



Chapter 7

Economic Development

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Introduction

Economic development is an important aspect to maintaining and improving the well-being of the Elkhart Community. It consists of projects and programs to enhance private sector business activity and increase jobs and wealth for Elkhart's residents. Economic development can consist of improvements to infrastructure and transportation systems, improving the overall quality of life factors within the community to make it more attractive to business, incentive and financing programs to lower the costs of doing business within the community, and improving social programs and education to build a higher skilled workforce to improve the labor efficiency for local business. The public sector has a role in helping to attract and retain jobs within a community and improve the welfare of its residents. This section discusses specific programs as part of the overall growth strategy of Elkhart to help build wealth and prosperity.

Existing Areas for Investment and Development

The City currently has seven different TIF (tax increment financing) districts to help focus redevelopment efforts within the City. TIF districts operate by freezing tax assessments at a base level when they are created. This current tax revenue continues to go to the City's general fund and other taxing district funds (i.e. schools, libraries, etc.). As new investment creates new assessed value within the district, the new taxes generated off that additional investment are diverted to a new fund. This new fund can only be used for further investment and improvements within the TIF district. The premise is that once redevelopment and new investment is complete, the district is dissolved and now the new revenues go back to the original taxing jurisdictions. Without the additional investment that this district creates, it is argued that new private investment and assessed valuation would not otherwise occur. The districts are outlined on the "Economic Development Existing Conditions Map".

The City currently has six active plans in place for infrastructure improvements and reinvestment aimed at economic development. Objectives of the plans include encouraging new business investment, sewer, water and transportation improvements, reinvigorating older industrial areas, and new commercial development. The specific plans are summarized as follows:

Southwest Industrial Area Plan

Mission

The mission of the Southwest Industrial Area Plan is to facilitate new business investment in the Economic Development Area. New business investment will result in an increase in the tax base and additional employment opportunities for area residents. Investment will be in the form of new commercial development and industrial development.

Goals

- Improve the aesthetics of the area.
- Improve the infrastructure within the area.
- Resolve land use conflicts between industrial and residential areas.
- Assist the existing area businesses to expand and improve their current facilities.
- Attract new commercial and industrial development to the area.

Proposed Activities

The proposed activities for the TIF may include the following:

1. Sewers and Water – Eliminate combined sewer overflows by separating sanitary and storm sewers currently serving the area. Sewer and water lines would also be extended to residential areas not currently served by City utilities.
2. Road Improvements – Some of the improvements that may be funded utilizing TIF revenues include the addition of turn lanes on Prairie Street, in addition to Hively and Benham Avenues. Pedestrian crossing signals and crosswalks may be added at all additional traffic lights resulting from redevelopment. Curbs may also be added along both sides of Prairie from Dinehart to Hively and along both sides of Benham from Hiawatha to Hively.
3. Sidewalks – The neighborhoods to the south of Woodland Crossing Shopping Center (formerly known as the “Pierre Moran Mall”) have sporadic sidewalks. The plan would be to extend sidewalks to areas where they are not currently in place. Sidewalks may also be placed around the full perimeter of Woodland Crossing Shopping Center making it more pedestrian friendly. Currently, sidewalks are only located to the south and east of CVS along Hively and Prairie. Sidewalks may be extended along both sides of Benham from Hiawatha to Hively. Sidewalks may also be extended along both sides of Prairie from Dinehart to Hively.

4. Public Amenities – Street trees and pedestrian lighting may be added along major roadways, including the perimeter of Woodland Crossing Shopping Center to make it more pedestrian friendly and aesthetically pleasing. This would also encourage use of the sidewalks and crosswalks added as a result of this redevelopment project. Improvements, such as lighting, may also be made to the pedestrian access from Hawthorne into the mall area.

Elkhart Technology Park Redevelopment Plan

Introduction and Purpose

The City of Elkhart seeks to create a Redevelopment Area in the Beardsley Avenue-Michigan Street industrial area. The site is an older industrial area located in northwest Elkhart consisting of approximately 220 acres. The redevelopment plan is based on a strategy of transitioning this area from traditional manufacturing to technology based businesses by creating a technology park. By adopting the redevelopment plan and implementing the proposed activities, the following benefits may be realized:

- increased opportunities for gainful employment of area residents;
- attraction of new high technology businesses to the area;
- retention and/or expansion of existing businesses in the area.
- increased local tax base

Mission and Goals

The mission of the Elkhart Technology Park Development Plan is to facilitate new business investment in the Redevelopment Area. Specific goals of the plan are as follows:

- improve the overall aesthetics;
- improve the existing infrastructure area and provide new technological infrastructure;
- assist the existing area businesses to expand and improve their current facilities;
- attract new commercial and industrial development;
- fund needed public improvements;
- provide incentives for businesses and offer tax credits.

Technology Park Overview

Research has shown that the development of successful technology parks can have a positive impact on local and regional economies by encouraging and fostering businesses that provide skilled, high wage jobs. Elkhart has a growing economic base, but it is focused heavily on traditional manufacturing. The creation of a technology park and the subsequent technology based businesses will diversify our local economy and provide opportunities for residents to pursue careers with technology based businesses without leaving the area.

Downtown

The overriding goal of the Downtown Redevelopment Plan is to facilitate and encourage reinvestment and redevelopment in downtown Elkhart, specifically within the designated impact zone. Reinvestment will be in the form of new housing, commercial development, entertainment/recreational opportunities, and civic uses which will provide an attractive, pedestrian-friendly environment for both residents and visitors. The end result will be an environment that attracts local private investment, and sets the stage for on-going, healthy growth.

Specific objectives of the Downtown Redevelopment Plan are as follows:

1. Utilize the Elkhart and St. Joseph Rivers as a downtown amenity and a community resource.
2. Utilize land downtown to its maximum potential, or “highest and best economic use,” in a manner which blends private and public uses.
3. Encourage new investment in the impact zone to strengthen the investment climate in the entire downtown.
4. Increase the local tax base.
5. Increase the downtown resident population.
6. Enhance the overall appearance of the downtown to attract new investment and new patrons.
7. Make downtown Elkhart a “destination point” for the city, county and region.
8. Eliminate pockets of disinvestment, detrimental influences and environmental concerns.
9. Remove inappropriate land uses currently within the downtown area, such as industrial sites and warehouses.

10. Incorporate an “arts and culture theme” into downtown revitalization efforts.
11. Enhance the overall security and public safety in the downtown area.
12. Use limited public resources to leverage significant new private investment in the downtown area. Every one dollar of public investment should strive for attracting four to ten dollars of private investment.

Cassopolis Street Improvements

The following types of public improvements are needed along the entire Cassopolis Street Corridor and also along that portion of Johnson Street (CR 9) within the Redevelopment Area.

Streetscape

Streetscape improvements are needed throughout the Cassopolis Street Corridor. The proposed improvements include provision of sidewalks and other pedestrian friendly amenities, distinctive street lighting, street trees, and a unified sign program.

There are very few sidewalks on Cassopolis Street. Proposed improvements include extending sidewalks from the south side of the Toll Road overpass, where they currently end, south to Bristol Street. This would allow pedestrian traffic to safely move along the corridor. In addition, sidewalks would be added to one or both sides of Johnson Street to create safer pedestrian movement. TIF funds may also be used to fund sidewalks in and around any future commercial development that occurs within the redevelopment area. TIF funds may also be used as a match for a T-21 grant from the State of Indiana. Indiana's Transportation Enhancement program allows funding for transportation projects to expand beyond the traditional accommodations for cars, trucks, buses and transit. Transportation enhancements (TE) are transportation-related activities that are designed to strengthen the cultural, aesthetic, and environmental aspects of the Nation's inter-modal transportation system. At least twenty percent (20%) of a project's cost must be paid for by the sponsor to show commitment by the community.

Consistent street lighting is a necessary element for creating a sense of cohesion throughout the corridor. This type of cohesion has been implemented along areas such as Elkhart Avenue, South Main Street and Benham Avenue. Part of this plan is to create a corridor with this type of feel and distinctive identity.

A major component of the streetscape is landscaping. A unified landscape plan is necessary so that as the corridor develops, the



There is a need for better sidewalks along Cassopolis Street.

landscape complements the lighting and helps create a pleasant environment for both pedestrians and motorists. Key landscape components include provision of sidewalks, pedestrian crossings and street trees.

Utility Relocation (Underground)

TIF funds from this Economic Development Area may be used to relocate utilities from overhead to underground. This would help to improve aesthetics and reduce congestion that has resulted from signage, utility poles and power lines. TIF funds may also be used to assist in the cost of burying power lines in future development areas within this district.

Transportation Improvements

TIF Funds may be used to assist in implementing the recommendations contained in the Corridor Study, including the provision of additional traffic lights. Additional lights may be added along Cassopolis at Emerson Drive. This will become necessary as future commercial development occurs along the eastern portion of Cassopolis Street near this intersection. Along Johnson Street, an additional traffic light may be needed at the intersection of Arlington if Arlington is realigned at Emerson and becomes an east west connector between Cassopolis and Johnson.

Water and Sewer

TIF funds would be used to eliminate combined sewer overflows by separating sanitary and storm sewers currently serving the area. Combined sewers are found primarily in the southern portion of the corridor.

Proposed Activities by Development Area

The Cassopolis Street Corridor consists of five distinct development areas and the Lerner Performing Arts Center project (formerly the ELCO Theatre) in heart of Downtown Elkhart's Arts & Entertainment District. The following paragraphs will discuss the proposed activities in each area beginning with the northernmost area, south of Sanford School Road and proceeding south along Cassopolis to Bristol Street and into downtown.

Northpointe Gateway

The intersection of Cassopolis Street and the Indiana Toll Road forms a major gateway to the City of Elkhart. It is commonly known as Northpointe due to the presence of the Northpointe PUD, a large mixed-use PUD that occupies the entire corridor west of Cassopolis Street between Sanford School Road and the Toll Road. The area on both sides of the Toll Road and both sides of Cassopolis Street forms a visitor's first impression of Elkhart when exiting the Toll Road. There are many hotels



Northpointe Gateway area.

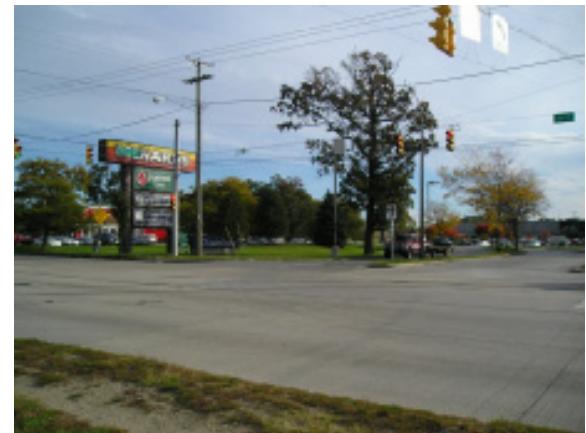
located in this area along with the Elkhart County Convention and Visitors Bureau. Currently, sidewalks extend on both sides of the Cassopolis Street bridge spanning the Toll Road, but end abruptly at grade level. Proposed improvements include providing the streetscape components discussed previously in this plan (sidewalks, landscaping, distinctive lighting), with particular emphasis on creating pedestrian connections within existing development, as well as between them. Of major importance in the Gateway is the implementation of the recommendations contained in the Corridor Study. This would include alignment of entrances to commercial developments on either side of Cassopolis Street, consolidation of existing curb cuts where possible, improving pedestrian access and providing rear service drives.

Windsor Street/ County Road (CR) 6 Loop

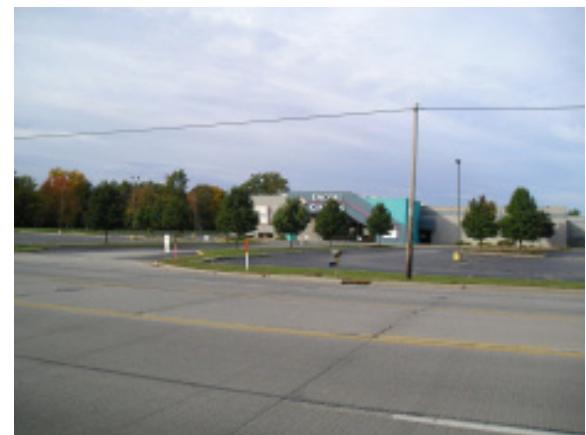
The first signalized intersection south of the Toll Road is the intersection of Cassopolis Street and Windsor Avenue. To the east, Windsor Avenue provides access to County Road (CR) 9 (Johnson Street) through a major commercial center containing restaurants, a hotel, retail and office uses. West of Cassopolis Street, Windsor Avenue provides access to commercial and industrial development and terminates in a cul-de-sac. Just south of this area is the intersection of CR 6 and Cassopolis Street, an intersection with huge traffic volumes and many automobile accidents. The Northfield Market PUD, located south of CR 6, contains both Wal-Mart and a multi-plex cinema, popular destinations in the corridor. Proposed improvements in this area include the creation of an extension of the eastern portion of Windsor Avenue south to connect with CR 6. This would provide an alternate route for traffic trying to access the Northfield PUD and other commercial establishments in close proximity. The plan also calls for the addition of right-turn lanes at all four corners of the intersection. Consolidation of access points and construction of streetscape improvements are also proposed for this area.

Emerson Arlington Connection

The area surrounding Emerson Drive on the west and Arlington Street on the east contains large areas that are poised for redevelopment. Currently, Emerson Drive and Arlington Street are not in alignment and form T intersections at Cassopolis Street. This results in numerous traffic accidents as people try to jog from one to the other. Further development will only exacerbate this problem. It is imperative that Emerson Drive and Arlington Street be aligned with each other and the intersection signalized. Access to new commercial areas can then be provided from Emerson Drive and Arlington Street. Street improvements along Arlington will be made from Cassopolis Street to CR 9 (Johnson Street) and along CR 9 where new development occurs. Corridor Study recommendations will be implemented and streetscape improvements will be made.



The intersection of Windsor Avenue and Cassopolis Street.



The intersection of Arlington Road and Cassopolis Street.



Homes along Cassopolis Street just south of South Drive.



View along Cassopolis Street north of Sunset Avenue.



Artist rendering of the Lerner Performing Arts Center.

South Drive Area

Proposed improvements include the extension of South Drive east to CR 9. The extension of South Drive east to Johnson Street would provide another connection between Cassopolis and Johnson Streets, in addition to providing access to large, currently undeveloped or underdeveloped areas. As development occurs, access management principles would be applied and construction of the streetscape would occur. Consolidated and coordinated access will be planned to accommodate the residential area to the west of Cassopolis Street as commercial development occurs.

Country Club Drive to Bristol Street

This area is characterized by a wide variety of commercial uses located on small lots with many curb cuts, lots of signs, and large volumes of traffic. There are some industrial uses west of Cassopolis Street and also some undeveloped areas large enough to accommodate a mixed-use type of development. Proposed improvements in this area include installation of the streetscape and other street improvements, and consolidation of existing curb cuts wherever possible. It is very important in this area to create a pedestrian friendly environment to connect the commercial corridor with nearby residential neighborhoods.

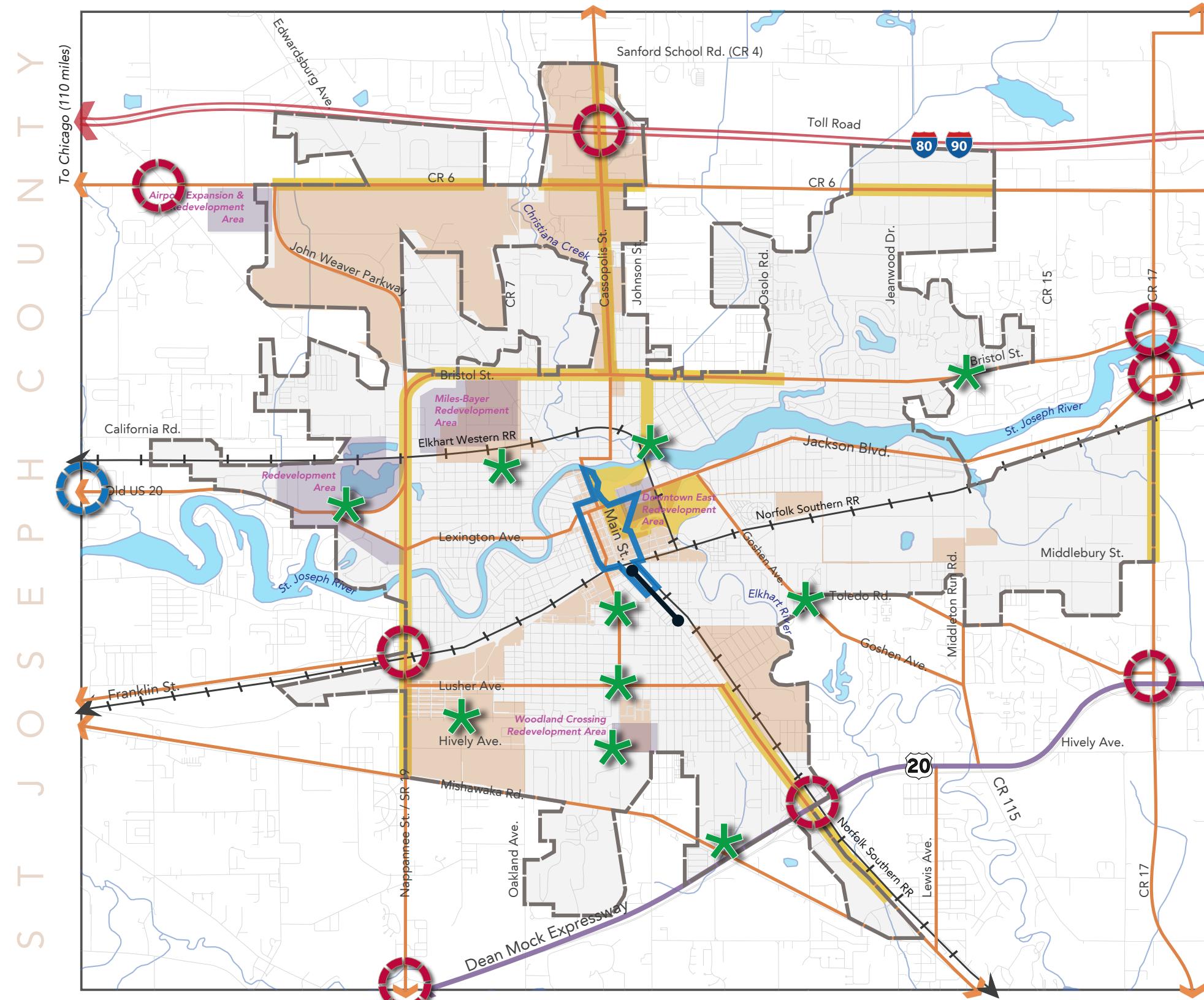
Lerner Performing Arts Center Project (also referred to as the “ELCO Theatre” and the “Lerner Theatre”)

The Lerner Performing Arts Center was recently restored to its original 1920s opulence while at the same time being outfitted with state-of-the-art, 21st century acoustical improvements. The renovated theatre is poised to become the cornerstone of a thriving Arts and Entertainment District in the heart of downtown Elkhart.

An additional 6,000 square feet of meeting space, complete with catering, means such things as corporate business events, wedding receptions, proms, banquets and other activities now have the space and attractive quarters to meet the demand.

An attractive and active performance venue and meeting space means that Elkhart residents and others from out of town will have plenty of reasons to visit downtown and take in other nearby destinations. Since the Cassopolis Street Corridor is the primary gateway from the Toll Road to Downtown, a thriving downtown Arts and Entertainment District will increase the volume of vehicle traffic (a key indicator of retail property values) and will have a positive impact on the hotels, restaurants, and other retailers in the Cassopolis Street Corridor.

MICHIGAN

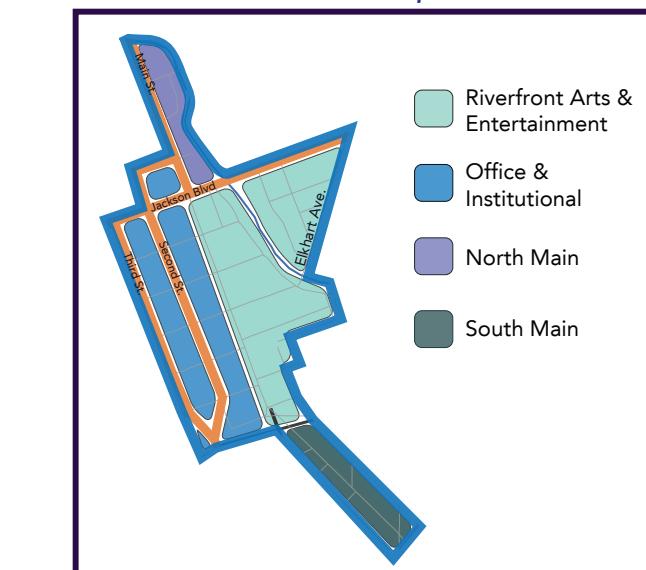


Future Economic Development Framework

Key

↔	Indiana Toll Road
↔	US 20 Bypass
↔	Major Arterial
↔	Rail Line
—	Elkhart City Boundary
■	Existing TIF District
■	Downtown
●	Existing Overlay District
●	Proposed Overlay District
●	Proposed Redevelopment Area (area intended for new investment & changes to the existing land use pattern)
●	Proposed Gateway & Revitalization Area (highly visible area that would benefit from aesthetic improvements and focused redevelopment)
●	Proposed Minor Gateway Area (visible area that would benefit from aesthetic improvements)
●	Proposed Neighborhood Activity Center (walkable, pedestrian-oriented destination featuring 2 or more related or complementary uses, such as retail &/or institutions within a 5-minute walking distance of each other & a residential neighborhood)

Downtown Districts Inset Map



Public Engagement

The future economic development framework for the City is created through a combination of carrying forward the implementation of existing plans, consideration of plans created for the regional area that include the City of Elkhart, and public engagement as a part of the comprehensive planning process.

A Community Open House was held on February 22nd, 2011 to get feedback on ideas being generated as part of the comprehensive planning process. Participants were asked for feedback on goals and objectives related specifically to economic development. Participants overwhelmingly agreed with:

- Pursuing funding sources for education and training needs for existing and emerging businesses.
- Promoting the retention, expansion and attraction of business through financial and technical support.
- Marketing of the community as a place to develop/manufacture alternative/renewable energy products.
- Improving the overall sense of place and aesthetic quality and character of the community to improve business retention, expansion and attraction efforts.

Overall public support for economic development efforts is high within the community. In addition to the use of TIF districts as a tool, three additional economic development designations were discussed including revitalization areas, redevelopment areas and neighborhood activity centers.

Revitalization Area: A highly visible area within the community that would benefit from aesthetic improvements.

Redevelopment Area: Designated area intended for new development and changes to the existing land use pattern. These would include existing or newly proposed TIF districts.

Neighborhood Activity Center: Walkable, pedestrian-oriented destination featuring two or more related or complementary uses, such as retail and/or institutions, within a five minute walking distance. The workshop attendees confirmed proposals for locations of the above areas and established additional gateway revitalization areas near SR 120 and CR 17 and along Bristol Street at the city limits just west of CR 15.

Economic development designations that can be identified anywhere in the city where economic development is desired.

REVITALIZATION AREA

Highly visible area that would benefit from aesthetic improvements.



REDEVELOPMENT AREA

Designated area intended for new development and changes to the existing land use pattern.



NEIGHBORHOOD ACTIVITY CENTER

Walkable, pedestrian-oriented destination featuring two or more related or complementary uses, such as retail &/or institutions, within a 5-minute walking distance.



Potential implementation measures that the City can use to provide incentives to encourage economic development. Some of these require Council approval.

OVERLAY DISTRICT

Floating zone that may occupy all or portions of several zoning districts. Properties undergoing modification or new construction shall be required to submit a development plan to the City Plan Commission for review & approval.

TAX INCREMENT FINANCING DISTRICT

Defined area utilizing a public financing method to direct additional tax revenues to public improvements or to subsidize/incent private investment.

ECONOMIC IMPROVEMENT DISTRICT

Special purpose area utilizing self-assessment, agreed to by property owners, to fund improvements within the designated district.

Economic development areas and potential implementation actions.

Redevelopment Framework

Redevelopment is an important aspect to the overall revitalization and economic development of the City. Redevelopment itself is the process of rehabilitating and renovating areas of the city with new investments of infrastructure, public facilities and/or private development. The City of Elkhart has developed three designations for areas of the community that represent different levels and focus for redevelopment opportunities.

Business and Workforce Development

Elkhart prides itself on a skilled workforce. City leaders have recognized for years the importance of diversifying the skill sets of its residents through conventional and innovative education and job training endeavors. As economic trends shift, a diversified workforce will not be solely dependent on one industry to provide employment and will be better positioned to handle economic ebbs and flows. The education and economic development goal of this plan reinforces the education-economic development relationship and outlines techniques to capitalize on the region's diverse educational resources to advance the City's traditional economic development efforts of business retention, attraction and expansion.

In addition to the City of Elkhart's Economic Development Department, the lead advocate of economic development in Elkhart County is the Elkhart Development Corporation of Elkhart County (EDC). Since 2000, the EDC has been instrumental in attracting and retaining quality businesses in the County and is the City's key partner in fostering Elkhart's economy. The following action steps provide guidance to City policy and decision-makers to support the education and economic development goal. Policy development requires the leadership and commitment of Elkhart City officials and collaboration with other partners, such as the EDC. It is not solely up to the City to implement the following action steps; however, it is necessary that the City create an environment that is conducive to success in this area by dedicating more resources to organizing efforts, setting guidelines, and enforcing ordinances to enhance and promote assets, creating and maintaining partnerships and galvanizing stakeholders.

More specifically, business and workforce recommendations should focus on:

- Continue the City's economic development efforts of business recruitment, retention and expansion.
- Clear unkempt properties to create turn-key sites for business location in priority areas.
- Identify new and emerging markets where Elkhart has a competitive advantage in terms of location, skills of workforce, economy of scale, building inventory, incentives or other decision-making factors.
- Identify and pursue funding opportunities that support the educational and training needs of existing and emerging businesses in the City.
- Ensure regular communication among school districts, higher education institutions, continuing education providers, the Chamber of Commerce, and other representatives from the business community to marry local employment opportunities with academic and training curriculums.
- Continue participation in the Horizon 2.0 initiative.
- Develop new, non-monetary incentives to entice new investors and retain existing businesses.
- Cluster similar and complementary businesses to create economies of scale, encourage resource sharing, market an area's identity, and provide a convenient and memorable experience for customers.

- Direct new development and investment to areas within the current City limits rather than in undeveloped/greenfield areas.
- Update the City's Annexation Plan.

Regional Framework

Elkhart, Kosciusko, Marshall and St. Joseph counties came together in 2010 to create a Comprehensive Economic Development Strategy (CEDS) for the region. The immediate impact of the CEDS is to make the region available for fast-track funding from the U.S. Economic Development Administration (US EDA) for economic development and infrastructure development. In addition it serves as a coordinating piece for regional economic development efforts recognizing that each community is part of a larger regional economy.

The CEDS does lay out several strategies that have a direct impact on the City of Elkhart including:

- Focusing on the redevelopment of existing Brownfield sites within the community. Brownfield sites are properties in which there is a suspicion or confirmation of environmental contamination. The suspicion alone often makes it hard to secure financing to develop the site.
- Ensure excess capacity in sewer and water infrastructure so as not to hinder future development.
- Pursue governmental partnerships with higher education institutions to encourage technology transfer to the private sector.
- Identify uses for and companies which can use the by-products of the alternate energy production process.
- Ensure each elementary school has a computer library and access to technology.
- Partner with schools to open facilities for after-hours training and workforce development activities.
- Ensure educational activities have access to pedestrian and public transportation facilities.
- Coordinate with the Indiana Economic Development Corporation (IEDC) and follow requirements to create viable Certified Technology Parks.
- Develop the skill sets of incumbent and emerging workers that will meet the current and future demand of employers.
- Increase the number of residents in the region who possess post-secondary degrees, especially in math and science.

