**Introduction**

Indiana is not homogeneous and different parts of the state have different strengths and opportunities. Recognizing this, the Indiana Department of Commerce (IDOC) announced a regional approach to the delivery of economic development services late in 2002, following a study by Market Street Services on the best practices for economic development in today's changing economy. The twelve multi-county regional offices were established in 2003 to place representatives from the Indiana Department of Commerce closer to their constituents and to begin to build the regional partnerships that are needed to grow the local economy and strengthen the state. In the first year, there was already evidence that this approach increased the awareness of and utilization of state programs by local businesses, while providing state officials with a clearer understanding of the needs of each region.

Advisory Councils were formed in each region to serve as steering committees for planning and to provide feedback and recommend suggestions to the Regional staff. To ensure coordination in their planning efforts statewide, the Indiana Department of Commerce engaged the Indiana Economic Development Council (IEDC) to direct and manage a regional planning process in conjunction with efforts also underway to update the Statewide Plan for Economic Development. This partnership will result in plans that are inter-related at the state and regional levels and help to ensure that the tools and engagement necessary for implementation are in place.

Indiana is standing at a critical juncture in its history with choices that can guarantee Hoosiers a strong economy and a good quality of life. In the state and regional plans, known collectively as *A New Path to Progress*, decision makers at all levels will find the policy recommendations that lead to that better future. The Indiana Economic Development Council is proud to be a partner in this effort, along with our team member Policy Analytics, LLC. We want to express our gratitude to the many individuals in Region 3 who have contributed so extensively to this planning process and to the many other economic development efforts across the region that were examined to insure that the Commerce Region 3 staff is positioned to provide the most needed services and leadership to the businesses and residents of this region.

In 2005, the IDOC elected to reduce the number of regions from twelve to five. We believe that the work presented in these regional reports will be more critical than ever in assisting the Commerce staff and policy makers in these larger regions as they seek to strengthen their local economy.
Greetings!

The Indiana Department of Commerce, in cooperation with the Indiana Economic Development Council, has been diligently working to create this region specific strategic economic plan. This plan represents the initial step in the process, a tool to point us in the right direction and upon which to build.

During this process partners from Region 3, representing Adams, Allen, DeKalb, Noble, Steuben, Wells and Whitley Counties, met to discuss the strengths, weaknesses, challenges and opportunities within the region and desires for continued growth and prosperity. Input was also received through interviews with local leaders, focus groups and public surveys in an effort to gather input from key stakeholders.

As with all plans, this represents the thoughts and visions of many. It is a plan that can evolve as we continue the process of defining objectives and implementing strategies, and regional input and cooperation is essential. Your initiatives have made a difference in Northeast Indiana and will make a difference in our future as we work together to assist our businesses to be more competitive and strengthening our communities.

Sincerely,

Dan Yamanaka
Director, Region 3, 2004
Indiana Department of Commerce
Region 3
Economic Development Strategy

Executive Summary

The Indiana Department of Commerce and the Indiana Economic Development Council have partnered to create a new state economic development strategy and a set of strategies for IDOC Region 3. At the regional level the planning process has been overseen by the region’s Advisory Council. The Advisory Council consists of twenty-one members representing small and large employers, economic development organizations, educational institutions K through 16, and local government.

The Indiana Economic Council has identified seven key drivers of the state economy, which have served as the basis for the planning process.

- Globalization
- Thinking Regionally
- Business Innovation
- Workforce/Education
- Smart Government
- Infrastructure
- Quality of Life

The Region 3 Advisory Council (RAC) has held three planning sessions. Purdue University and the Indiana Business Research Center provided statistical information on the state and regional economy for these sessions. In addition to these sessions, a public meeting was conducted. Guided by this information, the Advisory Council has adopted a goal under each driver and a set of objectives defining the activities to achieve each goal.

The Region 3 Advisory Council has chosen seven goals for its economic development strategy. These goals are:

1. Position all businesses in the region to compete in the global marketplace
2. Recognize the needs of the region and promote collaborative solutions
3. Promote business innovation through region-wide cooperation, diversification, and enhanced venture capital opportunities
4. Collaborate with higher education organizations to provide leadership in workforce training and economic development
5. Promote cooperation among communities in order to capitalize on regional economic assets
6. Utilize and enhance regional infrastructure assets to progress regional economic development
7. Promote a high quality of life throughout the region
Region 3 consists of Adams, Allen, De Kalb, Huntington, Noble, Steuben, Wells, and Whitely Counties. The region is bounded on the north by Michigan. The region’s eastern boundary runs along the Ohio state-line. The region has excellent interstate access with I-80/90 traversing the northern portion of the region from east to west. Region 3 also contains I-69, a north-south corridor, which connects it to Michigan to the north and Indianapolis to the south.

The region includes the Fort Wayne Metropolitan Statistical Area. The City of Fort Wayne is the region’s primary economic hub and the state’s second largest city. The 2003 population for Fort Wayne was 219,495. The region’s communities are mostly rural, with the exception of Fort Wayne, which is urban to suburban. In 2003, Region 3’s population was 593,325. Between 1990 and 2000, the region’s population grew at a rate of 11.5%, which is higher than the state’s growth rate of 9.7% for the same time period.
Profile of Region 3

Region 3 has numerous assets that will be important in developing the region's economy. This region has strengths in the defense, advanced manufacturing, and financial services sectors and is home to ITT Aerospace, Raytheon, General Motors Truck Group, and Waterfield Mortgage Company. Additionally, Fort Wayne offers the region numerous sports, entertainment, and cultural activities. Region 3 is also a center for medical research. Indiana University-Purdue University at Fort Wayne has recently received a $14 million grant to study medical research. The region is served by an extensive transportation network, which includes the Fort Wayne International Airport.

The unemployment rate in Region 3 was 5.3% in November 2004. The rate is 0.4 percentage points higher than Indiana’s overall unemployment rate for the same period.

In 2003, the region's largest industrial sector, in terms of numbers employed, was manufacturing with 26.0% of the workforce or 73,874 employees. The total manufacturing workforce for the state of Indiana was 20.3%, a number indicating that Region 3’s economy is less diverse and more reliant on manufacturing. For 2003, the largest manufacturing cluster in Region 3 was transportation equipment manufacturing, where the region has a location quotient of 3.7. In 2003, transportation equipment manufacturing\(^1\) represented 5.1% of Region 3’s total employment. The 2003 average transportation equipment manufacturing wage for the region was $50,486. This wage is $18,237 (56.6%) more than the average wage for the region and $5,034 (11.1%) more than the average wage for the state.

Between 2001 and 2003 Region 3 lost 8,670 jobs. Mirroring this trend, the transportation equipment-manufacturing cluster shed 976 jobs during the same period. In the Milken Institute's 2004 Best Performing Cities, the Fort Wayne MSA ranked 191st out of 200 of the largest metropolitan areas in the nation for total job creation.

\(^1\) NAICS 336
Region 3 Cluster Analysis

Over the last ten to fifteen years, cluster analysis has emerged as a new way of looking at economic development, integrating regional differences in development and economic specialization. An increasing number of states and regions in the US and overseas have modified their economic development strategies to focus and capitalize on the business and industry clusters where they have, or would like to have, a competitive advantage. In adopting a cluster strategy, states and regions hope to maximize their competitive advantage in existing industries and to build new strengths in the emerging industries that will replace older, declining sectors.

Fourteen potential clusters were studied during the current process of creating the state economic plan. The same fourteen clusters that were studied for the state of Indiana as a whole were also examined for Region 3 and each of the remaining 11 IDOC regions. Owing to issues of data suppression for confidentiality reasons at the regional and local level, and to issues regarding the switch from SIC to NAICS codes, the regional cluster analyses have been conducted using a slightly different data sequence from the State analysis. Regional clusters have been studied for the period 2001-2003 (third quarter data) giving a slightly different snapshot of the regional clusters. Subsequent analyses will be needed to expand this time series and improve knowledge about trend directions in the regional clusters. The analysis of Region 3’s cluster data nevertheless reveals some important points about the regional economy.

The fourteen clusters are:

1. Advanced Business Services
2. Advanced Logistics
3. Advanced Manufacturing
4. Advanced Materials
5. Agribusiness, Food Processing and Technology
6. Arts, Entertainment, Recreation, and Visitor Industries
7. Biomedical/Biotechnical (Life Sciences)
8. Chemicals
9. Earth Products
10. Educational Services
11. Environmental Technology
12. Forest and Wood Products
13. Information, Communications, and Media Industries
14. Information Technology

Because of the short, two-year time period (2001-2003), the analysis of these clusters should be seen as a snap shot of the regional economy and might not necessarily indicate long-term trends. These clusters were analyzed from several perspectives, including total employment, employment growth, wages and the growth in specialization in each cluster relative to that same cluster nationally. Chart 1 shows the size of employment in each of Region 3’s clusters, the degree to which employment in each cluster is concentrated in the area (compared to the nation) by the size of its location quotient, and the percent change in the size of the location quotients over the period.

A cluster can be categorized by the growth of its employment specialization. A “Star” cluster is one that is already specialized and is becoming even more concentrated. A “Mature” cluster refers to those that are specialized but are currently becoming less concentrated.
The “Emerging” clusters are defined as those that are currently not specialized, but are becoming more concentrated in their particular grouping. The “Transforming” clusters are not specialized, and appear to be decreasing in concentration. In using these categorizations, however, it is important to note that the relative position of clusters can be changeable in the short term.
Table 1 - Region 3 Changes in Employment and Concentration

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<thead>
<tr>
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<tbody>
<tr>
<td>Total, all industries</td>
<td>283,031</td>
<td>-3.0%</td>
<td>1.00</td>
<td>0.0%</td>
<td>31,588</td>
</tr>
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<td><strong>Specialized, Increasing Concentration</strong></td>
<td></td>
<td></td>
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<tr>
<td>Forest and Wood Products</td>
<td>6,745</td>
<td>5.6%</td>
<td>1.09</td>
<td>10.8%</td>
<td>30,990</td>
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<tr>
<td>Earth Products</td>
<td>2,839</td>
<td>-1.9%</td>
<td>1.44</td>
<td>9.1%</td>
<td>39,132</td>
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<tr>
<td>Environmental Technology</td>
<td>4,987</td>
<td>3.3%</td>
<td>1.41</td>
<td>6.2%</td>
<td>44,916</td>
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<tr>
<td>Information, Communications and Media</td>
<td>8,262</td>
<td>-8.2%</td>
<td>1.06</td>
<td>6.2%</td>
<td>48,750</td>
</tr>
<tr>
<td>Advanced Manufacturing</td>
<td>47,188</td>
<td>-10.7%</td>
<td>3.21</td>
<td>5.9%</td>
<td>43,155</td>
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<tr>
<td>Chemicals</td>
<td>12,644</td>
<td>-3.0%</td>
<td>2.32</td>
<td>5.8%</td>
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<tr>
<td>Information Technology</td>
<td>13,442</td>
<td>-13.9%</td>
<td>1.01</td>
<td>1.5%</td>
<td>53,439</td>
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</tr>
<tr>
<td>Advanced Logistics</td>
<td>10,347</td>
<td>-6.8%</td>
<td>1.22</td>
<td>-0.2%</td>
<td>35,716</td>
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<td>Advanced Materials</td>
<td>6,767</td>
<td>-18.8%</td>
<td>1.83</td>
<td>-3.7%</td>
<td>40,182</td>
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<td><strong>Not Specialized, Increasing Concentration</strong></td>
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<tr>
<td>Educational Services</td>
<td>3,176</td>
<td>7.8%</td>
<td>0.41</td>
<td>4.4%</td>
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<td>Agribusiness, Food Processing and Technology</td>
<td>4,685</td>
<td>-3.2%</td>
<td>0.70</td>
<td>1.7%</td>
<td>31,406</td>
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<tr>
<td>Biomedical/Biotechnical (Life Sciences)</td>
<td>33,271</td>
<td>3.9%</td>
<td>0.95</td>
<td>1.1%</td>
<td>35,432</td>
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<tr>
<td><strong>Not Specialized, Decreasing Concentration</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Arts, Entertainment, Recreation and Visitor Industries</td>
<td>5,553</td>
<td>-2.6%</td>
<td>0.54</td>
<td>-0.4%</td>
<td>14,779</td>
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<tr>
<td>Advanced Business Services</td>
<td>14,326</td>
<td>-7.7%</td>
<td>0.64</td>
<td>-4.9%</td>
<td>43,990</td>
</tr>
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</table>

Source: Indiana Economic Development Council and Purdue University Cooperative Extension Service, from data supplied by the Indiana Business Research Center, January 2005

Region 3 had seven clusters in the “Star” category from 2001 to 2003: Forest and Wood Products, Earth Products, Environmental Technology, Information, Communications and Media, Advanced Manufacturing, Chemicals and Information Technology. These seven clusters employed 96,107 or 34% of Region 3’s workforce in 2003.

- The Forest and Wood Products cluster employs over 6,700 people and it continues to be important in the region. Although the cluster’s industries are declining nationally, the cluster brought almost 360 new jobs to Region 3 during the study period.

- The Earth Products cluster includes industries such as mining, glass and refractories manufacturing. Although employment in this cluster is small (about 2,800 jobs in 2003), the Earth Products cluster is almost one and a half times as concentrated in Region 3 as it is in the nation.

- Environmental Technology employs almost 5,000 people in Region 3. During the study period, this cluster—which is one and a half times as concentrated in Region 3 as it is in the nation—brought 160 new jobs to the region.

- The Information, Communications and Media cluster employs more than 8,200 workers in the region. Region 3 is one of the few regions in Indiana to show specialization, albeit small, in the Information, Communications and Media cluster.
Advanced Manufacturing continues to serve as an important cluster for Region 3. This sector employs almost 47,200 people. With a location quotient of 3.2, employment in the Advanced Manufacturing cluster is about three times more concentrated in Region 3 than in the nation at large. Advanced Manufacturing was the largest of the 14 clusters in the region for 2003, employing 16.7% of the workforce.

The Chemicals cluster in Region 3 employed over 12,600 people in 2003 and is more than twice as concentrated as in the nation. This concentration has grown from 2001 to 2003. Chemicals and pharmaceuticals are important engines of economic growth for the state as a whole.

Information Technology employs over 13,400 people and is weakly concentrated in the region. This is a concern as the cluster's industries are important, not only as driver industries, but also as support industries. The cluster also brings high wage jobs—the average wage of Information Technology in Region 3 is 170 percent of the region's average wage. In 2003, Information Technology was on average the highest paying cluster among those examined, with an average per capita wage of $53,439.

Region 3 had two clusters that fell into the “mature” category in 2003: Advanced Logistics and Advanced Materials. These two clusters employed 17,114 in 2003.

Advanced Logistics employs over 10,300 people in the region. Although the degree of concentration declined slightly over the study period, this is a cluster with potential for more growth in a region with interstate highways and access to a regional airport.

The Advanced Materials cluster, in part a sub-cluster of the Advanced Manufacturing cluster, is strongly concentrated in the region—almost twice as concentrated as in the nation, however concentration decreased slightly over the period.

Of Region 3’s three “emerging” clusters, Educational Services and Biomedical / Biotechnical showed the highest increases in both employment and concentration during the three years from 2001 to 2003. The Biomedical / Biotechnical business cluster has a strong presence in Region 3. This cluster employs over 33,200 people within the region or 11.8 percent of all the jobs in the Region. Its specialization within this field has increased between 2001 and 2003, and that level remains slightly below the national average. During that same period Region 3’s employment in Biomedical / Biotechnical increased by over 1,200 jobs. Because of the aging of the Baby Boom generation, this cluster has the potential to be an increasing part of the region’s economic foundation, even though it has declined slightly in concentration in the last three years.

Advanced Business Services is categorized as one of the two “transforming” clusters for the region. Region 3’s level of specialized employment in these clusters is declining and remains far below the national average. This is of concern not only because the cluster brings high wage jobs but also because it is a key support clusters needed to sustain the growth of the major driver clusters such as Chemicals, Advanced Manufacturing and Advanced Materials.
The average payroll wage per capita for the region in the third quarter of 2003 was $31,588. This contrasts with a 2003 average payroll wage per capita in the U.S. of $36,637. The four clusters with the highest average payroll wage per capita in Region 12 were Information Technology at $53,439, Information, Communications and Media at $48,750, Environmental Technology at $44,916, and Advanced Business Services at $43,890. The four clusters with the lowest average payroll wage per capita in 2003 were Agribusiness, Food Processing and Technology at $31,406, Forest and Wood Products at $30,990, Educational Services at $27,959 and Arts, Entertainment and Recreation at $14,779.
Region 3 Vision, Goals, and Measurements

Region 3 Vision 2016:
Region 3 will develop a strong regional identity, through regional collaborations, to better develop, retain, and attract a skilled and creative workforce for business development and continued community development.

A vision reflects the values of its residents. To achieve the vision, an effective strategy requires one or more large goals – priorities that will lead to the future. The Region 3 Advisory Council has chosen seven goals for its economic development strategy.

Goal 1 - Position all businesses in the region to compete in the global marketplace.

Measurements: To measure this goal a comparison of job growth numbers with changes in unemployment is useful. If Goal 1 were obtained, one would see overall job growth and a decrease and leveling off of the unemployment rate.

Goal 2 - Recognize the needs of the region and to promote collaborative solutions.

Measurements: The number of new business establishments is a good indicator of regional collaboration. As the region is successful in collaborating its resources, the number of new business establishments should increase. As the number of business establishments increases, the region should experience increases in average wages and an increase in job growth.

Goal 3 - Promote business innovation through region-wide cooperation, diversification, and enhanced venture capital opportunities.

Measurements: To measure the success of this goal, one should examine the amount of research and development dollars spent as a percentage of total business expenditures for the region. As the region becomes more innovative, research and development expenses should increase its percentage of total business expenditures. Additionally, it can be assumed that as this number increases so should the number of patents per 100,000 people and overall investment in research and development, both also indicating an increasingly innovative business environment.
Goal 4 - Collaborate with higher education organizations to provide leadership in workforce training and economic development.

Measurements: As institutions of higher education are better integrated with the concerns of local government and the needs of local businesses, the region should experience higher rates of education at all levels in its workforce. The percentage of the population who graduates from high school, obtains post-secondary training, receives a bachelor's degree, and those who earn master's and professional degrees will all increase.

Goal 5 - Promote cooperation among communities in order to capitalize on regional economic assets.

Measurements: Number of new business establishments is a good measurement for this goal.

Goal 6 - Utilize and enhance regional infrastructure assets to progress regional economic development.

Measurements: A good measure for this goal is job growth. As job growth is increased through modernization of Region 3's infrastructure, the number of new business establishments should also increase.

Goal 7 - Promote a high quality of life throughout the region

Measurements: Increase in the numbers of skilled and educated workers is a good indication of successful promotion of the region's quality of life. Not only should a high quality of life attract skilled and educated workers new to the region, but also the region should experience a higher retention of locals who pursue advanced education.
Drivers, Goals and Objectives

Driver 1: Globalization

To succeed in the new economy, Region 3 must participate in the socio-economic forces that make up the global economy. The region’s businesses and communities must be adept at taking advantage of opportunities created by the global economy including emerging markets and increased foreign investments. Region 3 must focus on helping businesses within the region to position them in the global marketplace. Region 3 will develop Global Economy educational programs to better prepare local businesses for competitive pressures.

Goal One: Position all businesses in the region to compete in the global marketplace.

2005 Action Items

1. Ensure that all marketing materials for Region 3 present the region as a strategic location for international business expansion seeking to reach the American markets from a central location
2. Support statewide adoption of daylight savings time
3. Develop an Export, Import, and Trade Assistance Center
4. Develop a Region 3 World Trade Association

Long-term Directions

5. Position Region 3 as an international leader in advanced manufacturing, life sciences, and information technology
6. Create programs that provide opportunities for college and graduate students to either stay or return to the region
7. Develop and strengthen collaborative relationships across business clusters and industries
8. Aggressively pursue opportunities for investment in Region 3
9. Create programs that encourage international students educated in Region 3 to develop business relationships with the region
10. Build communications, transportation, and education infrastructures appropriate to the needs of companies doing global business
11. Increase support in K-12 for student exchanges, global economy studies, and foreign languages
Driver 2: Regional Thinking

Economies are regional and communities benefit greatly when they act beyond political boundaries and build coalitions tailored to address specific development issues. Region 3 needs to develop a well-defined regional identity that fully represents the needs of all 8 counties.

Goal Two: Recognize needs of the region and to promote collaborative solutions.

2005 Action Items

1. Adopt a single definition of Region 3 boundaries for the delivery of services by economic development organizations
2. Give preference in economic development funding to multi-jurisdictional proposals
3. Strengthen and support regionally sponsored workforce training programs
4. Further develop a regional planning body consisting of mayors and county commissioners with an emphasis on complete regional representation and unified regional planning
5. Identify areas where county and local governments can streamline processes and remove duplication of services
6. Develop regionally sponsored training programs

Long-term Directions

7. Engage businesses and government leaders across geo-political lines to attract and retain jobs
8. Continue to educate public and private leaders on the interconnectedness of communities within the region
9. Ask central cities (such as Fort Wayne) to reestablish their role as the economic core and engines for Region 3
10. Support policy initiatives to stimulate multi-county business and industrial parks by funding regional infrastructure with shared tax revenues
11. Better communicate the need for and benefits of regional planning
**Driver 3: Business Innovation**

Successful new economy businesses are characterized by continuous innovation and a critical mass of advanced business services to bring products to market. Region 3 must promote business innovation through region-wide cooperation, diversification, and enhanced venture capital opportunities. Region 3 will increase its access to innovation and early-stage capital.

**Goal Three: Promote business innovation through region-wide cooperation, diversification, and enhanced venture capital opportunities.**

**2005 Action Items**

1. Create a technology task force to inventory current technology assets and deficiencies in the region and develop awareness of education programs
2. Create a technology and productivity committee to offer guidance in business start up and business diversification
3. Further explore cluster analysis to identify and develop business sectors that are of current and future importance to Region 3’s economy
4. Create and re-energize networks of businesses seeking and supplying early stage and venture capital
5. Design marketing plan and marketing team to solicit early stage and venture capital into the region
6. Continue to regionalize pre-seed and Ad-Venture funds
7. Develop Region 3-based venture funds

**Long-term Directions**

8. Pursue research parks, technology parks, and business incubation
9. Develop collaborative relationships between business community and higher education institutions
10. Seek diverse economic opportunities so as not to rely on a single industry
11. Adopt policies that increase the availability of capital at all stages in the commercialization of new technologies
12. Facilitate the entrance of minority owned businesses into Region 3 communities
13. Transfer brand new technology developed in existing research parks (i.e., Purdue Research) into Region 3
14. Strengthen relationships between businesses and universities
**Driver 4: Workforce Education**

In the new economy, education and skill attainment and access to continuing education and training will be among the most important factors for competitive success. Region 3 must collaborate with higher education organizations to provide leadership in workforce training and economic development.

**Goal Four: Collaborate with higher education organizations to provide leadership in workforce training and economic development.**

**2005 Action Items**

1. Continue to assess and to re-evaluate the workforce needs of regional businesses
2. Further develop inventory of education programs that match regional business needs
3. Develop K-12 programs focusing on global economy and entrepreneurial education
4. Increase graduate and post-graduate services for continued workforce education and development
5. Expand use of the Work Keys measurement system to evaluate workforce readiness in meeting Region 3’s business needs
6. Develop pilot programs such as the Council for Adult Learning
7. Examine and apply models with excellent collaborative relationships

**Long-term Directions**

8. Strengthen regional awareness of workforce research and transition findings to utilize in program development
9. Support a mindset of life long learning within the workforce
10. Create and strengthen formal linkages between area school districts, universities, regional businesses, and workforce organizations
11. Direct highly competitive incentives to businesses creating high skill and high wage jobs
12. Produce a multi-lingual workforce proficient in science and technology
13. School systems in Region 3 must make “life skills” an outcome of K-12 education
15. Develop and fund a strategy to market technical careers
Driver 5: Smart Government

Government can either hinder or facilitate economic development. Smart and adaptable governments are invaluable economic assets. Region 3 will explore collaborative relationships between governments to create a welcoming regulatory environment for business development.

Goal Five: Promote cooperation among communities in order to capitalize on regional economic assets.

2005 Action Items

1. Encourage the consolidation of local government units to simplify service delivery and increase accountability
2. Encourage local governments to identify new sources of funding for Urban Enterprise Zones
3. Provide mandatory economic development and planning training to government officials
4. Explore relationship between state and local governments to streamline tax incentives (TIF reauthorization and CEDIT)

Long-term Directions

5. Support leadership training to government officials
6. Restructure county and local services to become more efficient and effective
7. Identify and eliminate excessive bureaucracy and agency overlap
8. Using regional partnerships, identify creative financing means for economic development
9. Coordinate and streamline the regulatory and permitting process at the local, state and federal level
Driver 6: Infrastructure

Each community must have adequate infrastructure that will enable it to compete. Infrastructure includes: broadband services, water, sewer, power, and transportation. Region 3 must continue to develop its transportation network. The region must also provide and encourage greater broadband coverage and usage.

Goal Six: Utilize and enhance regional infrastructure assets to progress regional economic development.

2005 Action Items

1. Identify water and sewer needs in rural areas
2. Develop strategy for the upgrade and extension of sewer lines
3. Inventory areas that are not covered by broadband service
4. Provide assistance to small towns for planning infrastructure (increase funds in and access to the state revolving fund)
5. Accelerate the redevelopment of US 24 between Fort Wayne and Toledo
6. Keep local airport strong and attractive as a regional airport
7. Assess models for multi-jurisdictional sewage treatment districts

Long-term Directions

8. Connect regional transportation assets into a world-class multi-modal transportation network
9. Provide local incentives to adopt broadband technologies
10. Develop public education program on the benefits of broadband technologies
11. Develop better access to air transportation by enhancing/expanding services of existing regional airports
12. Develop better access to air transportation throughout rural areas through the Small Aircraft Transportation System (SATS) program
13. Develop passenger rail lines through existing rail services
Driver 7: Quality of Life

In the new economy people have higher expectations about the quality of life in their communities that play a great role in business location decisions. Region 3 must promote a high quality of life throughout the region. Region 3 needs to further develop cultural amenities and to market its strengths in order to attract young, creative, and skilled professionals.

Goal Seven: To promote a high quality of life throughout the region.

2005 Action Items

1. Eliminate non-attainment designations by improving air quality throughout the region
2. Market area lakes, natural resources, and cultural amenities
3. Assess cultural vitality of downtown Fort Wayne
4. Create plan to develop Fort Wayne’s city center as a vibrant destination
5. Assess downtown housing stock and needs for rehabilitation
6. Increase and promote sports and recreation vitality of Region 3
7. Promote the high quality of life in small communities throughout Region 3

Long-term Directions

8. Attract a talented and creative workforce
9. Retain college graduates through linking businesses to educational institutions
10. Reduce pollution to meet environmental standards
11. Increase regional support for the arts
12. Continue to develop a marketing team and a marketing plan to publicize positive perceptions of the region
13. Focus on developing recreational, cultural, and tourist amenities
14. Promote livable communities and community redevelopment as crucial to economic development
Appendix 1

Region 3 SWOT: Strengths, Weaknesses, Opportunities and Threats Analysis

Introduction

The Region 3 Advisory Council developed a set of issues based upon an extended discussion of the region's economic strengths, weaknesses, opportunities and threats.

Strengths

1. Well developed defense sector, advanced manufacturing sector, educational sector, and financial services sector clusters
2. Organizations that promote innovation
3. Indiana Purdue-Fort Wayne (IPFW) has recently received a $14 million investment for medical research
4. Ranks high in affordability
5. Numerous arts, cultural, recreational, and sports venues
6. Abundance of affordable housing
7. Numerous recreational activities centered on the many area lakes
8. Fort Wayne International Airport is an asset with numerous destinations
9. Good interstate Access through I-80/90 and I-69
10. Well developed commercial rail facilities

Weaknesses

1. Has not been proactive in detecting job trends and growth opportunities
2. Lacks of formal linkages between universities and area employers
3. Communities rely on creating jobs to meet current needs rather than creating skills to attract jobs
4. Workforce development programs have been historically focused on manufacturing sectors
5. Large aging workforce preparing for retirement
6. Geopolitical lines are seen as restrictive in creating a positive business environment
7. Township governments are bound by old thinking
8. Lack in uniformity creates a perception of weakness
9. Broadband coverage is good in Fort Wayne but sporadic in rural areas
10. Vast majority of commercial and retail businesses locate in and around Fort Wayne, while manufacturing tends to be more dispersed throughout the region
11. Graduate retention rates of singles and young professionals is very low
12. Fort Wayne lacks a vibrant downtown needed to attract young professionals
13. Most people move to Region 3 based on family ties
Opportunities

1. Capitalize on the foundation for regional collaborations and inter-local agreements
2. Create cooperative relationships between governments, businesses, and higher education systems to develop a competitive workforce
3. Partner more effectively with State on tax issues and incentives (TIF and CEDIT)
4. Equalize and promote per student funding to build regional education opportunities
5. Leverage easy access to air transportation through Fort Wayne International Airport
6. Provide passenger rail service based on its excellent rail facilities in the region
7. Explore the presence of regional airports throughout rural communities
8. Continue to pursue development of a multi-modal transportation hub
9. Continue to support and develop the Fort to Port project from Fort Wayne to Toledo, Ohio.
10. Foster tech transfer and commercialization of research through partnering with higher education and local businesses
11. Capitalize on strong foundation in the defense sector, which can spur supporting clusters to emerge
12. Further develop and market outside the region tourist and recreational assets
13. Explore additional opportunities to fund medical research at IPFW

Threats

1. Future of the airlines and their continuing financial problems and the stagnation in development of airports and air services
2. Continued job loss through globalization of the economy and off shoring
3. Uninformed business community (small businesses) on global economy
4. Embedded resistance to proper planning
5. Bound by old ways of thinking concerning political and geographic lines
6. Need for improved regional collaboration
7. Lack of organized relationships between universities and employers for proper workforce training
8. Inability or unwillingness to work with other regions throughout the state
9. Serious challenges in not having a diversified economy
10. Manufacturing mentality and reputation that inhibits capital investments
11. Research and development is centered on manufacturing
## Region 3 Economic Development – Planning Meetings 2004

<table>
<thead>
<tr>
<th>Session Type</th>
<th>Date</th>
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<tr>
<td>Planning Session 1</td>
<td>July 29, 2004</td>
<td>Lutheran Hospital, Fort Wayne, Indiana</td>
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<td>Planning Session 2</td>
<td>September 14, 2004</td>
<td>Raytheon, Fort Wayne, Indiana</td>
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<td>Planning Session 3</td>
<td>October 26, 2004</td>
<td>AEP Office, Fort Wayne, Indiana</td>
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<tr>
<td>Public Meeting 1</td>
<td>Tuesday, November 9, 2004</td>
<td>IVTC, Ft. Wayne, IN</td>
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Appendix 3

Region 3 Economic Development - Council Members and Participants

Brad Buening, Area Plan Director  Wells County
Jill Byus, Economic Development Manager  AEP
Ben Eisbart, Executive Vice President of Administration  OmniSource
Rich Emmons, Vice President for Airport Development  Fort Wayne International Airport
Pete Eschelman, President and CEO  American Specialty Co.
Bill Grube, President  South Whitley Town Council
Jim Johnston  Fort Wayne/Allen County Alliance Board of Directors
Ned Kiser, Vice President for Advancement  Huntington College
Dave Koenig, Executive Director  Region III-A Economic Development Dist.
Ralph Marcucilli, Senior Vice President of Operations  Star Financial
Rob Marr, General Manager  C&A Tool
Doug Marsh, Principal Broker  Castle One Realty
Bruce Menshy  Raytheon
Tom Miller, CEO  Lutheran Hospital
Bob Murphy  RP Murphy & Assoc
Dan O'Connell, President and CEO  FW Visitor's Bureau
Mac Parker, Partner  Baker & Daniels
Mike Ripley, Executive Director  Adams County EDC
Lincoln Schrock, Director  Indiana Northeast Development
John Stafford, Director  IPFW
Ralph Trine, President  Vestil Manufacturing
Partners in the Region 3 Planning Team

Region 3 Office
Dan Yamanaka, Director

Purdue University Extension Services
Christine Nolan, Area Educator

Kathy Noland, Indiana Dept. of Commerce

Indiana Business Research Center
Jerry Conover, Executive Director
Carol Rogers, Associate Director

Policy Analytics, LLC
William Sheldrake, President
Kurt Gilmore

Insight Consulting, LLC
M. Jean Woods, Principal
Peggy Morrow, Principal

Indiana Economic Development Council, Inc.
Jackie Nytes, President
Le Anh Long, Research Director

About William Sheldrake and Policy Analytics, LLC

William J. Sheldrake is President of Policy Analytics, LLC – an Indiana based company specializing in public finance, policy analysis and economic research. Bill was formerly President of the Indiana Fiscal Policy Institute where, under his leadership, the IFPI conducted research on human capital shortages in Indiana, examined public pension funds, and assisted in the development of Indiana tax restructuring legislation, among many other projects. Before serving with the IFPI, Bill worked for 10 years with the Indiana State Budget Agency, where he served as Indiana's chief revenue forecaster, head of tax analysis, and Deputy Budget Director. He is also a former member of the National Board of Trustees of the Governmental Research Association and the Governmental Accounting Standards Board Advisory Council. Bill holds a master's degree with a public finance concentration from Purdue University.