

## **2016 Economic Development Report for St. Joseph County**

### *Building on Momentum*

#### *The Consistent Pursuit of Economic Development*

It's the business of economic development, an ongoing, constant pursuit to attract new businesses to the region or to have existing businesses in the area expand. It's a continual effort to develop the right type of infrastructure, product and workforce that businesses find enticing. The following update for 2016 will examine St. Joseph County as a whole 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 unincorporated areas and how the collective of all these projects are providing the momentum to move St. Joseph County forward as a leader in the region!

For the last two years, business has been good. In St. Joseph County alone, more than \$800 million in capital investment was realized and per capita income continues to rise to nearly \$41,000. 2016 saw high employment (128,690 in St. Joseph County), low unemployment, rising wages, growing population, and some \$300 million in new private investment on key projects around the area. Local, regional and national investors have taken note and are buying in and investing in the bright future that lies ahead in our region.

Many of the community's "thought leaders" point to entrepreneurial thinking a decade ago, a shift in attitude along with improved collaboration between economic development partners as factors leading to positive economic numbers.

One of the more publicized economic development efforts of the past decade is the state's Regional Cities Initiative, which came to life in 2014. The Regional Cities Initiative was designed to help communities across Indiana come together to transform their regions into nationally recognized destinations to live, work and play. The South Bend-Elkhart Region, which comprises St. Joseph, Elkhart and Marshall counties, was one of three regions selected to receive \$42 million in state funding to pursue transformative projects that impact quality of place. 2016 will be remembered as an important turning point in growing that national brand.

Work continues in North Liberty as they are in their second year of their Stellar Communities work plan. The Stellar Communities designation, similar to the Regional Cities designation but focused specifically on one town, is allowing the community to move forward several park and open space projects, a senior housing project, and planning for a mixed-use trail system between the town center and Potato Creek State Park.

### **INFRASTRUCTURE**

As mentioned earlier, a critical component to any economic development success is having the right infrastructure in place to be able to meet the needs of growing businesses. A number of major infrastructure projects aimed at supporting development advanced in 2016. Those included a \$200 million investment in improving the Indiana Toll Road, major improvements to SR 23, implementation of South Bend's Smart Streets and the elimination of another stoplight on U.S. 31. Also, the South Bend International Airport advanced plans for its international services and a new fixed-based operator opened at the airport.

AEP (American Electric Power) constructed solar facilities in Mishawaka and New Carlisle. St. Joe Energy began construction on a \$500 million natural gas-generating power plant in New Carlisle. The University of Notre Dame moved forward on a major geothermal project on campus and will have a hydroelectric facility at Seitz Park downtown South Bend. Mishawaka made plans for future water needs with the acquisition of the Juday Creek Golf Course, future home of a new north well field.

## **BUSINESS**

In the industrial front, General Stamping and Metalworks is nearing completion on its new \$27 million Blackthorn location, while Pepsi, Chase Plastics and FedEx moved into new facilities at Ameriplex 80/90. Catalyst One and Two have opened in Ignition Park with the University of Notre Dame's \$36 million Turbomachinery Laboratory as a primary tenant. And the Renaissance District, which is renovating former Studebaker buildings, continues to take shape.

In response to a need to better define the New Carlisle area in the industrial development marketplace, the St. Joseph Redevelopment Commission spent the year restructuring and redesigning the 4,600 acre industrial to serve a more prominent place in the regional landscape. The Commission realigned the boundaries of the existing economic development area by adding acreage into the boundaries, added properties to the acquisition list for targeted projects, and created two TIF districts, and renamed the entire economic development area the New Carlisle Economic Development Area (NCEDA). The NCEDA was already positioned with nearly \$6M in on hand cash resources, but the Commission sold a TIF bond that generated an additional \$8.8M for the NCEDA which can be used for very specific purposes. The Commission is in the process of moving forward some targeted land acquisitions to facilitate the relocation of the Niespodziany Ditch and the development of a lead rail line off the Norfolk-Southern rail line. These two projects will help to open up large tracts of land for development that offers rail service and help position this industrial area for future development opportunities.

On the retail side, Wilshire Plaza in Mishawaka experienced a huge transformation last year by adding national brands Fresh Thyme Farmers Market, Christopher & Banks, Carter's Babies and Kids, OshKosh B'gosh, Sky Zone and DSW Designer Shoe Warehouse to its line-up. In health care, construction has begun on the new \$38 million VA clinic in Mishawaka, while Beacon Health System opened a new Mishawaka fitness center. And, the \$50 million Memorial Children's Hospital near its South Bend campus will serve children from around the world.

But perhaps the most visible growth has been in the housing and hospitality areas. Everywhere you look in and around St. Joseph County, you see new residential housing construction. More than 2,400 new residential units, most in the urban core of South Bend or Mishawaka, were either announced, began construction or were completed in 2016. In addition, two new hotels opened in 2016, the Holiday Inn and Conference Center on Douglas Road in Mishawaka and the Motel 6 in Roseland. Hotel room inventory is at 4,141 with 598 rooms under construction, including the Aloft Hotel and Courtyard Marriott in downtown South Bend, Holiday Inn at Toscana Park, Home 2 Suites on Edison and the Candlewood Suites on Douglas, all in Mishawaka. This growth is a result of the 4.5 million annual visitors to St. Joseph County for sports, leisure and business travel.

## **EDUCATION**

Innovation Park at Notre Dame is slated to build a second building, investing \$13 million. IU South Bend recently renovated Northside Hall and the Administration building. On top of all of these developments is the continual work on the University of Notre Dame's historic, \$712 million Campus Crossroads project, which is scheduled for completion in 2017. This level of commitment by the University is huge to the community and further solidifies their global brand status.

## **TOWN DEVELOPMENT**

As mentioned earlier, North Liberty is in year 2 of its Stellar Designation program and will be advancing several program initiatives forward in 2017. To the south, Walkerton is continuing to move forward several community development projects that are working to enhance its downtown central core and a major project for 2017 will be the construction of a new town library funded partial from private donations and funds for the State of Indiana's Office of Community and Rural Affairs. Lakeville is actively finalizing a water/sewer master plan that will help with the development of a community growth plan and is working to develop a wetland park adjacent to the central core which will serve as an outdoor learning center and a town meeting space. Lakeville also finished a downtown streetscape project on several blocks of its central business district and is in the process of starting an annexation process along SR 4 which will connect the Town to the interchange at US 31 and SR 4. Osceola and Roseland both continue to have stable residential areas with modest developments along their commercial corridors. Lastly, New Carlisle is in a planning and study mode as it continues to determine what role it will play in the development of western St. Joseph County while still retaining its small town feel and high quality of life.

## **SUMMARY**

This kind of momentum is something we can all build off of. Once you win, you want to win more. St. Joseph County's Economic Development program is working with fellow economic development partners to foster the growth we are seeing and catalyze efforts that build a climate for growth in the community. This includes a variety of project initiatives and community branding including the introduction of a new county web platform. The outlook is good. The worst thing our region can do is become complacent. Here's to a prosperous 2017 and beyond!

Bill Schalliol  
Executive Director of Economic Development  
St. Joseph County