



# Hendricks County Economic Development Partnership

Four Year Review of our Strategy Plan Implementation and Programming Activity

to

## HCEDP Board of Directors

September, 2011

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HCEDP

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## A note from the Executive Director

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In 2005 the Hendricks County Economic Development Partnership participated in its Strategic Planning process centered around three (3) themes:

1. The desire to aim higher,
2. Moving from good to great requires moving beyond the comfort zone, and
3. Priorities for delivering more.

The plan focused on:

- Diversification
- Higher paying jobs
- Being less a bedroom community (commuting)
- Product development (broaden attraction, moving business retention and expansion(BRE) to next level
- Encouraging entrepreneurial development and
- Applied leadership to make the difference.

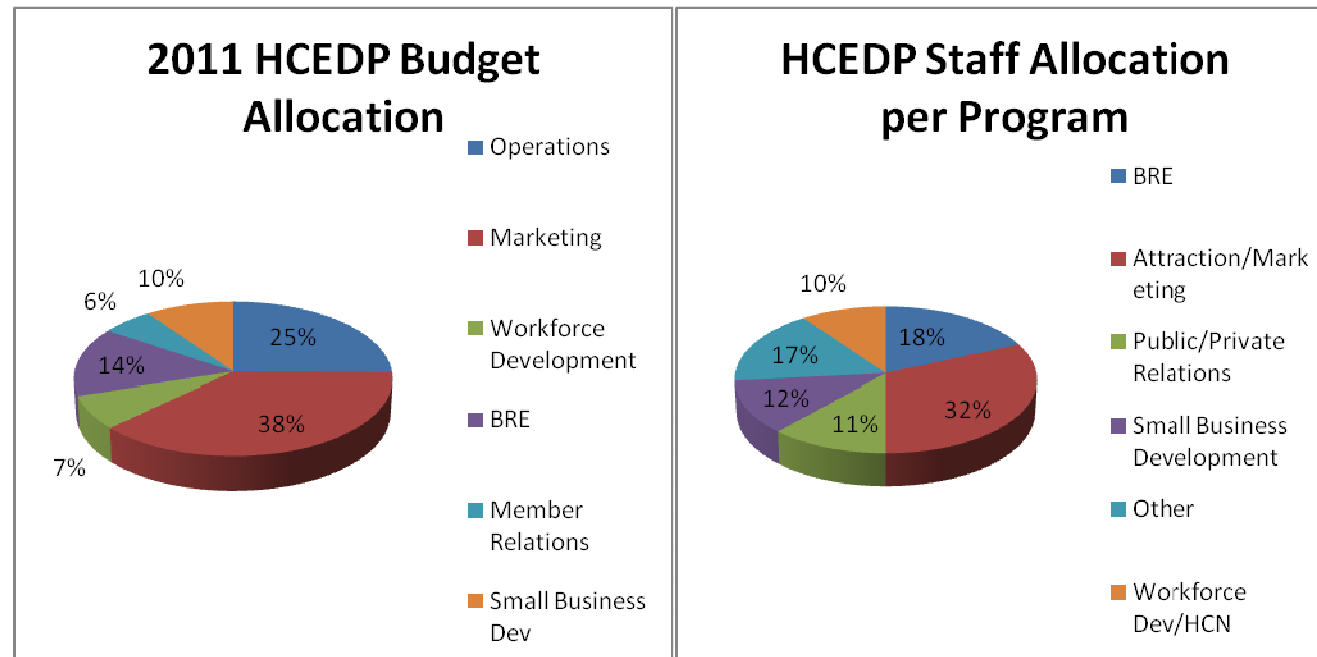
The following report speaks directly to the progress made since this Strategic Plan was put into place and approved in July of 2005. Included are data reports that speak to wage rates, commuting pattern changes, attraction, BRE, and entrepreneurial support.

This report provides the HCEDP public and private partners the opportunity to evaluate, alter, and implement programming that continues the progress achieved over the past seven years or redefines our path and priorities.

Over the past four years, we have heard the words “*FORWARD-THINKING*”, and “*RESPONSIVE*” as our advantage whether we win the next deal or it goes to another community. We relish our status of “*TRULY PROACTIVE*” because we work in partnership with our public and private partners.

As we plan for the next seven years and beyond, I believe it is imperative we continue to measure key indicators to build on the visions of our communities. I hope this document provides information we need to continue developing programming that helps us aim higher and deliver more. As such, I call upon all HCEDP investors to take action in formulating the path of HCEDP programming for the next 5 years and beyond.

## Executive Summary



**BRE to the Next Level:** through formalizing BRE programming, HCEDP has realized significant increases in existing business growth: from 2001 with 10% to an all time high of 40% YTD in 2011 investment. Job creation through existing business base YTD is also at an all time high at 55%.

**Entrepreneurial Support:** Working to develop best practice support for start-up and companies under 10 employees (Stage 1) was started in 2009 with the expanded efforts of SBDC and SCORE. Today, the growth the county realizes from 91% of all our resident companies continues to accelerate. HCEDP has incorporated area business with service expertise in bartering services for investments. We are also working with our local chambers, ISBDC, SCORE,

Purdue Center for Regional Development, and USDA to expand and formalize our efforts to continue on a public/private partnership.

**Stage 2 Growth:** Starting in 2010, our Stage 2 Edward Lowe program is now a regional program and likely to be initiated statewide in 2012. Stage 2 companies represent our single largest job base with 8% of our companies representing 41% of our employment.

**Commuting Patterns:** In 2005 51% of Hendricks County residents worked in the county with 48.8% commuting. By 2009, the most current information available, 58.4% of Hendricks County residents worked in the county with 41.6% commuting. The percentage of people commuting into Hendricks County to work has remained stable though the same timeframe.

**Increased Wage Rates:** Since HCEDP started tracking wage rates of the successful projects we have realized an 80% increase in the types of jobs we are attracting. We would offer this as a direct result of a more focused attraction of medical related logistics, services and device, as well as motorsports expansions.

**Attraction:** Continues to demand the most time and HCEDP funding. Maintaining databases, website, and completing Requests For Information, RFI's, remain a daily challenge. HCEDP has at least 1FTE dedicated to only these functions.

**EDIT ROI:** The four (4) year average ROI on every public \$1 was \$198. Directly linked to the increased wages brought by the medical sector and advanced jobs, the successful projects return \$842 for every invested EDIT \$ to the HCEDP.

## BRE Dividends: Growing Jobs and Investment through Enhanced Retention and Expansion

In **2008** HCEDP implemented a formal Business Retention and Expansion Program (BRE) with the Avon Chamber and Avon Assistant Town Manager. Surveys were electronically distributed throughout all sectors: retail, manufacturing, healthcare and more.

The BRE Standing Committee was reorganized in 2009 and over the next 2 years expanded the BRE program county-wide. This engagement resulted in:

- Sector specific Wage and Benefit Surveys;
- HR and company specific training through the Hendricks College Network (HCN);
- Breakfast Academies;
- BRE Projects resulting in jobs and new investment.

In addition, HCN co-located with HCEDP and joined efforts with the HR Square Table. HCEDP began sponsoring HCN Breakfast Academies in **2010**. This cooperative resulted in reduction of administrative costs while expanding BRE services.

**2010** brought the enhanced participation of the Leadership Hendricks County class into our BRE efforts.

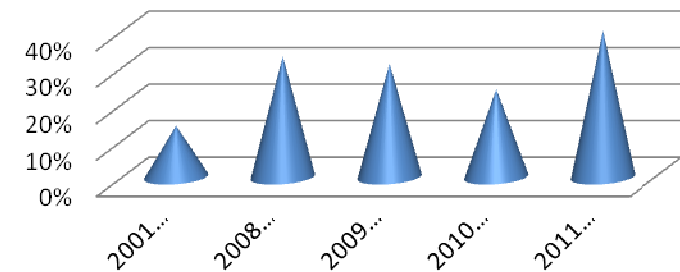
The **2011** HCEDP BRE Standing Committee Annual Action Plan was created using town officials, property managers and utility providers to participate in the company visits and discussions. These partners have assisted HCEDP in setting joint appointments that serve numerous purposes.

In addition, in **2011** HCEDP contracted with a Central Indiana Life Science consulting firm, CREO, to conduct a Situational Analysis, BRE survey of needs and strategy recommendations towards expanding our developing success in using existing talent base to attract small and emerging medical device companies. [A Life Science Strategic Plan is now in place for each community.](#)

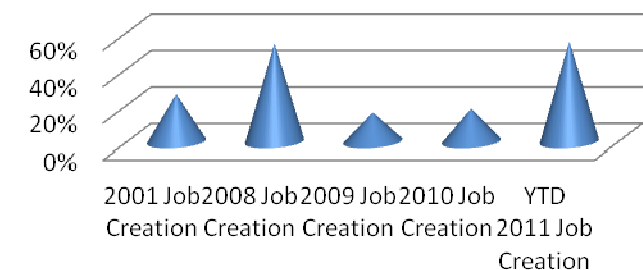
\*Adjacent are charts outlining the percentage of all jobs and capital investments made by existing companies. There was no BRE data for 2002-2007.

Source: HCEDP Project Tracker successful projects database.

### Existing Business Investment



### Existing Business



## BRE Targeting Stage 2 Companies for Community Brings \$50,000 in Private Grant Funding and Turns Community-to-Regional-to-‘State Business Network System’

**Implemented in 2010**, HCEDP successfully brought together Central Indiana Local Economic Development Organizations, LEDO's, to join forces and apply for grant funding to implement the Edward Lowe Foundation Economic Gardening Stage 2 Program (Stage 2: 10-100 employees).

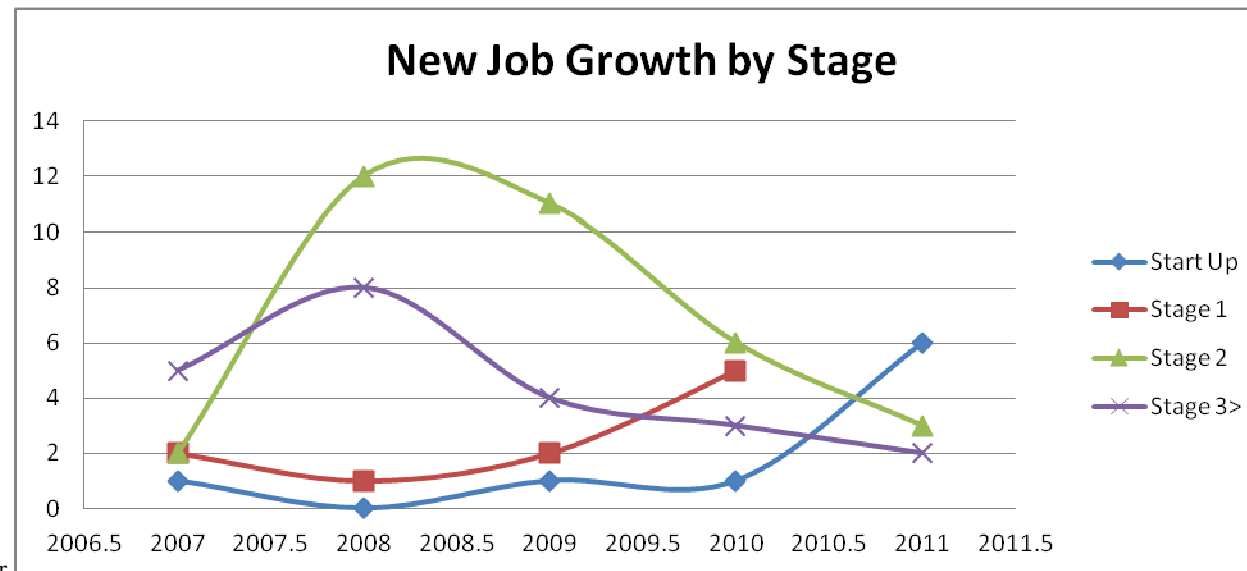
\$25,000 was received from the Metropolitan Indianapolis Board of Realtor (MIBOR). The Indiana Small Business Development Center (ISBDC) has committed an additional \$25,000 towards this effort.

The program was kicked off in early 2011. Two companies in the region have been identified and successfully registered for the program: Plainfield and Montgomery County are the homes for two companies.

### Stage 2 TESTIMONIAL

*"It is indeed amazing, but Americans have risen to other problems in the past and I am hopeful we can do so again. You are also right about the humor – this is of course a serious game..... If there were more people like you, there would not be frustrated people like me."* Craig/JECO

**In 2011**, HCEDP was asked to participate in round-table discussion with Purdue Center for Regional Development, SBDC and USDA to develop an Indiana Business Growth Network aimed at expanding this program state-wide.



\*Source: Project Tracker

Companies, by stage, who are seeing job growth

# Attracting Start-Ups through Public-Private Partners “EXCEL in Hendricks County”

Business /Entrepreneurial Development targeting Start-Up and Stage 1 (fewer than 10 employees)

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Over 2100 New Businesses Started in Hendricks County in 2010

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In early **2009** HCEDP began to actively address the needs of small business development:

- SCORE, a volunteer counseling service:
  - 2009 joined HCEDP efforts: 1 day/ 1 counselor
  - Expanded to 1 day/3 counselors **by 2010**
  - **2011**, SCORE has grown to 4 counselors/ 2 days a week
- 2010 Enhanced/Expanded SBDC counseling services/workshops
- 2009-Today: Engaged closer partnerships with local chambers to refer small business ventures to SCORE and SBDC. We continue to grow these efforts in a Public-Private venture to inform and attract new business growth.

Public-Private: a local partnership with HCEDP, HCN, SBDC, SCORE, and ALL HC Chambers to address the needs of companies with fewer than 100 employees

### **Did you know?**

Self Employment represents 36% of all HC businesses;

Of all HC companies, 91% have fewer than 10 employees;

and they account for 46% of the jobs.

Companies with fewer than 100 employees provide for an astounding 79% of our employment base.

HCEDP Private Investors have provided 100's of hours to assist small business in areas of expertise.

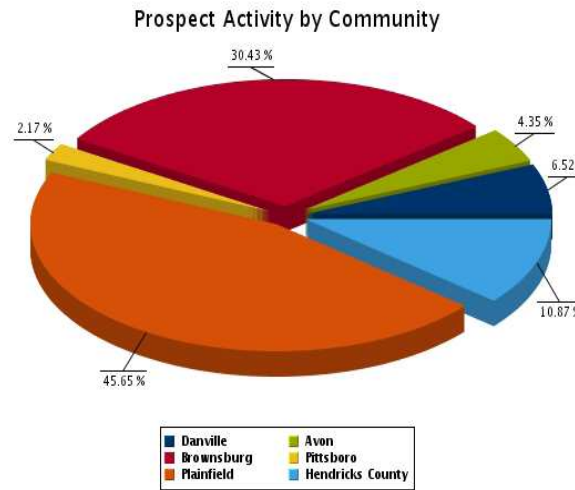
\*source: [www.youreconomy.org](http://www.youreconomy.org)

## Fully Engaged Talent Marketing Helps Diversify Economic Base

**4<sup>th</sup> Quarter: 2009-2010** HCEDP fully engaged in marketing local talent to expand and diversify its local industry targeting the motorsports industry talent.

In early **2010** Brownsburg landed the first project which is projected to create 50 new jobs @ \$30hrly and a \$14,650,000 investment: Biologics Modular.

\*Source: Project Tracker, chart to the right reports 2011 successful projects by community



### TESTIMONIAL

*"Working with HCEDP helped us start up. The ability to understand businesses is a huge asset. If you ever want a place to move your company, keep her in mind. She is excellent at all details. Hendricks County is a great place to work. Cinda has the ability to communicate with developers and municipal entities to secure the proper assets to help companies grow. As our company grows, Hendricks County will always be our home because of those strengths and ability to understand our needs. HCEDP was a huge asset to Biologics Modular."*

Clark Byrum, /Biologics Modular

## 2010-YTD 2011: 6 NEW COMPANIES IN BROWNSBURG, AVON AND PLAINFIELD REPRESENTING 619 NEW JOBS @ AVERAGE WAGE OF \$26.13 HOUR AND INVESTMENTS EXCEEDING \$22.9M.

Moving a medical device company into a motorsports park joined two sectors that rely on same type talent and strengthens the base for the community, companies, and local commerce.

In addition, we now have a solid pipeline of prospective life science companies expected

to gain traction. This pipeline represents the opportunity for an additional 570 jobs at a similar wage and adds another \$116 M in proposed investment.

### Commuting Patterns improve over 4 years

<http://www.stats.indiana.edu/>

In 2005 51% of Hendricks County residents worked in the county with 48.8% commuting.

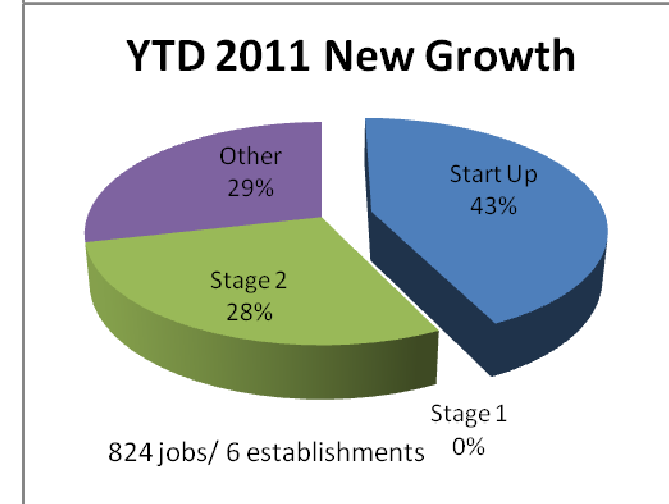
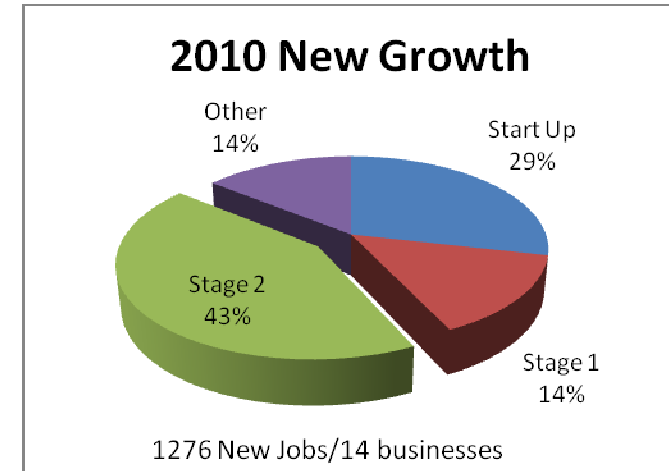
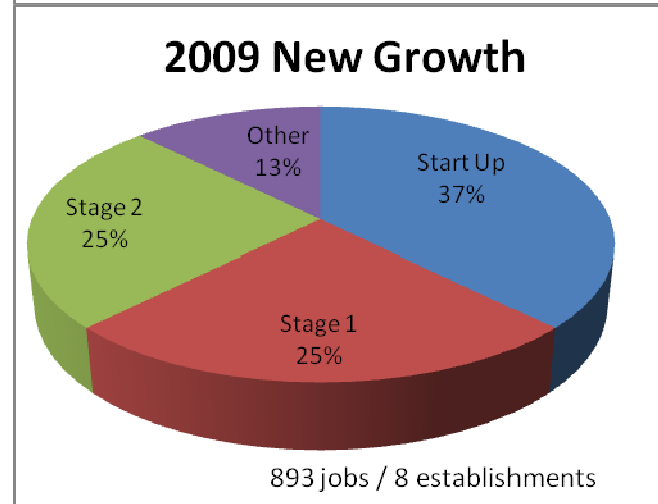
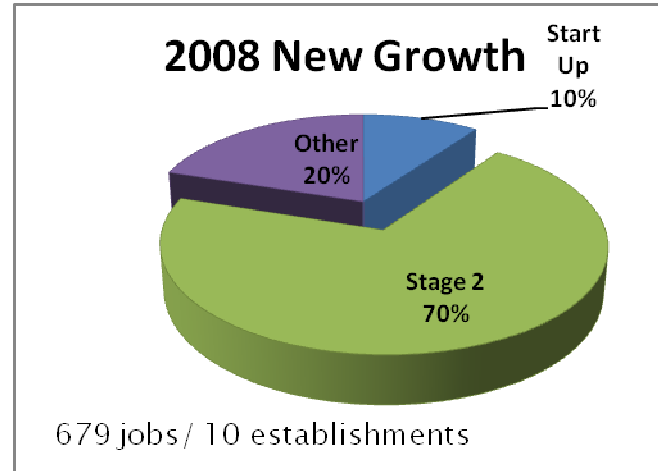
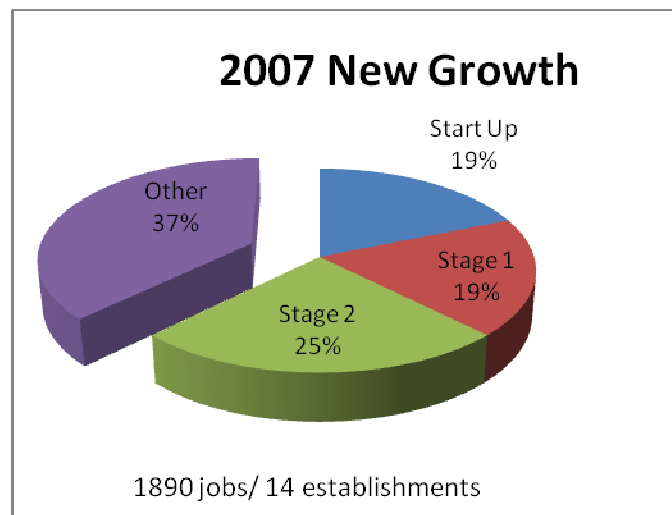
By 2009, the most current information available, 58.4% of Hendricks County residents worked in the county with 41.6% commuting.

# Attraction Successes by Company Stage

\*Source: Project Tracker

## ATTRACTION TESTIMONIAL:

*"Cinda,  
Thank you again for including me in the meeting  
with Congressman Rokita.....  
Again, thank you for efforts on behalf of Magnum  
Logistics".  
Regards, Jim Sharp/Magnum Logistics,*



# HCEDP Budget Cost Cutting Measures While Updating Programming and Marketing

**2007-2011** Reduced Personnel Cost by 8.4% from 2007 to 2011 with no reduction in staffing

**In 2011**, Health Insurance cost were reduced by nearly 50%

New sector specific marketing materials were developed in 2010 and 2011: Logistics / Motorsports and Manufacturing/ Life Science

## 2011 Initiatives

**Quality of Life** support continues to grow with the Town Councils of Avon, Brownsburg and Danville signing Resolutions, and Town of Plainfield and County officials voicing support. All local Chambers and School Corporations have also sent letters supporting measuring key quality of life indicators.

To date, the partners have raised \$127,499 for a 3-year funding commitment. HCEDP has been asked to lead in this effort. The Development Fund Committee has a proposal on the table to recommend additional funding to contract for services.

Life Science Strategic Planning: HCEDP Contracted with CREO to conduct a Situational Analysis and develop strategies based on strengths for HCEDP and each community. HCEDP will work with the communities toward implementation.

## Public/Private Funding Match Activity: from 68/32% 2007 match to a 62/38% match accounting for \$110,450 in additional private

**SIMPLY STATED, THE GOAL OF HCEDP IS TO PROVIDE LEADERSHIP THAT RESULTS IN THE INCREASE OF QUALITY JOBS AND TO REDUCE THE RESIDENT TAX SHARE OF THE TAX BASE.**

### ROI ANALYSIS OF EDIT ALLOCATION

Between 2002-2006

Four Year Average return on every EDIT dollar allocated to the HCEDP realized a return of \$198.

2007-2011

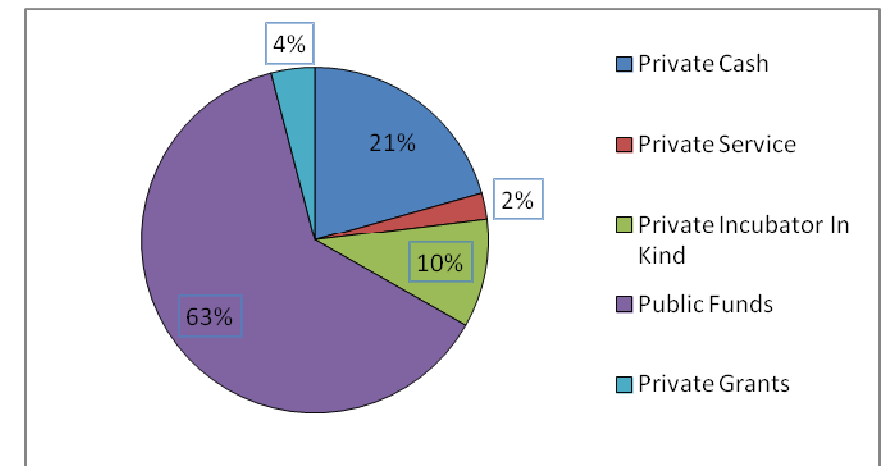
Average return is \$842 for every EDIT \$1 allocated.

### Increase Wage Rate ROI

The 2007 average wage of jobs touched by HCEDP: \$11.15 hr.

2008: \$17.07      2009: \$20.43      2010: \$20.08

SOURCE: PROJECT TRACKER



## A Call to Action: Remaining Responsive to the Needs of Communities, Companies, and Commerce

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**ATTRACTION:** Even though we've enjoyed considerable success over the past few years, we need to maintain a very strong marketing effort. With 3,141 Counties and Parishes in the United States, everyone is chasing the same jobs. It is more important than ever to be vigilant. According to Jim Walton, CEO of Brand Acceleration, our Hendricks County-based marketing communications partner, the secrets to successful economic development marketing communications are:

- Consistency:
  - Regardless of economic times or financial position, successful marketers never stop telling their stories. Our job is to always be working to grow awareness and help add new projects to the pipeline.
- Differentiation:
  - While it is very important for Hendricks County to be a strong regional partner, it is crucial to continue to differentiate the county over the other counties in the area. Hendricks County has a history of success in central Indiana and we need to continue our leadership.

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**BRE and Entrepreneurial Support:** In addition, our partners at Purdue stress the value in investing in growing our own talent and companies.

*"The practice of economic development has evolved a great deal in the last few years and the most successful communities are those that have strategies and policies and make investments in entrepreneurship, business growth, and industrial attraction. A focus on launching new businesses and growing stage-two companies is no longer an elective, but rather a core requirement."*

Scott Hutcheson, Purdue University  
Assistant Director for Economic & Community Development, Purdue Extension  
Deputy Director, Purdue Center for Regional Development

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*"Cinda – I wanted to be sure and get this invite out to you as you played an integral part in bringing the J&J DC to the Mooresville Area. The facility operations are coming along nicely and we expect to be in a steady state mode by mid September..... Hope to see you there thanks."*

Kevin Flinn/ J&J Mooresville

*"Hello Cinda, Just wanted to touch base with you and thank you again for all that you are doing to support us in our effort to grow the business."*

Shelia/ Interactive Energies, Avon

*"Enjoy ..... You have done such a great job for Hendricks County".  
Sandra S Gammon, Banking Center Manager First Merchants."*