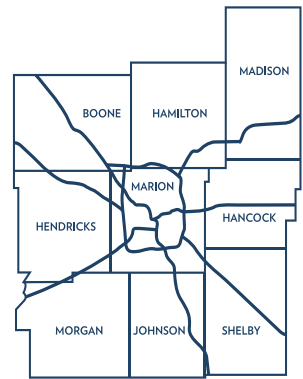


EXECUTIVE SUMMARY

# INDY'S METRO MOMENTUM AGENDA

CENTRAL INDIANA REGIONAL DEVELOPMENT AUTHORITY:  
REGIONAL DEVELOPMENT PLAN



SUBMITTED to INDIANA ECONOMIC DEVELOPMENT CORPORATION, AUGUST 2015



## INDIANAPOLIS METRO REGIONAL DEVELOPMENT AUTHORITY: REGIONAL CITIES INITIATIVE – GROWTH PLAN EXECUTIVE SUMMARY

“The single biggest threat to economic development in the state of Indiana is population stagnation.”

The rationale for Indiana’s Regional Cities Initiative is the exodus of human capital from the state, and the loss of jobs and investment that follows. After six consecutive years of declining population, Indiana managed to add residents in 2013 – but ranked in the bottom half of states (29th) in population growth last year, and 32nd since 2010, also remaining among the least-educated states by adult college graduates per capita.

**The nine-county Indianapolis region (*Marion, Boone, Hamilton, Hancock, Hendricks, Johnson, Madison, Morgan and Shelby*) offers the state’s best opportunity to reverse this decline.**

The region is home to the state’s largest city and four of its six fastest-growing counties by overall population; it’s projected to grow its labor force nearly twice as fast as any other Indiana metro area over the next twenty years (Indiana Business Research Center).

But these comparisons ignore Indianapolis’ sluggish performance among other large U.S. regions. Indy must overcome the decline of its manufacturing base, stagnant wages and rising poverty, and an uphill competition for skilled talent with vibrant metros like Denver, Nashville, Columbus (OH) and others. Gaining ground on other major metropolitan areas is the true barometer of progress, and ability to counterbalance and reverse Indiana’s downward trajectory.

### ***The FUTURE of the WORKFORCE***

Indiana is projected to lose roughly 150,000 Hoosiers aged 25-64 from 2010-2040, primarily from our rural counties. This mirrors the national flow of people and investment to urbanized regions; the top 100 U.S. metropolitan areas (12% of land) are now home to two-thirds of our population and 75% of GDP.

The top 50 regions – those with populations roughly 1 million or more – hold an even stronger position in the talent-and innovation-driven economy: They’ve attracted two-thirds of the nation’s science and technology workers and two-thirds of its college-educated Millennials.



The Indianapolis region is Indiana's only metro area within this 'top 50' tier, generating 40% of its economic output (U.S. BEA), thereby also subsidizing an outsized portion of state spending through tax revenues.

### **SUSTAINING *the* STATE**

Only twenty of Indiana's counties are 'donors' (collecting more in state taxes than they consume); five are in metro Indianapolis. Indianapolis residents pay \$700 more in per capita state taxes than other Hoosiers (\$400 more than taxpayers in other Indiana metro regions); they pay nearly \$450 more than they receive in public services (the average Hoosier receives \$160 more in services). [Indiana Fiscal Policy Institute]

### **SLOW GROWTH, STUNTED POTENTIAL**

The Indy metropolitan region is unique by size and growth potential in its ability to impact Indiana's overall position in working-age talent. But progress is slow compared to other large metros: In economic output, earning power, and building a smarter workforce, we're barely keeping pace or losing ground. Aside from the urgent need to attract skilled talent, other economic challenges stunt the region's potential – among them a massive loss of traditional manufacturing jobs, a depopulated urban core that is just recently showing signs of resurgence, and the need for continued progress in entrepreneurship and innovation.

Indy's struggles – a mid-forties ranking in population growth, below-average educational attainment and lagging per capita GDP among the 100 largest metros – impact the fortunes of the entire state.

### **From “PEOPLE GENERATORS” to a NEW ERA of REGIONALISM**

In the 1970s, Indianapolis civic leaders began a program of “people generators” (Ted Boehm's phrase) like amateur and professional sports, hospitality and cultural attractions that led to a remarkable resurgence of downtown Indianapolis that spread across the region.

From major capital projects to cutting-edge economic development initiatives (like BioCrossroads for the life sciences), regional cooperation and public-private partnerships have been part of Central Indiana's civic DNA. More recently, a Central Indiana Council of Elected Officials (CICEO) made up of the top elected officials (mayors and town council presidents) in communities above 10,000 population in the nine-county region has met regularly to work together on common issues like public transportation.

The formation of the Central Indiana Regional Development Authority (RDA) continues this track record of collaboration. The initiatives identified for Regional Cities consideration came from a year-long economic strategy process led by the Indy Chamber that began gathering input from thousands of corporate and civic leaders, elected officials and residents across the region well before the funding opportunity was announced. As a result, CICEO members have also endorsed these projects as the centerpiece of the Regional Development Plan.

## **► PRIORITY PROJECTS**

This growth agenda supported by regional input, data and rigorous analysis – these projects will help attract and retain workers with sought-after skills and entrepreneurial ambitions, while creating demand for their efforts within the region's innovation-based industries:

### **REGIONAL TRANSIT – RED LINE BUS CORRIDOR**

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The 'Red Line' is a 35-mile Bus Rapid Transit (BRT) line that will run from Westfield and Carmel through Indianapolis to Greenwood. Proposed as the nation's first BRT line using fully-electric vehicles, the Red Line plan has already attracted national attention, federal planning funds, and regional consensus (the intensive five-year Indy Connect transit input campaign).

In the short term, a Regional Cities grant would help the RDA leverage an additional \$45M in Federal Transit Administration construction funds. The Red Line will be the metro's first major rapid transit corridor and the cornerstone of a regional transit system (Indy Connect) that is projected to generate nearly \$4 billion in economic impact over the next twenty years.

The route serves a diverse urban population and fast-growing suburbs, with access to major employers like Eli Lilly and Company, Indiana University Health, Rolls-Royce and others, college campuses (IUPUI, Butler, Ivy Tech, UIIndy) and cultural destinations, greatly enhancing the connection between workforce, jobs, and lifestyle amenities.

The Red Line also offers substantial redevelopment opportunities, with hundreds of brownfield sites along the route expected to attract \$200 million or more in private investment – much of this development will meet demand created by educated young professionals and skilled STEM workers who gravitate to regions with rapid transit:

- 54% of Millennials in a recent Rockefeller Foundation/Transportation for America study say they would consider moving to another city with better transit options; 66% identify access to quality transportation as a top three location priority.
- The proposed Red Line route connects 1 of every 5 jobs, while serving more than 90% of its college students, and is projected to attract \$200 million in private mixed-use development (meeting the ‘walkable’ quality of life preferences of college-educated Millennials and downsizing Baby Boomers).



## 16 TECH

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16 Tech is a future innovation district ideally located adjacent to one of the largest concentrations of research clusters in the City’s urban core. 16 Tech provides the greatest opportunity to ignite innovation, job growth, and overall economic development at significant scale in Indianapolis.

Today, innovation has become almost entirely a social enterprise, requiring a change in the way we work, the environment where we accomplish that work and the emphasis we place on talent as an economic driver. With this in mind, 16 Tech is planned as the place that will attract and retain the best talent to an open environment.

A master plan lays out 16 Tech’s future as an innovation district. 16 Tech encompasses nearly 60 acres of prime real estate property and is bordered by the White River to the west, 16th Street to the north, Fall Creek and 10th street to the south and Fall Creek to the east, contributing complementary natural assets to the knowledge assets encompassed in the district itself.

The master plan stresses density and proximity of people and places, creating an intentional environment for talent to collaborate, share resources and knowledge and unleash creativity and innovation. It will be home to a combination of flexible research space, will have ample public space, a mix of housing opportunities, and retail and office space. It also will infuse new life into the surrounding neighborhoods offering residents new job opportunities, training programs and investment in the local community.

Development at 16 Tech will be flanked and catalyzed by an anchor tenant - The Indiana Biosciences Research Institute (IBRI). This unique and collaborative organization has identified 16 Tech as its permanent home and will serve as a hub for the further development of the innovation community.



## REGIONAL TRAILS PLAN

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Central Indiana’s trails and bikeways have generated local enthusiasm and economic benefits with national attention – starting with the Monon Trail, now stretching more than 18 miles and enhancing residential property values by an average of \$13,000+ in its corridor. The 8-mile-long Indianapolis Cultural Trail has also created significant ‘buzz’ as a cutting-edge urban amenity; a recent IU Public Policy Institute study estimated that the total value of property along the Trail has risen more than \$1 billion since construction began in 2008, with the majority of businesses along the route reporting more customers and increased profits.

Overall, the region's 100+ miles of trails and greenways, and its significant investment in bike lanes and other pedestrian/bicyclist-friendly amenities, meet Millennial preferences for walking, biking, a more active (and less auto-reliant) lifestyle.

The RDA seeks Regional Cities funding to accelerate progress on roughly 85 miles in additional trails, pathways and bike lanes prioritized by 2025, expanding a system that's a proven magnet for people and investment. These investments will advance the national narrative of Indy as a pedestrian- and bicycle-friendly community, enhance the region's quality of life appeal and expand direct economic benefits to more businesses and neighborhoods served by this growing network.

**TOTAL REGIONAL CITIES GRANT REQUEST: \$30M**

**PRIORITY PROJECTS**

- Red Line BRT – Phase I construction: \$15M
- 16 Tech \$10M (infrastructure and facility development)
- Regional Trails & Bikeway development: \$5M