INDIANA
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BENCHMARKING U.S. REGIONAL CITIES: A STUDY AND GUIDE FOR TRANSFORMATION

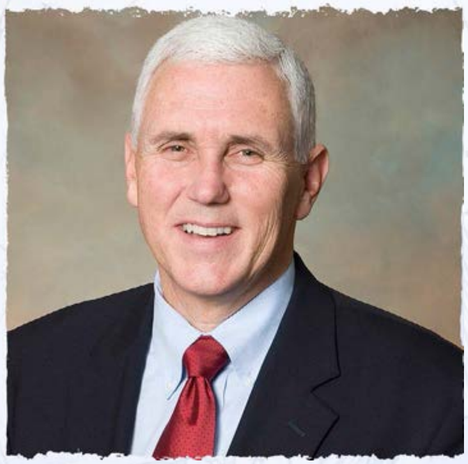
Interim Report
10.01.14

This document is one of a series of tools, commissioned by the IEDC, to assist Indiana's regional cities in contemplating and defining their future. Companion pieces to this document include:

- A process mapping that can guide Indiana's regional cities in an assessment of their readiness and steps to take for regional transformation.
- A Quality of Place indicator tool to allow comparison between the profiled regional cities and Indiana's regional cities
- A full set of case studies profiling regional cities across the U.S. outside of Indiana that have transformed themselves*
- A directory of firms that can assist regional cities in their planning and action strategy development*

The views expressed in this document are entirely those of the author, Fourth Economy Consulting. Fourth Economy Consulting is a nationally recognized economic development planning and strategy firm based in Pittsburgh, PA.

*These additional resources will be introduced during fall 2014.



Dear Friend:

Indiana has a long and proud history of growing and making things. We have a diverse economy with strong roots in manufacturing, agriculture, life sciences, logistics, and new technologies. Throughout the 20th century, our cities have been hubs of job growth with thriving industries and a skilled labor force that has made the American Dream possible, right here in Indiana, for millions of people.

Our cities have been an indispensable source of economic growth and serve as an anchor to a lot of economic activity in our state. For example, our eight largest cities account for more than two-thirds of our state's GDP. That said, we cannot rest on our laurels and expect that the future will be like the past. In order to remain economically competitive in the future, we have to take the economic vitality of our cities seriously. We must ask ourselves what we can do to help our regional cities compete with dynamic, growing regional cities across the country, make them attractive places to locate new enterprises, and make them appealing for talented workers looking for a place to make a living and raise a family.

This past spring I signed House Enrolled Act 1035 which tasked the Indiana Economic Development Corporation (IEDC) with conducting an in-depth study of how our regional centers of population can better attract and retain talent and investment. The report in the following pages is the product of this study, and it is the first step towards dramatically increasing the vitality of our cities.

This study evaluates 11 regional cities across the United States that have transformed their economies and have experienced substantial growth in talent and investment. By better understanding evidence-based drivers of regional economic growth elsewhere, it is our hope that our own regional cities in Indiana will have the necessary tools to develop an actionable, long-term plan to attract the next generation of talent and investment.

We look forward to working with local leaders across our state to determine which solutions are best for their communities. Working together, I am confident that we can increase economic opportunity in our regional cities and make Indiana the best place in America to find a job, start a business, and raise a family.

Sincerely,

Michael R. Pence
Governor of Indiana

INTRODUCTION

A recent headline in the *Durham Herald Sun* proclaimed "Downtown boom about to ripple". The Idaho Statesman read "Startup sales keep Boise on tech map," while the Austin Business Journal is reporting on "Austin's untouchable economic growth". How did these places, facing economic stagnation and population loss, transform themselves into national success stories?

The answer is simultaneously simple and complex. Regional transformation is not dictated; rather it is inspired by a vision of a bigger and brighter future. This vision is formed either as a reaction to significant economic loss or sometimes as a response to a critical assessment of the current quality of place in a community. In the regional cities profiled in this study, leadership recognized that there was an opportunity to attract increased investment, grow population, and transform the area. They also identified the need to create a unique place that was more attractive to both the current and future residents (i.e. their customers). They identified locational advantages and disadvantages and made bold and often brave plans to raise and attract investment.

These civic leaders have dedicated their time, money and reputation as they continued to focus on the goal in sight: a healthy, vibrant regional city. The full dividends of their efforts may not yet be known, but this research has illustrated that in these regional cities the vision is being realized and their community is achieving growth above their peers throughout the country.

IMPACTS OF REGIONAL CITY TRANSFORMATION

- With just under 100 downtown housing units in 1993, Durham, NC has seen nearly 2,600 units built in its downtown since then and has attracted over $7 billion investment. 1,800 more housing units are coming on board.
- Once a sleepy government town, Austin went from a metro population of only 160,980 in 1950 to 1.71 million in 2010, over twice the average growth rate than the other top performing metros in that time period.
- Provo, UT's employment has grown by over 30% in the past decade, while the U.S. only grew at an average of 4.8%.
- Despite a historical focus on agriculture and natural resources, 72% of Boise's employment growth from 1998–2012 took place in these leading knowledge economy categories: Information; Professional, Scientific, and Technical Services; Management of Companies and Enterprises; Educational Services; Health Care and Social Assistance.
- Denver is expected to add over 1 million additional residents in the next decade—that equates to 273 per day.
- Manhattan, KS has attracted $200 million in new investment for downtown development in the past ten years.
- In the Research Triangle Park between Raleigh and Durham, the new park center development is expected to create over 2.5 million square feet of development and attract $2.5 million in private investment

This growth has increased each community's financial capacity and facilitated continued enhancements in their quality of place. **What is truly impressive is that in each of the transformed regional cities the civic leaders are not letting up as they celebrate success. Rather, they are continually evaluating and adding to their efforts.** What these regional cities demonstrate is that you can never stop investing in your community, and if you haven't yet started, now is the time.

BACKGROUND OF THE REGIONAL CITIES INITIATIVE

The Regional Cities Initiative began on March 24th, 2014 when Governor Pence signed House Bill 1035 into law, making official his desire to grow the state's economy through strategic regional city economic development. The highest-level goal associated with House Enrolled Act 1035 is the development and success of widespread, sustainable regional economic growth across Indiana.

To foster this goal, the Indiana Economic Development Corporation (IEDC) was tasked with creating tools and guidance for Indiana's regional cities to plan for their future. The IEDC conducted a national study of comparative regions and their core cities that have transformed their economies over the last twenty years to increase talent attraction and investment.

Regional Cities Drivers and Issues

The State of Indiana hopes to enhance the strengths of its regional economies through a discussion of economic concerns and ways other cities have tackled similar issues to intentionally build for their future. Below are a few of the trends Indiana's regional economies are already facing as the knowledge economy grows globally.

Population Trends

Indiana, like so many communities in the Midwest and Northeast, faces one of the biggest threats to economic development, population stagnation. Fortunately there has been some population growth, as the state grew from 6 million to 6.4 million residents over the past decade. However, approximately 80% of this growth has been as a result of greater births than deaths, rather than people choosing to move to Indiana, i.e. in-migration. Furthermore, the percentage of the population that is of prime working age (25 – 44) is declining. Indiana is not attracting an adequate level of new talent, a primary indicator of future economic and wage growth that Indiana desires. In particular, the state needs to attract talent (and investment) from knowledge-based companies.

Urbanization

Where people live has drastically changed over the past century. In 1910, 54% of the U.S. population lived in rural communities and 46% lived in cities. By 2010, 20% of the population lived in rural communities and 80% lived in cities, due largely to the changes in technology, transportation infrastructure and worker choices. As this change has occurred, it has bolstered the positive impacts that core cities have throughout their region and the need for future investment in these economic centers.

Quality of Place

Knowledge-based companies are increasingly factoring quality of place attributes into their location decisions, and research has shown that, in addition to tax and regulatory climate, community attributes have a strong connection to economic and population growth. Unfortunately, as people's interest in urban living increases, they are not choosing Indiana's cities. Outside of the Indianapolis MSA, none of Indiana's cities are consistently ranked in the top 200 of places to live in America, a key reason for the State's lack of in-migration.

Implications

According to the U.S. Census Bureau, aside from being in the Armed Services, age is the highest indicator of a person's likelihood of moving to a different state. From 2005 – 2010, over 65% of all 25 – 29 year olds moved, and over 11% of them moved to a different state. This generation of 25 – 29 year olds is also more diverse than it's ever been, and according to the Census, people of different races and ethnicities move at roughly the same rate. The second largest characteristic of those who moved to a different state in that time was that they had either a bachelor's or graduate degree.

There are real implications for this information. If Indiana communities want to grow, they need to create communities that are attractive to a young, diverse and educated population (though certainly not to the detriment of their existing residents). Site selectors cite the increasing importance of community image and reputation, especially relative to their ability to attract talent, and of course talent is always at or near the top of what companies are looking for.

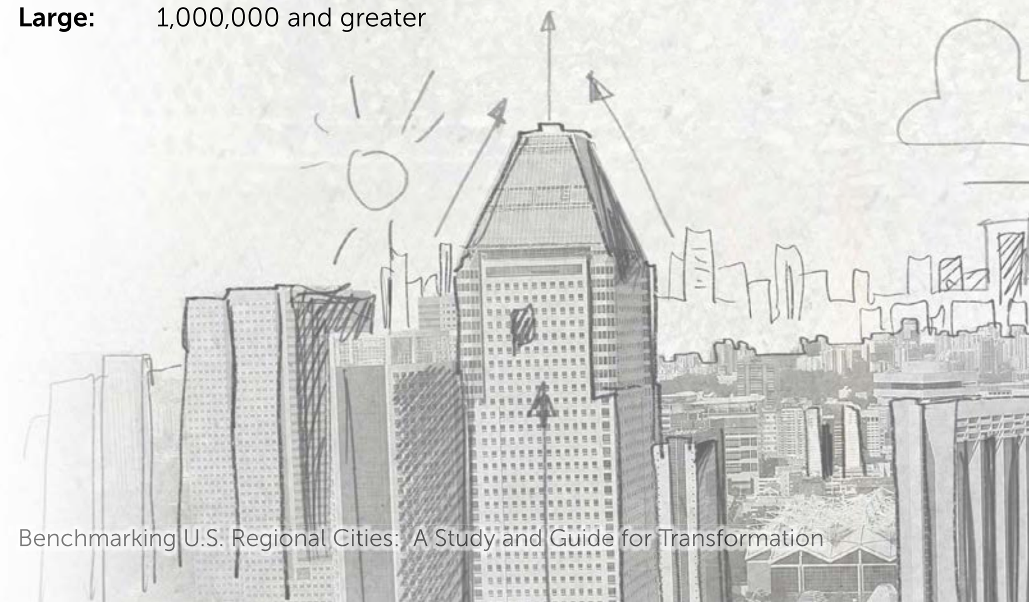
In recognition of these realities and opportunities, the State of Indiana wishes to encourage its regions and their primary economic hubs to anticipate and plan for how they can improve their cities to attract talented people and the companies that want to hire them well into the future.

DEFINING TRANSFORMATION

Representatives from the IEDC and the Indiana Governor's office selected and worked with Fourth Economy Consulting in the development of the findings presented here. This report is the Regional Cities Benchmark study called for in HEA 1035 and is intended to serve as a key resource for Indiana communities as they chart their course of future growth and prosperity.

Fourth Economy Consulting developed and executed a process to identify regional cities around the country that have transformed since 1990. Three sizes of regional cities (MSA) were used to create profiles of regional cities that have similar population to those in Indiana. For the purposes of this study, regional cities have been equated with metropolitan or micropolitan statistical areas (MSAs) as these measures represent a high degree of integration with the core city, generally defined by commuting flows. The sizes are:

Small: Less than 99,999 in population
Medium: 100,000 to 999,999
Large: 1,000,000 and greater



The selection process then involved two phases to identify the comparative regional cities that would be used for case study development. In the context of this study transformation includes demonstrated growth and turnaround based on the indicators described in Phase 1 and 2 below.

Phase 1
The first phase included identification of regional cities that have shown positive trends in a number of key indicators including, but not limited to:

- Overall population growth 1990–2013
- Population turnaround (i.e. a distinct change in direction from 1972–1992 versus 1992–2012)
- Gross domestic product growth 2001–2012
- Employment growth 1990–2012

The resulting list of over two dozen regional cities was further refined through a review of each community's industry strengths and assets, as well as a review of credible national ranking sources. An advisory group of Indiana civic and community leaders as well as a survey of individuals helped to vet the resulting list to ensure that they would be considered comparative regional cities to those in Indiana.

Phase 2
To further refine the list and identify the best comparative regional cities to profile, the consulting team collected additional data on each regional city including, but not limited to:

- Change in Diversity Population 1990–2012
- Change in Foreign Population 1990–2012
- Change in Vacancy Rate 1990–2012
- Per Capita Income Growth 1990–2012

As a result of this data collection and analysis the following eleven regional cities were approved for case study development. For a regional city to be selected it needed to rank competitively across the above criteria compared to other cities of like size, as well as beat the national averages for growth in most if not all measurement categories. A further review of the cities and their data on a broad spectrum of quality of place indicators was used to validate the recommendations. In total, 74 indicators were considered.

The regional cities studied include:

Large Regional Cities
Austin, Texas*
Raleigh, North Carolina*
Denver, Colorado*
Nashville, Tennessee*

Medium Regional Cities
Durham, North Carolina*
Fayetteville, Arkansas*
Provo, Utah
Boise, Idaho
Waterloo – Cedar Falls, Iowa

Small Regional Cities
Manhattan, Kansas*
Brookings, South Dakota

*visited by the consulting team and representatives from the IEDC and the Governor's Office

CASE STUDY DEVELOPMENT

To develop the case studies, civic leaders in each of the regional cities were interviewed, additional data was analyzed, and a literature review was conducted. Interviews included seven site visits by the consulting team and representatives from the IEDC. It should be noted that some discussion was entertained regarding the use of both Raleigh and Durham as separate cities due to their collaboration through the Research Triangle Partnership. While they do demonstrate some of the strongest regional collaboration, these regional cities also demonstrate two distinct paths to their most recent transformation and therefore are profiled separately.

The information that resulted from this research and analysis process is provided in both individual regional city profiles (to be published at a later date) and combined to provide insights on common themes which follow.

THEMES AND ACTIONS OF TRANSFORMED REGIONAL CITIES

This study is meant to be a ready resource for Indiana communities to consider what successful regional cities have accomplished and the tools they utilized to transform their communities. The overview that follows provides summary highlights of the case study information grouped around themes and actions that were demonstrated in a majority of the regional cities. The themes include:

- ★ A Bold Vision, Tenacious Leadership, and a Broad Civic Infrastructure
- ★ A Region Rallies Around Its City
- ★ Engage and Strengthen Industry in a Whole New Way
- ★ Regional Investment Supports Quality of Place
- ★ Plans Must be Visionary, Market-based, and Action-oriented to Guide Regional Transformation
- ★ Private Sector Investment Responds to Business Climate and Talent Base
- ★ Financing Regional Transformation Requires a Multi-Faceted Approach
- ★ Long-term Partnership Requires Non-Partisan Thinking
- ★ Higher Education Partners are Critical for Regional Transformation

A Bold Vision, Tenacious Leadership, and a Broad Civic Infrastructure

In the development of this study, the consulting team looked at eleven regional cities that have demonstrated exceptional growth since 1990. The research and interviews sought to identify the motivations, actions and tools employed in these communities. What became clear is that while the process by which each community began to focus on regional transformation varied, the following three ingredients were required.

A COMPELLING VISION FOR A BETTER COMMUNITY THAT IS DEFINED BY A CIVIC LEADER(S)

The vision in each of the regional cities went beyond "A great place to live, work, play, and raise a family." Rather, civic and industry leaders recognized their unique assets and articulated their starting point for economic growth; and they recognized their unique challenges and articulated what the region could be in the future. Civic and industry leaders saw possibility and hope where others saw little to none. From that vision, they created an identity for their region, and the authenticity and uniqueness of that identity has served to attract attention from companies and talent.

PUBLIC AND PRIVATE LEADERSHIP CHAMPION AND STAY TRUE TO THE VISION

These are not your every day leaders, though they're not superhuman. These leaders are regular men and women who were able to find a middle ground between altruism and self-interest. They stay true to their vision, while understanding the realities of their regions and being open to new ideas and change. They've heeded the modern mantra of embracing failure if it means there's an opportunity for growth and innovation on the other end. They are risk takers, for sure, and some suffered setbacks because of it, but at the end of the day, their willingness to take a well-calculated risk has left the legacy of a truly transformed region.

CIVIC INFRASTRUCTURE IS ENGAGED TO DEVELOP AND IMPLEMENT A PLAN

Once a vision was established and leaders stepped forward, in these regions, the civic infrastructure came together to carry that vision forward and support that leadership. In many cases a key component of the civic infrastructure was between a regional economic development intermediary and the elected leadership of the center city. These entities served as the operational vehicle to accomplish the goals of the plan. In some cases the existing intermediary needed to be restructured or have additional capacity in order to carry out the strategy.

BENCHMARK EXAMPLES

A compelling vision for a better community that is defined by a civic leader(s)

Raleigh, NC: Raleigh Mayor Charles Meeker was elected to five terms (2001-2011) to carry forward his vision that began during his service on city council in the mid 80's through mid 90's. Meeker created a focus on downtown development including a new $220 million convention center and development of an urban main street. In total, $2.5 billion has been invested in downtown developments.

Public and private leadership champion and stay true to the vision

Denver, CO: Mayor Federico Pena (1983-1991) believed that a new airport would be a world-class asset and catalyst for economic transformation. His vision led to the development of a $4.0 billion plan that progressed over the next twenty years, resulting in the development of Denver International Airport. The airport has seen an increase from 38 million passengers when it opened in 1995 to 52 million today, with the capacity for 100 million. As the airline market changes and larger airplanes allow flights from Asia to skip over the west coast, Denver is poised for significant growth in international flights, having recently added a direct flight to Tokyo after over 10 years of developing relationships and building a case. The airport development and support from four mayors and countless other public and private officials over such a long time is a true model of leadership staying true to a vision.

Civic infrastructure is engaged to develop and implement a plan

Durham, NC: In 1993 Downtown Durham, Inc. (DDI) was formed following the recommendations from a 1989 downtown redevelopment plan. Private-sector leaders raised $50,000 to start the organization, which was matched by $50,000 from the city. Bill Kalkhof, the inaugural president of DDI saw the development of a new stadium as an opportunity to jumpstart the redevelopment plan for Durham. The Chamber, City of Durham, and Duke University all coalesced around DDI to continue implementation of the plan, including the redevelopment of American Tobacco. Given the complexity of that deal, there were many times when it could have fallen apart, but the civic infrastructure represented by DDI ensured that the vision came to fruition. Today, economic development leaders credit the DDI with the success of Durham's redevelopment. Including 2.3 million square feet of development and an increase from 3,000 to more than 16,000 workers downtown.

Manhattan, Kansas

"Our downtown redevelopment started with a grand vision – they wanted to put Manhattan on the map. Of course there was push back at first, but as development started to occur, people could see the whole vision. The city has found ways to promote community ownership, which has resonated with people who were initially opposed. Most important, our deep roots and integrity that stem from our farm culture has been incorporated into our vision for the future."

Susan Hancock / AIB International, Manhattan, KS

A Region Rallies Around Its City

In each of the regional cities, leaders readily speak to how the region and center city collaborate to leverage regional assets and grow the overall economy. The data analyzed for this study demonstrated that each of the regions profiled has benefited significantly from the growth of the core city. The concentration of regional cultural, athletic, and recreational amenities in a core city provides a critical mass of activity and visibility that supports regional growth. Likewise, the communities outside of the core city provide critical support in terms of housing and commercial real estate options that core cities typically cannot offer.

THE PRIVATE SECTOR SEES NO BOUNDARIES

Private businesses draw labor from across a region. They have customers that span municipal lines, and they require infrastructure that is regional in nature. Because the private sector is often the biggest advocate for a regional approach, in many cases a regional business intermediary (e.g. a chamber or private economic development organization) served as the conduit that allowed for collaboration beyond political boundaries. The leadership of the private sector in encouraging a regional solution made it easier for public and civic leaders to collaborate.

BIG VISIONS REQUIRE REGIONAL SOLUTIONS

Issues of housing, transportation and civic amenities were universal regardless of a regional city's particular vision. A lack of housing, effective transportation, and civic amenities in a center city affect a suburban business's ability to grow and attract talent. In the best cases, leaders recognized the integral connections between the three and created coordinated approaches to growth.

CENTER CITY GROWTH GROWS THE REGION

Suburban stakeholders interviewed as part of this study agreed that the growth of the center city positively affected growth in their communities. Certainly many suburban communities were doing well before their regional city was transformed, but they always did better after. As businesses grow in the core, neighboring communities increase in population, tax base and, as a result, increased quality of place amenities and infrastructure are funded locally, further increasing quality of place for all residents. Again, it is critical to note that businesses are seeking talent while talent is seeking dense, walkable cities. Therefore, proximity to a young, educated labor pool has been a key driver for business growth and relocation throughout the region.

BENCHMARK EXAMPLES

The private sector sees no boundaries

Austin, TX: Opportunity Austin defined the region's assets and future focus through extensive communication with regional stakeholders in its original plan. It then became the regional economic development recruitment strategy and was delivered by the Austin Chamber, with support from regional chambers and private sector companies and organizations. Spearheaded by Gary Farmer, the Chairman of the Chamber at that time, and Mike Rollins, new President and CEO of the Chamber, Opportunity Austin depended on the buy-in of the private sector. With the set plan to diversify and transform Austin's growth, **Opportunity Austin raised over $14 million from private investment.** Surrounding communities have seen significant population and business growth as a result of Opportunity Austin. They, in turn, have developed their own visionary plans and improved quality of place amenities to suit the increasing population, including increased access to health care, minor league stadiums, outdoor recreational amenities and education reform.

Big visions require regional solutions

Provo, UT: Through the leadership of the Utah Valley Chamber of Commerce (UVCC), the region has been able to do away with bounded approaches to development and increase its regional visioning and action. The UVCC is the result of a merger that took place between the Provo and Orem chambers of commerce, at the behest of area policy and business leaders who recognized the need for more regional efforts. Their regional scope has positioned them to support regionalized economic development strategy, as well as partnership facilitation and coalition building.

Center city growth grows the region

Manhattan, KS: Analysis shows that growth of the core city, Manhattan, has also driven regional population and economic growth throughout the MSA. Some of this can be attributed to the expansion of Ft. Riley, but, removing the military factor, data demonstrates that the entire region is growing. Over 15,000 new people have moved into the region just in the past five years. This trend is expected to continue as the city now looks at diversifying its industry base, which will directly benefit communities outside the core city.

Fayetteville, Arkansas

"If we prove we have a true region and are driving the economic development of the entire region, it is easier to win support for key projects. Many of our satellite cities have doubled their population; everything happened because of Fayetteville, whose growth has been driven by thought leaders who understand regionalism."

Justin Tennent / Fayetteville City Council Member

Engage and Strengthen Industry in a Whole New Way

Many regional visions were spurred by economic downturn. Communities needed to understand what industries existed in their region that could be strengthened and where they needed to diversify their economy to withstand future downturns. Answering that question required a depth of analysis and modeling to provide a thorough assessment of the existing conditions and a plan for future development. Each community identified a different weighting of where investment was needed based on the results of the strengths and weaknesses analysis. While these focus areas are not exclusive, they do provide an opportunity to target resources. Each of the regional cities has evolved their strategy to respond to changing market conditions and the relative success and failure they experience in their actions. Here are the three primary models used in transformed regional cities.

BUILD YOUR SUPPLY CHAIN

Some communities decided to turn a few strong businesses into many. Often times, this approach was spurred by those businesses themselves working with their suppliers to relocate or encouraging new business creation to meet their supply chain needs. But without the support of public and civic leaders to understand the needs of those new businesses, their private sector partners' efforts would not have spurred the same level of growth.

LEVERAGE YOUR EXISTING KNOWLEDGE AND INDUSTRY BASE

Sometimes the industry is already there, it's just not being leveraged for transformational growth. Creating meaningful avenues for existing business to collaborate and innovate together can have a real impact, both on their bottom line and on the success of the regional city. This also extends to leveraging talent and university research to build on an existing industry base, as several regional cities attracted new businesses based on specialized R&D or degree programs that complemented their needs.

DIVERSIFY BASED ON MARKET OPPORTUNITIES

When alignment existed between existing sectors, supporting infrastructure, and market trends, the opportunity to grow new industries was identified. This is no easy undertaking and requires long-term thinking, patience and consistent effort – again, private and public leaders created big visions, based on real needs and hard data, and put skin in the game to make that vision a reality.

BENCHMARK EXAMPLES

Build your supply chain

Nashville, TN: Civic leaders recognized through their planning efforts that they should focus on the core industry already present in their community – music and the healthcare industry, in particular the private health-sector management. This focus began with Hospital Corporation of America (HCA), which itself has spun out over 160 new companies. In order to support the efforts of HCA and other private businesses, a public-private partnership led by the Nashville Area Chamber of Commerce (Partnership 2000 was created in 1990 to guide the following 10 years), created the Nashville Health Care Council in 1995. Nashville is now home to more than 500 healthcare companies, which contribute $30 billion to the Nashville economy.

Leverage your existing industry base

Cedar Falls, IA: Cedar Falls owns the largest municipal utility in the state. Early in its development, the utility realized the importance of broadband and focused on this component, making the utility even more essential to the city's economic viability. Currently, the utility delivers gigabit service to any address within the city. This focus on developing ways to better support their existing industry has been a key to their success. As a measure of this success, the Cedar Falls Industrial Park has grown exponentially since the 1990s. From 1990 to 2007, it grew from 27 companies to 155 companies, and from 750 employees to 5,000 employees. Economic development leaders have cited broadband access as a key driver of this growth.

Diversify based on market opportunities

Manhattan, KS: As the civic leaders in Manhattan looked to diversify their industry base and create enhanced quality of place they recognized that the community was losing retail expenditures. Only $0.70 on the dollar of retail expenditure was being captured in the community, and they also lacked cultural amenities that would draw in visitors from outside the region. Through a strategy that has led to the development of over $200 million in retail and cultural amenities, they now capture over $1.30 of their retail expenditure potential – meaning they are importing retail dollars spent from outside the region.

Nashville, Tennessee

"Our philosophy has been to build on strength, rather than build something out of nothing... Putting energy and money into the entrepreneurial sector is a talent attractor. We created a focal point with the Entrepreneurship Center and based it around our strong sectors. It's created new energy in town and coalesced our entrepreneurial ecosystem. Having risk takers in your economy is a good thing."

Janet Miller / former Executive Director of the Nashville Metro Chamber of Commerce

Regional Investment Supports Quality of Place

In every regional city, the types of place-based investments that they made varied, but they were inevitably driven by the same motivation in response to these questions:

- Does the regional city have the right infrastructure (e.g. transportation, education) to support the growth and attraction of the types of industry and talent that it desires?
- Does the region have a quality of place (e.g. cultural and recreational amenities, housing) that fits with the expectations of the labor force that will be employed by the industry?

Each regional city could point to an instance where these critical questions were asked and analyzed, and then a plan was made to leverage the opportunity for improvement in order to attract new residents, investment, and companies. Leaders in those communities truly demonstrated an understanding of the following concepts.

PLACE MATTERS TO THE YOUNGER GENERATIONS

It's been said many times before, but it's worth repeating. Educated, younger workers are increasingly seeking places to live and then finding or creating a job for themselves. They're making the decision about where to live based on many variables, but among the top are certainly recreation amenities in the form of trails, bicycle paths and water access, and arts and culture in the form of theatres, museums, music venues, and downtown entertainment districts. Investing in place-based development has the further benefit of being attractive to families and retirees, who are also part of a larger national trend towards urban living.

TRADITIONAL INFRASTRUCTURE MUST BE BOLDY LEVERAGED TO SPUR GROWTH

Most communities have a Metropolitan Planning Organization, an airport authority, a transit authority, an urban redevelopment authority, and any other number of organizations that have their own plans for the development of traditional infrastructure. Regional cities that have transformed have engaged all of these organizations to make collective decisions about infrastructure improvements based on the needs of the private sector and the opportunity to spur growth. They have not concerned themselves with incremental improvements to their infrastructure; rather they have envisioned large-scale investments that would guide land use and investment decisions for years to come.

QUALITY OF PLACE IMPROVEMENTS ARE KEY AREAS FOR LOCAL PUBLIC INVESTMENT

In regional cities where the market drivers were not clear, the local public sector stepped forward to be the first dollar in on large-scale investments in quality of place. By doing this, they signal to the private sector where growth should be occurring, and that they are a willing and active partner in spurring growth. This local public sector leadership in the lack of clear private sector leadership has been seen time and again to be a successful impetus for private investment.

BENCHMARK EXAMPLES

Place matters to the younger generations

Denver, CO: The redevelopment of Denver's Lower Downtown (LoDo) area is a classic example of the power of place, especially as it relates to attracting the Millennial generation. Redevelopment efforts began in the late 80s and can arguably said to have peaked just this year with the redevelopment of Union Station (which cost $500 million, largely using federal transportation loans and a TIF). In between, the city issued a $280 million, voter-approved general obligation bond to support infrastructure development. These investments have spurred over $1 billion in private investment in the surrounding area, largely housing for Millennials. From 2000–2013, Denver was #7 in the country for attraction of Millennials.

Traditional infrastructure must be boldly leveraged to spur growth

Fayetteville, AR: Fayetteville's economy is centered around the presence of Wal-Mart, J.B. Hunt, and Tyson Chicken. However, as those companies started to grow in the late 80s and early 90s, they could have easily left the region to find a location that would better support their vast infrastructure needs. Instead, they formed the Northwest Arkansas Council to prioritize regional investments in infrastructure and educate elected representatives on the need to support these investments to advance economic development. They identified capacity issues with the airport and highway systems and were able to successfully work with public leaders to create enhanced infrastructure, which has allowed for diversified and sustained growth in the community. The current regional growth rate is 944 new residents per month.

Quality of place improvements are key areas for public investment

Denver, CO: Denver Mayor Wellington Webb (1991–2003) led the development of several quality of place improvements including housing, parks and neighborhood development during his tenure. In 1991 Denver had 2,700 people living downtown and by 2003 that number jumped to 9,000, spurred by targeted investments in infrastructure and work with the development community. In 1993 the administration focused on park system development, which led to the creation of several parks including the $10 million Commons Park. This park was built in a section of downtown that had no housing within 10 blocks at the time of construction, but its development spurred the creation of 2,000 new units next door. Finally, in 1998 the administration declared the Year of the Neighborhood and worked with residents to invest $98 million in quality of place amenities. This series of investments has provided the base for ongoing development of housing, retail and office space in Denver.

Denver, Colorado

"People become part of a community faster if they understand the history, and the buildings tell the history."

Dana Crawford / visionary Denver real estate developer, on the importance of historic preservation

Plans Must be Visionary, Market-based, and Action-oriented to Guide Regional Transformation

Every community has a plan for economic and community development—likely many. However, regional cities that were able to transform themselves did not make a plan to put on the shelf; through civic champions they were able to articulate a plan that was visionary yet based in market realities. The plans they developed were also action focused and defined specific expectations in terms of capital needs and expected benefits. In general they made plans that had the following three qualities.

PLANS REFLECT VISION

Once their vision was identified and their leadership and partners were mobilized, nearly every community created some sort of plan around that vision. These plans were based in the reality of their region and the planning process allowed for an opportunity to further understand and vet that perceived reality through data. Industry strengths and weaknesses were analyzed, quality of place assets were inventoried, and national economic trends were researched. Based on this assessment, big goals were set. They reflected their long-term vision but were comprised of short-term actions that allowed the community to raise resources to carry them out and to track progress.

MARKET-DRIVEN

Industry leaders often played a critical role in the development of these plans. They help public and civic leaders understand the market needs and opportunities and what they could do to help capture those opportunities. Leadership of a civic intermediary and the commitment from the public sector to create an actionable plan around a market-based vision has been key to getting industry to the table.

ACTIONABLE & ACCOUNTABILITY-DRIVEN

These plans had real metrics associated with them, were regularly updated, and were relentlessly pursued. Both the private and public sector ensured true accountability; the former demanded success for ongoing funding, and the latter required practitioners to report publicly on their results. As a result, many of them exceeded expectations. As their regional economy evolved and national markets changed, plans were revisited to ensure that their efforts continued to be relevant and impactful.

BENCHMARK EXAMPLES

Plans reflect vision

Austin, TX: Around 2003 Austin lost approximately 36,000 jobs in 36 months. This rapid decline catalyzed development of a private sector led plan called Opportunity Austin, focused on industry diversification, as well as a Mayor's Task Force on Economic Development that produced recommendations for the city. Opportunity Austin has been widely successful and has evolved with new five-year strategies that continue today, each planned specifically to target industry subsectors and related talent. The City created organizational departments, that still exist today, to focus on the elements of its plan and accomplishment of its qualify of place vision.

Market-driven

Manhattan, KS: After previous failed attempts as downtown redevelopment, civic leaders in Manhattan recognized the need to make sure that their efforts were market driven. In their 2000 Downtown Tomorrow plan, they noted: "The previous Redevelopment Project has led to significant physical improvements in the downtown area. Unfortunately the "Field of Dreams Approach", which centers on the belief that a community only needs to undertake physical improvements for customers and investors to flock to the area, has been proven to be a myth. Physical improvements, made in isolation, do not result in renewed vitality. Physical improvements must be undertaken in conjunction with economic improvements for the revitalization efforts to succeed. Enhancement efforts must be market-driven rather than physically driven."

Actionable & Accountability-Driven

Durham, NC: Former director of Downtown Durham, Inc., which was formed to carry out their 1989 downtown redevelopment plan, Bill Kalkof, laid out "non-negotiable" criteria to guide the implementation of that plan. All projects had to be consistent with the plan. Public and private leaders had to show that projects were a good deal for the taxpayers and that developers actually needed the public incentives and financing. Finally, the City would not fully provide the funding until after projects were completed.

Austin, Texas

"The community recognized that we were missing growth in the medical sector and decided to pass a substantial county property tax increase (5%) to build a new medical school. This will have a massive effect on economic development in the next 10 years, especially due to the commercialization potential."

Mike Rollins / President, Greater Austin Chamber of Commerce

Private Sector Investment Responds to Business Climate and Talent Base

Over the last two decades, many states have greatly enhanced their economic development competitiveness by overhauling their tax and regulatory structures, thus creating a pool of business-friendly states. It is worth noting that several of the states that are home to these regional cities are consistently ranked among the most business-friendly tax and regulatory climates. However, one point made clear by each of the regional cities is that companies are increasingly focused on the costs associated with the existing pool of talent and future ability to attract a suitable workforce to the community.

TALENT DEVELOPMENT COSTS MAKE A DIFFERENCE

As companies consider whether to stay in or relocate to a community, having a ready and educated workforce can make a big difference. Site selectors and industry representatives closely review the existing skills in a community's labor force. They also consider the capacity of the existing education system to supply a ready workforce, which includes a focus on the K-12 education system.

ECONOMIC DEVELOPMENT PLANS ANALYZE RESULTS AND CAPACITY OF THE TALENT SYSTEM

In transformed regional cities, the economic development community has recognized the importance of talent and is active in facilitating collaboration between higher education and their existing businesses. In several cases new talent programs were developed to allow for a focus on the industry sectors defined in their plans.

ENTREPRENEURSHIP AND INNOVATION ARE A KEY COMPONENT OF THE TALENT PIPELINE

Not every community can be Silicon Valley; in fact, no one else can be Silicon Valley. Even better, these transformed regional cities are creating an entrepreneurial ecosystem that is unique to their culture and economy. They are creating hubs of entrepreneurship by investing in modern workspaces and forging meaningful partnerships. In doing so, they are enabling their highly mobile, educated workers to stay and create businesses, and attracting the young and educated from other parts of the country to do the same. What's more, the region's existing businesses are harnessing the energy and creativity of their entrepreneurs to support their own growth and innovation.

BENCHMARK EXAMPLES

Talent development costs make a difference

Boise, ID: Industry partners in Boise have made education and training the bedrock of their growth model. HP and Micron invested in Boise State to establish a school of engineering and to improve the business school. Furthermore, Micron, the Albertson Foundation, Simplot, Datatel, and local banks, banded together to finance and launch the College of Western Idaho in 2009, the first community college in the area.

Economic development plans analyze results and capacity of the talent system

Nashville, TN: Public, private, and higher education partners have all played a part in analyzing and improving the region's talent system. Since 1993, the Nashville Metro Chamber has annually convened a diverse group of business and community representatives to evaluate the progress of Nashville's public school system, examine academic performance data, and prepare a written report to present findings and recommendations for improvement to the city, including the school board, the director of schools and the mayor. Further up the talent pipeline, local software developers have taken it upon themselves to create the Nashville Software School, which provides 6-month intensive apprenticeships to prepare workers for entry-level software jobs.

Entrepreneurship and innovation are a key component of the talent pipeline

Durham, NC: The American Underground, started in 2010 and housed in the historic American Tobacco Campus, is a space for entrepreneurs, startups, innovators and investors to work collaboratively in a high-resource environment featuring a premier accelerator and incubator programs, a tech-training academy, and 10-15 person startups. Well-known tenants include iContact, which sold in 2012 for $180 million, Triangle Startup Factory, Groundwork Labs, Idea Fund Partners, NC Idea and the Council for Entrepreneurial Development. Founding partners include Google for Entrepreneurs, Duke University, Greater Durham Chamber of Commerce, NCIdea and The Research Triangle Park. This entrepreneurial hub brings in new talent to the region, but also serves as a way for young entrepreneurs to stay and continue to build upon the growth accelerating the region.

Boise, Idaho

"Our city has a huge economic development department, and it's mostly devoted to creating a sense of place. We recognize that companies and people want to live in an urban atmosphere. So we consider ourselves a patron for artists, creating a city that is attractive to people. We're using the culture as an asset to strengthen our economic development base."

Marc Ott / Austin City Manager

Financing Regional Transformation Requires a Multi-Faceted Approach

The level of investment that has occurred in each of the regional cities varies between hundreds of millions and billions of dollars. Each community addressed regional transformation needs by seeking a mix of private, public and philanthropic funding. In some cases, state and federal investments were used to support projects. A key point is that initial local public investment in the urban core consistently spurred follow-on investment from the private sector, more so than had been seen by investments outside of the core. Where needed, initial, primarily local, public investment often constituted roughly 50% of total investment, within a few years the public share shrunk to roughly 20 – 30%. Three general models have been utilized.

PRIVATE INVESTMENT SUPPORTS PLANNING AND IMPLEMENTATION

Transformed regional cities have successfully rallied private stakeholders to invest in the planning and implementation of their vision. To do this, many of the communities created large, targeted fundraising campaigns, which were managed by a civic intermediary. This approach creates an opportunity for broad vision and buy-in from community stakeholders. Private philanthropic investments are more often made in quality of place amenities that are identified in the planning process.

VOTER APPROVED LOCAL TAX INSTRUMENTS CAN PRODUCE POLITICAL AND FINANCIAL SUPPORT

A 'Penny tax" is an added local sales tax of between ½% and 1% that can be used for economic development. Almost all communities profiled have some version of this tax that was created via a voter referendum. Most of the communities that used this approach did so following the adoption of an economic development growth strategy. These communities made a business case to voters in order to secure their support. This approach offered voters a specific opportunity to invest in their future, rather than asking them for their faith that their taxes would be put to good use.

TRADITIONAL FINANCING TOOLS CAN BE USED TO SUPPORT INFRASTRUCTURE AND QUALITY OF PLACE INVESTMENTS

Every community has utilized a bonding- or secured debt-approach to support economic and quality of place investments, such as infrastructure (e.g. water, sewer, roads) and amenities (e.g. recreational and cultural). In some cases this approach already existed to support these investments, and, in others, it was developed as a result of the planning process. Local regions have also used existing tax supported budgeting capacity to invest in community and economic development efforts. These approaches often create multi-year commitments. As a result they require a well articulated plan and demonstrated return on investment to gain approval by voters and other elected officials.

BENCHMARK EXAMPLES

Private investment supports planning and implementation

Brookings, SD: In 2005, a partnership formed between Brookings Economic Development Corporation, the Brookings Area Chamber of Commerce and Downtown Brookings to discuss common approaches to accomplishing the region's economic goals. They concluded that there was enormous importance in leveraging private investment to accompany and enhance the financial and programmatic investments that their non-profits, governments, and chambers were already doing. This resulted in the establishment of the Vision Brookings Coalition. Later that year, they completed Vision Brookings 2010, a community and economic development fundraising program focused on several goals. Over the following 5 years, the campaign raised $4.1 million, which was used to leverage additional public and private funds investment.

Voter approved local tax instruments can produce political and financial support

Denver, CO and Manhattan, KS: These regional cities provide some of the best examples of utilizing the ballot to define the economic and quality of place need and allowing voters to contemplate the costs and benefits. Denver's approach allowed civic leaders to define the economic impact of efforts including the $4 billion airport development and create a long-term public support base. Manhattan utilized the voter referendum to gain support for both a 1% sales tax and a series of bonds to support quality of place amenities.

Traditional financing tools can be used to support infrastructure and quality of place investments

Austin, TX: The City of Austin's economic development department, supported with tax funding from a variety of sources, is unique in the breadth of economic development and quality of life programs that are supported. The city utilizes a portion of their hotel tax ($7.6 million) to support over 200 arts and cultural organizations. They also support economic development activities including Opportunity Austin and the Austin Technology Incubator. These organizations go before council in a session that is broadcast on public television to discuss the results of the investment by the city.

Denver, Colorado

"In the mid- to late-80s, [transformation] seemed impossible. In the 70s we could drag race downtown. What fundamentally changed was the consistent and sustained pursuit of a single, coherent plan."

John Huggins / former economic development director for Denver Mayors Webb and Hickenlooper

Long-term Partnership Requires Non-Partisan Thinking

Regardless of the political beliefs of city leaders, focus on quality of place versus strictly business growth through attraction and cost incentives were employed in all of the regional cities. During the interview process civic leaders demonstrated a level of collaboration and singular commitment (regardless of political affiliation) to achieve their goals.

FOCUS EFFORTS ON BIG ISSUES THAT EVERYONE CAN GET BEHIND

Most of the regional cities profiled have identified a grand challenge that is so compelling that it inherently pulls support from across a diverse array of stakeholders. Certainly there have been battles when hashing out the details of how that vision gets implemented, but ultimately, the vision itself is maintained because it was a rallying cry for the entire community, based in market-realities, and with a true desire to improve the quality of life and economy for the region.

PRIVATE LEADERS GIVE CREDIBILITY AND COVER

Private partners gave credibility to the efforts by investing real dollars. Often times, the private leaders of the effort were so influential in the region that public leaders followed regardless of their political leanings. Because private sector leaders are not subject to election cycles, their stable presence in the community also helped to ensure the longevity of the partnership.

ENGAGE CITIZENS TO ENSURE CONSISTENCY OF VISION

Ultimately though, nothing is more important to a public leader than the support of his or her constituents. Many regional cities efforts, led by private or public sector, used massive public engagement and/or ballot referendums to ensure that residents were vested in the vision. This meant that future public leaders felt more compelled to continue that vision, even if it was initiated under an opposing party’s administration.

BENCHMARK EXAMPLES

Focus efforts on big issues that everyone can get behind

Denver, CO: Bill Mosher, a private and civic leader in Denver, articulated well the ethos of large-scale redevelopment in the Denver region. Speaking of the light rail development, he said "the key was the civic infrastructure; every mayor came out in support of it. It' wasn't a republican or democratic thing. It is really important to have infrastructure be about place, and not be political". Many cite the fact that the light rail is building for the 100-year future and not today's population. The Denver community has benefited from nonpartisan long-term thinking.

Private leaders give credibility and cover

Fayetteville, AR: The Northwest Arkansas Council, in its role coalescing regional infrastructure investment needs, provides a basis for local and national elected officials to prioritize funding commitments. Without such a process individual requests would be submitted, creating a more politically driven and less impactful result. The success of their efforts can be directly tied to their coordinated, privately-supported project requests.

Engage citizens to ensure consistency of vision

Cedar Falls, IA: Starting in 1990, the University of Northern Iowa has completed 10-year strategic planning efforts for the region. The plan is updated every five years, with a 10-year window to complete the goals. The process includes recruiting individuals from education, economic development, university, retirement community, high school students, city, and business (both commercial and industrial). They begin by reviewing the overall goals and priorities from the previous five years and then break out into strategic groups. These groups meet and work for a period of six to seven months. They have speakers come in from the university and major business leaders to talk about what they see as strategic issues. The final result is a 10 Year Strategic Plan for the city, chamber, development entities, university, citizens and business to follow.

Denver, Colorado

"The key to light rail was the civic infrastructure; every mayor came out in support of it. It wasn't a republican or democratic thing. It is really important to have infrastructure be about place, and not be political."

Bill Mosher / Trammel Crow, Denver

Higher Education Partners are Critical for Regional Transformation

Transformed regional cities are home to transformed institutions of higher education. Though still their raison d'etre, bestowing degrees and performing research is no longer enough for their colleges and universities. Instead, they are key partners in creating entrepreneurial ecosystems, building civic amenities, and producing world-class talent in direct response to industry needs. This industry responsiveness in particular is key to retaining business.

PARTNERSHIPS MAKE HIGHER EDUCATION EFFECTIVE IN CREATING AND RETAINING AN EDUCATED WORKFORCE

Most regional cities have a college or university to train and educate their youth and workers. However, that the results meet industry needs and that graduates want to stay and work for local industry is not guaranteed. Transformation requires a talented workforce that resides in or is attracted to a regional city and forms a dependable resource for employers. In order to make that happen, higher education and industry must partner to ensure the relevancy of the curriculum and to place students in internships and jobs. The direct correlation between advanced education and earnings potential also indicates that higher salaries will be present and can support a region's quality of place amenities.

QUALITY OF PLACE AMENITIES ARE SUPPORTED BY HIGHER EDUCATION

In addition to providing a steady pipeline of talent, higher education institutions can also provide cultural and infrastructure amenities for the broader community. From theatre and recreational facilities, to neighborhood redevelopment, higher education can play a multifaceted role in regional success. However, in order to do so, those amenities must be integrated with the larger community instead of siloed within a campus. That is not to say that they necessarily have to be in the center city; on the contrary, some of the regional cities had large colleges or universities located in the surrounding communities. The point is that they were truly integrated into the corporate and civic realms. For those surrounding communities within a regional city, leveraging the college or university has also been key to retaining young talent.

REGIONAL CITIES AND THEIR HIGHER EDUCATION PARTNERS PLAN TOGETHER

Communication is the key to any relationship. That's especially true when the two parties are large, diverse, and often bureaucratic in nature. Each transformed regional city did especially well at fostering communication and active engagement between their higher education and economic development stakeholders. They describe a collaborative process by which an open discussion regarding priorities for both the higher education institution and the community was conducted. The result is a complementary understanding and development of action agendas that support enhanced quality of place and economic impact.

BENCHMARK EXAMPLES

Partnerships make higher education effective in creating and retaining an educated workforce

Nashville, TN: Middle Tennessee State University is a key partner in the region's overall economic development strategy, as a partner in Partnership 2020. In order to better serve the business community, the new dean of their business school has visited with 440 companies in the past 15 months. They have recently created a new Mechatronics program in partnership with the technical college and the community college in direct response to industry needs. They also work closely with the Metro Chamber on business expansion and attraction. They will be supplying the new UBS Bank with 20% of their workforce. Overall, the University retains 75% of their graduates in the region.

Quality of place amenities are supported by higher education

Durham, NC: The Durham Performing Arts Center is a true public-private partnership that has contributed to Durham's quality of life and created an $11 million economic impact in its first year alone (exceeding the original estimates of $7 million). Located in the heart of the community, the theatre was financed using over $33 million in debt service and a $7.5 million contribution from Duke University, who uses the space to host events through Duke Performances. The DPAC has been credited with benefiting the restaurant business in downtown Durham; many downtown restaurants have opened in proximity to the theater since its opening in 2008, significantly supported by pre- and post-show seating.

Regional cities and their higher education partners plan together

Manhattan, KS: The city of Manhattan and Kansas State have an agreement that allows campus generated taxes of approximately $300,000 per year (e.g. concessions related taxes) to be placed in a dedicated account and the proceeds are invested through a joint city and university planning process. In recent years this funding has included neighborhood lighting, sidewalk and bicycle lane improvements, tree planting and other investments in quality of place activities.

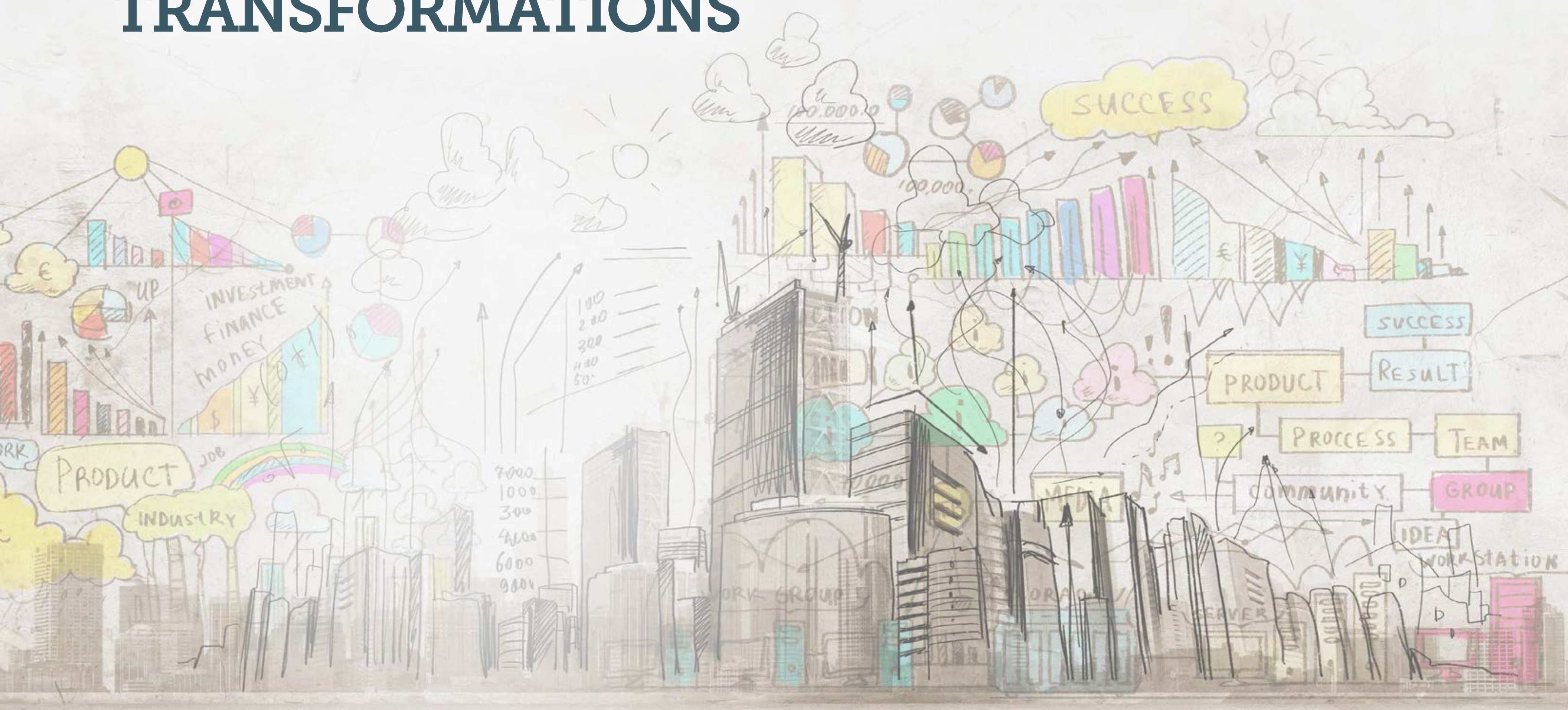
Durham, North Carolina

"Duke wanted to redefine its relationship with the community. Historically, universities were built outside of cities, but Duke wanted to refocus on collaboration with the city, county, and region. Part of that was committing to be an anchor tenant in the American Tobacco redevelopment."

Sam Miglarese / Director of Community Engagement, Duke University, Durham, NC

KEY TAKE-AWAYS FROM REGIONAL CITY TRANSFORMATIONS

The ability for regional communities to transform themselves is an often studied and possibly never perfected concept. The breadth and depth of factors that precede regional transformation ranges from industrial forces, to population migration, to economic catastrophes. However, **some communities are just sparked by the desire to grow and become better places to live and work**. Whatever the cause, it is clear that regions can and do transform. When they do so in the pursuit of growth it is a purposeful and collective effort with the following elements being core to every one:



A SENSE OF URGENCY

Many of the regional cities noted that the call to action came during a time of weakness and their efforts were therefore not as impactful as they could have been if planned during a time of strength. While this reality has supported their ongoing refreshing of plans to remain ahead of issues it is recommended that Indiana not wait until an economic catastrophe occurs.

Indiana communities must assess their level of readiness to attract and retain investment. Indiana communities have demonstrated slow population growth or decline and varying degrees of competitive economic performance. These trends do not show any sign of reversing without some form of action. If that holds true, Indiana will see increased local tax revenue issues, fewer jobs and less talent, which will all create a negative drain on the region and state's ability to attract investment. While the most severe of these impacts may be a few years off, the time to act is now while the state's regional cities are in a relative position of strength.

VISIONARY LEADERSHIP

Civic leaders, both patient and opportunistic, are the ultimate driver of regional transformation. In each of the benchmark communities, a group of individuals from the private, public or academic sector saw their community as one of potential. They came together to begin a process of sketching out the path to harness that potential. Sometimes those leaders are not evident – they are busy running their own organization or business.

Creating a platform to meaningfully engage the community can help draw out and identify those with energy and bold ideas, who could be further empowered to take a leadership role in transformation.

BRAVE ACTORS

Civic leaders must stand their ground despite political consequences. In many of the regional cities there have been times when plans and projects were viewed unfavorably by taxpayers or elected officials, but were needed in order to advance the overall transformation. These leaders stood strong on their beliefs and continued to seek support through increased analysis and information sharing. Some local public officials lost their elected offices as a result of these battles but now are recognized as the people who led the path to regional transformation.

DIVERSE PARTNERSHIPS

Partnerships should be able to exist through economic cycles and downturns. Each community had its cycles that often were in sync with the national economy but each found a way to strengthen their economy as a result.

The regional cities that have transformed all demonstrate partnerships between civic, private, academic and government individuals and organizations. The diversity of backgrounds and perspectives of these partners means that the definition of roles is critical. The level of financial support and specific roles varies from community to community but each serve a key purpose in planning and executing regional transformation. These partnerships have all demonstrated staying power that has allowed the group to advance despite setbacks. These partnerships should include:

- Committed locally owned businesses that are willing to invest time and money in the process of planning and execution
- Public officials that are able to think strategically and don't allow 'politics' to shape decisions (i.e. principle over politics)
- College and university officials or other anchor institution leadership that understands the potential impact their organization could have on the region's quality of life and economy
- Community leaders or other individuals who have a voice in the community and represent diverse populations including racial, cultural and religious subsectors

STRATEGIC PLAN EXECUTION

The visionary sketch begun by the community leaders was refined through a planning process that in most cases involved a wide range of stakeholders, and crafted strategies based on strong data and information. The majority of the regions had a planning effort that identified assets and weaknesses in each city and region. These included a review of industry sectors, infrastructure and quality of place amenities. In most cases plans targeted investments in both the city and region. The regional cities did not let the existing set of programs and financing tools dictate the strategy, rather several of them developed new tools to support their goals. They also did not allow for a “Field of Dreams” approach, rather the priorities identified were based on a solid set of data and analysis of their opportunity and vision.

COMMITTED DEALMAKERS

In each of the regional cities individuals were identified who were able to use the plan as a platform to identify development opportunities. The visionary and patient leaders are often complimented by individuals who are able to structure deals that support the vision. These dealmakers are able to accept greater risk due to their faith in the long-term returns that the visions and opportunity present.

Conclusion

Regional city transformation is possible for Indiana and other communities throughout the Midwest and Northeastern U.S. In most cases these communities have an asset or opportunity base that is not unlike those that existed in the regional cities profiled in this study. What this study demonstrates is that these communities saw a future that was better then the present, and they rallied. This study does not suggest a one size fits all approach to regional transformation, but it does suggest that there is a process that all communities can begin to define and act in support of their future and quality of place.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