

The region is requesting, based on a 1:1 match of local public funds, \$73.7 million in state matching funds. While bold, this presents a challenge that would need to be reconciled given the state's allocated resources.

A comprehensive set of nine benchmark indicators are outlined in the plan: Alternative Transportation to Work; Foreign Born Population; Self-Employed; Minority Owned Businesses; Associates, Bachelors, and Graduate Degrees; Creative Occupations; and Knowledge Occupations. In addition to population growth, these will help both the region and the state monitor the impact of this plan's implementation.



This plan meets the threshold criteria and addresses the evaluation criteria in a meaningful way. There is a considerable likelihood that this plan can move the needle on talent attraction and retention.



WEST CENTRAL

"WABASH RIVER REGION" PLAN

Executive Summary: Nestled along the Wabash River and the border of Illinois, the Wabash River Region – a Knox, Sullivan and Vigo county collaboration – stands ready to attract residents, visitors, and employers from Illinois and surrounding counties for its high quality of life and strong industry presence. An education "powerhouse" with Harrison College, Indiana State University, Ivy Tech Community

College, Rose-Hulman Institute of Technology, St. Mary of the Woods College, and Vincennes University, the border location lends itself to out-of-state recruitment of those looking for homegrown values and the promise of opportunity. Strong skilled trades and training programs, nationally-recognized engineering programs, and high-quality, liberal arts institutes offer a near-limitless supply of workers for companies drawn to Indiana's low-tax environment. Hoosier Hospitality and fiber optic lines attract young entrepreneurs looking for a place to build their start-up or work remotely and enjoy an urban-style job and a small community.

Although the region has made great strides in several key areas of economic development, there is more to be done. The region has a population of just under 170,000 in all three counties. With the influx of students to the educational opportunities, a population increase is within reach just by retaining the talent that has already chosen Indiana as a short-term home. The continued support from community, industry, and business leaders positions the region for a wave of revitalization and growth. Funding from the Regional Cities Initiative will help further cement the collaboration and teamwork that has emerged from this effort. This funding will catalyze new projects and provide a foundation for expansion and retention of business and industry within the region and improve overall quality of life. The increased population will draw in additional income tax revenue to the State, benefitting all Hoosiers.

Discussion: This three-county region was formed just this year in response to the enactment of the Regional Cities Initiative legislation. Given the short window of time available, it chose to develop its plan based on several of the previous planning efforts conducted among its communities. Those planning efforts appear to have included community engagement not unlike that of other regions that submitted regional development plans under this initiative.

Institutions of higher education within the region took clear ownership by initiating the effort that resulted in this regional development plan. The plan provides a solid foundation of economic and demographic data to show the current state of the region. It also summarizes the quality of place projects that have been completed in each of its counties. However, it lacks a discussion that links its current state and completed projects to its vision statement and its new project proposals.

The plan's vision statement reads: *The Wabash River Region is comprised of collaborative, diverse partners who are working to shape a region of prosperous communities, quality talent from our educational institutions, thriving industry and small business, and excellent infrastructure to support growth.*

The plan's five projects requesting state matching funds are:

1. St. Mary of the Woods Equine Center
2. ICON Building Renovation
3. Ivy Tech Precision Agriculture Center
4. Kimmel Park Revitalization
5. Pantheon Theatre Redevelopment

These five projects total \$34 million in proposed investment, with the ICON Building project as the anchor at \$22 million. The region is requesting, based on a 1:1 match of local public funds, \$6.8 million in state matching funds. An inherent advantage of this region is proximity to the state of Illinois, which is a state that is becoming increasingly costly for both businesses and residents to inhabit. The plan acknowledges this advantage and suggests that higher education is the magnet that will draw in new short-term residents and the proposed projects will convert them to long-term residents.

Progress will be measured using 20 metrics classified into three categories: 1) Wages, Income, and Earnings, 2) Diversity, and 3) Economy and Housing. In addition to population growth, these will help both the region and the state monitor the impact of this plan's implementation.

At this time, this plan falls short of meeting the threshold criteria (minimum 200,000 population and positive estimated return on state investment). However, this region has made tremendous strides in a very short period of time. The momentum gained from the increased level of collaboration should continue to inspire more of the region's elected officials, business leaders, and community organizations to become engaged to build on what has been accomplished in 2015 alone.



CENTRAL

"METRO MOMENTUM AGENDA" PLAN

Executive Summary: With the nation's largest metros (1 million+ populations) growing twice as fast as smaller metros (>250,000) and attracting two-thirds of U.S. STEM workers and college-educated Millennials, Central Indiana represents the state's best opportunity to reverse its decline in working-age population.

While performing well relative to other areas of the state, Central Indiana is losing ground to peer regions – by population growth, educational attainment and economic output. Regional Cities Initiative investments would accelerate progress on three high-impact projects with unique appeal to highly-skilled people and dynamic employers.

Red Line BRT: \$15 million

Proposed as the first U.S. bus rapid transit line using fully-electric vehicles, the 35-mile Red Line would appeal to educated (and highly-mobile) Millennial workers who identify transit as a key consideration when choosing where to live and work. The Red Line will attract new investment (projected \$200 million+ along the route) and connect more than 100,000 residents and 20% of metro jobs. Regional Cities Initiative funds would leverage \$45 million in federal 'Small Starts' grants for Phase I of the project.

16 Tech: \$10 million

The 16 Tech innovation district will create jobs and work/life appeal for highly-skilled STEM workers, encourage advanced industry growth after decades of traditional manufacturing decline and bolster the life sciences and tech sectors. Located adjacent to the region's largest public research cluster 16 Tech will offer flexible research facilities, office, retail and residential development. 16 Tech's anchor tenant, the Indiana Biosciences Research Institute, will serve as a critical 'innovation anchor' for the state's \$60 billion life sciences industry.

Regional Trails Plan: \$5 million

Central Indiana's 100+ miles of trails and bikeways are a powerful quality of life asset, meeting millennial preferences for a more active lifestyle. Investment in pedestrian/bicycle-friendly infrastructure has generated local enthusiasm, international publicity and economic impact – studies estimate that the 18-mile Monon Trail has enhanced proximate property values by \$13,000+, while the Indianapolis Cultural Trail boasts a \$1 billion impact on adjacent property values. Regional Cities funding would expedite roughly 85 miles in additional trails, pathways and bike lanes prioritized by 2025, expanding a system that's a proven magnet for people and investment.

Discussion: The Central region has participated in the U.S. Economic Development Agency CEDS (Comprehensive Economic Development Strategy) process for a little over a year. Through this process, the region has actively engaged civic and business leaders to capture their vision for the future. This regional development plan is based in large part on this work. In addition, letters of support from the incoming political administration indicate full support for the plan and a commitment to working toward its implementation.

There is no doubt that the Central Indiana Region is the core economic engine for the state and one of the few areas currently experiencing population growth. However, the regional development plan indicates this growth may be unsustainable under current conditions. These conditions are unhealthy for the state over the long term as the region primarily draws population from within Indiana's borders rather than from around the world.

Indianapolis and its neighbors have made tremendous strides over the last few decades to create vibrant, attractive, and livable communities. The region has become a destination for global businesses and homegrown start-ups alike. Despite this past success, the region feels it faces a good-to-great moment that requires a larger microphone in order to attract talent.

Acknowledging its earned reputation as "the amateur sports capital of the world," many civic and corporate leaders feel that it lacks a deeper identity. One common theme expressed by regional leaders is that the region needs to think bigger.

Given the region's elevated economic strength relative to other parts of the state, there seems to be some logic in its approach to this initiative. The plan includes three priority projects that address the bright spots in the community and create amenities that talented professionals desire today:

1. 16 Tech Innovation District
2. Red Line Bus Corridor
3. Regional Trails Plan

16 Tech is an ambitious project that will revitalize an area of downtown Indianapolis that has been neglected over the years. This innovation district will house the Indiana Biosciences Research Institute and provide a platform "where start-ups, applied research organizations, and innovation-focused businesses can co-locate, collaborate, and commercialize new ideas," further solidifying Indiana's presence in the tech and life sciences sectors. Nestled between IUPUI and a neighborhood that is bound on the west by the White River and on the east by I-65, 16 Tech may act as a bridge that ties the two areas together. It can leverage the academic expertise from the university while providing much-needed employment opportunities to the adjacent neighborhood.

Like the Northwest region, the Central Region includes a transit-oriented project in its plan. Over the last few years, the region has pursued an ambitious regional transportation plan, of which a key component is the bus rapid transit line stretching 35 miles from Westfield to Greenwood. The initial phase of the Red Line would be installed between Broad Ripple and the University of Indianapolis and be operational by the end of 2018.

The region has thoroughly vetted this project and has created a plan to maintain the route over the long term without the need to expand the existing IndyGo budget. The implementation depends on the region's ability to secure federal transportation dollars. Currently, the region has

submitted an application for \$60 million in federal transportation grants to cover the cost of the project. If the region receives funding from this initiative, the \$60 million request would be revised to \$45 million. State dollars would make the application more attractive to the federal government; however, the potential exists that the region will not receive federal funding at all.

While this region largely complied with the IEDC Board of Directors guidelines, some elements could have been more fully addressed. Namely, the region did not include clear metrics that would be used to determine the success of the plan. Without clear metrics, neither the region nor the state can assess the value of the state's investment. Another element missing from this regional development plan is a robust discussion of the relationship between Indianapolis and the surrounding communities. True regionalism requires symbiotic relationships that could have been more sufficiently articulated. Consequently, this proposal is more of a compilation of three distinct projects, albeit compelling, rather than a comprehensive regional plan.



EAST CENTRAL "ADVANCE" PLAN

Executive Summary: We are the ADVANCE east central Indiana region. Together, our six counties include more than 350,000 residents and a land area twice the size of Rhode Island. We represent Blackford, Delaware, Henry, Jay, Madison and Randolph counties, along with their 58 cities and towns.

Our region has a history of innovation, invention and production. We're in the heart of the engine that helped build modern America. The legacy of this past success can be seen in our institutions which serve our citizenry and help guide our next generation.

We have challenges, and they're familiar. The shifts in American manufacturing have led to population decline and an increased number of families in poverty. While our colleges and universities educate thousands of students, we struggle to retain these young adults after they graduate. Our Main Streets still shine, but hint at brighter days gone by. Our struggles are shared by many.

But we're strong and resilient. As a region, we're addressing our challenges by capitalizing on our many strengths and encouraging the next generation to re-invent our identity. The ADVANCE Regional Development Plan is a future-focused, living document that will guide this reinvention. Its contents represent a collaboration between our six counties and the hundreds of residents who got involved.

Our plan's projects were chosen because they help move us closer to our vision. The plan includes 14 projects representing \$150 million in reinvestment in our communities.

Our vision for east central Indiana is a region reinvented based on a strong foundation of:

1. A new generation of entrepreneurs who re-imagine our existing economic strengths;
2. New and expanding companies that are attracted by our highly skilled workforce;
3. Institutions that translate their core strengths into economic drivers;
4. Cities and towns that are great places to live and do business; and,
5. Regional assets—natural areas, recreation, cultural institutions and many others—that are celebrated and attract others to the region.

Discussion: Currently, the East Central region is experiencing a relatively large drop in population. When combined with an aging population, the region faces major demographic challenges that will result in serious economic repercussions if not addressed. Despite the challenge the region faces in retaining population, there are existing assets that can be leveraged to jump-start population growth in the region.

Ball State University attracts thousands of students from around the country to the Muncie area every year. Unfortunately, the region has struggled to keep these talented individuals in the area

post-graduation. Further, the university hires about 315 people a year, but a recent survey of Ball State employees showed that 22% of these employees were living outside Delaware County.

The region recognizes that it has adequately attracted businesses to the area, but that it needs to focus on those things that make it more attractive to residents. Recognizing the value of creating high-quality places, the region began to engage community leaders in an effort to develop a regional development plan for this initiative.

Between April and August of 2015, the East Central Region engaged in an ambitious outreach campaign, soliciting the opinions from a diverse group of nearly 500 people across six different counties. Based on the input the planning team received and on the substantial amount of research that was “conducted to understand activity levels, patterns and psychographic mix to help understand the economy of the region,” it developed a vision to reflect the existing assets and challenges of the region.

The region's vision statement reads: *“East Central Indiana is reinvented based on a strong foundation of:*

- 1. A new generation of entrepreneurs who re-imagine our existing economic strengths;*
- 2. New and expanding companies that are attracted by our highly-skilled workforce;*
- 3. Institutions that translate their core strengths into economic drivers;*
- 4. Cities and towns that are great places to live and do business; and*
- 5. Regional assets—natural areas, recreation, cultural institutions and many others—that are celebrated and attract others to the region.”*

While ambitious in its approach to quality of place, the plan recognizes that its cities and towns are valuable and with the right investments they can become magnets for talented professionals who are seeking the lifestyle of medium-to-small communities that proximate to larger metro areas (Central Region). Also, there was a striking diversity of individuals associated with the development of this plan, particularly for a region composed of medium-to-small cities and towns.

Based on the observations of its stakeholders, the region developed a portfolio of 14 projects totaling \$148 million in investment. These projects are grouped into three strategic themes, which are: Build a New Economy in the Region; Create Destination Communities; and Unleash the Potential of Real Estate to Support Growth and Redevelopment.

Each of the projects that were selected for this plan are designed to confront at least one of the five core challenges identified by the region. The region plans to create an atmosphere of creativity and innovation by leveraging its storied entrepreneurial spirit, creating connections to natural assets in a game-changing redevelopment project along the downtown canal, and to developing civic spaces that connect people with the downtown core. One of the uniquely compelling features of this plan is the clear complementary roles of the institutions of higher education.

Regional leaders were realistic when determining which projects should be included. Though the region is proposing to invest \$39.7 million in local funding, the plan only requests a modest \$23.4 million in Regional Cities funding. Under the plan, state funds will only be applied to projects that the region has identified as either shovel ready (Type I projects) or in final engineering (Type II projects). The projects in the plan are expected to begin construction between 2015 and 2017 and will all be completed by 2019.

In a demonstration of the commitment to implementing the plan, the mayor of Muncie recently pledged to complete the redevelopment of the downtown canal district, regardless of state funding. This project may be a game changer for the city due to the potential to more directly connect the downtown core of Muncie with Ball State.

The East Central region has taken great strides forward in just a few short months. This is encouraging, and there is great admiration for the work that the entire region has put into this plan.

While much progress has been made, the stakeholders in this region recognize that changing the region's future does not happen overnight. The steps that have been taken to improve this area can and should continue in earnest, regardless of state funding. However, this region has not yet attained the cohesiveness necessary for a full state partnership. The plan is robust, and the region should move forward and demonstrate that it can collaboratively implement key elements in the short term. It should also work to put its private sector partners at the tip of the spear rather than in supporting roles. This will lend to the sustainability of the plan as elected officials often change.

As this initiative moves forward, the IEDC should help this region maintain and build on its momentum by identifying ways in which to support its continued development.



SOUTHWEST

"INDIANA'S GREAT SOUTHWEST" PLAN

Executive Summary: The strategy for Indiana's Great Southwest is focused on strengthening the heart of the region through a mixture of new targeted transformational projects that address talent, livability and connectivity intertwined with meaningful and measurable goals. Though the region's momentum has been growing, the future is dependent on being able to attract and retain talent and foster a culture

of research and innovation.

The plan includes:

1. *Six core projects* that are designed to assist with the transformation of Evansville's downtown and adjacent urban neighborhoods while breathing life back into the city and region
2. *Six gateway projects* associated with initiatives that create new and dynamic opportunities by leveraging resources outside the core
3. *Seven supportive regional projects* that will provide new development, job creation and related benefits that support the Regional Cities investment

The major core projects include leveraging the new Indiana University multidisciplinary academic medical education and research center in downtown Evansville. The medical campus will incorporate research capabilities, including clinical, and accommodate technology transfer that focuses on the region's expertise in medical plastics and infant nutrition. Through a unique partnership with Haier, the world's largest appliance manufacturer, energy leader Vectren and a private developer, a matchless urban living environment called the working lab for new urban living will be created that will allow downtown residents to be part of the experiment. Tying it all together will be additional downtown development, creation of regional trail connectors as well as partnering with the state's number one high school.

The gateway projects include further development of the Warrick Wellness Trail, a mixed use life science campus, and business friendly terminal renovations for the Evansville Regional Airport. Supportive projects include University of Evansville Campus Enhancements, Haynie's Corner Art District Redevelopment and improvements to Mesker Park Zoo - Indiana's oldest zoo.

Discussion: There is a tradition of regionalism in Southwest Indiana, beginning with the formation of its first regional planning organization in 2006. The plan indicates the region has been "holding its own" as key economic and demographic metrics remain relatively stable. The key ingredients to

growth already exist within the region. These include strong healthcare, manufacturing, and retail sectors.

The region considers its lack of proximity to major urban centers/primary economic hubs, enhanced connectivity via I-69, multiple institutes of higher education, and the Ohio River as strengths that collectively provide it with unique growth potential.

The region has done extensive planning over the last few years, which helped inform this regional development plan. The engagement for this initiative consisted of five key components:

1. A 26-member steering committee
2. Working Groups
3. Individual stakeholder meetings
4. Project website/social media
5. Previous planning efforts

Several quality of place themes emerged from this community engagement effort which include diverse urban housing, mixed-use development, and trail networks. The plan builds from these themes and its research to identify 12 trends that are supported by the projects contained in it:

1. Cluster strategies
2. Regional framework
3. Research & innovation link to talent attraction/retention
4. Growth in healthcare sector
5. Urban living options
6. Internet applications
7. Active communities
8. Educational institutions as drivers of location decisions
9. Demand for arts and culture
10. I-69 innovation corridor
11. Aviation services
12. Branding/promotions

The plan's vision statement reads: *Great Life, Great Community, Great Environment, Great People.*

There is a concentrated amount of investment in the urban core of Evansville in excess of \$300 million, in addition to the planned Indiana University School of Medicine project. These core projects include an innovative partnership between Vectren and Haier to create a \$27.5 million urban living research center that could explore the relationship between energy efficiency and the connectedness of modern appliances in the home. The \$25 million YMCA project targets both the urban living and active community trends noted above by constructing a new, modern YMCA facility and converting the old facility into downtown housing aimed at medical students. The clear way in which the projects complement one another and are linked to the identified trends is compelling.

The balance of projects are allocated throughout the region and are aimed in large part on supporting travel and tourism through the airport terminal and Greyhound station improvements, regional connector trails, Victoria Park, Evansville Zoo, and Tropicana Casino investment.

This plan totals \$926 million in proposed investment, including planning surrounding the Indiana University School of Medicine project. The region is requesting \$42 million in state funds to match \$127.5 million in local public funds, nearly three times the targeted 1:1 match. This, combined with the private sector commitment of nearly \$600 million in the total plan, demonstrates that there is substantial buy-in and indicates a high likelihood of successful implementation.

Project timing is an important element and the project schedule for all projects is no more than four years. For most projects, this means construction will begin in the first year with completion by 2018 or 2019. To measure overall progress, four categories of metrics are included: Diversity, Economy, Environment, and Society. In addition to population growth, these will help both the region and the state monitor the impact of this plan's implementation.

This plan meets the threshold criteria and addresses the evaluation criteria in a meaningful way. There is a considerable likelihood that this plan can move the needle on talent attraction and retention.

CLASSIFICATION OF REGIONAL DEVELOPMENT PLANS

The content of this report is founded on over four months of review and analysis by the Strategic Review Committee and the IEDC, including active participation by several members of the IEDC Board of Directors. This section arranges each plan according to phases that indicate each region's status:

Phase 1 - Recommended for full funding (\$42 million each). The tremendous success of the Tax Amnesty Program, which was created to fund this initiative, provides the ability to fund three regions instead of two as originally planned.

Phase 2 - Recommended for continued support from the IEDC, which may include assistance in identifying public or private funds for planning to maintain and build on their momentum.

In each phase, the plans are listed in alphabetical order. The Strategic Review Committee did not rank the projects within each phase.

PHASE 1

North Central – “Innovate Indiana” Plan

The North Central region has unquestionably improved in terms of its recognition of the clear and compelling partnerships that can exist between cities like South Bend and Elkhart. Layered on top of this is the emergence of Notre Dame not just as an employer, but as a true community partner, ambassador and, increasingly, a talent pipeline for the region. Its rapid shift in mentality toward regionalism is simply unprecedented in this state, and the momentum must be maintained.

The transformational potential of its marquee projects separates this plan from many of the others. The Innovation District project is the clear anchor and involves the reuse of one of the largest dormant buildings in the state. The Studebaker Building near downtown South Bend is often associated with failure without acknowledgement of the incredible ingenuity and innovation that allowed it to thrive for a period of time. This exciting effort to reignite the innovative spirit in South Bend and across the region absolutely merits partnership with the state under the Indiana Regional Cities Initiative.

Northeast – “Road to One Million” Plan

One of the most impressive things about this region is the cohesiveness it has built over a decade in spite of a sprawling geography. Now with 11 counties, the Northeast region's collaboration is first-class. The plan put forward under this initiative naturally builds on the region's existing identity, contemplating \$1.5 billion in total investment over the next decade to enhance its talent and business attraction efforts.

The boldness of its riverfront development in downtown Fort Wayne is of the transformational caliber that this initiative aimed to inspire. Many cities across the nation have undertaken major efforts in recent years to leverage their downtown rivers, which provides learning that Fort Wayne can use to its benefit. Like the Southwest region, this region boasts a track record of finding ways to solve its own problems and that is precisely the type of region that deserves to partner with the state under the Regional Cities Initiative.

Southwest – “Indiana’s Great Southwest” Plan

Several things stand out in the Southwest region’s plan, including its boldness in scope, private sector leadership, concentration on the urban core, and realistic projects grounded in its strengths. The isolation from other major metro areas has become an asset to this region. Its diversified portfolio of industries has allowed it to weather economic tumult, positioning it in a way that allows it to look toward its future without first being forced to overcome major economic hurdles.

This region has put forth an impressive, compelling plan that contains a balanced and believable approach to improving its status as a destination for talent. The private sector’s full engagement, combined with the region’s ability to “hold its own,” creates potential that demands a partnership with the state under the Regional Cities Initiative.

PHASE 2

Central – “Metro Momentum Agenda” Plan

The Central region put forth a set of projects that are undoubtedly transformational in nature. With future growth in mind, developing a bus rapid transit corridor could help it compete more effectively with its peers for the demand of global talent that increasingly values convenience. A trail network in an urban setting provides connectivity and adds to the quality of place. Leveraging its growing entrepreneurial activity and expertise in life sciences through the 16 Tech development near downtown Indianapolis, which is led by the Central Indiana Corporate Partnership, will also provide better connectivity while strengthening the core. These are bold projects and will help position the region for growth.

However, the uncertainties associated with implementation of this regional development plan create a risk profile that prevents it from rising to the top level. The mass transit project hinges on availability of federal funding, which is not yet assured. Allocating state funds through the Regional Cities Initiative for Central Indiana’s mass transit plans also appeared to several members of the Strategic Review Committee to be inconsistent with the expectations of state legislators. In addition, the cohesiveness of this region needs to continue ripening.

The state would benefit from continuing to work with this region to support its development, including the projects submitted in its plan. The state’s \$25 million in funding for 16 Tech’s anchor tenant, the Indiana Biosciences Research Institute, is just one example of continued support. Meanwhile, the region should continue to refine its plan in a more comprehensive way to confront its challenges.

East Central – “ADVANCE” Plan

The East Central Region recognizes its distinct assets and has developed a solid plan that is ambitious and believable. The amount of progress that has been made in this region in just a few short months is impressive and commendable. The plan it submitted took an honest assessment of the state of the region and, convincingly, identified specific projects intended to confront its challenges. Now, there is a foundation on which to build sustainable and high quality regional partnerships that will create thriving and vibrant places.

The regions that submitted the most compelling plans for this initiative have demonstrated a commitment to true collaboration among local government stakeholders, in partnership with private sector leaders. While it has made noteworthy progress in this regard, the East Central Region needs more time to nurture and maximize its collaboration and regional cohesiveness. With more time, and a commitment to continued dialogue among these communities, East Central Indiana has the potential to become truly great.

Along with fostering greater cohesiveness, the region should more clearly articulate its role relative to the nearby Central Region. As the Central Region continues to grow closer to the East Central Region, specifically Madison and Delaware counties, their futures become more interconnected. Also, as the plan evolves over time, the region should look to add more private sector stakeholders to the banks, hospitals, and foundations, which currently compose the bulk of its private sector leadership. Sustaining long-term development plans require a steady vision that must be embraced by a broad cross section of the community.

The Strategic Review Committee recognizes the impressive efforts of the East Central Region and encourages the state to support additional planning in this region.

Northwest – “Indiana’s Third Coast Gateway Initiative”

The Northwest region is poised for growth of both businesses and residents seeking refuge from the heavy burden of Illinois taxes and regulations. The signature project in its plan offers the potential to achieve a 90-minute train ride between South Bend and Chicago. This would put every community in between easily within reach of Chicago commuting demands. However, the plan submitted for review identified many challenges unrelated to commuting times that will require greater attention than what was provided in the plan.

With the full double tracking of the South Shore, the potential reward for both the state and the region is substantial. However, the magnitude of the required investment and contingencies involving federal funding and regulations creates a risk profile for this plan that does not allow the plan to rise to the top level.

The Strategic Review Committee believes the state would benefit from continuing to work with this region to support the realization of the double tracking project as it holds immense potential to support future population growth. However, it should also ask the region to identify solutions to the future incremental operating costs that will result from new ridership. At the same time, the region should continue to build from this plan to more comprehensively address the challenges it faces. With some refinement of its plan and future funding for this initiative, this region could effectively compete in future rounds of this initiative.

West Central – “Wabash River Region” Plan

The Wabash River Region's impressive progress over the last several months is a strong indication of its future potential. Over the course of just this summer, the region harnessed the input of key stakeholders to put forth a plan by the August 31 deadline. This alone is a sign of the possibilities in a region that contains Indiana's oldest city.

The plan that has been developed will provide a strong foundation for future planning efforts, and the region can build on this by addressing four key issues.

First, the region needs to identify additional regional partners. The IEDC Board of Directors adopted guidelines for this initiative, one of which required the region's plan to cover or impact a minimum of 200,000 people. The region should consider a broader coalition in its planning efforts.

Secondly, the plan must project a positive estimated return on investment for the state, as determined by the IEDC. Unfortunately, this plan was unable to demonstrate a positive return. This issue can be overcome with additional planning and research.

Thirdly, the plan wisely leverages the capabilities of its higher education community, which also acted as a primary driver during the planning process. However, this region should seek more partnerships with its private sector to expand upon this plan.

Finally, the plan should contain a clear discussion on the links between the current state of the region and the projects proposed, helping achieve its vision for the future. The region identifies the Wabash River as a key quality of place asset and included projects that could potentially attract and retain talented individuals to the region. However, the plan could better explain how the project proposals leveraged the Wabash River and other key assets to create prosperous communities.

The Strategic Review Committee recognizes the extraordinary recent efforts of the Wabash River Region and encourages the state to support additional planning in this region.

RECOMMENDATIONS

On behalf of the Strategic Review Committee, the IEDC classified each regional development plan as Phase 1 or Phase 2 with corresponding recommendations. Plans within each phase are listed in alphabetical order and are not ranked.

Plans in Phase 1 are recommended for full funding of \$42 million each as they offer the greatest potential to catalyze transformations into destinations for talent over the next several years. The tremendous success of Governor Pence's 2015 Tax Amnesty Program, which was created to fund this initiative, provides the ability to fund three regions instead of two as originally planned. Therefore, Phase 1 includes three regions. Plans in Phase 2 are recommended for continued support from the IEDC, which may include assistance in identifying public or private funds for planning to maintain and build on their momentum.

The Strategic Review Committee recommends to the IEDC Board of Directors that the regional development plans in Phase 1 be approved for full funding and that the plans in Phase 2 be considered for future funding:

Phase 1: North Central, Northeast and Southwest

Phase 2: Central, East Central, Northwest and West Central (Wabash River Region)

In addition, due to the unprecedented levels of regional activity and collaboration across the state that has been sparked by Governor Pence's Regional Cities Initiative, the state should consider further funding for future rounds of competition among the Phase 2 applicants and other Regional Development Authorities that might be formed by the remaining 30% of the state's population.

The specific recommendations are as follows:

Recommendation 1: Seek any necessary approvals to allocate all Tax Amnesty Program revenues in excess of \$90 million to the Regional Cities Initiative.

Recommendation 2: Subject to any necessary approvals for Tax Amnesty funds, award all three Phase 1 regional development plans (North Central, Northeast and Southwest) \$42 million each.

Recommendation 3: Continued support from the IEDC for all four Phase 2 regional development plans (Central, East Central, Northwest and West Central). This support may include assistance in identifying public or private funds for planning in order to encourage and enable the continued development of their regional plans. The amounts of any planning funds would be determined based on availability.

SUMMARY

In conclusion, the first year of Governor Pence's Regional Cities Initiative has catalyzed an unprecedented level of collaborative activity across Indiana. This momentum creates great potential for the state as its communities embrace regional economic development principles aimed at attracting and retaining talented workers.

Each region that submitted regional development plans under this initiative spent a significant amount of time problem-solving, collaborating, and preparing to compete for state funding. The hard work, patience, stamina and financial resources that produced each plan qualifies as an enormous victory. For those areas of our state that did not opt to participate in the Indiana Regional Cities Initiative, they will be benefitted as the initiative improves during implementation of Phase 1 and by the indirect benefits of the state growing stronger as its many regions invest in quality of place investments.

Today, the three regions—North Central, Northeast, and Southwest—recommended for full funding offer substantial potential for growth in talent over the coming years, and they will be aided by the successful execution of their respective regional development plans. In the future, some or all of the regions identified in Phase 2, as well as other future applicants, may be well-positioned for state funding if they continue to progress and if the initiative receives further support from the General Assembly.

APPENDIX A

STRATEGIC REVIEW COMMITTEE MEMBERS



John Thompson

Strategic Review Committee Chair
CEO
Thompson Distribution Company

Mr. Thompson is Chairman and Chief Executive Officer of the following, Indianapolis based organizations: Thompson Distribution Company, Inc., a distributor of mechanical supplies and equipment; First Electric Supply Company, LLC, a distributor of electrical supplies and equipment; CMID, an architectural and engineering design firm; and BC-SESCO, a fabricator and installer of millwork. Mr. Thompson also served as a consultant for McKinsey and Company in the New York and London offices from 1981-1982. In 1983 he operated as an independent consultant to several Fortune 500 corporations from a NYC office. From 1984 to 2001, Mr. Thompson served as vice president of Mays Chemical Company, Inc., in Indianapolis. He serves on the Boards of The National Bank of Indianapolis-Chair ALCO Committee; Herff Jones Corporation as Lead Director until the sale of the Company 12/12/2014; Heron Capital's Advisory Board; Greater Indianapolis Chamber of Commerce (Past Chairman); Central Indiana Corporate Partnership (CICP); Indiana Economic Development Corporation-Chair-Entrepreneurship Committee; Indiana Black Expo (Past Chairman); Indiana Stadium and Convention Building Authority; Eskenazi Foundation; Riley Children's Hospital Foundation; Ivy Tech Corporate College; Indiana Chamber of Commerce; Greater Indianapolis Progress Committee; Columbia University Graduate School of Business and Studio Museum of Harlem. Past board chair positions include Indianapolis Museum of Art and Junior Achievement of Central Indiana. He earned an MBA from Columbia University and a B.S. in Chemical Engineering from Cornell University. He is a member of Eastern Star Church and Kappa Alpha Psi Fraternity. He and his wife Norma have three adult children and four grandsons.



Keira Amstutz

President and CEO
Indiana Humanities

Keira Amstutz took the helm of Indiana Humanities in April, 2008, as president and CEO. A lawyer with experience in public policy, economic and cultural development, Keira is passionate about developing creative humanities programming that encourages Hoosiers to think, read, talk and connect. Prior to joining the organization, Keira served as chief counsel and director of policy for the City of Indianapolis. She led the city's successful Cultural Development Initiative, a public-private collaboration launched to elevate the city's cultural profile. Keira serves, or has served, on a variety of community boards including Visit Indy, Indy Hub, The Federation of State Humanities Councils, Stanley K. Lacy Leadership Series Advisory Committee, Indiana University Law and Public Policy Advisory Committee, Indiana University School of Physical Education and Tourism Management, Center for Agricultural Science and Heritage at Indiana State Fair, and Indianapolis Downtown, Inc. She has served on strategic committees for many community organizations and events including the 2012 Indianapolis Super Bowl Host Committee, 2015 Men's Final Four, Ivy Tech, Indianapolis Museum of Art, the Eiteljorg Museum of American Indians and Western Art. A Hamilton, Ind., native, Keira graduated from DePauw

University with a degree in political science and served as a fellow in the office of former Indiana governor Evan Bayh. She earned a J.D. from the Indiana University McKinney School of Law and graduated from the Stanley K. Lacy Leadership Series. In 2006 the Indianapolis Business Journal named her one of Indianapolis' "40 under 40" and in 2012 she was named a "Woman of Influence." In 2015 she was awarded a Creative Renewal Fellowship by the Arts Council of Indianapolis.



Kathy Davis
President and Owner
Davis Design Group

Kathy Davis has been a public servant, operations leader, and entrepreneur. Trained as a mechanical engineer, Kathy is motivated to design systems that get their desired results. She has succeeded in making needed change in a wide range of industries and disciplines—from designing submarines to be quiet to leading the state's social services agency with a \$5B budget. Kathy founded Davis Design Group to help organizations mobilize around what people need to reach goals. Kathy has a lengthy and varied career in public service serving at the Indiana Department of Transportation, as Indiana State Budget Director, Secretary of the Family and Social Services Administration, and Controller for the City of Indianapolis. In 2003, Kathy was appointed Lieutenant Governor of Indiana and was the first woman to hold that position. Alongside guiding DDG's daily operations, Kathy serves on the boards for the Lumina Foundation for Education, Noble of Indiana, The Central Indiana Community Foundation and Indianapolis Foundation, and on the Dean's Councils of Indiana University School of Public and Environmental Affairs, WGU Indiana, and the IU Public Policy Institute. Additionally, she is the Chairman of the Board of Chembio Diagnostics Inc. A graduate of the Massachusetts Institute of Technology in Mechanical Engineering, Kathy also holds a MBA from Harvard Business School.



Larry Gigerich
Managing Director
Ginovus

Larry Gigerich serves as Managing Director of Ginovus. Ginovus is a North American site selection advisory services firm headquartered in Indianapolis, Indiana. In addition to leading projects for client engagements, he is responsible for the firm's business development, financial management and quality control. Ginovus has served approximately 250 clients to date. Larry is internationally recognized for his excellence in corporate location strategy and project management skills. He is a regular speaker and panelist at North American site selection conferences, and also authors and is quoted in articles for global business media publications. In addition, he serves as a member of the Site Selectors Guild, an association comprised of 36 top corporate site selection professionals in the world. He was selected by his peers in 2013 to join the Guild. Prior to the founding of Ginovus in 2002, Larry worked in a variety of economic development settings, including Deputy Director of Business Development for the Indiana Department of Commerce, Senior Advisor to the Mayor of the City of Indianapolis for Economic Development and Workforce Development and President of Indianapolis Economic Development Corporation. He also served as Senior Vice President of RealMed Corporation, a healthcare information technology company. Larry has worked on approximately 500 economic development and site selection projects resulting in over \$10 billion of capital investment.

At Ginovus, he has served nationally recognized companies such as: BP, Casey's General Stores, Charles Schwab, Comcast, Dorel Juvenile Group, Formica, Genesco, Interactive Intelligence, Multi-Color Corporation, Oracle, OSP Group, Reckitt Benckiser, Roche Diagnostics, Salesforce.com, The Capital Group Companies, and The Finish Line.



Stephen Goldsmith

Daniel Paul Professor of the Practice of Government John F. Kennedy School of Government
Harvard University

Stephen Goldsmith is the Daniel Paul Professor of the Practice of Government and the Director of the Innovations in American Government Program at Harvard's Kennedy School of Government. He currently directs Data-Smart City Solutions, a project to highlight local government efforts to use new technologies that connect breakthroughs in the use of big data analytics with community input to reshape the relationship between government and citizen. He previously served as Deputy Mayor of New York and Mayor of Indianapolis, where he earned a reputation as one of the country's leaders in public-private partnerships, competition, and privatization. Stephen was also the chief domestic policy advisor to the George W. Bush campaign in 2000, the Chair of the Corporation for National and Community Service, and the district attorney for Marion County, Indiana from 1979 to 1990. He has written *The Power of Social Innovation*; *Governing by Network: the New Shape of the Public Sector*; *Putting Faith in Neighborhoods*; *Making Cities Work through Grassroots Citizenship* and *The Twenty-First Century City: Resurrecting Urban America*; and *The Responsive City: Engaging Communities Through Data-Smart Governance*.



Gary Hobbs

CEO
BWi

Gary Hobbs, PMP, is an entrepreneur and former corporate executive with extensive experience in real estate, technology, and healthcare. He started his career as an electrical design engineer and has successfully migrated through the corporate ranks of companies like AT&T, Eli Lilly, and Roche Diagnostics. As an engineer, project manager, business executive, developer, and entrepreneur he has led organizations of up to four hundred people and budget responsibilities spanning well over \$100M. Currently, he is CEO for BWi. Gary founded BWi in 2005 as a development, property management and construction management company. BWi's target market is urban development within Indiana and their primary focus is multi-family and mix-use tax credit development. Currently, BWi has a portfolio of eight tax credit projects with several more in the pipeline. One of the more recent and notable developments is First Devington which received the Indianapolis Sustainability Award from the Mayor in 2014. In addition, Mr. Hobbs has given countless hours and support back to the community. Due to his passion in assisting disadvantaged, teenaged youth, he has been actively involved with several local non-for-profit boards and Purdue University. He has been honored several times as an outstanding speaker and leader within the public and professional community. Gary Hobbs holds a B.S. and M.S. in Electrical Engineering, and a M.B.A in Finance from Purdue University. He is a licensed Project Management Professional (PMP) with international notoriety for his insight and contribution to this field. Gary is married and the proud parent of three children.



Ryan C. Kitchell

Executive Vice President and CFO
Indiana University Health

Indiana University Health named Ryan Kitchell as chief financial officer in 2012. Kitchell first joined IU Health in September 2010 as treasurer. Before that, he worked more than five years for Indiana Governor Mitch Daniels, first as public finance director and then as director of the Office of Management and Budget. Before assuming his responsibilities with the State of Indiana, Kitchell served in various financial roles at Eli Lilly & Company, the Indiana Fiscal Policy Institute and Prudential Capital Group. Kitchell holds an economics degree from Indiana University and an MBA degree from the Tuck School of Business at Dartmouth. He also holds the Chartered Financial Analyst (CFA) designation. Kitchell is a member of the board of the Indiana Sports Corporation, the Mitch Daniels Leadership Foundation, the Indiana Motorsports Commission, the Boy Scouts Crossroads of America Council, and NICO Corporation. Ryan and his wife Molly have been married for 16 years and have four children.



Chris LaMothe

CEO
Elevate Ventures

Mr. Christopher P. LaMothe, also known as Chris, is the Chief Executive Officer at Elevate Ventures. He recently served as an Executive Vice President of Transportation and Industrials at Element Materials Technology Holding Netherlands B.V. after selling Sherry Laboratories where he served as partner, Chairman and CEO. Mr. LaMothe is also the Founder of Ascendanci Ventures LLC and serves as its Chief Executive Officer and President. Prior to founding Ascendanci, he served as the Chief Operating Officer and President at Oxford Financial Group Ltd. Additionally, he also served as the Chairman and Chief Executive Officer of the Trust Company of Oxford. Prior to Oxford, he served as the President & Chief Executive Officer of the Indiana Chamber of Commerce. He serves or has served on a number of Boards including Harris and Ford, LLC, NuVo Technologies, and Ontario Systems, LLC. Additionally, Mr. LaMothe serves or has served on the board of a number of civic Boards including the Chicago Federal Reserve Bank Advisory Board, Junior Achievement of Central Indiana, The Indianapolis Zoo, the Indianapolis 500 Festival Board, Indiana University Business School Board of Visitors, the Indiana Chamber of Commerce, and TM Youth Foundation. He has long been involved in investing and/or providing strategic and leadership consulting services to a number of firms including: Sherry Laboratories Inc., Harris and Ford, LLC, Paetec Communications, Street Corner Property Group, Ontario Systems, LLC, and Oak Security Group. Mr. LaMothe holds an M.B.A. from Indiana University and a B.S. degree in Marketing from the Ball State University.



Mark Maassel

President

Indiana Energy Association

Mark Maassel brings a unique blend of electric utility executive leadership, engineering knowledge and a demonstrated commitment to civic engagement to the Indiana Energy Association (IEA) in his position as president. Maassel has devoted his career to help ensure that Hoosiers enjoy access to affordable and reliable energy for their homes and businesses. "Indiana Energy Association member companies are committed to the customers they serve," says Maassel, "just as the Indiana Energy Association is focused on securing policies that enhance our members' ability to deliver affordable, reliable and increasingly cleaner energy to all Hoosiers." Maassel has served as President and CEO of the regional business membership economic development organization, Northwest Indiana Forum, and has held multiple senior level leadership positions at the Northern Indiana Public Service Company (NIPSCO), including serving as president. His prior leadership roles in the energy industry include membership on the Gas Technology Institute Board of Directors, Edison Electric Institute Board of Directors and participation on various American Gas Association committees. Maassel has also served as Of Counsel for the law firm of Krieg DeVault. With a dedication to civic involvement, Maassel has held multiple community leadership positions, including chair for the 2008 United Way of Porter County Campaign, Chair of the Porter County Community Foundation, President of the Crisis Center Board of Directors, and Board president of the Valparaiso Community Schools. In 2008 he was selected for the inaugural class of the Northwest Indiana Business Hall of Fame and received a "Sagamore of the Wabash" award from Governor Mitch Daniels. Maassel holds a degree in Civil Engineering from the University of Minnesota, along with a juris doctorate from Chicago-Kent College of Law.



Mitch Roob

Executive Vice President

KERAMIDA

Mr. Roob's impressive career path includes serving in key roles in both Indiana Governor Mitch Daniels' and Indianapolis Mayor Steve Goldsmith's Administrations. Specifically, he served as Secretary of Commerce and CEO of the Indiana Economic Development Corporation (IEDC), and Secretary of Family & Social Services Administration, both under Governor Mitch Daniels, and as Director of DPW/DOT under Mayor Goldsmith. He has also served as President & Chair of the Marion County Health and Hospital Corporation and as COO of the Indianapolis Water Company. In addition, Mr. Roob was the co-founder of NetGov, an Internet firm which was eventually bought by Lockheed Martin. Mr. Roob served as VP of Lockheed Martin/ACS and most recently as President and CEO of Wound Vision, a medical hardware and software technology firm. He holds a B.A. from DePauw University and an M.B.A. from the University of Notre Dame. Mr. Roob's many accomplishments include the development and implementation of a \$500 million "Building Better Neighborhoods" infrastructure plan, the Wishard Advantage program and the Healthy Indiana Plan (HIP). As Secretary of Commerce Mr. Roob spearheaded legislation making Indiana more competitive, he helped to secure corporate relocations and expansions in Indiana projecting 75,000 new jobs and \$14.3 billion in capital investments, and re-engaged the State with China's market.



Paul Wheatley

Principal

The Wheatley Group, LLC

The principal and founder of The Wheatley Group, LLC is Paul Wheatley, a recognized leader in the economic development profession. With more than ten years' experience in municipal government, public finance and project management roles, Paul provides the leadership and knowledge required to execute strategic initiatives that promote economic growth. Paul Wheatley is the former Director of Marketing and Finance at the River Ridge Development Authority, which administers the management and development activities of a 6,000 acre industrial park in southern Indiana. During his four year tenure at the Authority, corporate investments created more than 2,500 job commitments and leveraged over \$330 million in capital investments. Mr. Wheatley has an extensive economic development and public finance background from serving in marketing and development positions at both One Southern Indiana and the Cities of Jeffersonville and New Albany. Along with his business development and attraction duties, his responsibilities also included managing the tax increment finance (TIF) district as well as the enterprise zones at River Ridge Commerce Center and City of Jeffersonville. He holds a Public Affairs degree from Indiana University and has an Economic Development Finance Professional (EDFP) certificate from the National Development Council. He has a Master's in Business Administration from Bellarmine University.

