

Owen County Economic Development Strategy

Minutes from Steering Committee Meeting #1 • May 6, 2010

In attendance:

Phil Bastin, Dean Bruce, Pam Chapman, Craig Coffman, Jill Curry, Irma Jean Franklin, Bobby Hall, Charlie Hardesty, Dave Henk, Jeff Quyle, Denise Shaw, Mike Spinks, Matt Sward, Wiley Truesdel, Tim Vest, Dean Wells, Chris Wesley.

Consulting team:

Thayr Richey and Scott Burgins from Strategic Development Group and Cory Whitesell from Hannum, Wagle and Cline Engineering.

Introductions

The meeting began at 8 a.m. at the Commissioners' Chambers of the Owen County Courthouse. Thayr Richey introduced the consulting team, and then the steering committee introduced themselves.

Review: Scope of Work

Scott went over the scope of work as it was outlined in the project proposal. He emphasized that in order for the plan to be effective, it must do more than show where to build new industrial sites in the county- it must also show how to go about constructing new employment centers.

For this reason, the project will have a dual approach that includes:

- Site evaluation for new manufacturing plants.
- Building community capacity to prepare for economic development.

Review: Geography & Environmental Constraints

Using maps, Cory then detailed the constraints to development in Owen County, including flood plains, steep topography and the lack of water and sewer lines. His report can be found in the recently completed Owen County Comprehensive Plan at the following URL:

http://www.sdg.us/pdf/owen_county_cp_051210_web.pdf .

He said we are looking for a site that has:

- At least 100 acres
- Quick access to highways
- No development constraints
- Available utilities

Review: Economic Development Goals from Comprehensive Plan

Scott then reviewed the economic development chapter from the county's comprehensive plan.

Review: HomeTown Competiveness & Current Economic Climate

Thayr reviewed other recent community projects and talked about the challenges of economic development during a worldwide recession.

Discussion: Community Priorities for Economic Development

The meeting concluded with steering committee members then asked questions and discussed their goals for the plan.

There were questions about how tax increment financing districts might work in the county.

A member asked why a site in Cloverdale that has access to Interstate 70 and utilities has not successfully been filled with manufacturers. If that site – which has advantages few Owen County sites can match – can't be filled, how will local developments do?

Broadband access should be a part of the study, one member said.

Whatever conclusions the plan reaches, it should include information on explaining *why* communities must invest in their own economic futures and not leave everything to the open market.

What's Next

The next meeting is **8 a.m. on June 3rd** at the Owen Community Bank Annex Basement.

Contact Information

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Scope of Work

According to the Owen County Comprehensive Plan:

“The most pressing issue for both Spencer and Owen County is preparing new sites for economic development. Without investments in this asset, the community will be unable to steer its economy in any meaningful way.”

To be effective, this plan must do more than show *where* to build - it must also show *how* to go about constructing new employment centers. And this “how” is more than the mechanical work required; it includes the role the entire community plays in economic development.

For this reason, our team proposes a dual approach to the plan that includes:

- Community Capacity
- Site Evaluation

1. Community Capacity

Simply wanting new manufacturers to set up shop in the county is not enough, especially in this economy. Having shovel-ready sites hooked to new water, sewer and streets may not be enough. In fact, communities have discovered that even offering production-ready buildings may not be enough.

So along with site development, communities must build their capacity to attract and handle growth. For Owen County, capacity building issues include:

- Expanding the size of its workforce as a business retention tool.
- Expanding the education and training of its workforce, offering more opportunities for both employers and residents.
- Increasing tourism development and promotion.
- Protecting one of its biggest assets – the quality of life found in the county’s rural settings and small towns.

Aside from these capacity building issues, our plan would include action oriented recommendations on more traditional economic development strategies such as:

- **Retaining existing manufacturers.** For example, if desired, SDG and HWC staff would visit local manufacturing sites with community representatives.
- **Building a long-term targeted marketing strategy** that includes micro-employers and entrepreneur development.

Perhaps most importantly, we would like to help facilitate a countywide discussion on economic development. How can Owen County shed some of its negative economic indicators and move toward a more prosperous future? Topics would include:

- A plan for investments in growth. What can the county realistically spend on developing itself over the next 5 to 20 years?

- What other sources of investment income need exploration. With the right preparation, could public-private partnerships work? How about income from a Tax Increment Financing district?
- Agreement on more intangible investments.

2. Site Evaluation

Along with building community capacity, our scope of work includes site evaluation. During the preparation of the updated comprehensive plans for Owen County and Spencer in 2009, an initial evaluation of potential economic development sites was completed. A series of conclusions were reached during this effort:

- There are few existing shovel-ready sites outside of Spencer because of the lack of sanitary sewers in the county.
- Spencer has the only wastewater utility in the county capable of serving economic development sites. However, there are few sites available for new construction in or around Spencer that could be developed immediately.
- The “quarry site” on the west side of Spencer was identified as the most cost effective short-term economic development site since it has utilities adjacent to the site.
- Land along SR 43 was identified as preferred long-term economic development sites because of proximity to SR 37 (future I-69) and because of availability of land. However, wastewater service needs extended to the sites.
- The “quarry site” can reasonably be made shovel-ready for short-term needs, but that planning needs to begin soon because it will affect the feasibility developing SR 43 sites in the long-term. This economic development plan will help identify the steps and costs associated with accomplishing both of these important tasks.

Make “Quarry Site” Shovel-Ready

While there are many sites in the county that could be developed, the presence of karst topography, large hillsides, floodplains and lack of sanitary sewers make most sites unattractive for development. Of available sites, the “Quarry Site” is attractive because it has water and sanitary sewer adjacent to approximately 100 acres of property on the west side of Spencer along SR 67/US 231.

The community’s goal is to make this into a shovel-ready site. This economic development plan will identify the steps that the community needs to take to accomplish this task.

Our first effort will be to finalize the vision for development on this property. During comprehensive planning, it was noted that because of nearby residential areas, heavy industrial uses would not be appropriate. Therefore, it is envisioned that the site would become a business park consisting of light/enclosed manufacturing facilities.

Next, a conceptual development plan will be prepared. This will include a conceptual plan for extending roads and utilities through the site. Our team will work with local utilities to

determine what, if any, upgrades are needed to existing services to serve the site. Costs for the infrastructure will be developed, and financing options for construction will be provided.

There are two challenges with this site that will need to be addressed. First, the site is partially in Spencer and partially in the county. This poses jurisdictional issues, and makes a potential developer have to work with both the town and the county during permitting. Since this is often a red flag for developers (because of the potential for permitting delays), we will work with the communities to develop ideas for how town and county standards can be merged at this site, or maybe a new set of development standards agreed to for the property.

Second, the site is the location of a former limestone quarry that produced crushed stone. We will outline an approach for development of the site that will address potential physical and environmental challenges associated with the previous use of the site. We will identify the environmental investigations and testing that needs completed.

Deliverables we will provide for this site include recommended upgrades, cost estimates for site development, a conceptual site plan, and a summary of steps needed to make the site shovel-ready.

SR 43 Corridor Feasibility Study

The second key scope of work element will be a review of the feasibility of developing industrial sites along the SR 43 corridor. During the preparation of the comprehensive plan, locations throughout the county were considered for development of long-term industrial sites. Sites were considered in Gosport, near SR 67 and US 231, US 231 near Putnam County and other locations. Each of these sites was determined to be expensive to develop because of the lack of nearby sanitary sewer capacity, and because of their remoteness.

Ultimately, the plan recommended industrial development along SR 43 east of Spencer. While the site does not have sewer service, there is already a need for sanitary sewers to serve residences in the area, and McCormick's Creek State Park has previously expressed interest in abandoning their wastewater treatment plan. The area could be served by sewers extended from Spencer, or a new treatment facility could be built to serve industrial sites, residences, and maybe the state park. This combination of opportunities for providing sewer to the site, along with already having water service near the sites, plus its location on the west side of the county closest to I-69 make it appealing for an industrial site.

A feasibility study of this site is warranted to determine a recommended strategy for developing the sites. Whereas the "Quarry Site" investigation will result in a development plan and a summary of steps to develop the site, **the study of the SR 43 sites is intended to determine the order of magnitude of cost and general feasibility.** More specifically, it is intended to help the community understand if further study of the sites is warranted. This will include several tasks:

1. **Location Study:** Parcel maps, soils maps, and land use maps will be reviewed to identify potential sites for development along the SR 43 corridor. This includes sites primarily on the east side of SR 43 south of SR 46. Recommendations will be made for the general order of priority for development of the sites.
2. **Infrastructure Analysis:** Existing infrastructure will be evaluated to determine available condition and capacity of utility and roadway infrastructure, and what upgrades would be necessary to allow development of the sites for industrial uses. This will include water service, stormwater drainage, electrical, telecommunications and related work. Preliminary budgets will be developed for the recommended upgrades. A written summary of recommendations will be provided.
3. **Sewer Service:** Since the cost of providing sewer to the site will likely drive the feasibility of industrial sites in the SR 43 corridor, we will complete a preliminary study of various options for providing sewer to the sites.

For the purposes of understanding costs, this initial study will be limited to represent the range of costs to be expected – from lowest to highest. Additional study will need to be completed to determine specifics of how the selected option would be implemented.

- a) *Small Capacity Option:* HWC will investigate the feasibility of developing a small scale package wastewater treatment facility or mound system to service multiple sites in the area. This will provide an indication of what could be done on a limited, lowest cost basis for the sites.
- b) *New regional wastewater treatment facility:* This would be planned to serve the industrial sites, McCormick's Creek State Park, and possibly surrounding residential areas. A meeting will be scheduled with DNR to discuss regionalization opportunities. This option is intended to identify what is likely the best long-term solution – but is also likely the most expensive option.
- c) *Extend sewer to the sites from Spencer:* This would include construction of a sewer line under the White River from Spencer. The capacity of the Spencer Wastewater Treatment Facility will be reviewed to determine if upgrades are necessary to serve the industrial sites. This is anticipated to be a cost between the other options.