2017 Year End Report
A Year of Progress and Planning
Department of Economic Development
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It is the core business function of economic development organizations to attract new businesses to the region and to work with existing businesses in the area to grow and expand. It is a continual effort to develop the right type of infrastructure, product and business climate that businesses find enticing. More now than ever in economic development, quality of place and workforce development are the two most important issues that economic development agencies focus staff and financial resources. Workforce development, in light of a regional business environment is a balance because you need to continue to work to bring opportunities to the community but need to be mindful that those new businesses, as well as your existing businesses need to compete for the same workforce.

The following update for 2017 will examine St. Joseph County and will illustrate not only the work being done in the cities of Mishawaka and South Bend, but also projects occurring in the Towns and the unincorporated areas of the County, and how the collective of all these projects are providing the momentum to move St. Joseph County forward as a leader in the regional economy!

From a big picture economic development perspective, 2017 was a year spent setting the table for future development in the incorporated and unincorporated areas of the County. Many large projects were completed in 2017 like the Campus Crossroads project on the campus of the University of Notre Dame, the Aloft Hotel project and the Smart Streets roadway reconfiguration in Downtown South Bend, and many office, hotel and commercial retail projects in the Main Street corridor in Mishawaka. This year was the first full year of implementation of the State’s $42M Regional Cities grant program which regionally has generated 26 projects and this was the second full year of implementation of the Stellar Cities grant in North Liberty. The Towns continue to see new investment and reinvestment in their downtowns like the new $1.4M Hiler Media Center in Walkerton, the new pedestrian bridge and trail project in North Liberty and the development of the Lakeville Wetland Park in Lakeville.

The following are the Top 10 Economic Development Highlights for St. Joseph County (as reported by South Bend Regional Chamber of Commerce)

1. $400M Notre Dame Campus Crossroads project completed
2. $45M Mill at Ironworks Plaza breaks down (Regional City project)
3. $48M Roads & Bridges upgrades in Region
4. Four Winds Field Record Attendance
5. The Ivy at Berlin Place breaks ground
6. Studebaker 84 & 112 Building upgrades (Regional City project)
7. JMS Building renovations completed
8. East Bank redevelopment (project at Transpo site and other various projects)
9. Sports Complex Study underway by VSBM
10. Redevelopment of South Bend & Mishawaka parks (Regional Cities projects)

In 2017, there were 486 commercial construction building permits issued (total from all City/Town building departments) which equal approximately $323.9M of new capital investment which is up 1.7% from 2016.
The County had four major focus efforts in 2017 that took the major “big picture” focus of the department. I will also detail some of the projects that benefited the Towns and unincorporated areas.

The major focus of staff time in 2017 was dedicated to advancing the New Carlisle area. In September, the County Redevelopment Commission initiated a major planning project to study all aspects required to create development in the existing industrial area and within the Town of New Carlisle. The planning project brings together seven engineering firms and other professional service providers to assist with the study of utilities, land use, environmental conditions and other development attributes. The planning process will take six to nine months but will assist with being more responsive to lead development and working with prospects as they seek to create development in the area. It is the goal that the County will be able to Platinum Site Certify at least three development sites totaling 2500 acres. The Town is separately working on a master planning effort that will be integrated into the larger planning effort once completed. The major economic development project that occurred in 2017 was the completion of the water and sewer extension project for the St. Joseph Energy Center as well as rebuilding a section of Walnut Road to a newer industrial standard. The St. Joseph Energy Center is nearing completion and should be operational by mid-spring 2018. As part of the County’s planning efforts, the County team is presently working with four prospects for new projects in the industrial area and anticipates working with the St. Joseph Energy Center team to move forward the second phase of their project.

The second major focus area in 2017 was predevelopment and pre-planning for a project in the SR 933 Corridor (Angela to the State Line) in partnership with Holladay Properties and several development partners to examine the potential to create an economic development area for a section of the SR 933 corridor from Angela to Douglas Road. Holladay Properties is considering the development of an $85M mixed-use project on a tract of land at the northeast corner of SR 933 and Douglas Road and that will be the basis for the consideration of the designation of a development area (Dixie Highway Economic Development Area). As part of the project, the County is working with the State of Indiana to examine the potential for the relinquishment of the SR 933 Corridor to allow it to be locally controlled. The ability to have local control of the roadway will allow the County and the Town of Roseland to begin a corridor study to examine development potential and infrastructure design and improvements. Lastly, the County bid and started working to construct the third segment of the LaSalle Trail project for the section from Auten to the State Line. The second segment was constructed in 2017 and will have final site work completed in 2018.

The third major focus area involved the Capital Avenue Economic Development Area. Originally designated in 2001 to support the GM commercial division of AM General, the new focus is working with the new owners of the commercial facility along McKinley Road which was sold to SF Motors based out of China with a US business office in Santa Clara, California. The County has been working with the new ownership team on the transition and planning for reuse of the site. This major investment at this site will likely equal the investment made by General Motors in the site in the early 2000’s. This year saw the final payment of the original TIF bond for the economic development area, and so the County Redevelopment Commission will be reviewing potential projects for use of TIF funding for ways to expand the economic base of the development area. On a smaller scale, the County worked with Pulliam Enterprises, a local, family owned business, on their expansion project of their facility located adjacent to the Twin Branch Industrial Park. This specific major investment will allow this business to grow its product development and manufacturing at their Mishawaka location.
The fourth major focus area related to the study of rail development opportunities in St. Joseph County. In 2016, the County Redevelopment Commission, in partnership with the South Bend Regional Chamber of Commerce, entered into a professional service contract with the Antero Group to study rail development opportunities within St. Joseph County. Long discussed because of the number of short line and Class I railroads intersecting the County, a comprehensive study of rail access and economic development opportunities had never been completed. After several meetings with Norfolk-Southern Railroad, CSX Railroad, Canadian National Railroad, Elkhart and Western Railroad, Chicago South Shore Railroad, NICTD (South Shore Passenger Railroad), and other rail providers, a master plan was created and unveiled in May 2017. The report details five rail opportunity areas in St. Joseph County. Presently, all five of the areas are being studied at a more in-depth level to begin the process to bring more rail based economic development opportunities to St. Joseph County.

One of the key components of the study was the need to help provide direction with the NICTD (South Shore) Double Tracking project and station relocation at the South Bend International Airport. The future of the South Shore, and how it enters our community, is a major emphasis for our regional efforts. The recent announcement of new American Airlines air service at South Bend International Airport ties in and highlights the importance that the new connectivity and efficiency of the South Shore project will bring to our area. One of the major efforts in 2018 will be to work with the Airport in the development of an air/rail cargo park southwest of the airfield.

While the four major project areas listed above constituted the major efforts for the economic development team in 2017, the team was involved with many smaller, focused projects in the Towns and unincorporated areas of the County as well as with the County management team.

**Redevelopment Commission activities**

1. Created a regular monthly meeting schedule to add structure to the Redevelopment Commission. All meeting schedules and minutes are posted to the County website for public review.
2. Reviewed all Economic Development Areas to verify that the correct parcels were included in each of the development areas. Upon completion of this task, it was determined that the New Carlisle EDA increment collection was not correct and the area had lost out on nearly $6M over a period of 10 years. Other increment collection issues were corrected in the West Cleveland EDA and the Capital Avenue/AM General EDA but to a much lesser extent.
3. Created a budget plan to better identify tasks and fund use in each development area. Because of this task, one bond was retired early in the New Carlisle EDA and the AM General bond was paid off this year. Additionally, a new general Economic Development account was created (Fund 4403) which allows non-directed income to be put in a fund to assist in economic development projects Countywide (not specific to an EDA).

**New Carlisle EDA**

1. Assisted as needed with the State of Indiana repaving project of US 20 from the St. Joseph Valley Parkway to beyond the SR 2/US 20 intersection. Coordinated our infrastructure project to complement and not conflict with State project. The repaving project was completed Summer 2017.
2. Coordinated with SMS Scrap for $3.5M plant expansion in 2017. As part of a tax abatement, SMS will add 10 net new jobs as part of project. Coordinated with SMS and Town of New Carlisle after facility fire in July 2017.
3. Coordinating with several existing businesses (Gavilon Grain, I/N Tek, Tejas Tubular, Red Hen Turf Farm, Navistar) in industrial area as they consider equipment replacement, new equipment, facility expansions, and utility upgrades.
4. Coordinating with Town of New Carlisle on upgrade of existing water treatment plant facility on Edison Road.
5. Coordinating with Smith Ready Mix as they seek to rezone property at SE corner of Walnut and Edison Road in anticipation of building a new industrial facility. Rezoning request goes to APC and Council in February 2018.
6. Coordinating with Town of New Carlisle on a variety of issues including but not limited to purchase of a new aerial fire truck, new fire territory, water service issues, new Town Master Plan, and buffer master planning.
7. Worked with Town and South Bend Brownfield Coalition to provide funding for three Phase 1 Environmental Assessment Reports at no cost to Town.

Dixie Highway EDA/Roseland/SR 933 Corridor
1. Working with development partners along the SR 933 corridor to look at redevelopment sites for new projects. At the present, two new hotels will locate within the section from Cleveland to Darden. The project on the west side of the corridor will be connected to the LaSalle Trail.
2. Supported Parks and Public Works to seek funding from the Council to complete section 2 and 3 of the LaSalle Trail. The funding approved by Council was from the Hotel-Motel Tourism fund.
3. Working with Clay Twp Trustee on a variety of projects related to pedestrian infrastructure projects.

Capital Avenue/AM General EDA
1. Working with Elkhart & Western Railroad on developing rail served development sites including automobile loading spur track at industrial area north of AMG site.
2. Working with Canadian National to examine viability of expansion of rail service to Home Street industrial park.
3. Working with multiple businesses in Twin Branch Industrial Park as County considers infrastructure improvements in park area. This relationship assisted conversation with Allar Associates who received a tax abatement to expand their facility and have invested over $2.5M into site and will create at least 5 net new jobs.
4. Working with MACOG and other community partners to examine the costs associated with completing the pedestrian infrastructure on Capital Avenue to complete a recreational loop system from SR 23 to the US 20 Bypass.
5. Working with Penn Township Trustee and Penn Township Fire Department to examine new locations for a fire station in the McKinley Avenue Corridor. The new station is being considered to address facility needs as well as better coverage of Osceola as part of the fire territory discussions. We are also working together to look at reuse opportunities of the existing fire station properties on McKinley and Apple Road.
6. Working with businesses and property owners along the McKinley Avenue corridor near Ash Road to look at reuse and redevelopment opportunities for their property.
7. Have had conversations about a joint planning effort with Elkhart County to expand their planning zone to include areas west of Ash Road and the Ash Road Corridor from the E&W Tracks south to Lincoln Way. Have not pursued due to lack of staffing and resources.
8. Working with Mishawaka to develop a priority list of infrastructure projects that could be partnered with work the City is doing. Projects such as widening Douglas Road between City limits to Capital Avenue, overpass design for Douglas Road over the CN tracks, intersection
improvement at Home and Day, rail improvements to Home Street industrial area, rail crossing at Bittersweet and Lincoln Way and extension of Bittersweet to Harrison Road, and other projects.

**Wyatt Economic Development Area**
1. Have completed review of Wyatt EDA budget and will work with RDC, Regional Water & Sewer District, and County partners to examine proper use of funding that is being captured in TIF district. The County RDC is set to approve a budget report at their February meeting.

**Town of Lakeville**
1. Working with Town of Lakeville and their Redevelopment Commission to develop a work plan to properly manage resources and develop strategy for range of projects that grow economic development options and opportunities.
2. Worked with Town to restructure and right size their Economic Development Area to maximize future development opportunities and add properties to acquisition list that will enable Town to react to development projects.
3. Worked with Town and South Bend Brownfield Coalition to provide funding for five Phase 1 Environmental Assessment Reports at no cost to Town.
4. Worked with Town and County Council for funding of purchase of one of three parcels needed for Wetland Park project. Town is working to finalize acquisition of third piece and then will be applying for OCRA grant for project design.
5. Working with INDOT and Town of Lakeville on potential relinquishment of SR 931 to County control. Relinquishment of roadway would provide funding to reshape roadway from 4 or 5 lane segment to 2 or 3 lane segment from Kern to the County line. Local control of the roadway would allow Town to implement its master streetscape plan due to reduce roadway footprint. Also working with the Town and INDOT to consider funding options for extension of Pierce Road from Miami to SR 331.
6. Working with Town to examine corridors for trail connection to Potato Creek State Park.
7. Assisting Town with review of Sewer Utility Master Plan to finalize OCRA grant so that utility plan can be implemented. Working with Town to consider future utility study grant to consider sewer connection options to the north or west as alternatives to taking service to Wyatt.
8. Working with Town to prepare an SR 4 annexation strategy to grow Town limits to intersection of SR 4 and new US 31 interchange. Due to pending Census deadlines, annexation plan might only get partially to interchange before end of the calendar year 2018.
9. Various other projects working with Town to provide support and resources.

**Town of North Liberty**
1. Working with Town and Stellar Leadership Team as needed to assist on implementation of Stellar Communities grant which was awarded to the Town in 2015.
2. Working with Town to examine corridors for trail connection to Potato Creek State Park.
3. Worked with Town and South Bend Brownfield Coalition to provide funding for one Phase 1 Environmental Assessment Reports at no cost to Town.

**Town of Walkerton**
1. Working with Town to consider rail park development opportunity E&W Railroad. Rail park would be located west of town.
2. Worked with Town and South Bend Brownfield Coalition to provide funding for one Phase 1 Environmental Assessment Reports at no cost to Town. After review of the Phase 1 report,
additional funding was acquired to assist on site clean-up. The site studied will soon be the home of the new Hiler Media Center (town library) which is slated to open in Summer 2018.

3. Working with Town leadership as needed to support their grant research and grant applications.

**Countywide Projects**

1. **Building/Development Process Realignment** ➔ One of the needed projects for the County to accomplish in 2018 is a complete review and realignment of the Building/Development process for the County. Actions have already started to examine changes that could be made to the process that would make the County to be more developer friendly and to be more efficient with our staff resources. Some of the steps that have already begun are moving BZA activities to the Area Plan Commission and working to determine appropriate staffing levels and duties to improve form and function.

2. **Tax Abatement Ordinance Review/Process Update** ➔ The County tax abatement ordinance was last updated in 2010. The ordinance itself has challenges but the annual review and servicing process is non-existent. A team has been assembled to assess current abatements, consolidate information about current abatements, and prepare a strategy and procedure for annual review to determine document and commitment compliance. At present, County has seven active tax abatements with three more that have been approved since 2015. Once the procedure and review side has been addressed, then the work team will review the current ordinance to determine compliance and balance with current State law as well as with needs of local development community.

3. **County Rail Plan** ➔ Worked with the Redevelopment Commission to fund a study on Rail Development Opportunities within St. Joseph County. Rail study was completed in 2017 and was only County study incorporated within the State of Indiana Rail Plan completed by the INDOT in 2017. Rail plan will serve as a development tool as we look to increase our rail development presence with Class I and II railroads that service St. Joseph County. The report stated we should focus development efforts in (1) New Carlisle with CN, NS, and CSS and NICTD, (2) Walkerton with CSX and E&W, (3) Mishawaka with CN, NS and E&W, and (4) Airport area with CSS and NICTD. At present, all strategies are being worked.

4. **South Shore Double Tracking and Station Relocation Project** ➔ Over the last year, the County staff has expended a lot of time and energy in working with development partners to examine station realignment options of the South Shore passenger line. The County and City differ on long-term station location objectives and County has been working to develop an alignment path that better serves business needs and development objectives. The County has been working with the SBIA on a station relocation plan to the west side of the campus that would allow for freight service to collocate on the same track and serve a future rail/air cargo park. The County has also been working with Mark Tarner and his development team on rail options to and through Choco-Dino-Bison World that could service the proposed development. The County has built a coalition and is working with IEDC and INDOT at funding strategies that could make the project a reality.

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ordinance to determine compliance and balance with current State law as well as with needs of local development community.

6. **Infrastructure Committee** → In 2017, Commissioner Fleming assembled a team of to study current infrastructure planning and spending. The work of the committee is on-going as continue to compile information. One component of work that is moving forward is further study on options to consolidate County garages and construction of new facilities that better match future needs, especially in light of potential relinquishment of SR 933 and SR 931. Presently working with EnFocus to study new garage locations as part of consolidation. Worked with the Public Works Department and South Bend Brownfield Coalition to provide funding for six Phase 1 Environmental Assessment Reports at no cost to the County to study all six highway garage locations.

7. **Website and IT support projects** → Lead development team to prepare and rollout new County website launched in March 2017. As a subcomponent of that project, worked with IT and team to gain new URL (sjcindiana.com) as part of new identity strategy being implemented by new County work team. Website control is being moved to Commissioner’s Project Manager and Site Administration Team.

8. **Identity/Branding initiative** → Created a working group consisting of internal leadership and external team members including brand consultant and signage team to develop a branding strategy for St. Joseph County. One component of effort was development of new County brand marks and identity logos that first rolled out with County website in March 2017. Further branding and identity projects will be rolling out in 2018 as part of brand consolidation program. Another part of project is new signage (ADA compliant and wayfinding signage) for government campus including all courthouses, County-City Building, Law Building and Mishawaka Annex Building. New signage will begin installation in February 2018.

9. **Building Space Study and Lobby Reuse Study** → As an outgrowth of Department Head meeting team, it was determined that the County should take an internal look at current space requirements. The purpose of the study is to determine the right size for departmental office spaces and to determine if spaces could be moved to better accommodate work team needs. This study will be ongoing Spring 2018 with discussion about space reallocation to follow. As part of this study effort, reuse of the County lobby is also being discussed. The study also examines the value, condition and requirements for the escalator (floors 1-4) and the current state of the four elevators.