

INDY AND A WHOLE LOT MORE

Regional Strengths Produce Central Indiana Growth

By Charlee Beasor



At the heart of Central Indiana's flourishing economy, Indianapolis continues to build upon its cultural and urban lifestyle amenities, including the Downtown Transit Center, slated to open later this year (*top left photo by Indy Eleven/Zach Dobson*).

Growth is never by mere chance; it is the result of forces working together.

James Cash Penney (founder of J.C. Penney Company department stores) wasn't talking about Central Indiana when he uttered those words, but they do apply. It wasn't by accident or some fated design – it was the hard work and cooperation of a number of communities (small and large), government entities, businesses and citizens that has propelled the region into the most prosperous economic engine in the state.

A few regional highlights:

- Fostering an educated population and a number of retail, industry and recreation opportunities in Hamilton County, the 55th fastest growing county in the country (2012 U.S. Census)
- Turning the rural area south of Lebanon along Interstate 65 into a retail and industry powerhouse with the development of Anson
- Converting open land in Plainfield into a logistics and distribution hub
- Supporting the motorsports industry, which is indirectly responsible for over 421,000 jobs and directly employs over 23,000 people in the state (according to a 2012 study)

- Providing an urban lifestyle in downtown Indianapolis with a number of infrastructure updates and cultural amenities that continue to attract new residents and businesses

Communities step up in Hamilton County

Good schools, thriving industries and individual communities pulling their weight are just a few of the pieces that make Hamilton County such an economic boon to the region, says Hamilton County Economic Development Corporation Director Tim Monger.

A 2013 report from the Lumina Foundation shows that Hamilton County has the highest percentage of Indiana adults (ages 25-64) with at least an associate degree, at just under 65% of the county's population. The state as a whole hovers just slightly above one third of its population with at least a two-year degree – lower than the national average.

While employers across the state toil to recruit talented employees, the highly educated population in Hamilton County lessens that struggle. But it's still a major focus for the county, which has a concentration of finance, insurance, real estate, information technology, manufacturing and agriculture industries.

"That's part of the growing pains as well. The businesses we have here that are growing, are there enough of the right kind of workers? That includes both the office standpoint as well as manufacturing; we continue to focus on that," Monger notes.

Hamilton County is well known for commerce centers Carmel, Fishers and Noblesville. But the county is also home to many growing rural communities with companies focusing on innovation and ingenuity, such as JBS United, an animal health and nutrition company based in Sheridan.

Company president Donald E. Orr, Ph.D., says the rural and metro communities offer a balance of the things that employees and prospective employees are looking for.

"Obviously, it offers some advantages for people that are wanting that kind of lifestyle (metro comforts). It's been an easy way to introduce key prospects and employees to JBS United. With the more rural lifestyle that we have here with our facility, it allows them to have access to excellent schools and all the other resources as far as youth sporting events and excellent 4-H programs in Hamilton County," Orr maintains.

The mix of offerings plays into attracting master's- and Ph.D.-level professionals for the company, Orr notes.

"As a company, we're excited about the opportunities we have here and we're excited to be able to offer the kind of opportunities to these employees and families that work at our headquarters here at JBS United, and so we're very optimistic and we're looking forward to even further growth in Hamilton County," he adds.

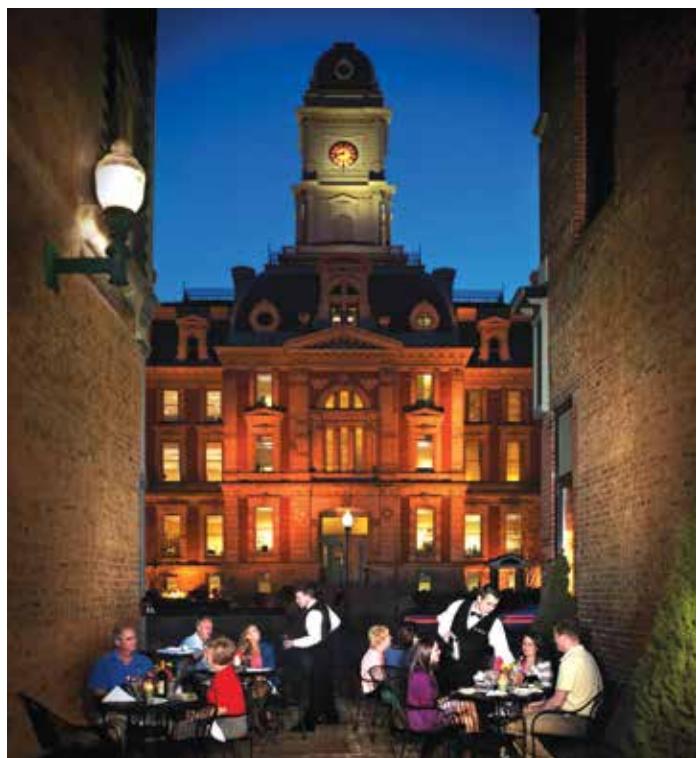
One unparalleled amenity is Westfield's Grand Park, an athletic and recreational facility on 400 acres with 31 multi-purpose fields, 26 baseball and softball diamonds and plans for two indoor facilities. Over one million visitors are expected annually.

The facility has spurred additional plans and investments, including by Grand Park developer Steve Henke, who looks to create a retail boardwalk south of the facility, according to Monger.

"If you think about those traveling teams and families deciding rather than to run off to the ocean or somewhere, they can have a family vacation around a soccer tournament," Monger reasons. "They've been very thoughtful about the size of Grand Park, as well as what would be done there. Kudos to the community and developer for being able to pull that off."

Location, location, location

Anson, located just off of I-65 north of Indianapolis, is a very intentional mix of industrial, retail and residential areas. The "master-



Hamilton County is known for its commerce and retail centers, but rural communities are also keeping all corners of the county strong.

External View: Mike Hatfield

Born in Anderson, lived in Logansport and went to high school in Middlebury. Electrical engineering degree from Rose-Hulman Institute of Technology and master's in finance from Indiana University. Worked three years in Indiana, leaving in 1987. Sold high-speed networking company Cerent Corporation to Cisco Systems in 1999. President and co-founder of Cyan, a Petaluma, California-headquartered company delivering software-defined network solutions. Funded the Indiana Venture Center in 2003.



Why did you invest in the Indiana Venture Center?

"To raise awareness around entrepreneurship and investment in Indiana. I wanted to be an entrepreneur in Indiana, but I didn't see a venue for that myself. Jeff Reedy (Scale Computing) and Joe Muldoon (FAST BioMedical) are graduates. It was a collection of like-minded people who lifted awareness. I think we helped that quite a bit."

What do you see in Indiana now?

"I'm actually quite encouraged by the change." Hatfield mentions former Gov. Mitch Daniels, TechPoint and "some of the big wins like ExactTarget – all things that didn't exist then. There is a whole group with an entrepreneurial focus, more awareness that contributes to that space. Thirty years ago large companies hired most of the students."

How does Indiana balance rural charm with metro growth?

"There used to be a real economic program in which large companies hired a lot of people in a big factory, so much of the way work got done was in physical proximity. Now, we're really driven by the knowledge economy. The notion that you have to be physically located is no more. We have people all over."

"One way rural areas continue to benefit is the high quality of life. With high-speed communication networks doing more than ever dreamed of years ago, it's people and their skill sets. That's true regardless of where they live. Get people wherever they are access to first-class education. If you had to physically go to every hamlet in Indiana, that would not be possible. People are free agents as knowledge workers."

Is there a fear of failure in Indiana?

"I'm not as aware of that. Entrepreneurs don't start because they're sure they're going to be successful; they do it in spite of that. If you don't succeed, there is a second life. That's why California has that approach. We just need a few more cycles in Indiana for people to see it's not one and done. It just takes time for that to happen."

What is one thing Indiana could do to improve its business climate?

"With legislative policy, it's putting together plans to foster start-ups. A lot of those pieces have been done. Second is education. If you don't have a skilled workforce, you're going to struggle to be competitive today. Education is increasingly a lifelong item. It's important that the state has that mentality."

planned community" was designed to be a place where people could "work, live and play," according to Charlie Podell, senior vice president in charge of Indiana operations for Duke Realty.

In a joint venture with Browning Investments, Duke Realty developed Anson, along with much of the industrial warehouse and logistics distribution area in Plainfield.

"Browning has a large land mass in Plainfield – over 900 acres. We were starting a large mixed-use development of which the northern portion would be industrial. Anson being northwest of the city off of I-65 and Plainfield is west of the airport – we thought this was a good time to tag up and be involved in both of these," Podell recalls.

Anson is "a great example of turning a rural area that didn't have much into a business powerhouse," he adds.

How much of a powerhouse? Enough to attract Meijer, Lowe's, banks, fast food restaurants, hotels, a 340,000-square-foot automated pharmacy, a 600,000-square-foot facility for a number of other companies at AllPoints at Anson, and a 100,000-square-foot Amazon operation. Additionally, the corporate headquarters for Weaver Popcorn Company relocated to Anson in early 2014.

Plainfield is home to AllPoints Midwest, a bulk distribution hub similar to the one at Anson, and in December 2013 it began construction on a new 1.1-million-square-foot WalMart distribution center. They join a number of longstanding logistics and distribution facilities.

Motorsports speeds along

Central Indiana is famous for being home to the Indianapolis Motor Speedway. But beyond that, many don't realize just how much of an impact motorsports plays in the state's economy. The industry pays an average wage of nearly \$63,000 (well above the state average) and impacts nearly every county in the state, according to a 2012 report from Purdue University, the Indiana Public Policy Institute and the Indiana Motorsports Association.

Just west of Indianapolis, Brownsburg is home to a number of racing teams such as John Force Racing and Don Schumacher Racing. And Speedway has seen a revitalization with a newly-redeveloped Main Street. An announcement in October that legendary racing team AJ Foyt Racing is planning to open an office in Speedway is more good news for the town.

Don Schumacher Racing moved to its facility in Brownsburg in 2005. Once again, location was key for the company and also for employees, says Mike Lewis, senior vice president for the organization.

"Eighty percent of our employees have moved here from somewhere outside of Central Indiana and they find it's a great place," he explains. "They can invest in a home. If they're younger and raising a family, you can afford to live here and find good schools here. It's a great place for people, unless you have an aversion to snow in the winter."

Continuing to improve the capital city

And at the center of Central Indiana's growth is the state's capital city. Safety and education challenges, however, can keep young families out of an area, a reality that Indianapolis Mayor Greg Ballard and his staff are constantly working to enhance.

"A lot of it is schooling, having the best schools we can in the city. We have 11 school districts, private, charter schools, and collectively they're all improving, but we have to make sure everybody realizes how important it is to attract the people, because we are dependent on the income tax and property tax," Ballard asserts.

It's not just young families, but also professionals that are desired in the city. A mass transit system that would attract and support those professionals has struggled to get off the ground. That simply cannot continue, Ballard says.

"The region is going to live and die as a whole. We have to keep



Duke Realty and Browning Investments teamed up to create a logistics and distribution powerhouse combination of AllPoints Anson (just south of Lebanon on Interstate 65) and AllPoints Midwest in Plainfield.

the center strong, Indianapolis strong, no question,” he emphasizes. “In 2009, we started the Regional Council of Elected Officials, and everybody understands that we want to help each other to keep strong. Around 70% of the growth in the state of Indiana in the next 20 to 30 years is going to be in Central Indiana. We have to continue to draw that sort of lifestyle that we want.

“We are a net donor to the rest of the state; frankly we’re proud of that and we want to help everybody else out. I’ve been very open about this. We want to be a good capital city for everybody. We want people from all over the state to feel very comfortable coming down to Indianapolis.”

Who is moving into the city? Baby Boomers, Ballard notes, and just under half of the people coming to Indianapolis are relocating from outside of Indiana.

“The numbers were about half, 38% to 48% are moving from out of state into downtown Indianapolis. I think we’re getting a lot of retirees. That’s new income tax, by the way, into the state. I think a lot of Millennials are moving downtown clearly to be near Mass Ave., etc. They’re rather high income, relatively speaking,” he says.

Amenities. That’s the key word for Indianapolis – and Ballard and his team know it.

“There is a movement toward urbanism. People want to come back to the city. They don’t necessarily want that suburban lifestyle, but if they can get everything they need for their family in the city, there is a push to be in the city next to the arts, museums, sports,

the multicultural flavor, all these different languages spoken, bike trails, bike lanes and all those things in an urban environment,” he acknowledges.

Particularly with the Millennial generation, quality of life amenities are a major draw.

“Generally speaking, my generation moves if someone gives them a job. That’s not what the younger generation does now. They move to the city they want to live in and then find their way. That is a completely different dynamic than when I grew up. They’re looking for that vibrant city and then they’ll find their job and make their career. That is what is happening out there.”

Despite the fact that Ballard is not seeking re-election for a third term as mayor, he has laid out a long-term plan to continue improving the city, including a highly-publicized \$50 million preschool program (which has been scaled back to a \$40 million plan over five years).

“Most of the Midwestern cities look at Indianapolis and ask: ‘How did you do that? Thirty years ago, we were in the same place. How are you here now and why are we not there?’ I get that quite often. We’ve had good leadership for the last 30 to 40 years in the city and business, civic and nonprofit work together. We’re lucky in that regard,” he contends.



Motorsports is one of the state's steadily growing industries. It employs over 23,000 people statewide and touches almost all of Indiana's 92 counties, according to a 2012 study.

RESOURCES: Indianapolis Mayor Greg Ballard at www.indy.gov | Tim Monger, Hamilton County Economic Development Corporation, at www.hcalliance.com | Mike Lewis, Don Schumacher Racing, at www.shoeracing.com | Charlie Podell, Duke Realty, at www.dukerealty.com | Donald Orr, JBS United, at www.jbsunited.com