Economic Development 101 & INDOT Updates

Pam Fisher, CEcD
Director of Economic Development, INDOT

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Agenda

- Economic Development Overview
- Site Selection
- Next Level Roads
Economic Development is a Team Sport

Collectively, we need to understand what targeted business sectors need from us:

- Government
  - Investing in infrastructure, incentivizing behavior, technical expertise, regulatory certainty, workforce
- Universities
  - R&D & technology transfer
- Utility industry
  - Electric vehicle infrastructure support
Industrial Site Selection Factors Ranked

1. Highway Accessibility
2. Availability of Skilled Labor
3. Labor Costs
4. Occupancy & Construction Costs
5. State & Local Incentives
6. Corporate Tax Rate
7. Tax Exemptions
8. Energy Availability & Costs
9. Proximity to Major Markets
10. Quality of Life

Source: Area Development’s “31st Annual Survey of Corporate Executives”
www.areadevelopment.com
Top Three Factors

1. Highway Accessibility
2. Availability of Skilled Labor
3. Labor Costs

Other takeaways:

- Quality of Life is critical to talent attraction
- State & Local Incentives & Environmental Regulation are not ranked in top three
Talent Attraction Is Critical Issue

- Location of skilled blue-collar & white-collar workforce will drive investment in new technologies
- Develop plan to retrain CDL & manufacturing workforce
- Community colleges & universities need to be engaged in the skillset discussion
Site Selection Request for Proposal
How Do Companies Gather Site Selection Data?

- Significant online research prior to targeted outreach
- Company or economic development consultant submits RFP to targeted state agencies and/or communities
- RFP includes detailed list of questions
- Information must be submitted by stated deadline
RFP Criteria

- Recruiting & training
- Transportation infrastructure
- Tax credits / exemptions/abatements
- Discretionary grant funding
- Permitting & inspections
- Water / sewer infrastructure
- Utility costs
Crunching the Numbers

- Data is input into client matrix
- Items are weighted according to client needs & priorities
- The client’s goal is to reduce number of communities under consideration for project
- How does your community/region/state/country stay in the race?
## Site Elimination Process

<table>
<thead>
<tr>
<th></th>
<th>Site A</th>
<th>Site B</th>
<th>Site C</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Transportation Costs</strong></td>
<td>$X/mile</td>
<td>$X/mile</td>
<td>$X/mile</td>
</tr>
<tr>
<td><strong>Labor Costs</strong></td>
<td>wages+benefits # of employees</td>
<td>wages+benefits # of employees</td>
<td>wages+benefits # of employees</td>
</tr>
<tr>
<td><strong>Energy Costs</strong></td>
<td>$0.XX/kwh</td>
<td>$0.XX/kwh</td>
<td>$0.XX/kwh</td>
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<tr>
<td><strong>Capital Expenses (Land &amp; Building)</strong></td>
<td>Land = $XX Building =$XX</td>
<td>Land = $XX Building =$XX</td>
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Key inputs are weighted, calculated & ranked per each site
INDOT & Purdue are partnering on joint research project to identify specific steps that can be taken on the state level to identify and support the emerging CAV industry.
CAV Economic Development Opportunities

Growth Segments:

- **Hardware**
  - batteries, electric motors, semiconductor chips, cameras, radar, laser, lidar & other sensors

- **Software**
  - Communities with tech talent will attract new economic opportunities

www.areadevelopment.com
Takeaways

- Economic development is a team sport
- Client determines weighting of site selection criteria
- Indiana’s CAV supply chain positions it for success
- Leverage government-university partnerships
Elevate Indiana’s economic competitiveness and quality of life for all Hoosiers

$30B over the next 20 years in roadway infrastructure investments

Includes $342M annually to help cities, towns, and counties for local roadway projects (Community Crossings Program)

Preservation of existing state and local roadway infrastructure

Finish major projects over the 20-year period
Next Level Roads

Filter Projects by:
- District
- Status
- Program
- Community Crossings
2018-2045 Goals

1. Safe & Secure Travel
2. System Preservation
3. Economic Competitiveness & Quality of Life
4. Multi-Modal Mobility
5. Environmental Responsibilities
6. New Technology & Advancements
Planning Is a Balancing Act

Quality of Life
- Lower Transportation Cost
- Alternative Modes of Travel Options
- Transportation System Connectivity
- Public Health & Environmental Enhancement

Capital Infrastructure Investments
- Transportation Infrastructure Financing
- Movement of People, Freight & Goods
- Economic Development & Competetiveness
- Improved Access to Jobs & Mobility Accessibility
Long-Range Planning: Transportation Needs Analysis

- Mobility
  - Modeling & Connectivity
  - Demand Management
  - Travel Time Reliability
  - (Probe Data)
- Conditions
- (Assessment Modeling)
- Safety
- TAMP

- Trucks (truck parking, rest areas, lanes)
- Maritime
- Rail
- Multimodal Plans

- Passenger Rail
- Transit Plans
- Ride Sharing
- Parking

- Pedestrian & Trails
- Bike Facilities
- Complete Streets
- Dock-Less Bike Sharing/Scooter
- Safety & Health

- Ongoing Coordination & Input (workshops & meetings)
  - MPOs/RPOs
  - Asset Teams
  - Federal Partners
  - Multimodal Interest
  - Freight Stakeholders
  - Interest & Advocacy
  - General Public
Getting Involved: INDOT State Facilities

MPO Regions

RPO Regions

INDOT District
Road Construction

- $600 million to accelerate the completion of I-69 Section 6
- $190 million for improvements to U.S. 20 and 30 and new interchanges on U.S. 31
- Increase the number of projects on U.S. 20 and U.S. 30 that will be completed through 2023
- New U.S. 31 interchanges at State Road 18 in southern Miami County, Business 31 in Peru, and State Road 10 in Argos; 236th Street at the Hamilton/Tipton county lines is already being planned
- These four interchanges will reduce the number stoplights on U.S. 31 from Indianapolis to South Bend to two
- The governor’s goal is to remove remaining stoplights and railroad crossings and make U.S. 31 a free-flow road
$100 million to bring affordable high-speed fiber optic broadband access to unserved and underserved areas of the state

Grants for providers to bring broadband services with a minimum of 100/10 Mbps to areas of the state lacking service
  - State/local match

Purdue University study found that Indiana could gain billions of dollars in economic benefits over 20 years with full deployment of broadband into rural areas

Supports fully integrated transportation network for the 21st century

Future mobility management will require real time information to support individual and commercial transportation needs, including CAV
$90 million to connect more Hoosiers to hiking, biking and riding trails

Some funds will be used for development of Department of Natural Resources priority trails projects

State/local match

Installation of fiber optics, utilities or sewers could be a benefit

The state will work with communities and trails groups to design the final grant program
International Flights

- $20M to establish additional international nonstop flights to/from Indianapolis
- Connect Indiana to more international hubs in North America, Asia and Europe
- The first such flight from Indianapolis to Paris commenced in May
- Encourage additional economic investment and direct connections with more markets throughout the world
Fourth Port

- In 2017, the Ports of Indiana entered into an agreement for an option to purchase 725 acres of land in Lawrenceburg as the potential home to the state’s fourth port
- Financial, economic and environmental due diligence is ongoing
• The Northern Indiana Commuter Transportation District (NICTD), Northwest Indiana Regional Development Authority (NWRDA) and the Indiana Finance Authority are partnering to pursue both projects

• The West Lake project would create commuter South Shore rail service from Hammond to Dyer
The South Shore double tracking project would add a second line along a parallel track from Gary to Michigan City.

The West Lake application to the Federal Transit Authority for review and ranking was submitted September 2018; the South Shore submission will be made in the next federal fiscal year.
Contact Information

Pam Fisher
Director of Economic Development & Special Initiatives, INDOT
pfisher1@indot.in.gov
(317) 234-8231
www.in.gov/indot