Quick to Adapt
Working Smart
Taking Risks
Working Hard
Playing Safe
Slow to Change

A NEW PATH TO PROGRESS

2005 REGION 4 STRATEGIC PLAN FOR ECONOMIC DEVELOPMENT

INDIANA DEPARTMENT OF COMMERCE
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 4 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 4 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!

In late 2002, in an effort to enhance the delivery of services, the Indiana Department of Commerce (IDOC) established 12 regional offices throughout the state. In addition to delivering economic and community development services, each regional office was charged, more recently, with the responsibility of facilitating the development of a regional strategic economic development plan. The 12 plans are region specific but developed with a consistent approach and format and will be utilized in developing a state strategic economic development plan.

The Region 4 office of IDOC is pleased to present this regional plan, our regional roadmap. The plan was developed in partnership with the Indiana Economic Development Council, Inc. (IEDC) and through the participation of local and regional stakeholders. The IDOC Region 4 Advisory Council, made up of individuals representing our six counties (Cass, Grant, Howard, Miami, Tipton and Wabash) and diverse economic interests, served as the steering committee in this process. We thank them for their leadership and input as we thank those who participated through public meetings, interviews and focus groups.

The plan represents an important tool, developed to enhance our efforts to encourage economic development and growth in Region 4. We appreciate the efforts of our partners and stakeholders in the development of this plan and look forward to continuing this partnership as we move this plan forward.

Sincerely,

Charles E. Sparks
Director, Region 4, 2004

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Indiana Department of Commerce
Region 4
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 4. At the regional level the planning process has been overseen by the region's Advisory Council. The Advisory Council consists of twenty 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 4 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 4 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 4 consists of six counties. These counties are Cass, Grant, Howard, Miami, Tipton, and Wabash. The region is located within North Central Indiana. Region 4 only has access to one interstate, I-69 in Grant County. US-31 is the primary north-south corridor running through the center of the region.

The City of Kokomo is the region's primary economic hub. In 2003 Kokomo's population was 46,154. The region consists of small towns and large rural expanses. In 2003, Region 4’s population was 283,805. Between 1990 and 2000, the region’s population barely grew at a rate of 1.9%, which is well under the state’s growth rate of 9.7% for the same time period.
Profile of Region 4

Region 4’s greatest asset is its highly productive workforce. The region’s workforce is consistently rated as one of the most productive in the nation. Additionally, the region is home to a vibrant manufacturing base that has clusters in the automotive and automotive parts industries. Kokomo is home to both DaimlerChrysler and Delphi Corporation.

Region 4 is also home to the Hoosier Heartland Corridor. Grissom Aeroplex will continue to be instrumental in the economic development of the region. Grissom has the potential to produce high paying jobs by developing into a world-class multi-modal transportation facility.

The unemployment rate in Region 4 was 6.9% in November 2004. The rate is 2.0 percentage points higher than Indiana’s overall unemployment rate for the same period.

In 2003, the largest industrial sector, in terms of employment, was manufacturing with 30.9% of the workforce representing 35,710 jobs. The total manufacturing workforce for the state of Indiana was 20.3% a number indicating that Region 4’s economy is substantially less diverse and much more reliant on manufacturing. For 2003, the largest manufacturing cluster in Region 4 was transportation equipment manufacturing¹, which employed 17,315 or 15% of the region’s workers. The average wage for transportation equipment manufacturing positions for Region 4 was $74,878. This wage is $40,391 (117%) higher than the region’s average wage and $29,426 (64.7%) higher than the state’s average wage.

Between 2001 and 2003 the Region lost 5,135 jobs. Of those jobs lost, the transportation equipment-manufacturing cluster lost 2,029 positions. In the Milken Institute’s 2004 Best Performing Cities, the Kokomo area ranked 107th out of 118 of nation’s small metropolitan areas for total job creation.

¹ NAICS 336
Region 4 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 4 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 4’s cluster data nevertheless reveals some important points about the regional economy.

The fourteen statewide 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
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 4’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.
Chart 1 – Region 4 Clusters

Region 4 Cluster Location Quotients and Change in Concentration, 2001-2003

Source: IEDC and Purdue University Cooperative Extension Service, with data provided by Indiana Business Research Center, 2004

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.
Between 2001 and 2003, Region 4 was home to four clusters that were defined as “Stars.” These clusters were Forest and Wood Products, Agribusiness, Food Processing and Technology, Earth Products, and Biomedical/Biotechnical. These four clusters employed 22,746 or approximately 20.1% of Region 1’s total workforce.


- Agribusiness, Food Processing, and Technology lost 2.4% of its workforce between 2001 and 2003. Even though the cluster experienced workforce reductions, it became more concentrated with a location quotient of 1.59.

- Earth Products is the second smallest of the 14 clusters employing 1,064 in 2003. The 2003 average per capita wage for Earth Products was $39,238. This wage is $5,338 less than the average per capita wage for Region 4. The Earth Products cluster includes such industries as mining, glass and refractory manufacturing.

- In 2003 the Region 4 Biomedical/Biotechnical cluster was the second largest of the 14 clusters in terms of employment. This cluster employed 14,202 or 12.5% of the region’s workforce. During the period, this cluster became slightly more specialized in Region 4.
Region 4 had three clusters defined as mature in 2003. These clusters were Advanced Manufacturing, Advanced Materials, and Chemicals. These three clusters employed 31,038 or 27.4% of the region's workforce in 2003.

- Advanced Manufacturing is the largest cluster in region 4 in terms of employment. In 2003 the cluster employed 24,938, which represents 22% of the region's workforce. This cluster is highly specialized in the region with a location quotient of 4.24 in 2003, and slight decrease from 2002. The Advanced Manufacturing cluster held the highest average per capita wage among the 14 clusters. In 2003 the Advanced Manufacturing average per capita wage was $63,242. This average wage is $29,342 higher than the region's average per capita wage.

- The Advanced Materials cluster, in part a sub-cluster of the Advanced Manufacturing cluster, employed 3,535 in 2003. This cluster experienced a 24.6% decrease in its workforce between 2001 and 2003. Advanced Materials had the second highest average per capita wage amongst all 14 clusters. Its average per capita wage for 2003 was $51,493, or $17,593 more than the average per capita wage for the region.

- Between 2001 and 2003 the Chemicals cluster lost 25.7% of its workforce. Chemicals had a location quotient of 1.18 in Region 4 for 2003. This cluster became less specialized between 2001 and 2003 with a drop of 16.8% in its location quotient.

In 2003 Region 4 had five clusters that were determined to be emerging. These clusters were Advanced Business Services, Educational Services, Advanced Logistics, Information, Communications and Media, and Arts, Entertainment, Recreation and Visitor Industries. The five clusters employed 10,595 in 2003. Advanced Business Services and Educational Services both experienced increases in employment and in specialization between 2001 and 2003. Advanced Logistics, Information, Communications and Media, and Arts, Entertainment, Recreation and Visitor Industries all experienced decreases in their workforces during the period. Advanced Business Services was the only emerging cluster in Region 4 that experienced average wages above the region's average. In 2003, Advanced Business Services had an average per capita wage of $36,891. In Region 4, Arts, Entertainment, Recreation, and Visitor Industries experienced the lowest average per capita wage in the region for 2003 at $12,732.

For 2003, two of the region's clusters were defined as “transforming.” These clusters were Information Technology and Environmental Technology. These two clusters experienced significant reductions in their workforce and their respective specialization between 2001 and 2003.

The average payroll wage per capita for the region in the third quarter of 2003 was $33,900. The four clusters with the highest average payroll wage per capita in Region 1 were Advanced Manufacturing at $63,242, Advanced Materials at $51,493, Information Technology at $48,970 and Earth Products at $39,238. The four clusters with the lowest average payroll wage per capita in 2003 were Agribusiness, Food Processing and Technology at $28,349, Information,
Communications and Media at $26,388, Educational Services at $24,331 and Arts, Entertainment and Recreation at $12,732.
Region 4 Vision, Goals, and Measurements

Region 4 Vision 2016:
Region 4 will develop visionary governments that enhance collaborative relationships across all counties to produce a high quality of life, good educational systems, and modern transportation systems resulting in innovative economic development. Region 4 will leverage its industrial and academic resources to become a center of advanced manufacturing, high technology, and entrepreneurial research and 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 4 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 4’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 4 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 4 must focus on helping businesses within the region to position them in the global marketplace. Region 4 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 4 present the region as a strategic location for international business expansion seeking to reach the American markets from a central location
2. Increase support in K-12 for student exchanges, global economy studies, and foreign languages
3. Support statewide adoption of daylight savings time
4. Develop an Export, Import, and Trade Assistance Center

Long-term Directions

5. Position Region 4 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 4
9. Build communications, transportation, and education infrastructures appropriate to the needs of companies doing global business
10. Provide small companies with resources that assist them in marketing their products domestically and internationally
11. Educate small businesses on international trade issues
**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 4 needs to develop a regionally defined identity.

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

**2005 Action Items**

1. Adopt a single definition of Region 4 boundaries for the delivery of services by economic development organizations
2. Give preference in economic development funding to multi-jurisdictional proposals
3. Further develop a regional planning body consisting of mayors and county commissioners with an emphasis on complete regional representation
4. Launch campaign to educate local government officials on economic development and the benefits of thinking regionally
5. Develop regionally sponsored training programs
6. Explore more consistency between state agencies geographic districts to better focus regionalized economic development

**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 Kokomo) to reestablish their role as the economic core and engines for Region 4
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
12. Find better ways to communicate about regional businesses (expand Region 4 web-site and newsletter)
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 4 must promote business innovation through region-wide cooperation, diversification, and enhanced venture capital opportunities. Region 4 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 4’s economy.
4. Design marketing plan and marketing team to solicit early stage and venture capital into the region

Long-term Directions

5. Pursue research parks, technology parks, and business incubation
6. Develop collaborative relationships between the business community and higher education institutions
7. Seek diverse economic opportunities so that Region 4 does not rely on a single industry
8. Adopt policies that increase the availability of capital at all stages in the commercialization of new technologies
9. Facilitate the entrance of minority owned businesses into Region 4 communities
**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 4 needs to expand collaborative relationships between K-12 school systems, higher education institutions, and local businesses for competitive workforce 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 business
2. Further develop an 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 WorkKeys measurement system to evaluate workforce readiness in meeting Region 4’s business needs
6. Focus on regionalizing workforce education and training efforts to better prepare workers for new business opportunities
7. Pursue collaborative working relationship between IDOC Regional Offices and Workforce Investment Boards

**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 4 must make “life skills” an outcome of K-12 education
15. Develop and fund a strategy to market technical careers
16. Create an awareness of global economic opportunities, and entrepreneurial initiatives at K-12 school systems
17. Pursue legislative opportunities and increase understanding of current legislation
18. Strengthen and utilize formal linkages between post secondary institutions and area employers
Driver 5: Smart Government

Government can either hinder or facilitate economic development. Smart and adaptable governments are invaluable economic assets. Region 4 should continue to explore modernization of services to better serve the public and business community.

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

2005 Action Items

1. Provide economic development and planning training to government officials
2. Re-evaluate consolidating government to reduce excessive bureaucracy and inefficiencies
3. Increase leadership training and quality for all positions in government
4. Identify and develop networks to support small business assistance

Long-term Directions

5. Restructure county and local services to become more efficient and effective
6. Identify and eliminate excessive bureaucracy and agency overlap
7. Using regional partnerships, identify creative financing means for economic development
8. 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 4 should continue to explore modernization of services to better serve the public and business community. 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. Accelerate the redevelopment of US 31 as a primary north-south corridor
5. Provide assistance to small towns for planning infrastructure (increase funds in and access to the state revolving fund)
6. Examine and develop multi-modal transportation models
7. Assess models for multi-jurisdictional sewage treatment districts
8. Upgrade highways 31, 24, 26, and 28 with a focus on developing east-west corridors through the region

Long-term Directions

9. Connect regional transportation assets into a world-class multi-modal transportation network
10. Develop Grissom Aeroplex into a multi-modal transportation facility
11. Provide local incentives to adopt broadband technologies
12. Develop education program that informs public about the benefits of broadband technologies
13. Develop better access to air transportation throughout rural areas through the Small Aircraft Transportation System (SATS) program
14. Develop an air technology park at Grissom
15. Connect rail access through to highways 31 and 24
16. Provide modernized roadway access via I-69 to Grissom Aeroplex
**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 4 must promote a high quality of life throughout the region. Region 4 needs to better promote its quality of life to attract a skilled and modern workforce.

**Goal Seven: 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 current cultural amenities and values of small town/ rural lifestyles
3. Promote tourism throughout Region 4
4. Enhance communication between tourism offices throughout the region
5. Identify funding models for tourism and cultural amenities
6. Market current natural resources and recreational amenities
7. Pursue alliances with social organizations throughout the community to promote cultural, ethical, and moral training

**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. Promote livable communities and community redevelopment as crucial to economic development
Appendix 1

Region 4 SWOT: Strengths, Weaknesses, Opportunities and Threats Analysis

Introduction

The Region 4 Advisory Council developed a set of issues based upon an extended discussion of the region's economic strengths, weaknesses, opportunities and threats.

Strengths

1. Strong manufacturing base
2. Cluster of automotive and automotive parts manufacturing
3. Local governments have a history of supporting manufacturing sectors
4. Highly productive workforce
5. Cost of living ranks high in affordability
6. Numerous recreational resources including 2 state parks
7. Affordable housing compared to other regions in the country
8. Good access to numerous postsecondary education assets (IU Kokomo, Taylor University, Ivy Tech, Indiana Wesleyan, Manchester)
9. Good healthcare and retirement facilities
10. Grissom Aeroplex is located in Region 4
11. Interstate access via I-69 (on its eastern border)
12. Rail infrastructure capacity
13. Presence of the Hoosier Heartland Corridor

Weaknesses

1. Limited access to primary highways
2. Lack of a major airline hub
3. Lack of a regional airport (outside of Grissom Aeroplex)
4. Connectivity issues with outside regions that hinder shipping accessibility
5. Facing serious challenges in not having a diversified economy
6. Manufacturing mentality and reputation that inhibits capital investments in other sectors
7. Heavily unionized workforce which is sometimes seen to limit business development opportunities
8. Local governments are inconsistent in working collaboratively
9. Local government leaders need leadership training
10. Local government leaders are risk adverse
11. Broadband coverage is sporadic in rural areas
12. An aging workforce
13. Young people (straight from high school) seem to lack a good work and life skills
14. Lack of a well-developed arts and entertainment community
15. Public attitudes within Region 4 lack respect for technical training
16. Workforce exhibits a relatively low level of educational attainment
Opportunities

1. Local educational resources can educate local governments to better understand potential for economic development
2. Local officials can be educated to appreciate cross county and regional development
3. Government officials can convene to develop regional economic development priorities
4. Region government officials can help local governments improve uses of CEDIT (County Economic Development Income Taxes)
5. Develop Grissom Aeroplex into a multi-modal transportation facility
6. Explore the Small Aircraft Transportation System (SATS)
7. Continue to redevelop US 31 to freeways standards
8. Continue to support the Hoosier Heartland Corridor
9. Capitalize on benefits from I-69 extension
10. Develop on-load/off-load access capacity for freight rail lines
11. Explore enhancing the presence of regional airports throughout rural communities

Threats

1. Continued job loss through globalization of the manufacturing sector and off shoring
2. Portions of the business community uninformed on the global economy
3. There are shrinking opportunities for access to capital
4. High cost of healthcare
5. Potential to close Grissom
6. Some officials lacking in economic development knowledge
7. Lack of regionalized media
# Appendix 2

## Region 4 Economic Development – Planning Meetings 2004

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<td>Planning Session 2</td>
<td>September 22, 2004</td>
<td>Grissom Aeroplex, Peru, Indiana</td>
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<td>Planning Session 3</td>
<td>November 4, 2004</td>
<td>Grissom Aeroplex, Peru, Indiana</td>
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<td>Public Meeting 1</td>
<td>November 16, 2004</td>
<td>Kokomo Technology Center, Kokomo, IN</td>
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Appendix 3

Region 4 Economic Development - Council Members and Participants

Tim Eckerle, Executive Director  Grant County Economic Growth Council
Carmine Gentile, Superintendent  Maconaquah School Corporation
Nolan "Skip" Kuker, Director  Logansport-Cass County Economic Dev. Foundation
Jim Mullins, HR Manager  DaimlerChrysler Corp.
Midge Collett, President  UAW Local 292
Jim Walker, Mayor  City of Peru
Jim Tidd, Executive Director  Grissom Redevelopment Authority
Bill Konyha, President  Tipton Economic Dev. Corp.
Christy Householder, Interim Executive Dir.  Peru-Miami County Economic Dev. Corp.
Chris Martin, Director  Wabash Economic Dev. Corp.
Dr. Ruth Person, Chancellor  Indiana University Kokomo
Stephen Daily, Chancellor  Ivy Tech State College, Region 5 (Kokomo)
Randy Ballinger, President  Walnut Creek & Club Run Golf Courses
Greg Aaron, President  Kokomo/Howard County Dev. Corp.
Dan Hockney  Ivy Tech State College, Region 5 (Kokomo)
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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.