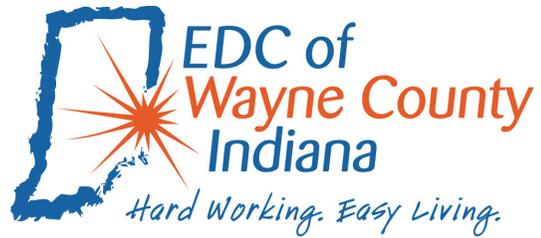


Economic Development Strategic Plan for EDC of Wayne County, Indiana



Prepared by Ady Voltedge
January 21, 2014



Executive Summary

Introduction

Wayne County, which once experienced a robust economy driven primarily by large manufacturing operations, has faced difficult economic times in recent decades. The community came together in 2013 to sponsor this economic development strategic plan. The direction from community leaders was not to reminisce about Wayne County's past successes, nor to rehash the current situation, but to create a vision for the future and a game plan for achieving a revitalized Wayne County economy.

Throughout the process, stakeholders from a broad cross-section of Wayne County demonstrated their interest in the success of the initiative. A total of over 375 responses were received from people who participated in the one-on-one interviews with the consulting team, and online survey. In addition to this participation, numerous individual stakeholders were involved throughout the process. These levels of participation were very high for a county of this size.

The resultant implementation and marketing plan charts a way forward. It is not an easy way forward, and it will not be accomplished overnight. But it is a viable way forward, and one that, with the continued support of the community, will result in a brighter future for the people who call Wayne County home.

Key Themes

The key themes that weave their way through the Wayne County economy and our recommendations are as follows:

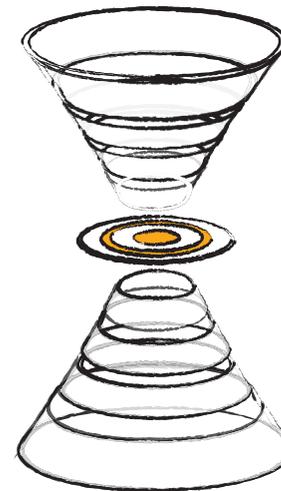
- A recognition of the industries that made Wayne County what it was – and supporting their continued operations – while simultaneously providing enhanced business counsel and advice to assist these and other existing businesses to add value to their operations. By finding opportunities for adding value, employees can be taught new skills, which in turn lifts the Wayne County economy.
- At the same time, there are selected new opportunities for methodically and systematically cultivating new industries and businesses. These include focusing on industries such as agribusiness, which show steady growth and an opportunity for adding value. These also include treating Wayne County’s educational and healthcare institutions as not only key assets and partners in and of themselves, but also industries ripe for further expansion, growth, and development (such as, for an example, in medical devices).
- Building off the strong base that has already been created, the Economic Development Corporation of Wayne County (“the EDC”) will focus on business retention, expansion, and attraction; industrial park development; marketing communications to both internal and external audiences; and growing the skill level of the labor force.
- To achieve the vision presented by this plan, however, new capabilities will need to be brought on board, which necessitates the need for additional funding. When you consider that the EDIT funding currently provides one of the EDC’s greatest competitive advantages, and that many economic development organizations (EDOs) in Indiana are now at least partially funded by private organizations, the EDC needs to maintain its current level of public funding and increase the level of private funding. However, it is still paramount to continue EDIT funding in at least the same level of contribution as those funds have a considerable impact on economic development and incentives, all of which enhance Wayne County’s overall competitiveness.

Plan Project Charter

- Develop a five year vision for economic development that can inform resource allocation.
- Coordinate efforts throughout the County among key partners.
- Communicate economic development initiatives to inside and outside audiences.
- Generate buy-in among key constituencies.
- Identify needed initiatives and programing to grow business through retention, expansion and target industry attraction.
- Develop a baseline and metrics to measure performance over time.

Project Process

The process for developing the EDC of Wayne County Strategic Plan is based on the DISCOVER, DISTILL, DO model. The process utilizes existing research and target industries to focus on identifying the County's strategic assets and developing its competitive position. The positioning, when aligned with the economic development goals transitions into strategy setting and implementation planning.



DISCOVER

County Familiarization
Directed Interviews and Focus Groups
Asset Mapping
SWOT

DISTILL

Gap Analysis
Competitive Positioning

DO

Goal Setting
Organizational Strategies
Economic Growth Strategies
Marketing Plan
Implementation Plan

Stakeholder Input

There are dozens of stakeholder groups of the EDC of Wayne County. Many of these groups were interviewed as part of this project and are listed below; however there are also several other stakeholder groups that may not be listed as they chose to participate in other ways.

Beals-Moore & Associates, Inc.
Birth to Five
Brady Ware & Company
Business / Industrial Owners & Plant Managers
Cambridge City Town Council
Cambridge City Area Chamber of Commerce
Cardinal Greenways
Center City Development Corporation
Centerville-Abington Community Schools
Centerville Town Council
City of Richmond Administration
Communities in Schools of Wayne County
Constituent Services – Congressman Messer
Contemporary Consulting
Cope Environmental Center
Council on Economic Vitality (CEV)
Davis Jewelry Company
Earlham College
Economic Growth Group
EDC Board, Committees, Staff, & Retirees
First Bank Richmond, N.A.
First Richmond Group, LLC
Hagerstown Town Council
Helping Young Professional Engage (HYPE)

Indiana American Water
Indiana Municipal Power Agency (IMPA)
Indiana Small Business Development Center (ISBDC)
Indiana University East
IronGate Creative
Ivy Tech Community College
Land Owners
Lingle Real Estate
Manpower of Richmond
Milton Town Council
Norfolk Southern Corporation
Palladium-Item
Positive Place Initiative
Prime Property Realty
Purdue College of Technology
Reid Hospital & Health Care Services
Relay for Life of Wayne County
Rhett Baumgartner Commercial Real Estate
Richmond Area Career Center
Richmond Art Museum
Richmond Board of Aviation Commissioners
Richmond Common Council
Richmond Community Schools
Richmond Friends School

Richmond Parks & Recreation
Richmond Power & Light
Richmond RiverRats
Richmond Sanitary District
Richmond Symphony Orchestra
State of Indiana
Summersault
Urban Enterprise Association
Wayne Bank and Trust Co.
Wayne County Administration
Wayne County Area Chamber of Commerce
Wayne County Breast Feeding Coalition
Wayne County Commissioners
Wayne County Convention & Tourism Bureau
Wayne County Council
Wayne County Foundation
Wayne County Literacy Coalition
Wayne County Planning, Zoning, and Permits
Wayne Township Trustee
WayNet, Inc.
West End Bank, S.B.
Whitewater Community Television (WCTV)
Whitewater Valley REMC
WorkOne

KEY ECONOMIC ASSETS OF WAYNE COUNTY

A thorough review and evaluation of Wayne County's economic assets identified the following as key assets, which will be used to substantiate Wayne County's positioning to existing and prospective companies and employees.



Availability of Low-Skilled Labor

Labor Costs



Training Programs

Education

Highway Access

State Regulatory & Permitting

Future Land Use

Land Costs

Local Incentives

Business Attraction Capacity



Local Regulatory and Permitting

Corporate Taxes

Payroll Costs

Personal Taxes

Marginally Competitive ★
Competitive ★★
Very Competitive ★★★

STRENGTHS, WEAKNESSES, OPPORTUNITIES and THREATS (SWOT)

Key Themes: Opportunities

Collaboration/Networking:

This includes an extensive alumni network, relationships with other ED organizations, a willingness to work together and to accept new ideas, and the opportunity to expand and strengthen support from stakeholders.

Targeted Support:

This includes matching workforce development training support to needs of employers, matching needs of employers to degree programs offered locally, engaging the business community to develop leads within their industries.

Industries:

Examples of industries that were mentioned include transportation/warehousing, agri-business, machine tooling, plastics, and tech firms.

Funding:

Listed were opportunities to increase private funding.

Connections with China and Japan:

Some existing businesses, K-12 and a local college have longstanding relationships with Asian companies and institutions.

Reid Hospital:

Reid has 90 acres to develop, and a strong interest in recruiting and attracting talent and growing the population base in the region.

STRENGTHS, WEAKNESSES, OPPORTUNITIES and THREATS (SWOT)

Key Themes: Strengths

Location:

This includes six interstate interchanges on I-70, and its strategic location between three major population hubs (Cincinnati, Indianapolis, and Dayton).

EDC Leadership:

Participants noted the strength of EDC leadership, the good relationships the EDC has cultivated with community organizations, the support from politicians and county government, and the small, nimble staff.

Available Land:

There are some shovel-ready sites available in the County.

Diversity of Industries and Businesses:

Included were comments about the strong core of local businesses, the relatively diverse local economy, the collaboration of similar businesses that could trade services, and a diverse industry presence.

Low Cost Structure:

Low cost labor, low cost of living, publicly-owned utilities were all mentioned as factors contributing to an overall low cost structure.

Workforce Training:

Workforce training, through Ivy Tech and other local providers, is available.

Incentives:

EDIT funds and tax abatements are available.

Available Workforce:

Noted was the presence of under- or unemployed workers.

STRENGTHS, WEAKNESSES, OPPORTUNITIES and THREATS (SWOT)

Key Themes: Weaknesses & Threats

Lack of Suitable Properties:

This includes sites as well as buildings, including those that are rail-served, highway accessible, and ready for building/occupancy.

Expectations of ED Organization Relative to Resources:

Comments included lack of understanding about the EDC and its activities, the high and sometimes conflicting expectations of the organization, and the small staff/limited resources of the organization.

Low-Skilled Workforce:

The low level of current educational attainment was a key comment, although also mentioned was the opportunity to integrate learning of soft skills into the K-12 curriculum and the vast educational resources provided by Ivy Tech, IU East, Purdue COT and Earlham in the region.

Perceptions and Attitudes:

A pervasive theme was negative attitudes of the population, including a “lazy culture” coupled with “drug usage” relying too heavily on “assistance for everything.”

Additional Weaknesses & Threats:

These included a failure to understand the digital divide, limited high- to mid-skilled labor, low per capita income, a lack of venture capital, and an average to low pay scale.

Definition of Economic Development for EDC

This project confirmed that the core of the EDC's efforts should continue to be:

- Business development, weighted toward business retention and expansion (BRE) but also including business attraction and recruitment
- Marketing and communications
- Industrial park development
- Growing the skill level of the workforce

At the same time, the following were some of the key elements that were explicitly included in the definition of Economic Development for the EDC:

- Overseeing inclusion in regional economic development efforts for Wayne County
- Ensuring an adequate property inventory. Most property searches start with the search for a building as it reduces the time to market or operation; thus having the necessary supply of buildings allows Wayne County to be able to market these to potential businesses, including the possible development of plans for virtual buildings and the encouragement of the development of speculative buildings by outside developers.

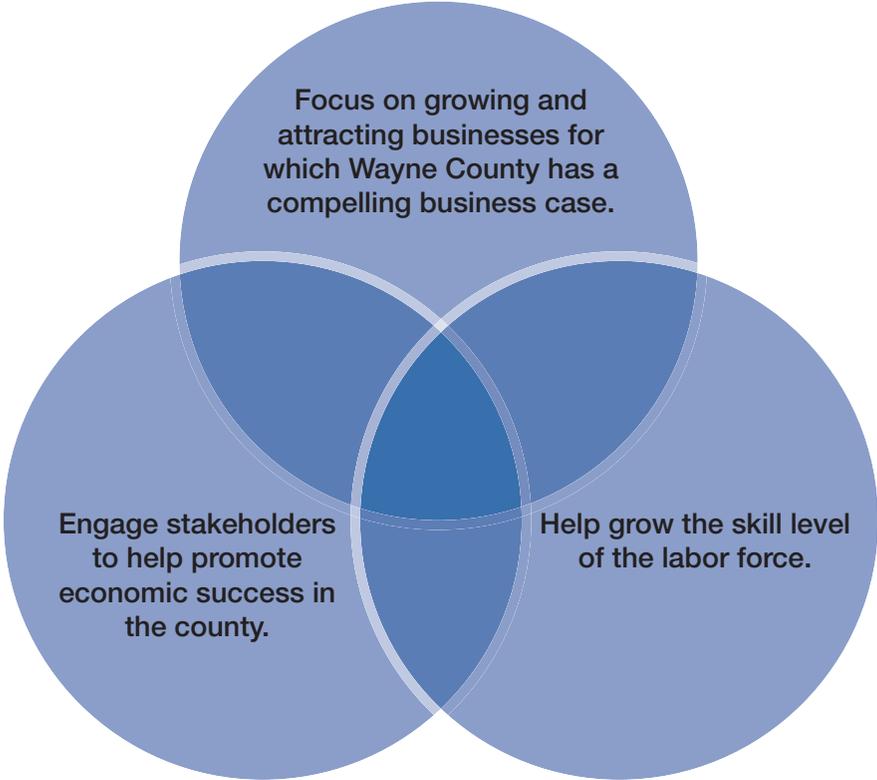
The following were some of the key elements that were explicitly excluded in the definition of Economic Development for the EDC. Note that these are still valid initiatives, but not initiatives under the leadership of the EDC:

- Doing adaptive re-use of old buildings and/or historic preservation and beautification
- Working with retailers on location decisions and/or actively seeking new retail development opportunities
- Tourism
- Entrepreneurialism

A discussion of the full definition of Economic Development for the EDC can be found in the full report.

Economic Development Goals

The following three- to five-year goals were established for the EDC. They are each considered equally high in importance.



Economic Development Goals

Overview of Key Recommendations

	FOR THE EDC		FOR WAYNE COUNTY	
	What	Why	What	Why
What Stays	<ul style="list-style-type: none"> Current program focus 	<ul style="list-style-type: none"> They're working 	<ul style="list-style-type: none"> Existing residents, businesses and stakeholders 	<ul style="list-style-type: none"> Because they have opportunities within Wayne County to grow
What Gets Enhanced	<ul style="list-style-type: none"> Direct assistance to businesses More outbound recruitment of companies 	<ul style="list-style-type: none"> Because the community wants more growth 	<ul style="list-style-type: none"> Pride in the community Diversity of businesses Strength of businesses Skill levels, and wages, of employees 	<ul style="list-style-type: none"> Because economic growth will occur
What Gets Minimized	<ul style="list-style-type: none"> Some stakeholder communications 	<ul style="list-style-type: none"> Because stakeholders will know better what's going on 	<ul style="list-style-type: none"> In-fighting and negativity 	<ul style="list-style-type: none"> Because there is a path out, and progress can be seen
How It Gets Done	<ul style="list-style-type: none"> Maintain EDIT funding Grow private sector funding (with deliverables) Hire a full-time person to provide direct business assistance 	<ul style="list-style-type: none"> To help existing businesses add value To help employees enhance their skill levels 	<ul style="list-style-type: none"> Willingness to change Working together with others for shared goals 	<ul style="list-style-type: none"> Community momentum can revitalize growth

Industry Focus and Approach

	MAINSTAY INDUSTRIES	STARS	OPPORTUNITIES
Description	They're working	Driving growth and economic success	Providing growing, emerging markets
EDC Approach	<i>Work to maintain current employment while simultaneously helping shift employers to higher-value opportunities.</i>	<i>Invest selectively in growing businesses in these industries, focusing on value-added agribusiness and partnering with local healthcare and educational institutions.</i>	<i>Help businesses in the professional services industry serve clients outside of the local market and work to improve the talent pipeline for the type of labor this industry requires.</i>
Target Industries	<ul style="list-style-type: none"> • Advanced Materials • Chemicals & Chemical-Based Products • Machinery Manufacturing • Forest and Wood Products • Fabricated Metal Product Manufacturing • Transportation Equipment Manufacturing (automotive) 	<ul style="list-style-type: none"> • Agribusiness, Food Processing & Technology • Warehousing/ Distribution to support Agribusiness, Food Processing & Tech. • Biomedical/Biotechnical • Education and Knowledge Creation 	<ul style="list-style-type: none"> • Business and Financial Services • Defense

Key Performance Indicators

The goals, approach, and target industries lead directly to the identification of Key Performance Indicators for both the EDC and Wayne County as a whole.

Key Performance Indicators for the Wayne County economy:

- Number of Business Retention and Expansion (BRE) interviews conducted annually
- Number of existing companies, jobs, and/or investment that was retained or grown due to the involvement of the EDC
- Number of projects for which the EDC provided project oversight (Business Retention and Expansion (BRE) or attraction)
- Number of Request For Information or Request For Proposals (RFI/RFPs), responded to, percent that result in a site visit, number of project wins
- Number of relationships with site selectors and corporate real estate professionals in targeted industries, including direct leads and projects from these decision influencers
- Amount of shovel-ready sites available for investment
- Success of specific programs in which the EDC played a pertinent support role (education, training, capital, etc.)

Key Performance Indicators for the Wayne County economy:

- Level and percent increase in average wages
- Diversity of employer base
- Employment retention/growth relative to index (i.e., whether Wayne County's share of a star or growth target industry is maintaining or growing market share on a national basis)
- Time required to get through public approvals for incentives provided to companies investing in Wayne County
- Awareness and positive perception of Wayne County among stakeholders and residents
- Awareness and positive perception of Wayne County among decision makers and influencers

About Ady Voltedge

Ady Voltedge is an economic development consultancy and site selection firm. It has worked with over 200 economic development organizations nationwide, on projects ranging from economic development strategic planning, labor force analyses, and business case development to positioning, branding, marketing planning, and website development.

www.adyvoltedge.com