

## Shovel Ready: Less Red Tape, More Growth

The search is complete, the site selected and the business is ready to build. The only remaining step may also be the biggest. Traditional permit review and zoning can take as long as 18 months and is often a “deal breaker” for what would otherwise be a successful corporate move or expansion.

Gov. Daniels and state legislators sought to address this delay with passage of the “shovel ready” legislation aimed at pre-certifying specific land sites as ready to be developed. The legislation was just two months old when reported on in the July/August 2005 *BizVoice*®. The two years since provide a preview of a program designed to make Indiana a more attractive destination and less time-consuming location for business development and expansion. The first steps of designating sites have been taken and interest among developers has increased. Success for the second half of the program – businesses actually building on shovel ready sites, and the reduced time frame in doing so – is yet to be determined.

The program assembles a FASTeam of state agency professionals, (environmental management, natural resources, transportation, etc.) that would normally be involved in approving a site for development. The team is responsible for determining if a site is eligible, based on factors such as environmental history and proximity to major roads, for shovel ready designation. Obtaining the designation is intended to reduce the time it takes to begin development once a business announces its intent. Initial goals for the program included a time reduction of 25-30%. It's too early for the Indiana Economic Development Corporation (IEDC) to determine if this goal is being met based on the small amount of actual development that has taken place thus far.

### Adding them up

Twenty sites, from various areas of the state, have been designated shovel ready. Six sites were certified in June 2006 and another six in October that same year. Eight more sites were added in February 2007. A site certified in the first round became the location for one of the biggest economic development prizes of 2006 – a 2,000-job Honda plant in Greensburg. Designation alone, however, is proving positive for some areas. “We have used it (shovel ready designation) to our marketing

advantage and hope to find the right investor shortly,” comments Bill Dory, executive director of the Greencastle/Putnam County Development Center. “We are somewhat partial to finding a single occupant rather than sub-dividing.”

The Greencastle site Dory speaks of, known as Enterprise Park II, is 38 acres of prime industrial development property near the Putnam County airport.

### Making the call

Deciding the purchaser and use of a shovel ready site is largely a local decision. Some of the designated sites have been sub-divided with segments of land sold to companies that didn't require a larger location. “We leave it up to the local community because they know best what's needed there,” explains Brad Moore, shovel ready project manager for the IEDC.

Several states have similar programs but specifics can differ greatly.

“Since last summer I have had several calls from other states wanting to launch or improve existing programs and inquiring about what we have done in Indiana,” Moore reveals. Dory understands why other states have interest. “Indiana, Oregon and New York are states whose shovel ready programs have some meat to them, while with other states it's more marketing.”

The first three rounds of shovel ready applicants were eligible for a 50% match on up to \$10,000 of application costs. The IEDC hopes to continue this for future applicants as funding permits.

The coming years will go a long way in continuing to determine the effectiveness of Indiana's shovel ready program. Those involved in the program report an increase in interest for sites having the designation. Whether or not that interest will lead to the large-scale development envisioned remains to be seen.

To view the July/August 2005 *BizVoice*® article on the shovel ready program, go to the archives section of [www.bizvoicemagazine.com](http://www.bizvoicemagazine.com)



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Story by Jonathan Wales

The new Honda facility in Greensburg, scheduled for completion in 2008, will be on a former shovel ready site.

