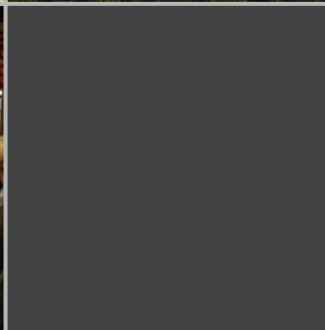
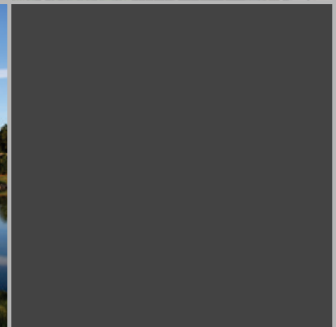


SEPTEMBER 2018

IGNITE

THE REGION

Northwest Indiana's Strategy for Economic Transformation



ACKNOWLEDGMENTS

TIP Strategies would like to thank the many individuals who took time to participate in the development of this plan. Hundreds of individuals and organizations provided input to this effort via interviews, roundtable discussions, and an online survey. We would also like to thank the 50 members of the regional Leadership Group for providing valuable feedback and insights regarding the region’s economic development opportunities and challenges. A list of Leadership Group members is provided in Appendix 3. We are particularly grateful to the members of the Project Steering Committee, which guided the planning process. Finally, thanks to the staff of the Northwest Indiana Forum for their exhaustive efforts in organizing the stakeholder input meetings throughout the region.

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TIP STRATEGIES, INC., is a privately held economic development consulting firm with offices in Austin and Seattle. TIP is committed to providing quality solutions for public and private sector clients. Established in 1995, the firm’s primary focus is economic development strategic planning.

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INTRODUCTION

In late 2017, multiple organizations and communities in Northwest Indiana launched an ambitious effort to develop the first economic development strategic plan for the seven-county region, including Lake, Porter, LaPorte, Newton, Jasper, Pulaski, and Starke. TIP Strategies was engaged in February 2018 to facilitate the planning process and to develop the planning documents. Over the course of eight months, a broad coalition of regional partners and stakeholders came together to guide and inform this initiative. The end product—*Ignite the Region: A Regional Strategy for Economic Transformation*—was presented to the public in September 2018.

THE CHALLENGE

Northwest Indiana stands at an economic crossroads. The region’s economy has long been driven by its deep manufacturing base, proximity to Chicago and Lake Michigan, multimodal transportation infrastructure, and agricultural production and processing sectors. It offers scenic natural amenities, well-regarded higher education and healthcare institutions, a skilled workforce, diverse communities, and a competitive business climate. Most regions of the country would be truly grateful to possess Northwest Indiana’s assets and advantages.

Figure 1 shows the most recent results of *Area Development* magazine’s “Survey of Corporate Executives.” The annual survey queries executives on the site location factors they view as most important in the current economic environment. Indeed, many of the top-10 rated factors are strengths for Northwest Indiana, such as highway accessibility, labor costs, quality of life, taxes, and proximity to major markets.

However, there is a growing acceptance in the region that more must be done to revitalize growth and prosperity. The region can no longer rely solely on its traditional activities and strengths to ensure economic vitality. The causes for worry are evident. The region is losing population due to out-migration. The labor force has not grown in almost two decades. Overall job growth remains stagnant. Much of the region’s job creation is occurring in lower-wage service sectors. Poverty and distress persist in some communities.

Certainly, these patterns are not unique to Northwest Indiana. Some are the consequence of national and global forces that have been building for years and are difficult for local communities to overcome. However, there are numerous examples of regions that have successfully adapted to new economic realities and invigorated economic growth. This is already happening in places throughout Northwest Indiana. Just a few examples include housing redevelopment in Whiting, downtown redevelopment in Michigan City, and agricultural tourism at Fair Oaks Farms. The challenge for

FIGURE 1. AREA DEVELOPMENT “SURVEY OF CORPORATE EXECUTIVES,” 2017*
COMBINED RATINGS

SITE SELECTION FACTORS	RANKING	
	2017	2016
Highway accessibility	91.3	94.4 (1)**
Labor costs	91.1	89.3 (3)
Availability of skilled labor	88.8	89.8 (2)
Quality of life	87.2	76.4 (10)
Tax exemptions	85.9	79.7 (7)
Occupancy or construction costs	85.9	86.0 (4)
Proximity to major markets	84.6	78.1 (9)
Corporate tax rate	83.2	82.3 (6)
State and local incentives	81.3	84.0 (5)
Available land	76.9	75.3 (12)

*All figures are percentages and are the total of “very important” and “important” ratings of the *Area Development* magazine’s “Survey of Corporate Executives” rounded to the nearest tenth of a percent.
** 2016 ranking.

Source: *Area Development*, “32nd Annual Survey of Corporate Executives,” Q1 2018.

Northwest Indiana is to amplify these and other successes regionally, to position the region's amazing assets for new opportunities, and to build a connected and sustained regional economic development partnership.

THE RESPONSE

Ignite the Region: A Regional Strategy for Economic Transformation presents a new framework for building economic growth and prosperity in the region. The strategy provides an evaluation of Northwest Indiana's economic development challenges and opportunities, informed by quantitative analysis, qualitative input, and the consulting team's 20-plus years of experience working with communities across the country. It articulates a forward-looking vision of the Northwest Indiana economy. This plan provides a holistic set of goals, strategies, and actions designed to promote economic diversification and collaboration by enhancing of the region's talent base, infrastructure, entrepreneurship ecosystem, and unique places. Additionally, a timetable for implementing the initiatives and activities and the organizations best suited to lead those efforts is included.

APPROACH AND STRUCTURE

TIP Strategies worked closely with Northwest Indiana's leaders in business, government, economic development, higher education, and the broader community to identify the region's most promising opportunities for transformative economic growth. The first step was to establish a common understanding of assets and challenges. This discovery phase included roundtable discussions and interviews with dozens of Northwest Indiana residents, embodying a broad cross-section of regional stakeholders. Roundtable discussions were held in the region with groups representing important constituencies, including the following.

- Individual counties
- Manufacturing
- Higher education
- Workforce development
- Entrepreneurship
- Real estate development
- Local economic development organizations
- Infrastructure and logistics
- State and local elected officials
- Young professionals
- Multigeneration business leaders
- Northwest Indiana Forum founders
- Environment
- Healthcare
- Nonprofits

In addition to roundtable discussions, interviews were conducted with other important regional stakeholders, including Indiana Congressman Pete Visclosky. Others interviewed during the process included economic development professionals, representatives of One Region, the Center of Workforce Innovations, the Northwest

Indiana Regional Development Authority, real estate brokers, and other private employers. Over 490 residents were directly engaged in the planning process.

The opportunity phase included a regional opportunity workshop that involved more than 50 stakeholders from throughout the region to discuss the key opportunities that the regional strategy should be built around. Stakeholders provided direct feedback on a draft structure for the plan, including a vision, goals, and priority strategies.

During the implementation planning phase, TIP incorporated all the input, data analysis, and TIP members' experience working with regions across the country to develop the **strategic action plan**.

Appendix 1 contains the regional **Target Industry Analysis**, recommendations, and profiles. This includes industry definitions and trends, occupational characteristics, strategic considerations, and industry intelligence for each industry sector.

TIP also compiled an **Economic Assessment** (Appendix 2) that includes a wide range of data and analysis for the seven-county region. The assessment addresses topics such as demographics, labor force, commuting patterns, industry analysis, and occupational analysis. A summary of key findings from the assessment is provided on the next pages.

In a separate Excel spreadsheet is an **Implementation Matrix** that outlines a proposed timeline for carrying out each of the strategies and actions. The matrix prioritizes strategies and suggests potential organizations to help support implementation. The spreadsheet will serve as a working resource for the implementation teams to track activities and report progress over the coming years.

IMPLEMENTATION CONSIDERATIONS

Ignite the Region is an ambitious initiative that proposes numerous strategies and actions. It is not feasible for any one organization to lead and coordinate implementation in such a large region. Therefore, a new regional implementation coalition consisting of multiple organizations and leaders will be required to lead, coordinate, and champion the regional strategy. As the region's multicounty economic development organization, the Northwest Indiana Forum (NWIF) will have a central role in coordinating the implementation effort. However, the NWIF lacks the resources and staff to do it all. Other stakeholders will have to step up and champion specific goals and strategies. Most important, successful implementation will require a collective effort that breaks down traditional silos and barriers that have inhibited regional economic development cooperation in the past.

The regional strategy should not be viewed as a static document, but as one that invites revisions and amendments as conditions change. For this reason, regional stakeholders should take a dynamic approach to implementation—one that revisits this plan on a regular basis to ascertain progress and to reprioritize strategies and actions as needed.

ECONOMIC ASSESSMENT KEY FINDINGS

POPULATION AND DEMOGRAPHICS

Northwest Indiana is losing population.

From 2010 to 2017, the seven-county region experienced an estimated net decline of 9,225 residents. The region's population decline contrasts sharply with the positive growth trends shown at the national and state levels. Northwest Indiana's troubling population trends have also been felt in the Chicago metropolitan statistical area (MSA) (four Indiana counties excluded from the Chicago MSA calculations), which experienced flat population growth from 2012 to 2017. The out-migration of Northwest Indiana residents to other domestic locations accounted for much of the region's population decline. Natural increase (births minus deaths) in the region's population has also been dropping in recent years.

The region is less affluent than the Chicago MSA and the nation, but on par with the state.

One-fifth of households in Northwest Indiana earn over \$100,000 a year, which is a similar percentage to the state (19 percent) but notably less than the US (25 percent) and the Chicago MSA (31 percent). The region's overall income distribution is comparable to both the state and the nation. The distribution of housing values is also more favorable for Northwest Indiana than for the state. Seventy-three percent of the region's housing stock is valued below \$200,000 compared to 77 percent for the state. However, the nation and the Chicago MSA both have a much larger share of housing stock valued at \$200,000 and above. Additionally, detached single-family homes dominate the region's housing stock.

WORKFORCE AND COMMUTING

The region's labor force has not grown in over 20 years.

Between 1994 and 2017, Northwest Indiana's civilian labor force remained essentially stationary at about 400,000. This reflects the lack of overall population growth in the region.

The participation rate of the region's labor force is below average.

The percentage of Northwest Indiana's working population (age 16–64 years) that is currently employed or looking for work (61 percent) was lower than the rates for the nation (63 percent), the state (64 percent), and the Chicago MSA (67 percent) in 2017. Lower rates of labor force participation in the region are true for males and females.

Unemployment rates in Northwest Indiana have been trending down since the Great Recession.

The region's 2017 annual average unemployment rate was the lowest it has been in 10 years. From a high of over 10 percent in 2010 to 4.5 percent in 2017, the unemployment rate has fallen by more than half. The regional unemployment rate has trended closely to the Chicago MSA but has been slightly higher than state and national rates during the recovery since the Great Recession of 2007 to 2009.

More Northwest Indiana residents commute out of the region for work than commute in.

According to the US Census Bureau, in 2015 an average of 107,922 Northwest Indiana residents commuted to jobs outside the region. Conversely, 56,241 workers commuted to jobs in Northwest Indiana from outside the

region. The difference of 51,681 commuters in 2015 was the highest net loss of commuters of the previous 10 years. A substantial percentage of outbound commuters were 30 to 54 years of age and earned \$39,996 a year or more. Over a quarter of the inbound commuters were age 29 or younger and earned \$15,000 a year or less.

The manufacturing sector was the industry that accounted for the largest number of outbound commuters.

An average of over 9,700 people left the region to work in the manufacturing sector in 2015, which is more than twice the amount of the next largest sector—healthcare (4,485). The only sectors that drew in a net inflow of workers were agriculture (215) and utilities (18).

INDUSTRIES AND OCCUPATIONS

The rate of annual job growth in the region has remained generally flat in recent years.

Over the past 5 years, the rate of annual job growth fluctuated about 0.0 percent. Moreover, job growth in the region has generally lagged the Chicago MSA, the state, and the nation over this same period. For example, in 2015, annual job growth in the region stood at 0.1 percent. However, in the same year, annual job growth reached 2.0 percent for the Chicago MSA, 1.6 percent for the state, and 1.9 percent for the nation.

The region has not regained the jobs that were lost due to the Great Recession.

Total employment in the region stood at a high of 358,000 jobs in 2007, subsequently falling to a low of 335,000 in 2010. From 2012 to 2015, the total number of jobs remained about 342,000, finally rising to a post-recession high of 344,000 in 2017.

Healthcare, manufacturing, and retail trade are the largest employment sectors in the region.

The distribution of the region's industry employment is similar to the Chicago MSA, state, and nation. The main exception is the region's higher percentage of employment in manufacturing (13.4 percent) compared to the Chicago MSA (8.4 percent) and the nation (8.0 percent). In terms of employment concentration (measured by location quotients), Northwest Indiana shows comparative advantages in the utilities, manufacturing, and transportation & warehousing sectors.

Industry sector job growth has been led by healthcare, hospitality, and retail trade in the region.

Together, these three sectors have accounted for 75 percent of the 8,500 net jobs that were created from 2012 to 2017. Conversely, the sectors that experienced the largest employment losses over the period were construction (-3,196), education (-1,254), and manufacturing (-791). The loss of construction jobs might in part be tied to the completion of the massive refurbishment project at the BP Whiting Refinery, which involved over 12,000 construction workers.

The region's largest industries are mirrored in its largest occupational groups.

Over 45,000 people in the region work in office & administrative support jobs (which contributes to a range of industries, including manufacturing and healthcare) and 35,000 people work in food services and sales jobs. Together, these three occupational groups account for one-third of jobs in Northwest Indiana. Almost 30,000

people are employed in production occupations, demonstrating the importance of manufacturing to the region. This comparative strength is also reflected in the 1.47 location quotient (LQ) for production occupations and the 1.43 LQ for maintenance, installation, and repair occupations. These two occupational groups are primarily classified as middle-skill occupations, which require a high school diploma and some additional training but less than a bachelor’s degree. Compared to the US, Northwest Indiana has a higher share of middle-skill jobs, but a lower share of high-skill jobs.

Most of the highest-paying occupational groups, nationally, pay notably lower wages in Northwest Indiana, such as management; computer and mathematical; architecture and engineering; business and financial operations; and life, physical, and social science. Only construction and extraction; production; and installation, maintenance, and repair pay slightly higher wages in the region compared to the nation.

SWOT

TIP conducted a strengths, weaknesses, opportunities, and threats (SWOT) analysis of Northwest Indiana. The analysis is based on a review of economic, demographic, and workforce characteristics; interviews and roundtable discussions with local and regional business and community leaders; and TIP’s experience working with communities and regions across the country.

A SWOT analysis can be defined as follows.

- **STRENGTHS.** Assets and resources that can be built on to grow, strengthen, and diversify the local economy.
- **WEAKNESSES.** Liabilities and barriers to economic development that could limit growth potential.
- **OPPORTUNITIES.** Competitive advantages and positive trends that hold significant potential for the attraction of new businesses, investments, and skilled workers.
- **THREATS.** Unfavorable factors and trends (often external) that could negatively affect the local economy.

The results of the TIP analysis are outlined below and on the next page.



STRENGTHS

- Proximity and connections to Chicago
- Lake Michigan (commercial access, water rights, recreation & tourism)
- Critical infrastructure assets (interstates, port, airports, rail, fiber)
- Manufacturing heritage, skill sets, and mentality
- Natural amenities (dunes, wetlands, agricultural lands)
- Positive business climate and cost of business/living advantages
- Postsecondary education and healthcare institutions
- State and local workforce development programs
- Agricultural base and resources
- Current energy and enthusiasm for regional economic development
- Large, long-term investments by major employers
- Existing regional and local efforts to enhance quality-of-place amenities



WEAKNESSES

- Declining population and net domestic out-migration of residents
- Stagnant job growth
- No main regional center (city)
- Internal and external perceptions of the region
- Poor track record of promoting the region or telling success stories—internally and externally
- Deficient supply of real estate product (industrial & class A office)
- Fragmented economic development efforts
- Limited utilization of Indiana’s economic development toolbox in Northwest Indiana (NWI)
- Lack of a sense of urgency around economic development
- Underdeveloped entrepreneurial culture and ecosystem
- Long-term distressed communities
- Rural broadband infrastructure
- Lack of diverse industry mix
- Dominance of the Chicago media market



OPPORTUNITIES

- Diversifying the regional economic base
- Creating a vibrant entrepreneurship ecosystem
- Supporting innovation within existing businesses
- Enhancing internal and external marketing efforts
- Strengthening sector partnerships and career pathways programs to deepen the regional talent pipeline
- Accelerating the reclamation and redevelopment of brownfield sites
- Multicity master plan of commercial and industrial properties
- Developing the potential of Gary/Chicago International Airport as an industrial/cargo/corporate aviation asset
- Promoting transit-oriented development along the proposed South Shore Line Double Track NWI and West Lake Corridor commuter rail projects
- Leveraging tourism to support industry and talent attraction



THREATS

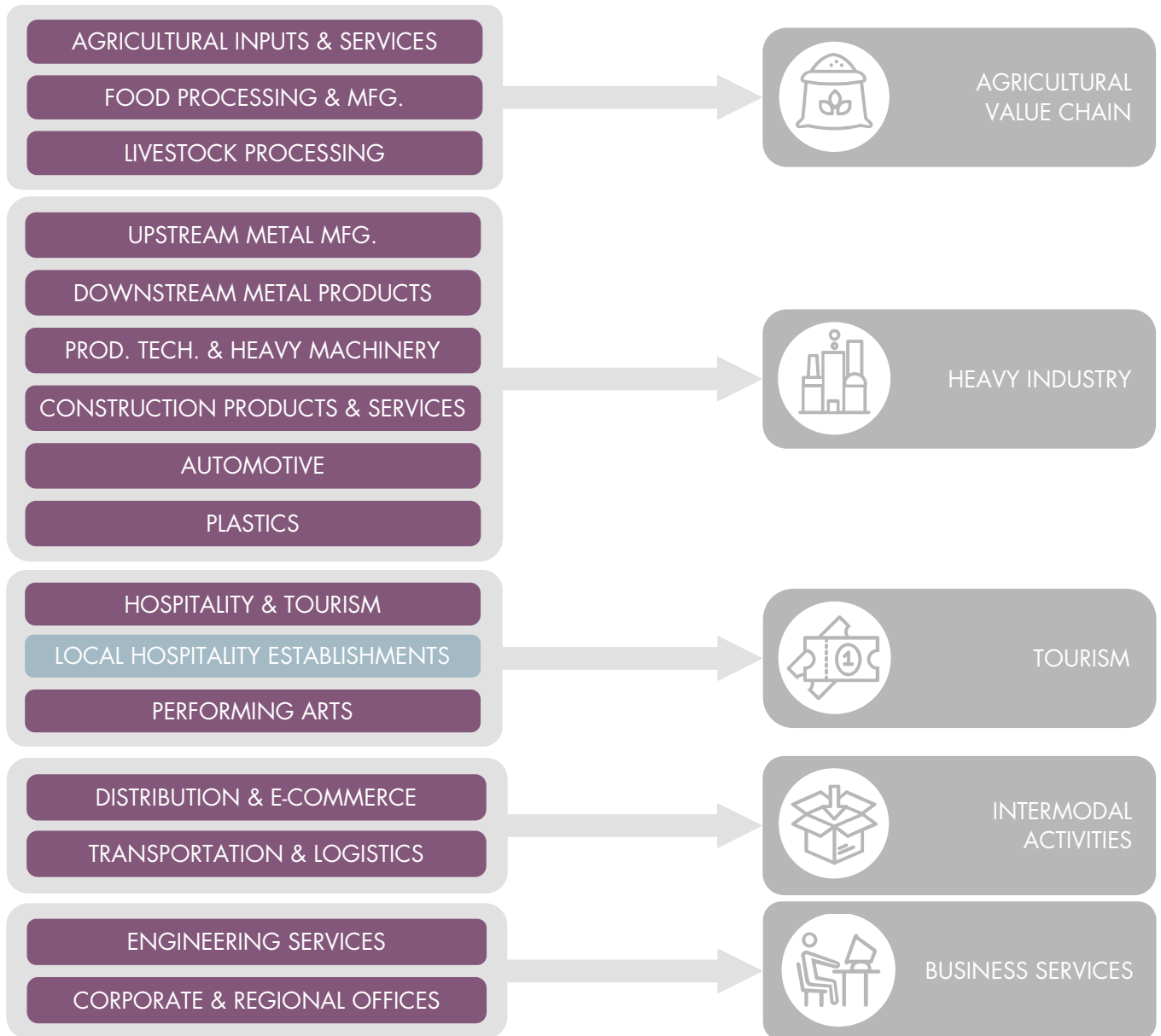
- Global trade disruptions
- Perceptions about workforce availability
- Declining higher education enrollments (statewide)
- Many large employers are now headquartered outside the region
- Invasive species
- Policy decisions made in Chicago and Indianapolis

OVERVIEW OF TARGET INDUSTRY CLUSTERS

TIP Strategies identified target industry clusters for Northwest Indiana that will help to generate new investment and employment in the region if successfully developed through business recruitment, retention, expansion, and entrepreneurial support. These recommendations should not be viewed as the only viable industries in the region for attraction and development. Some counties and communities offer competitive advantages to specific sectors that might not be part of these recommendations. However, based on regional industry and occupational data, national and regional trends, and the consulting team’s experience in identifying target industries for markets nationwide, the following regional targets are recommended for inclusion in the regional strategy.

TRADED and **LOCAL** clusters emerge from the analysis...

...to provide a foundation for **TARGET SECTORS**



Source: US Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School; TIP Strategies.

VISION

A comprehensive economic development strategy must be driven by a clear vision. Meaningful vision statements should be bold, provide a clear direction, and differentiate the region from its peers and competitors.

Northwest Indiana drives its vibrant and inclusive communities by creating the most dynamic economic environment of the Midwest, fueled by innovation, diversity, and talent.

GOALS

Ignite the Region is built around five aspirational goals that serve as the pillars of future economic vitality and growth for the region. They reflect a holistic view of economic development that addresses business development & marketing, entrepreneurship & innovation, infrastructure, talent, and placemaking. Under each goal are several strategies and actions needed for implementation.

1. BUSINESS DEVELOPMENT AND MARKETING

Promote robust and sustainable growth by engaging in a proactive, economic development program that supports business retention, expansion, creation, and attraction.

2. ENTREPRENEURSHIP AND INNOVATION

Foster robust entrepreneurship and innovation ecosystems to propel future economic growth.

3. INFRASTRUCTURE

Ensure that Northwest Indiana's infrastructure meets the needs of a 21st-century economy.

4. TALENT

Expand the talent assets of Northwest Indiana and strengthen connections to the region's employers.

5. PLACEMAKING

Create the amenities and places that enhance Northwest Indiana's appeal to diverse groups of people.

STRATEGIC PLAN

GOAL 1. BUSINESS DEVELOPMENT AND MARKETING

Promote robust and sustainable growth by engaging in a proactive, economic development program that supports business retention, expansion, creation, and attraction.

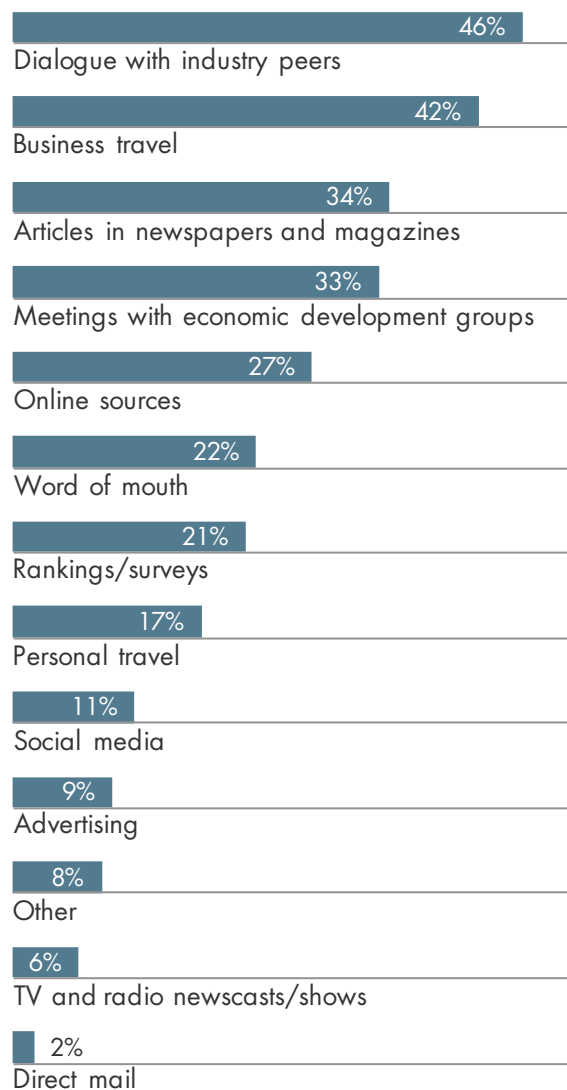
At the core of every economic development program are the activities and initiatives devoted to attracting, retaining, and expanding investment and jobs. In Northwest Indiana, these efforts are jointly pursued by local economic development organizations (LEDOs), the Northwest Indiana Forum (NWIF), and the Indiana Economic Development Corporation (IEDC). Throughout the planning process, many stakeholders suggested the region needs to do a better job of marketing itself externally to corporate decision-makers, site location consultants, and real estate brokers. Stakeholders do not think that the region’s competitive advantages are being aggressively communicated to external audiences. In addition, the partnerships among the local, regional, and state economic development partners can be strengthened and better aligned. Clarifying issues, such as funding, board representation, lead distribution, and working with prospects, will help to build trust among the partners.

In addition to external audiences, many stakeholders commented that the region should do a better job of communicating positive attributes and successes to internal audiences. Often, the strongest marketers for a community or region are its own businesses and citizens.

Committing additional resources to the region’s business retention and expansion (BRE) efforts is also viewed as a core need. As part of this, regional economic development partners should explore opportunities for increasing shared BRE efforts across communities and organizations and collectively reporting BRE data and success stories.

Finally, the region is placing a greater emphasis on tourism as an economic driver. Creating new amenities and attractions along the lakefront, promoting sustainable agritourism at Fair Oaks Farms, and studying the development of a convention center and hotel in Lake County are just a few examples of renewed efforts to grow the region’s tourism economy. These initiatives also present an opportunity to leverage tourism to support industry and talent attraction efforts.

FIGURE 2. LEADING SOURCES OF INFORMATION INFLUENCING EXECUTIVE PERCEPTION OF AN AREA’S BUSINESS CLIMATE



Source: *Winning Strategies in Economic Development Marketing*. Development Counsellors International. 2017.

1.1. More closely align and coordinate regional economic development efforts.

Strengthening the regional economic development partnerships is a fundamental step that must be taken for Northwest Indiana to succeed in implementing this strategy and reaching its economic potential. This will require defining the roles and responsibilities of each organization in advancing regional economic development and even creating new structures to govern the relationships. Many stakeholders cite the 11-county Northeast Indiana Regional Partnership (NIRP) as a potential model for Northwest Indiana to emulate for strengthening regional collaboration.

NORTHEAST INDIANA REGIONAL PARTNERSHIP

The Northeast Indiana Regional Partnership has established several structures that promote regional collaboration, including a LEDO Council. The LEDO Council is an advisory group made up of economic development leaders from the 11 counties. The council meets monthly to address common topics, such as business development strategies, available sites and buildings, and workforce training.

Source: See www.neindiana.com.

As the regional economic development organization, the NWIF is central in this effort. It should reaffirm and amplify its commitment to serving as the region’s primary marketing and business development organization. This will entail leading external marketing and business development efforts, attending industry trade shows and conferences, calling on companies in target industries, building relationships with site location consultants and real estate brokers, and publishing regional economic data. However, the NWIF will limit its involvement in the transactional side of the work. The NWIF will share prospect leads with LEDOs and the IEDC according to an agreed-upon set of protocols and procedures. It will then be the responsibility of LEDOs and the IEDC to prepare responses, manage site visits, negotiate incentives, and close deals.

Escalating the NWIF marketing and business development functions will require a stronger commitment by its managing board to the organization’s economic development mission. Many stakeholders think the region’s economic development community should have a greater voice in guiding the organization’s activities. This could be realized by increasing the number of economic development representatives on the managing board. It could also be supported by elevating the status of the NWIF economic development committee to a more formal advisory body, similar in function to the NIRP LEDO Council.

In addition to leading a more aggressive marketing and business development program, the NWIF should continue advocating on the region’s behalf in the areas of public policy and environmental affairs. These are important functions that the NWIF is best suited to continue leading. In addition, the NWIF should assume a supporting role in strengthening the region’s entrepreneurship ecosystem (see Goal 2).

Expanding the NWIF marketing and business development activities and adopting a new role of strengthening the entrepreneurial ecosystem will require additional resources. This will entail a higher level of fundraising and financial support from the business community and LEDOs.

- 1.1.1.** Adopt a code of ethics similar to the code implemented by the Northeast Indiana Regional Partnership and its LEDO Council. The NIRP code of ethics articulates the principles of behavior and standards of conduct that partners and stakeholders of the regional partnership pledge to adhere to in promoting regional economic development. Such a document in Northwest Indiana will help to build greater trust among the region’s economic development partners.
- 1.1.2.** Establish a clear set of regional protocols and procedures for sharing investment leads, submitting proposals, and working with prospects.

1.2. Design a regional economic development brand that emphasizes and reflects the attractive qualities in the region.

1.2.1. Engage creative marketing and branding specialists in the region to help create a regional brand. The effort should engage local stakeholders, as they will be more familiar with the region’s qualities and attributes. Rather than rely on a catchy tagline, the brand should be organic and content driven for existing residents to more readily accept and promote it.

- The brand should amplify Northwest Indiana’s image as an attractive, affordable, and high-quality location to live and do business through targeted promotion (traditional and nontraditional media channels).
- Coordinate a consistent branding and marketing theme that applies across the NWIF, LEDOs, One Region, city governments, chambers of commerce, and other organizations involved in economic development.

1.3. Enhance the economic development tools and incentives available to the region.

1.3.1. Capitalize on the Opportunity Zone designations in the region. The Tax Cuts and Jobs Act of 2017 (Public Law 115-97) authorized state governors to nominate certain census tracts as Opportunity Zones, subject to approval from the US Department of the Treasury. Opportunity Zones allow investors to defer and reduce their capital gains tax bills in exchange for investing in projects located in economically distressed areas. In Northwest Indiana, Opportunity Zones were certified and designated in Lake, Porter, LaPorte, Newton, and Starke Counties, representing a mix of urban and rural areas eligible for investment incentives.

- Create an investment prospectus for each Opportunity Zone to showcase their distinctive assets and investment-eligible projects.
- Encourage the state of Indiana and local communities to align existing state economic development incentives and programs with Opportunity Zones. Areas that could benefit from such alignment include rural broadband initiatives, downtown redevelopment, and brownfield remediation.

1.3.2. Work with the state legislature, other regional EDOs, and local officials to secure funds for a deal closing fund and gap financing for critical economic development projects.

1.3.3. Develop creative incentives designed to attract and retain talent. Financial incentives often play a key role in helping to attract new business investments and jobs to a community, region, or state. Financial incentives could also support efforts to attract new talent to the state and region. While the state of Indiana would likely have a central role in adopting and funding public talent attraction incentives, regional leaders should also explore opportunities to partner with regional employers to develop regionally focused incentives.

KANSAS RURAL OPPORTUNITY ZONES

Kansas Rural Opportunity Zones were established by the Kansas Legislature in 2011 to facilitate population growth in rural counties using tax relief and student loan reimbursement. The program authorizes 77 counties to offer one or both of the following financial incentives to new full-time residents.

- Student loan repayments up to \$15,000
- Kansas income tax waivers for up to 5 years

Source: See <https://kansascommerce.gov/320/Rural-Opportunity-Zones>.

- Urge the state of Indiana to establish a statewide talent attraction incentive similar to one offered in Kansas through its Rural Opportunity Zone program (see text box).
- Local communities should explore establishing local talent attraction/retention incentives. For example, in Indiana the Grant County Economic Growth Council offers a Grant for Grads housing assistance program for graduates with an associate’s degree or higher who choose to live and work in the county.¹

1.4. Aggressively market and promote Northwest Indiana as a destination for new investment and employment.

1.4.1. Coordinate a business attraction and marketing campaign with LEDOs.

- Provide data and information developed for Northwest Indiana United to local and regional partners.
- Develop a package of regional marketing materials that highlights the unique assets of each county.
- Schedule economic development marketing pieces, such as email newsletters, to coincide with recent business attraction, retention, expansion, and creation success stories. Also, highlight successes around education/training programs, infrastructure developments, and quality-of-place enhancements.

1.4.2. Generate editorial content in targeted regional publications (Indiana and Chicago) that spotlights activities and successes in Northwest Indiana.

- Broadcast business successes in state and regional publications through press releases and editorials.
- Publish interviews of Northwest Indiana residents that highlight local happenings in their communities to strengthen the region’s pride and cohesion.

1.5. Cultivate relationships and networks with business executives for the recruitment of new businesses to Northwest Indiana, especially in target clusters and sectors.

1.5.1. Compile and maintain resource information for each target market cluster and key subsectors. This includes identifying trade and industry associations for each sector and following industry trends by monitoring trade publications or purchasing industry data and reports from private sources. This should also include a listing of existing companies in the region in each target industry (a partial list is available in Appendix 1, Target Industry Analysis).

1.5.2. Join and participate in selected trade or industry associations for the priority target sectors.

SELECTED INDUSTRY CONFERENCES & EVENTS IN TARGET SECTORS

Agricultural Value Chain

ProFood Tech, 26–28 March 2019—Chicago
 PROCESS EXPO, 8–11 October 2019—Chicago

Heavy Industry

FABTECH 2019, 11–14 November 2019—Chicago
 Automate 2019, 8–11 April 2019—Chicago

Intermodal Activities

Mid-America Trucking Show, 28–30 March 2019—Louisville, KY

Business Services

AFP 2018, 4–7 November 2018—Chicago

¹ See <http://grantcounty.com/gcegc-2/programs/grant-for-grads/>.

- 1.5.3.** Attend selected conferences and trade shows to build relationships with business executives. Consider hosting receptions and use sponsorship opportunities to promote Northwest Indiana. Several major industry events are held in Chicago and other Midwestern cities. The text box displays selected examples.
- 1.5.4.** Conduct domestic call trips/marketing missions to meet with company executives in regions where each target industry concentration is the highest.
- 1.5.5.** Cultivate business contacts through existing Northwest Indiana companies in target industries to recruit new expansion projects.
- 1.6.** Build awareness of the region among site selection consultants and commercial brokers.
 - 1.6.1.** Call on site consultants in targeted metropolitan areas, particularly Chicago. Utilize a site selection database to identify targets and periodically set appointments to discuss the Northwest Indiana market and development opportunities.
 - 1.6.2.** Compile a detailed package of promotional materials aimed at real estate brokers, describing the attractive environment in Northwest Indiana for business relocation. Use the materials to educate local brokers about the top selling points of Northwest Indiana compared to the Chicago or Indianapolis metro areas.
 - 1.6.3.** Continue maintaining and updating information typically of interest to commercial and industrial site selectors on the NWIF website.
 - 1.6.4.** Periodically host events and familiarization tours in Northwest Indiana that showcase specific assets, such as available land and buildings or new projects.
- 1.7.** Increase collaborative business retention and expansion (BRE) efforts across the region.
 - 1.7.1.** Where appropriate, LEDOs should engage the NWIF to assist in BRE support and visits with companies within the region’s target industry clusters. Greater regional cooperation will help to facilitate the most innovative solutions and services to regional businesses.
 - 1.7.2.** LEDOs and chambers of commerce should commit to sharing BRE efforts, successes, and metrics through an annual regional business report.
 - 1.7.3.** Forge stronger relationships with off-site leadership of major employers operating in the region. On an annual basis, invite these individuals to a hospitality function in conjunction with a regional or community event.
 - 1.7.4.** Coordinate incentives and infrastructure needs of specific employers with local/state officials and utilities.
 - 1.7.5.** Identify and incorporate additional outreach partners within the region for increased collaboration, resource sharing, and reach. Focus on groups that regularly interface with local businesses. Educate these groups about economic development as needed.
 - To orient outreach partners, create a brief business visitation guide to outline the methodology for business outreach, communications procedures and scripting, frequency of communications, manner to conduct visits, sample questions, target length of meetings, processes to address immediate business needs, and follow-up procedures.

1.8. Educate public officials and the public about Northwest Indiana’s economic issues and the importance of economic development.

- 1.8.1.** Organize an annual Northwest Indiana economic summit that raises awareness of key regional economic development activities, successes over the past year, and future endeavors.
- 1.8.2.** Develop an “elevator pitch” with key messages to use when promoting the region (verbally and in written materials).
- 1.8.3.** Create a one-page profile promoting the region’s positive business aspects to be used by LEDOs, public officials, and business leaders for internal and external word-of-mouth marketing.
- 1.8.4.** Work with LEDOs, local chambers, cities, and other business organizations to identify local business success stories.
- 1.8.5.** Maintain an agreed-upon set of regional economic indicators and then use multiple communication channels in the region to promote those under the theme of ongoing collaborative economic development efforts.

1.9. Expand and leverage tourism to support industry and talent attraction.

Growing the region’s tourism sector will help to diversify the economic base and support industry and talent attraction efforts. Northeast Indiana already draws thousands of visitors to its lakefront, dunes, casinos, parks, museums, and agritourism resources. The proposed convention center in Lake County represents a tremendous opportunity to take tourism in the region to a new level. According to the findings of the convention center feasibility analysis, one of the primary nonlocal event markets for the convention center is “corporate and other types of event activity from the Chicago/Northwest Indiana greater metropolitan area and throughout the state of Indiana.”² The ability to host these types of events in Northwest Indiana presents an opportunity to engage talented professionals in a conversation about how they can pursue their careers, start a company, or relocate an existing business to the region.

- 1.9.1.** Establish a conference and meeting strategy linked to target sector opportunities.
 - Identify a complementary theme for tourism attraction, business recruitment, and talent attraction.
 - The NWIF and LEDOs should work with the South Shore Convention & Visitors Authority and other local tourism organizations to align their conference and meeting strategy to targeted occupations, groups, and industries.
 - Identify industry associations within each target industry and encourage them to consider Northwest Indiana as a destination for annual events and meetings.
 - Coordinate with local economic development organizations for the targeting of specific businesses and organizations holding conferences and meetings in the region.
- 1.9.2.** Work to secure the development of a new convention center in Lake County. The presence of such a facility, along with associated hospitality, retail, and entertainment developments could have a transformative effect on the nearby surrounding area and wider direct and indirect economic benefits for the region. The convention center feasibility analysis estimates that over a 20-year

² *Feasibility Analysis of a Potential Convention Center in Lake County, Indiana*. CSL International. July 9, 2018.

period a new convention center would generate \$394 million in direct spending, \$223 in personal income, \$44 million in tax revenue, 894,000 hotel nights, and 761 full-time and part-time jobs in the peak employment year.

1.9.3. Leverage tourism assets to distribute business marketing messages.

- Prominently display positive information about the region’s economy and business climate at key visitor destinations.
- Encourage first points of contact to communicate positive messages about the region’s business advantages to visitors. Provide educational materials and talking points about the region’s economy to first points of contact.

1.9.4. Pursue federal and foundation grants to support the region’s tourism infrastructure needs. Potential federal funding programs are listed in the text box.

1.10. Establish an economic development district (EDD) to serve as a facilitator of regional initiatives and a conduit for additional funding sources in Lake, Porter, and LaPorte Counties.

EDDs are designated by the US Economic Development Administration to lead regional economic development planning processes that leverage the involvement of the public, private, and nonprofit sectors and to promote regional collaboration. The EDA has identified the Northwestern Indiana Regional Planning Commission (NIRPC) as the applicant/designated party eligible to receive an EDD designation. The benefit of having an EDA-designated EDD in Northwest Indiana is that it will enhance the region’s ability to obtain EDA grants in Lake, Porter, and LaPorte Counties.

1.10.1. Regional partners should support and assist NIRPC in its efforts to receive EDD designation.

1.10.2. Work with the EDA to schedule an EDA-hosted regional economic development plan summit in the region. During the summit, the EDA staff would work with regional representatives on a specific regional economic development project to brainstorm funding opportunities. This represents a great opportunity to explore funding opportunities for projects recommended in this strategy.

1.10.3. NIRPC should work with the Kankakee–Iroquois Regional Planning Commission (K-IRPC) on identifying and pursuing economic development projects that would positively affect all seven counties in the region. K-IRPC is a federally funded EDD that serves Jasper, Newton, Pulaski, and Starke Counties as part of its eight-county territory.

POTENTIAL SOURCES OF FEDERAL FUNDING TO SUPPORT TOURISM INFRASTRUCTURE

- US Federal Highway Administration—Transportation Enhancement funding, National Scenic Byways Programs grants, and Recreational Trails Program grants
- US Economic Development Administration (EDA)—Public Works program and EDA initiatives
- US Fish & Wildlife Service—National Wildlife Refuge System Preserve America Grant Program
- National Endowment for the Humanities—Preservation and Access Grants for Stabilizing Humanities Collections; Historical and Cultural Organizations: Planning Grants and Implementation; and We the People Challenge Grants in United States History, Institutions, and Culture
- National Park Service—Preserve America Grants
- National Park Service and National Endowment for the Arts—Save America’s Treasures program grants

GOAL 2. ENTREPRENEURSHIP AND INNOVATION

Foster robust entrepreneurship and innovation ecosystems to propel future economic growth.

Creating a robust entrepreneurship and innovation ecosystem is vital to the long-term health of the Northwest Indiana economy. Regions can no longer base their economic development programs exclusively on recruiting large manufacturing plants, corporate headquarters, or distribution facilities. Such opportunities are infrequent and, if successful, often require substantial public sector investments in the form of incentives and infrastructure. Innovative regions that have invested in the support systems necessary for talented and ambitious entrepreneurs to succeed are where economic vitality is truly anchored.

During the planning process, the most energized stakeholder group that provided input was a roundtable of regional entrepreneurs. This was an enthusiastic group of entrepreneurs and small business service providers who are passionate about business creation and optimistic about the potential of Northwest Indiana to foster entrepreneurship. However, the group acknowledged that the region currently lacks many of the fundamental support structures and networks necessary to make this vision a reality.

Creating such an ecosystem will require a new economic development focus on entrepreneurship that helps to connect resources, create networks, and raise awareness. As the region's economic development entity, the NWIF could play this role as a facilitator and coordinator among the growing list of programs and initiatives in the region. It could assist entrepreneurs to navigate the resources available to help them succeed. Additionally, the NWIF could raise awareness of entrepreneurial success stories in Northwest Indiana and market the region to early stage firms and entrepreneurs in Chicago.

Fostering entrepreneurship, however, is just one aspect of this goal. The other important piece is supporting innovation within the region's existing businesses and working to develop new centers of innovation. The region is already home to some highly advanced research and development (R&D)/commercialization assets, including Purdue University Northwest (PNW) Center for Innovation through Visualization and Simulation, the PNW Composites Manufacturing and Simulation Center, and the ArcelorMittal R&D facility in East Chicago. Examples of existing companies that are engaged in cutting edge innovation include Urschel Laboratories, Fronius International, MonoSol, Tri-State Automation, and Task Force Tips. The Society of Innovators of Northwest Indiana has traditionally supported innovation in the region by identifying and honoring the creative and innovative individuals across the seven counties. While the society has helped to highlight some of the region's most creative residents and to encourage greater innovation among organizations, a higher level of effort should be undertaken to translate innovation into new economic activity in the region.

2.1. Cultivate and convene networks of entrepreneurs.

Comprehensive and connected services and support are vital to catalyzing entrepreneurship and innovation. This is particularly important for a region like Northwest Indiana, which lacks a deep pool of serial entrepreneurs. In effect, a robust system will have to be built from the ground up. Establishing functional networks for entrepreneurs and innovators is essential. Discrete support activities, programs, and facilities must be coordinated and co-located to create critical mass.

- 2.1.1.** Establish a Northwest Indiana entrepreneurial coalition to serve as a formalized regionwide network of entrepreneurship and innovation service providers and experts. The NWIF should take the lead in organizing the coalition.

- 2.1.2.** The coalition should regularly travel to Chicago to speak to other entrepreneurship networks and venture capital (VC)/angel investment groups.
- 2.1.3.** Leaders of Chicago-based networks should be invited to Northwest Indiana to speak at gatherings of the coalition.

2.2. Build a regional entrepreneurship and innovation ecosystem asset map to help entrepreneurs, startup companies, and investors to navigate the state’s existing resources and networks.

- 2.2.1.** Resources in Chicago should be included in the asset map.
- 2.2.2.** Market the asset map to both internal and external audiences.
 - It should be used to educate regional businesses and citizens about the growing entrepreneurship ecosystem and the startup activity taking place in Northwest Indiana. Because many people within the region are unaware of existing entrepreneurship and innovation assets, the map can serve as a promotion piece to get the region thinking of itself as a destination for entrepreneurs.
 - It should serve as a tool to improve awareness of Northwest Indiana among outside investors and entrepreneurs.

EMERGING PRAIRIE

Emerging Prairie is 501(c)3 nonprofit that connects and celebrates the entrepreneurial ecosystem in Fargo-Moorhead, North Dakota. The organization operates a wide variety of events and initiatives, such as Drone Focus, the Prairie Den coworking space, and 1 Million Cups (1MC) Fargo, the largest and most active 1 Million Cups program in the country. It also operates an online publication that highlights the region’s entrepreneurs and innovators that are turning Fargo into a flourishing tech hub. Emerging Prairie was founded in 2013 based on the four principles by a group of Fargo entrepreneurs who wanted to make a difference in the community they call home.

- Educate our city.
- Infuse the arts.
- Build on our bright spots.
- Practice radical inclusivity.

Source: See www.emergingprairie.com.

2.3. Raise awareness of regional entrepreneurial success stories.

- 2.3.1.** Develop a media strategy for publicizing entrepreneurship success stories in traditional and social media.
 - Earn media placement in local and regional media outlets (TV, print, radio stations, etc.) to highlight success stories of startups and entrepreneurs.
 - Aggressively utilize social media to publicize successes.
 - Utilize entrepreneurship networks, investors, and researchers to spread the word about successes.
 - Develop a regional entrepreneurial recognition program and “Entrepreneur of the Year” awards and aggressively publicize winners.

2.3.2. Encourage entrepreneurial role models to participate in events and campaigns designed to inspire a new generation of entrepreneurial talent.

2.4. Increase access to capital for Northwest Indiana entrepreneurs.

- 2.4.1.** Encourage the formation of angel investment networks focused on providing startup capital to regional entrepreneurs.
- 2.4.2.** Market the region to risk capital funds in Chicago.
 - Develop an annual report documenting the successful VC investments in Northwest Indiana and disseminate it to VC investors.
- 2.4.3.** Work with other angel investment networks in Chicago to form a syndication network to improve deal flow for Northwest Indiana companies and investors.
- 2.5.** Develop an entrepreneurship policy agenda and advocate to the state on policies needed to support the entrepreneurship ecosystem.
- 2.6.** Develop youth entrepreneurship programs to foster a culture of entrepreneurship.

A critical element of fostering a deep culture of entrepreneurship and innovation in the region is to begin instilling it in the region’s youth. Entrepreneurship education is especially important for helping the region’s low-income and minority youth to develop skills and knowledge that will support their future success and benefit their communities. The National Consortium for Entrepreneurship Education provides resources and technical assistance for entrepreneurial education.³

- 2.7.** Develop new spaces for entrepreneurs and innovators (e.g., coworking and makerspaces).
- 2.8.** Target and recruit growing early stage firms in the Chicago market.

The Chicago market represents a potentially bountiful market for recruiting early stage businesses seeking a business-friendly environment to grow and prosper. See the text box for details of a small business friendliness survey conducted by Thumbtack.com.

- 2.8.1.** Join and engage with Chicago-area entrepreneurship networks, talent networks, and industry associations to identify new companies. An active presence by the NWIF at tech events can provide valuable information to expanding companies whose growth is constrained by high overhead costs.
- 2.8.2.** Target emerging and “gazelle” companies in business incubators/accelerators in these markets. Position Northwest Indiana as a desirable landing spot.
- 2.8.3.** Track venture capital firms in Chicago that have recently funded high-growth, innovative businesses.

THUMBTACK.COM SMALL BUSINESS FRIENDLINESS SURVEY

Thumbtack.com conducts an annual small business friendliness survey that queries entrepreneurs on policies that affect their ability to start, operate, and grow a business. The survey results rank states and major cities on several business friendliness factors, such as ease of hiring, regulations, ease of starting a business, tax code, licensing, and training & networking programs. In the 2018 survey results, Indiana ranked 19 out of the 50 states in overall friendliness and received an A-grade. Illinois ranked last out of the 50 states and received an F grade. Chicago ranked 52 out of 57 cities and received an overall D grade.

Source: See www.thumbtack.com/survey#/2018/1/cities.

³ See <http://www.entre-ed.org/>.

2.8.4. Engage experienced or serial entrepreneurs with a track record of starting and growing companies.

2.8.5. Promote investment opportunities in local firms that have been awarded small business innovation research (SBIR) and small business technology transfer (STTR) grants. Leverage this effort to attract other early stage companies to the region.

2.9. Promote rural entrepreneurship.

Building an entrepreneurship ecosystem should not be an effort exclusive to the urban areas of the region. This is also an important strategy for rural communities. As recruitment prospects for rural areas continue to decline across the country, many regions have turned to building the local economy by serving the needs of community-based startups and entrepreneurs.

2.10. Support innovation within existing companies.

2.10.1. Encourage local entrepreneurs and innovators to tap into federal funding in the SBIR and STTR grants. Federal SBIR/STTR grant awards are an important source of funding for innovative companies

throughout the US. Encouraging and assisting businesses to pursue SBIR/STTR funding can be an important tool for enhancing the region’s innovation ecosystem.

- Improve awareness of these grant programs among regional business communities.
- Provide training and assistance to companies on how to apply for SBIR/STTR awards.
- Consider targeting companies in other regions that have received SBIR/STTR grants and provide incentives to expand/relocate to Northwest Indiana. Targeting companies that have received federal SBIR/STTR awards allows for focused recruitment of potential high-growth companies with products/technologies in development receiving federal research funding. The US Small Business Administration (SBA) Technology Program Office administers the SBIR/STTR programs. Data on specific companies that have received awards are publicly available on www.sbir.gov (e.g., type of project, award info, address, contact info, etc.).

2.10.2. Look for opportunities to establish additional centers of excellence in the region. Such centers could build on the region’s rich history in heavy industry and steel production.

2.11. Bolster federal, state, and private investments in higher education, emphasizing the science and technology fields, engineering, and entrepreneurship programs.

GROWING RURAL ECONOMIES

The Washington State Department of Commerce has developed an innovative program called Growing Rural Economies that provides five services crucial to fostering rural entrepreneurship.

- Access to capital
- Networking
- Mentorship
- Technical assistance
- Education and training

Source: See

<http://startup.choosewashingtonstate.com/programs/growing-rural-economies/>.

2.11.1. Advocate for allowing regional universities to establish doctoral programs, especially in science, engineering, technology, and healthcare fields. One of the keys to catalyzing new centers of excellence in the region is to develop doctoral academic and research programs. Currently, master’s degrees are the highest degrees offered at Indiana University Northwest and Purdue University Northwest. University and regional leaders should work with the Indiana Commission for Higher Education and the university systems to establish doctoral programs within Northwest Indiana.

“Smart people will go wherever other smart people are. And in particular, to great universities. In theory there could be other ways to attract them, but so far universities seem to be indispensable. Within the US, there are no technology hubs without first-rate universities.”

—Paul Graham, cofounder, Y Combinator seed capital firm, “How to Be Silicon Valley” 2006.

2.11.2. Pursue R&D catalyst projects that leverage the components of the region’s universities.

- Build a coalition of local and state elected officials, leaders from the private sector, and key stakeholders from within the region’s universities to identify and pursue major research projects that align with the institutions’ academic and research specialties.
- Ensure that the coalition of public, private, and academic leaders is prepared to respond when a major research opportunity becomes available, particularly if it has the potential to transform the region into a more knowledge-based, technology-driven economy.
- Study successful efforts in other regions that have worked collaboratively to leverage their universities to attract a major R&D catalyst project. Organize a knowledge-gathering trip to one of these communities, taking along some of Northwest Indiana’s public, private, and academic leaders to learn about what worked for them.
- Utilize the resources, networks, events, and services offered by the Federal Laboratory Consortium for Technology Transfer and by the State Science & Technology Institute that are designed to connect local governments and economic development organizations with federal R&D transfer and commercialization opportunities.

GOAL 3. INFRASTRUCTURE

Ensure that Northwest Indiana’s infrastructure meets the needs of a 21st-century economy.

Northwest Indiana’s economy is significantly affected by the quality of the public infrastructure that supports it. First-class infrastructure is essential for retaining existing employers and residents and for competing for new investment. Regional infrastructure systems, especially the transportation network, must reach every area that can support economic development—from industrial and commercial sites to vibrant urban centers and to rural areas. However, infrastructure is more than just highways and roads, it is an interconnected system that encompasses airports, seaports, industrial sites, water, broadband, trails, bike lanes, etc.

Northwest Indiana’s regional infrastructure is overall a competitive advantage for the region, especially its multimodal transportation infrastructure. The region’s major highways include I-65 (north-south), I-94 (east-west), and the Indiana Toll Road (east-west). The region is served by three Class 1 railroads—Norfolk Southern, CSX, and Canadian National—in addition to a network of short line and regional railroads. The Port of Indiana–Burns Harbor handles international ships via the Saint Lawrence Seaway connecting the Great Lakes to the Atlantic Ocean and provides year-round barge access to more than 20 states and the Gulf of Mexico through the Inland Waterways System. The Gary/Chicago International Airport is a full-service airport that serves general aviation, corporate, and cargo users. The proposed double tracking of the South Shore Line commuter rail line and developing of the West Lake Corridor southern branch extension potentially offers substantial new economic benefits to the region in the form of new residents and mixed-use development.

Modern essential infrastructure now includes broadband internet access. In this capacity, the region benefits from the presence of major long-haul fiber providers, including CenturyLink, Windstream, Zayo Group, Sprint, Level 3 Communications, and rich local infrastructure from Comcast Corporation, AT&T, NITCO, and others. At the municipal level, communities such as Valparaiso and Chesterton are investing in fiber networks. Northwest Indiana is also well served by NIPSCO, which provides the region with reliable and competitive electricity service.

As part of the planning process, roundtable discussions and interviews were held focusing on the region’s transportation and general infrastructure. Participants were key stakeholders representing infrastructure assets, communities, and agencies within the region. These discussions yielded important insights into critical infrastructure needs within Northwest Indiana and external constraints affecting potential solutions. A lack of available industrial/commercial real estate product is cited as one of the biggest economic development barriers in the region. Overcoming this challenge will require creative solutions that involve regional organizations, local communities, and the local real estate community.

3.1. Work with private landowners and communities in the region to expand real estate product available for industrial and commercial use.

3.1.1. Consider the use of land banks to stimulate the reuse of tax-delinquent or abandoned industry properties that require some level of environmental remediation. A land bank is a governmental or nonprofit authority created to acquire, maintain, and stabilize vacant, abandoned, and tax-delinquent properties while working with other entities to promote the productive reuse of the properties. Land banks in several states are using Environmental Protection Agency (EPA) Brownfields Program grants and Targeted Brownfields Assessments funding to facilitate the use of abandoned properties.

- The Northwest Indiana Regional Development Authority (RDA) could create a nonprofit redevelopment corporation to serve as a vehicle for land banking in the region.

3.1.2. Market industrial/commercial properties in the region to real estate investment trusts (REIT) to generate new investment interest in the region. Some of the nation’s largest industrial REITs are located in Chicago. This presents an opportunity for the region’s commercial real estate brokers and LEDOs to identify Northwest Indiana industrial properties that could be of interest to REITs located in Chicago.

3.1.3. Support the efforts of the Port of Indiana–Burns Harbor to increase port capacity for rail and multimodal traffic.

- Identify and encourage off-site industrial properties that could be connected to the port via rail and roadway. The port has a limited amount of available land for new industrial development and prefers to reserve it for uses that require water access.

3.1.4. Consider establishing a multicounty initiative to create a map of industrial and commercial properties along key corridors in the region. The map should highlight current zoning and uses of the properties. It would provide regional organizations, communities, and developers a visual tool for understanding the inventory of industrial properties in the region.

- The NIRPC is building a similar map focused on brownfield properties in the region.
- The Lake County Indiana Economic Alliance is developing a property map in Lake County.
- Such an effort could lead to a regional master plan for industrial/commercial properties.

3.2. Accelerate brownfield redevelopment and recover lands for reuse.

3.2.1. Explore establishing a national center of excellence in brownfield redevelopment in Northwest Indiana. Such a center could be associated with one of the region’s universities.

- The Western Pennsylvania Brownfields Center at Carnegie Mellon University (WPBC) is an example of such a facility. The WPBC provides access to information and research on previous development efforts, education programs for professional practitioners and academics in the field, and site-specific workshops that bring together national experts and local stakeholders to strategize comprehensive development initiatives for municipalities and small business owners.

3.2.2. Host a national brownfield conference annually to generate new ideas for market-driven redevelopment of brownfield sites in Northwest Indiana. Promote the advancement of the region and by using Northwest Indiana as a test bed for new technologies and programs.

NATIONAL LAND REVITALIZATION AND BROWNFIELDS INITIATIVES

The **Partnership for Sustainable Communities** at EPA works with the US Department of Housing and Urban Development (HUD) and the US Department of Transportation (DOT) to help improve access to affordable housing, more transportation options, and lower transportation costs while protecting the environment in communities nationwide.

Source: See www.epa.gov/smartgrowth/partnership-sustainable-communities-three-years-helping-communities-achieve-their.

Groundwork USA is a network of independent, nonprofit, environmental businesses called Groundwork Trusts. Locally organized and controlled, Groundwork Trusts provide services to assist communities in brownfields reuse. Some of Groundwork Trusts include community planning, project management, and design and construction.

Source: See www.groundworkusa.org.

RE-Powering America’s Land encourages renewable energy development on current and formerly contaminated lands, landfills, and mine sites.

Source: See www.epa.gov/oswercpa.

- Such an event would help to educate the region’s development community on the brownfield redevelopment process.

3.3. Develop the market potential of the Gary/Chicago International Airport (GYI) as a corporate/general aviation, air cargo, and industrial asset for the region.

GYI is often cited as one of Northwest Indiana’s most promising, yet underutilized assets. Located only 25 miles southeast of the Chicago Loop, GYI has long been positioned as the region’s third airport. Recent facility and infrastructure investments at the airport, including an extension of the runway to 8,859 feet, new corporate hangars, and the construction of a new customs facility, have enhanced its economic development potential.

3.3.1. GYI should strengthen its relationship with the Chicago aviation market to generate new business development opportunities. In particular, the airport is well positioned to attract additional general aviation and corporate aviation assets to the facility. Boeing has already based its corporate jet fleet at GYI.

3.3.2. Over the long term, GYI and regional partners should explore the potential of GYI as an industrial/cargo asset. While suitable land on airport property for industrial/cargo development is limited due to wetland limitations, there is off-site land near GYI that is suitable. However, developing the property would require assembly, infrastructure development, and some level of brownfield remediation. However, progress is being made. The city of Gary was awarded a \$3 million grant from the US Economic Development Administration to extend Buffington Harbor Drive that will serve a new industrial park and development near Lake Michigan. The city of Gary, the Northwest Indiana RDA, and the Indiana Economic Development Corporation also committed resources to the project.

3.4. Enhance the region’s multimodal infrastructure by expanding connections among rails, highways, ports, and airports.

3.4.1. Demonstrate current and future industrial needs and the impact on the state’s tax base to make the case for greater state infrastructure investment in the region.

- This could take the form of a report that projects impact and uses examples in other markets and their impacts.
- According to a July 2018 report titled *Economic Impacts of Maritime Shipping in the Great Lakes–St. Lawrence Region*, Indiana has the largest Great Lakes shipping economy among US states.⁴ The Great Lakes–Saint Lawrence Seaway system affected over 66,000 total jobs in the state and generated over \$13 billion in economic activity.

3.5. Establish an online permitting portal that encompasses multiple jurisdictions in the region.

Builders and developers in the region often work in multiple communities. Having a more uniformed permitting process and building codes would help to lessen confusion and reduce the cost of doing business in the region. Such an initiative would also support greater regional collaboration.

⁴ See <http://www.greatlakesports.org/wp-content/uploads/2018/07/Final-Full-Study-Low-Res.pdf>.

- MyBuildingPermit was the nation’s first multijurisdictional online permitting portal. It now serves over 15 city and county jurisdictions in the Puget Sound region. (See mybuildingpermit.com.)

3.6. Strengthen collective efforts to improve and expand the region’s transportation and mobility infrastructure.

3.6.1. Regional and local economic development partners should support and participate in the region’s long-term comprehensive planning projects.

- NIRPC is currently developing the long-range 2050 plan for Lake, LaPorte, and Porter Counties. This is an important effort that all economic development partners in the three counties should support and provide input to.

3.6.2. Expand public transportation options in the region. The lack of public transportation in many areas of the region is often cited as a major barrier to economic growth. Many residents either can’t afford or prefer not to own a vehicle to get to jobs. The lack of public transportation options is especially acute in rural areas of the region.

- Regional public transit connectivity should be evaluated and improved to link workers with jobs. Commuter rail is not an option for many areas of the region. Moreover, just extending traditional bus service might not be economically feasible or popular. Technology-based solutions such as on-demand and fixed-route driverless shuttles could be considered.

3.6.3. The two regional planning commissions (NIRPC and K-IRPC) should work in partnership to leverage state and federal funding for transportation infrastructure-related improvements, including public transit and connecting highways systems.

3.6.4. Northwest Indiana communities should support the planning for and development of local and regional bicycle and trail networks. Bike lanes and trails are widely considered standard recreational amenities that communities and regions must invest in if they hope to compete for young talent. Moreover, these networks should be regarded as important components of the region’s mobility infrastructure, especially as younger workers increasingly seek alternative commuting options.

- Pursue funding grants from the state of Indiana’s to support the development of hiking, biking, and riding trails in the region. Governor Holcomb recently announced the Next Level Connections infrastructure program for 2019, which includes \$90 million for a grant program to grow the state’s trail systems.

3.6.5. Monitor and support initiatives to expand and improve transportation and freight connectivity with neighboring regions.

- Stay connected to regional transportation planning that affects Northwest Indiana, especially within northern and eastern Illinois.
- Constantly look for best practices and new concepts that other regions and corridors are utilizing to improve their regional transportation infrastructures.

3.7. Explore the adoption and testing of emerging “smart” technologies into the region’s transportation infrastructure.

The extension of broadband communications throughout cities and regions allows for the introduction of emerging “smart city” technologies into public infrastructure. Just as robotics and automation are disrupting

traditional manufacturing, emerging technologies such as Internet of Things (IoT) sensors and artificial intelligence are increasingly disrupting the way cities manage transportation, energy, pollution control, and public safety.

- 3.7.1.** Identify opportunities to demonstrate smart city technologies through pilot projects in the corridor.
- 3.7.2.** Expand the concept and adoption of innovative technologies to improve other critical infrastructure needs in the region, such as energy, water/wastewater, and broadband/digital.

3.8. Develop a regional broadband strategy.

Broadband is widely regarded as an essential infrastructure needed to support commercial and entrepreneurial activity. The state of Indiana maintains an online map that shows where broadband is provided, at what speeds, in what fashion, and by which providers in Indiana.⁵ Much of Northwest Indiana has generally strong broadband coverage. However, there are outlying rural parts of the region that lack decent broadband coverage. The Indiana Utility Regulatory Commission is currently conducting a statewide broadband deployment study, which is scheduled to be completed by October 1, 2018.

- 3.8.1.** Northwest Indiana should assess the findings of the study and determine how to apply the data and recommendations to extending broadband coverage to rural areas of the region.
- 3.8.2.** Pursue funding grants from the state of Indiana to enhance the region’s rural broadband infrastructure. The state’s Next Level Connections infrastructure program allocates \$100 million for investing in the state’s rural broadband infrastructure through a grant program.
- 3.8.3.** Communities in the region should consider utilizing the IEDC Broadband Ready Communities Development Center, which serves as an information resource and certifies local communities as broadband ready.⁶

3.9. Preserve and enhance the region’s agricultural infrastructure.

Just as infrastructure is vital to the growth of heavy industry and intermodal activities, the region’s agricultural value chain also relies on first class transportation, irrigation, and broadband. The 2017-2027 Indiana Agriculture Strategic Plan identifies the following three infrastructure initiatives as priorities.

- Increase broadband connectivity and cell phone service in rural and underserved areas - broadly and statewide.
- Maintain and improve conditions of rural bridges and roads to increase transportation efficiency.
- Improve access to global markets with a reliable rail system and port capacity due to increased production volume

⁵ See <http://www.indianabroadbandmap.com/>.

⁶ See <https://www.iedc.in.gov/programs/broadband-ready-communities-development-center/home>.

GOAL 4. TALENT

Expand the talent assets of Northwest Indiana and strengthen connections to the region’s employers.

Access to talent continues to be the chief site selection factor for companies planning new facilities, expansions, and/or relocations. Per *Area Development* magazine’s 2017 “Survey of Corporate Executives,” availability of skilled labor was ranked as the third most important factor for location decisions, and in previous years it has ranked first. The results of the national survey are also reflected at the local level. Access to talent was cited as a critical issue among Northwest Indiana employers participating in regional interviews and roundtable discussions.

In recent years, Northwest Indiana has struggled to retain and attract workers, especially young professionals. This is verified by various demographic data, including a declining population in recent years, caused largely due a net domestic out-migration (see Figures 3 and 4) and a lack of employment and labor force growth. This struggle is not unique to the region—it’s a national issue. However, the problem is often more challenging in rural areas that have fewer amenities than large urban areas.

Nonetheless, Northwest Indiana is well positioned to emerge as a destination for people and prosperity. The region has a variety of attractive amenities, many of which are experiencing an uptick in investment and development from both public and private sectors. The region also has many companies that are committed to enhancing their communities to retain and attract skilled workers. Continued investment in the region’s workforce development and education assets are critical to future growth.

4.1. Expand and deepen sector partnerships focused on addressing workforce needs of specific industries.

Hiring and training needs vary greatly by industry. Research of best practices for skills gap solutions shows that the most successful are organized around industry sector partnerships.

FIGURE 3. POPULATION TRENDS (2010–2017)
INDEXED TO 2010

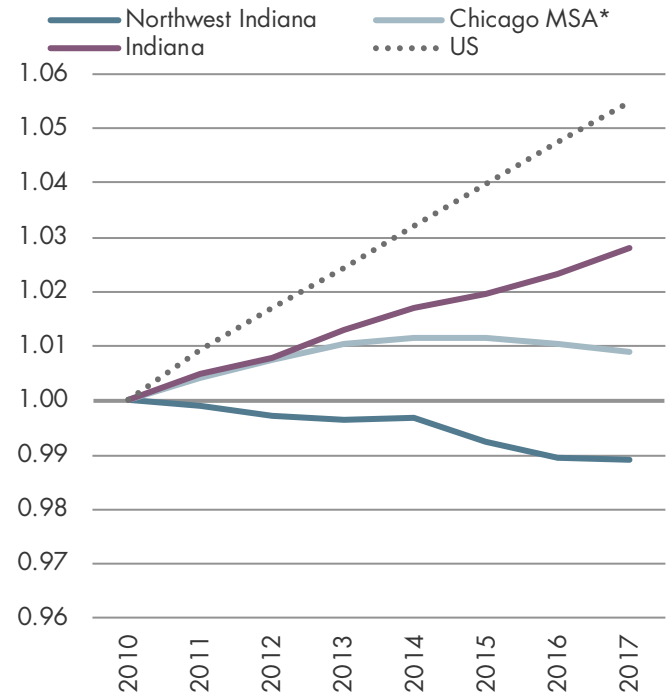
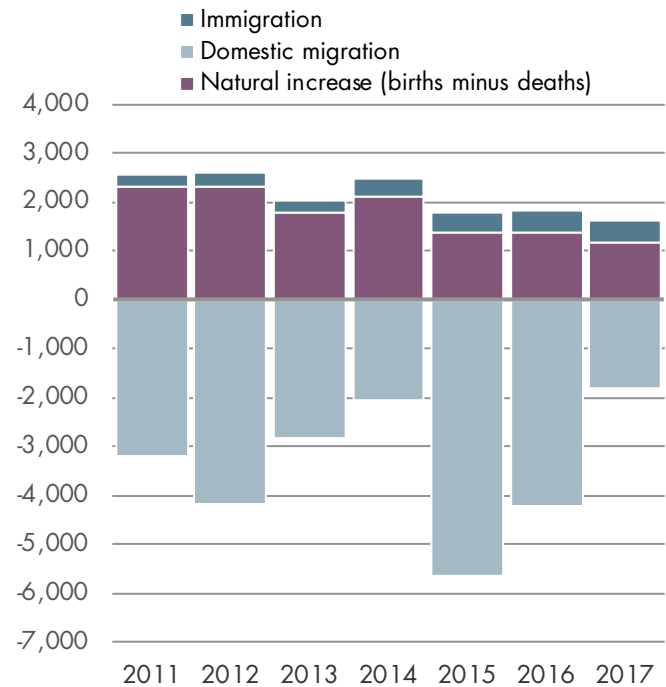


FIGURE 4. COMPONENTS OF POP. CHANGE



Source: US Census Bureau, Population Estimates Program.

Such partnerships are designed to convene representatives of business, education, and labor to facilitate data-driven recommendations concerning sector-specific workforce needs and challenges. Sector partnerships identify shortages or training needs in specific occupations and/or skills. They pull together resources to better communicate their common needs and to offer solutions. They also help to ensure that the region’s training programs and capacity can meet the demand for workers in those critical areas.

In Northwest Indiana, sector partnerships already exist for three industries: manufacturing, healthcare, and construction/trade. Partnerships should also be formed to support the workforce needs and challenges in other important industries in the region. In addition, the region’s sector partnerships should work with local school districts in the region to create career pathway programs focused on specific industry sectors.

- 4.1.1.** Establish a sector partnership for the information technology (IT) sector. The partnership should focus on raising IT and computer skill levels in the region, especially for adults. Indiana has recently instituted computer science standards for K–8 and requires elementary and middle schools to teach computer science skills. This will pay benefits to the region’s employers and workers in future years. However, many adults in the region lack the necessary IT skills to be competitive in the global economy. This includes workers in the advanced manufacturing sector, which is increasingly incorporating computerized technology and automation into operations and facilities.
- 4.2.** Enhance the efforts of the region’s education and training institutions to strengthen Northwest Indiana’s talent pipeline.

- 4.2.1.** Build on the work of READY NWI K–12 educators in the region to connect employers to students at all grade levels in alignment with the state of Indiana’s new Graduation Pathways Policy.
 - READY NWI should serve as the vehicle for accelerating the region’s K–12 systems’ efforts to align with the Graduation Pathways Policy.

- 4.2.2.** Foster greater awareness of and support for the region’s universities and colleges. Northwest Indiana is home to first-rate higher education institutions that are vital sources of talent. Four-year institutions in the region include Indiana University Northwest, Purdue University Northwest, Valparaiso University, and Calumet College of St. Joseph. Ivy Tech Community College operates five campuses in the region that offer important associate’s degrees and certifications. Ancilla College is a 2-year, liberal arts college. Saint Joseph’s College is implementing its Phoenix Project with the goal of creating a renewed institution in Rensselaer. Regional recognition

READY NWI

The Regional Education and Employer Alliance for Developing Youth in Northwest Indiana (READY NWI) is a career pathways initiative dedicated to meeting the skill and education needs of employers in Northwest Indiana. The vision of READY NWI is that by 2025, 60 percent or more of the labor force in the region will have a college degree or high-value, post-high school credential aligned with employers’ specific needs. The initiative brings together K–12 and postsecondary system leadership, counselors, and teachers monthly to share information and best practices regarding education, workforce, and employer demand. The READY NWI currently engages 28 out of the region’s 36 public school corporations and is having a measurable impact. For example, last year, 364 NWI students were awarded the Governor’s Work Ethic Certificate facilitated by the NIIWB, largely due to READY NWI engagement. This number represents 21 percent of the certificates awarded throughout the state, while Northwest Indiana students only account for 12 percent of the total student population. Source: See <http://readynwi.com/>.

and promotion of the programs and initiatives aimed at expanding postsecondary programs, raising standards, and graduating highly educated and trained individuals is critical for the region’s economic vitality.

- 4.2.3.** Create a coordination plan among the region’s colleges and universities aimed at helping students to achieve on-time completion and to make connections with regional employers.

- 4.3.** Build greater awareness of Northwest Indiana’s job opportunities and strong manufacturing employment base.

One of the barriers to recruitment that some employers cited is the lack of awareness by residents and prospective employees of the tremendous career opportunities available in the region, especially in the manufacturing sector.

- 4.3.1.** Compile and maintain key regional economic data, a list of job postings that includes high-demand skills, certifications, and major employers by sector.

- Use this information to demonstrate the depth of the regional employment base to potential recruits and residents.
- Package this information with other recruitment information to create packets for employers and “ambassadors.”

- 4.3.2.** Distribute this information through various channels that will reach residents and prospective recruits.

- Publicize the information on websites that are commonly used to research the region and make the information available to human resource professionals in the region.
- Distribute via a wide range of online media channels and in partnership with the Northwest Indiana Workforce Board and the Center of Workforce Innovations.
- Present this information to career counselors and to high school and college students who are entering the job market.
- Write a series of blog posts or articles about job searching in the region that highlight the most in-demand occupations and skills and employers who are hiring.

- 4.4.** The region’s LEDOs should utilize the Center of Workforce Innovations (CWI) to a greater degree when working with investment prospects.

- 4.4.1.** When appropriate, include CWI as part of a local or regional site visit team. CWI offers a wealth of data and knowledge about regional, state, and federal workforce programs that employers can take advantage of.

- 4.5.** Build on the “The Grass Is Greener on the Other Side!” initiative to develop a more comprehensive, talent-attraction campaign.

Not only is Northwest Indiana engaged in a fierce competition for new businesses and investment, it is also competing with other regions for high-skill, high-quality talent. The region is well positioned to attract new residents from northern Illinois due to its more affordable housing, lower property and state income taxes, transportation connections to Chicago, and high-quality healthcare and education offerings. A coalition of businesses, nonprofits, and universities recently launched “The Grass is Greener on the Other Side” to raise

awareness of the advantages of living in Northwest Indiana. The campaign is targeting residents in northern Illinois, especially in Chicago, through mobile ads and a website (see movetoindiana.com). The campaign should be expanded to include other marketing channels and new initiatives. One Region is a natural regional partner to help lead this effort.

- 4.5.1.** Build on the website to create an expanded online talent portal that provides relocation information about working and living in the region. Minneapolis–Saint Paul (see makeitmsp.org) and Louisville (see liveinlou.com) have created two, first-rate talent portals that can serve as examples.
- 4.5.2.** Launch new talent attraction initiatives aimed at former residents and alumni to support employers in talent-recruitment efforts.
 - Partner with regional high schools and postsecondary institutions and their respective alumni associations. Ask if they are willing to distribute content (via digital media outlets) to their alumni contacts.
 - Target areas of the country where there is a high alumni concentration working in target industries or in-demand occupations.
 - Showcase employment, business, and investment opportunities available in Northwest Indiana.
- 4.5.3.** Create a digital ambassadors program that utilizes a network of “connectors” who share positive stories about Northwest Indiana online and through social media. SocialToaster (see www.socialtoaster.com) provides a platform for structuring and managing such a program. Northwest Arkansas (text box) and the Charleston Open Source initiative are two regions that have established such a program.
 - Identify connectors and thought leaders and encourage them to be digital ambassadors for the region. Identify leading individuals within key stakeholder groups (e.g., young professionals) to serve in an ambassador or connector capacity.
 - Develop content that portrays a positive image of the regional business climate and highlights opportunities for business and talent to be successful in the region.
 - Create an incentive system that rewards digital ambassadors for actively participating.

**NORTHWEST ARKANSAS COUNCIL:
DIGITAL AMBASSADORS INITIATIVE**

The Northwest Arkansas Council created the Digital Ambassadors initiative to improve the region’s image and to disseminate information about the region in a cost-effective way. The program boasts more than 640 individual digital ambassadors. Each digital ambassador receives emails with new, exciting content to share on Facebook, Twitter, Instagram, and LinkedIn. The content includes information about regional job growth, quality-of-life amenities, educational achievements, the local economy, and other ways the metro area stands out. Digital ambassadors are encouraged to share the content so that they can have a positive impact on how the outside world views Northwest Arkansas. The ambassadors earn points based on how often they’re active and how they share their messages. Top participants are eligible to win monthly prizes. The program is a good avenue for enhancing the internal image of Northwest Arkansas. It also helps local residents and business people become more aware of the positive aspects of living and working in Northwest Arkansas.

Source: See <http://www.nwacouncil.org/digital-ambassadors>.

- 4.6.** Support the talent recruitment efforts of large regional employers.
 - 4.6.1.** Provide regional employers with promotional materials to more effectively promote Northwest Indiana to potential employees. The information should cover topics of interest for potential recruits (e.g., housing, education, entertainment, and recreation).
 - 4.6.2.** Provide PowerPoint presentation templates containing pertinent regional data for employers to use for their recruitment events. These presentations should contain detailed information about Northwest Indiana tailored to the interests of specific audiences (for example, cost of living comparisons).
- 4.7.** Establish a region-wide young professionals (YP)/civic leadership program connecting existing leaders and providing a regional perspective with a focus on economic development.

There are several YP groups and civic leadership programs in the region that are engaged in important social and civic initiatives. Connecting these groups into a more cohesive regional network would help to better leverage skills and resources, share best practices, and expand the number of people involved in important regional initiatives.

- 4.7.1.** Build on the work of the South Shore Leadership Center (SSLC), Michigan City NOW, Full Circle Young Professionals, and One Region to engage young leaders.

GOAL 5. PLACEMAKING

Create the amenities and places that enhance Northwest Indiana’s appeal to diverse groups of people.

A community or region’s ability to compete for new investment is strongly correlated to its attractiveness to talent. Communities that offer a variety of amenities are the ones best able to attract and retain skilled and talented workers, especially younger workers who possess skills that are in demand. Accordingly, a community that appeals to talent will in turn be more likely to attract new employers. Therefore, enhancing quality-of-place amenities, such as arts, culture, entertainment, transit, agricultural lands, parks and recreation, and green space, is a growing economic development priority across the nation.

There is growing evidence linking placemaking to successful economic development. In the *Area Development* magazine’s 2017 “Survey of Corporate Executives,” quality of life ranked as the fourth most important site location factor. In 2014, the American Planning Association conducted a national online survey seeking to explore the relationship between community planning and economic development.⁷ The results of the survey enforced the notion that quality of place is a top consideration for people in choosing where they prefer to live and how communities should approach economic development. For example, two-thirds of all respondents and 74 percent of Millennials responded that investing in schools, transportation choices, and walkable areas is a better way to grow the economy than traditional approaches of recruiting companies.

The communities in Northwest Indiana understand this reality and are committing new resources to enhanced placemaking. Cities such as Valparaiso, Whiting, Hobart, and Michigan City are making substantial investments in their downtown amenities. At the regional level, the Marquette Plan is a shining example of communities collaborating toward the common goal of reclaiming, protecting, and expanding access to the region’s most important natural asset—its lakefront. Expanding the region’s transportation mobility infrastructure through the South Shore Line Double Track NWI and West Lake Corridor commuter rail projects is a potential gamechanger for the region’s ability to attract new residents.

The region’s local and regional placemaking efforts are laudable. However, much more needs to be done. This will require regional organizations, such as the Northwest Indiana RDA, the NWIF, One Region, and NIRPC to continue articulating why placemaking is critical to economic development. It will also entail ongoing advocacy for additional federal, state, and local resources to be invested in quality-of-place enhancements.

REDEFINING PLACE

Much has been written about the importance of quality of life to the site selection process. Communities throughout the nation have positioned themselves by touting their advantages in this regard—good schools, safe streets, pleasant weather. These factors are indeed important but are extremely narrow in focus. Quality of life assumes that everyone thrives in the same environment and is attracted to the same amenities. It assumes that current residents’ view of what makes a community would be shared by all. By contrast, quality of place considers what is attractive to a range of residents, both old and new. The idea of quality of place accommodates growth and recognizes the benefits of change. It recognizes that one person’s “good place to raise a family” might translate into another’s “there’s nothing to do in this town.” Quality of place is about providing options, not just for current residents, but also for those who will be residents in the future.

⁷ American Planning Association. *Investing in Place for Economic Growth and Competitiveness: A Research Summary*. May 2014.

5.1. Maximize the transit-oriented development (TOD) potential associated with the South Shore Line Double Track NWI and West Lake Corridor rail projects.

The South Shore Line Double Track NWI and West Lake Corridor rail projects represent excellent opportunities to spur new mixed-use development in Northwest Indiana. The prospect of faster commute times between communities in Northwest Indiana and Chicago will likely draw new residents and businesses to areas along or near the commuter lines. TOD seeks to create compact, walkable, pedestrian-oriented, mixed-use communities centered around train systems. There are numerous benefits to TOD, including less traffic congestion, more business activity, new residential options, and enhanced amenities.

LAKE COUNTY ON TRACK

Lake County on Track served as a civic engagement platform for the West Lake and Double Tracking projects in Lake County. One Region spearheaded Lake County on Track and partnered with the NWIF, NIRPC, SSLC, and GNIAR. The events reached hundreds of people, including a Lake County on Track breakfast with nearly 300 participants to a student rally at Purdue University Northwest with more than 100 students. Lake County on Track collected hundreds of public comments overwhelmingly supportive.

One concern expressed to the consulting team is that few communities in the region are prepared to benefit from potential TOD developments. The one major exception is Michigan City, which has embarked on a master planning process around TOD in its downtown area. Communities that engage in such planning activities are better prepared to receive and act on future TOD development proposals from private developers.

- 5.1.1.** The Northwest Indiana RDA should consider requiring communities that receive funding for transit development districts along the rail lines to conduct formal planning to prepare for TOD.
- 5.1.2.** The Northwest Indiana RDA and NIRPC should provide some technical guidance to communities for TOD planning.
 - Regional partners, such as One Region and the Northern Indiana Commuter Transportation District (NICTD), should continue to encourage communities to engage in formal TOD planning efforts. And inspire local elected leaders to visit TOD success stories in other regions.
- 5.1.3.** The region should pursue competitive funding grants from the Federal Transit Administration to help pay for TOD planning. In 2018, the FTA launched a \$25.79 million national pilot program to support transit-oriented development planning. While the deadline for the 2018 grant program has expired, grant applications should be made, as funding continues in future years.
- 5.1.4.** Explore TOD opportunities in rural areas of the region.

5.2. Support the development of vibrant downtowns and distinct neighborhoods and districts.

The competition for talent, especially for young professionals, has compelled cities and regions across the US to prioritize and invest in urban environments and amenities. Communities such as Michigan City, Hobart, and Valparaiso have fully embraced this trend and have made great strides in downtown development. Some new residential developments in the region are incorporating mixed uses and walkability in their planning.

- 5.2.1.** Encourage communities to adopt land-use policies that promote high-density uses and foster high-quality development.
- 5.2.2.** Continue to assess the local regulations to ensure they are supportive of desired developments.

- 5.2.3.** Utilize specialized toolsets, such as tax increment financing (TIF) districts, overlay districts, and other mechanisms, to encourage desired development in targeted areas.
- 5.2.4.** Participate in public-private partnerships that facilitate significant infrastructure improvements and quality development projects.
- 5.2.5.** Encourage the expansion or relocation of businesses in targeted development areas to stimulate commercial activity.
- 5.2.6.** Identify anchor projects that can bring in the type of traffic and uses needed to catalyze development.
- 5.2.7.** Work with developers and entrepreneurs to develop more coworking spaces in the region.
- 5.3.** Ensure the region encourages and promotes the development of diverse and affordable housing options.
 - 5.3.1.** Promote the development of more multifamily housing in the region, especially around TOD nodes. Many parts of the region suffer from a lack of multifamily housing developments, which limits the appeal of the region to renters and younger workers and even the growing numbers of empty nesters within the Baby Boomer generation. Multifamily housing is especially critical around TODs, where density, walkability, and diversity of amenities are hallmarks of success.
 - 5.3.2.** The four southern counties in the region should explore partnering to establish a multicounty housing authority to increase the stock of workforce housing in rural areas. The lack of affordable workforce housing is a major barrier to economic development in rural areas. Higher construction costs in rural areas result in affordable housing options for many residents.
 - The Northwest Minnesota Multi-County Housing & Redevelopment Authority is an example of such an entity. (See www.nwmnhra.org.)
 - Explore funding options available from the USDA Rural Community Development Initiative, which provides technical assistance and training funds to qualified intermediary organizations to develop their capacity to undertake housing, community facilities, and community and economic development projects in rural areas.
- 5.4.** Support the ongoing initiative to establish a healthcare residency program in Northwest Indiana. Several hospitals and health centers are partnering to increase the number of physicians in the region. Many medical school graduates leave the region to complete their residency training due to a lack of available slots. The consortium hopes to support as many as 165 residents in such specialties as obstetrics, psychiatry, general surgery, and internal medicine.
- 5.5.** Create a regional approach to developing and promoting the farm-to-fork sector in the region.
 - 5.5.1.** Work with the region’s agricultural sector and existing farmers’ markets to establish a collaborative effort to promote the ongoing success and growth of locally grown agriculture products.
 - 5.5.2.** Identify gaps in the region’s farmers’ markets that can be filled by the establishment of new, larger, or more permanent farmers’ markets. Consider using public-private partnerships for this purpose.
 - 5.5.3.** Utilize farmers’ markets as tools to promote placemaking to retain people in and attract people to the region.

5.6. Incorporate the site location needs of target industries into local and regional planning and placemaking strategies.

As communities and regional planning organizations plan for future land and transportation developments/redevelopments, the site location factors associated with target industries should be taken into consideration. This will assist planning organizations in identifying which locations are most appropriate for specific industries and will assist the NWIF and LEDOs in their marketing and attraction efforts.

5.6.1. Local and regional planning and transportation organizations should meet regularly and consult with economic development officials and with the sector councils to learn of target industry site selection needs and incorporate those needs into planning efforts.

5.7. Continue regional and local efforts to expand cultural, arts, entertainment, and recreational infrastructure and amenities.

5.7.1. Develop a regional quality-of-place asset map (online) that identifies the large array of amenities available to residents and visitors to the region. The regional map should highlight amenities such as breweries/wineries, trails, farmers' markets, marine recreation, sports facilities, music venues, theaters, art galleries, etc.

PERFORMANCE MEASURES

While it is difficult to directly connect the success of any economic development strategic plan to local-level macroeconomic statistics (for example, population increase, median household income, etc.), tracking some economic indicators provides a general understanding of the relative economic health of the Northwest Indiana region. TIP Strategies recommends using the following indicators to measure program effectiveness and economic growth in the community.

GOAL	METRIC	DATA SOURCE
Business Development & Marketing and Infrastructure	Private sector employment growth	Center of Workforce Innovations
	Number of jobs created/retained	In-house data collection, business interviews, surveys, and media reports
	Average wages of jobs created/retained	In-house data collection, business interviews, surveys, and media reports
	Growth of private capital investment	Business interviews, surveys, and media reports
	Private nonfarm employment	Center of Workforce Innovations
	Amount of new office space (square feet) added to regional market	Regional commercial real estate brokerage (for example, CB Richard Ellis)
	Amount of new industrial space (square feet) added to regional market	Regional commercial real estate brokerage (for example, CB Richard Ellis)
	Growth of commercial tax base	County tax assessors
Entrepreneurship & Innovation	Private business establishment growth	US Bureau of Labor Statistics (Quarterly Census of Employment and Wages)
	Number of new businesses formed	Business interviews, surveys, media reports
	Number and dollar value of venture capital and angel investment deals	Business interviews, surveys, media reports
	SBIR/STTR awards	US Small Business Administration (see www.SBIR.gov)
	Utility patent grants	US Patent and Trademark Office
	Growth of academic R&D investments	National Science Foundation
Talent and Placemaking	Population growth	US Census Bureau—Population Estimates Program
	Net migration	US Census Bureau—Population Estimates Program
	Population (especially those age 25+ with a bachelor’s degree or higher)	US Census Bureau—American Community Survey (1-year estimates)
	Percent of the population age 20–34	US Census Bureau—American Community Survey (1-year estimates)
	New placemaking projects	In-house data collection
	Number of enrolled college and university students	Indiana Commission for Higher Education; regional public and private universities
	Annual unemployment rate	Department of Workforce Development; Center of Workforce Innovations
	Graduation rates of area high schools	Indiana Department of Education; regional independent school districts (ISDs)

APPENDIX 1. TARGET INDUSTRY ANALYSIS

Target industries are a reflection of which industries are important to a local or regional economy, now and in the future. The identification of target industries matters less than what a community does to actually “target” an industry. Specific strategies to grow the Northwest Indiana economy through marketing and recruitment initiatives, incentives, policies to support growth, and talent and workforce initiatives are detailed in the Strategic Plan. However, strategies should not be applied in a “shotgun approach”. A successful target industry recruitment initiative must begin with a solid framework that employs quantitative, qualitative, and strategic methods to identify a narrow set of industries that represent the most promising opportunities for new investment and job growth.



THE TARGETING APPROACH

QUANTITATIVE

What do the data tell us?



QUALITATIVE

What have we learned about the region’s assets and challenges?



STRATEGIC

What trends, relationships, etc. will influence opportunities going forward?

In identifying target sectors, our team examined detailed data to identify which industries are well-established in the region, how they performed in recent years, and how they are expected to perform in the near term. For this analysis we looked at factors including strategic assets, existing initiatives, critical mass, competitive advantage, growth prospects, and cross-sector synergies. The figure on the following page illustrates the specific steps in the analysis.

In the first phase of this project — the economic assessment — we reviewed employment using standard NAICS industry classifications. For the targeting analysis, we take this a step further by filtering employment within an industry “cluster” framework developed by the US Economic Development Administration in conjunction with the Institute for Strategy and Competitiveness at Harvard Business School.

In addition, an analysis of capital investments relies on categories defined by fDi Markets, an operating subsidiary of the *Financial Times*. Next, the analysis of entrepreneurial investment relies on categories of venture capital investment defined by PricewaterhouseCoopers.

THE TARGETING PROCESS



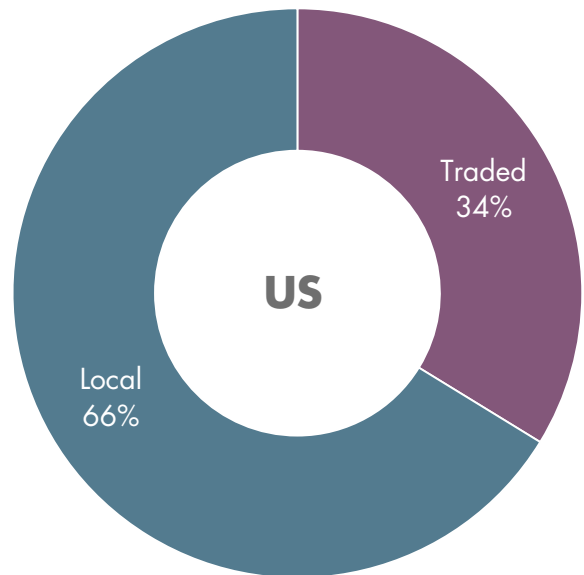
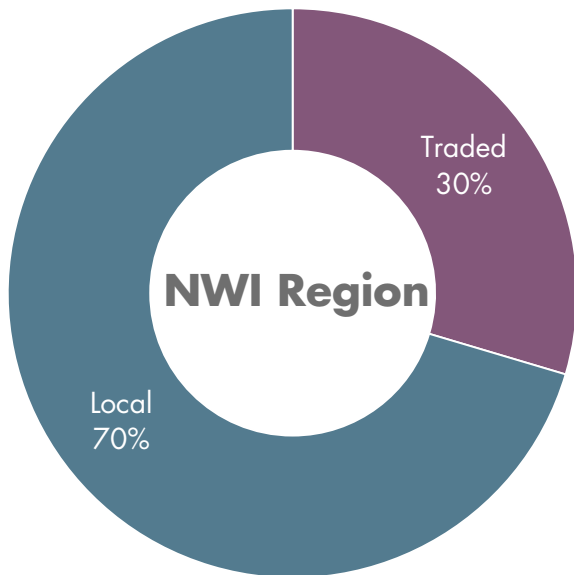
Source: TIP Strategies

NORTHWEST INDIANA'S STRATEGIC ASSETS*



Sources: TIP Strategies, Esri ArcGIS.
 *Map does not represent actual location of assets.

EMPLOYMENT CLUSTERS: TRADED VS LOCAL
EMPLOYMENT IN 2017 BASED ON CLUSTER TYPE



WHY IT MATTERS

Increasing the ratio of traded-to-local clusters is a common strategy for enhancing economic prosperity. “Traded” clusters are emphasized by economic developers because they include industries and firms that typically produce goods and services for customers beyond the local region. These traded activities are thus more likely to produce externally generated revenues which can, in turn, help boost local tax coffers. As an example, a dentist office might serve local customers exclusively, while a manufacturing plant, a data center, or a hotel would typically serve paying customers beyond the local area. The ability of traded clusters to serve larger markets also presents greater opportunity for employment growth, whereas a dentist office might face more finite geographic limits to expansion.

Source(s): US Bureau of Labor Statistics; EMSI 2018.1 – QCEW Employees, Non-QCEW Employees, and Self-Employed; US Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School; TIP Strategies.

Note(s): The cluster methodology developed at Harvard Business School has been adjusted by TIP Strategies to align with the 6-digit NAICS classifications used by EMSI.

EMPLOYMENT CLUSTERS – WEIGHT (SIZE & CONCENTRATION)

TRADED CLUSTERS EMPLOYING THE MOST WORKERS LOCALLY IN 2017

LOCATION QUOTIENTS

←BELOW AVG ABOVE AVG→

	US		NWI REGION	
	<i>% of national employment</i>		<i>% of local employment</i>	<i>LQ</i>
Upstream Metal Mfg.	0.2%		5.0%	20.49
Education & Knowledge Creation	4.2%		2.6%	0.62
Distribution & E-commerce	3.7%		2.6%	0.70
Transport. & Logistics	1.3%		2.6%	2.00
Business Services	5.9%		2.3%	0.39
Hospitality & Tourism	2.1%		2.2%	1.08
Agricultural Inputs & Services	1.1%		1.2%	1.04
Prod. Tech. & Heavy Machinery	0.6%		1.1%	1.88
Construction Products & Services	0.6%		0.9%	1.56
Automotive	0.6%		0.8%	1.31
Food Processing & Mfg.	0.7%		0.8%	1.11
Federal Government (military)	1.2%		0.8%	0.61
Plastics	0.4%		0.6%	1.56
Oil & Gas Prod. & Transport.	0.4%		0.6%	1.52
Financial Services	1.3%		0.5%	0.39
OTHER TRADED CLUSTERS	9.4%		5.1%	
ALL LOCAL CLUSTERS	66.2%		70.4%	
Total	100.0%		100.0%	

WHY IT MATTERS

While local clusters (such as dentist offices) typically account for a similar share of employment across communities of varying size, the share of total employment represented by traded clusters (such as automotive assembly plants) may differ dramatically from one community to the next. Traded clusters that account for a larger-than-average share of total employment can suggest areas of competitive advantage. This figure compares the distribution of employment by cluster in the US (first column) with the local area (second column). The third column uses location quotients (LQs) to convey the intensity of employment locally relative to the US. If a traded cluster represents 1% of US employment and 5% of local employment, its LQ would be 5.0, meaning that the traded cluster in the local area is 5 times as large as would be expected based on national patterns.

Source(s): US Bureau of Labor Statistics; EMSI 2018.1 – QCEW Employees, Non-QCEW Employees, and Self-Employed; US Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School; TIP Strategies.

Note(s): The cluster methodology developed at Harvard Business School has been adjusted by TIP Strategies to align with the 6-digit NAICS classifications used by EMSI.

EMPLOYMENT CLUSTERS – PROJECTED GROWTH

TRADED CLUSTERS WITH PROJECTED LOCAL JOB GAINS OF 25 OR MORE, 2017-2022

	US		NWI REGION		
	5-year % change in national employem.		5-year % change in local employment		net gain
Education & Knowledge Creation	7.4%		9.4%		+835
Business Services	10.1%		5.9%		+467
Distribution & E-commerce	7.5%		3.9%		+345
Food Processing & Mfg.	6.8%		9.8%		+265
Downstream Metal Products	3.9%		19.6%		+214
Paper & Packaging	-3.2%		16.9%		+143
IT & Analytical Instruments	3.8%		22.5%		+137
Power Generation & Transmission	-1.1%		5.3%		+85
Comms. Equip. & Services	-6.3%		16.1%		+85
Lighting & Electrical Equip.	1.4%		16.5%		+59
Livestock Processing	3.1%		24.8%		+53
Wood Products	3.2%		8.2%		+50
Performing Arts	6.4%		6.9%		+46
Trailers, RVs, & Appliances	4.2%		4.1%		+45
Plastics	0.4%		2.0%		+42
Oil & Gas Prod. & Transport.	1.5%		1.9%		+38
Environmental Services	7.5%		5.5%		+36
Marketing, Design, & Publishing	7.9%		3.4%		+35
ALL TRADED CLUSTERS	5.4%		0.1%		+150
ALL LOCAL CLUSTERS	6.0%		2.2%		+5,374
Total	5.8%		1.6%		

WHY IT MATTERS

Understanding anticipated job growth in traded clusters is an essential element of the targeting process. This figure compares projected net job gains in percentage terms over a five-year horizon for the US (first column) and the local area (second column). The column on the far right shows projections (in numeric terms) for local net job gains in traded clusters in descending order. The last three rows of the exhibit—showing projected job growth aggregated for traded clusters, local clusters, and total employment—can help inform strategic discussions and refine goals for the future.

Source(s): US Bureau of Labor Statistics; EMSI 2018.1 – QCEW Employees, Non-QCEW Employees, and Self-Employed; US Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School; TIP Strategies.


Note(s): The cluster methodology developed at Harvard Business School has been adjusted by TIP Strategies to align with the 6-digit NAICS classifications used by EMSI.

TALENT DEMAND INDICATORS

ANALYSIS OF UNIQUE LOCAL JOB POSTINGS DURING CALENDAR YEAR 2017

INTENSITY OF JOB POSTINGS RELATIVE TO US

← **BELOW AVG** **ABOVE AVG** →



HIGH-DEMAND LOCAL OCCUPATIONS		HIGH-DEMAND LOCAL SKILLS	
	<i>location quotient</i>		<i>location quotient</i>
Nursing Assistants	2.10	Flatbed Trucks	2.29
First-Line Supervisors of Production Workers	1.80	Critical Care	1.89
Retail Salespersons	1.66	Tractor-Trailers	1.78
Heavy and Tractor-Trailer Truck Drivers	1.65	Marketing And Sales	1.73
Light Truck or Delivery Services Drivers	1.64	Forklifts	1.42
First-Line Supervisors of Retail Sales Workers	1.56	Freight+	1.39
Insurance Sales Agents	1.51	Food Preparation	1.38
Food Preparation and Serving Workers	1.42	Android	1.37
Cashiers	1.38	Pallet Jacks	1.29
Medical Assistants	1.36	Geriatrics	1.27
Licensed Practical and Vocational Nurses	1.35	Mathematics	1.19
Registered Nurses	1.23	Microsoft Office	1.19
Industrial Engineers	1.23	Preventive Maintenance	1.15
First-Line Supervisors of Food Workers	1.22	Medicaid	1.07
Medical and Health Services Managers	1.02	Blueprints	0.96
Customer Service Representatives	1.02	Quality Control	0.73
Maintenance and Repair Workers, General	0.99	Bilingual	0.68
Sales Reps, Wholesale and Manufacturing	0.96	Technical Support	0.55
Stock Clerks and Order Fillers	0.93	Quality Assurance	0.54
First-Line Supervisors of Office Support Workers	0.77	Pediatrics	0.50

WHY IT MATTERS

An analysis of job postings can help reframe our understanding of the local job market from the employer’s perspective rather than simply through the lens of government statistics. This back-of-the-envelope analysis uses job postings from the prior calendar year to identify the most sought-out occupations (first column) and the most frequently occurring words and phrases (second column). LQs are used to approximate the local intensity of recruiting efforts and illustrate employer demand for specific “hard skills.” A help wanted ad that appears locally at 5 times the relative rate as the US would have an LQ of 5.0; likewise a specific skill that appears more frequently in local postings than the national average would have an LQ greater than 1.0, suggesting higher demand in the local market. The results should prompt strategic questions about the alignment of the region’s talent pipeline with the needs of employers and with target (traded) clusters.

Source(s): CEB Talent Neuron; TIP Strategies.

Note: The two columns in this figure are independent analyses and should not be read or interpreted left-to-right.

LEADING LOCAL JOB RECRUITERS IN TRADED SECTORS OF THE ECONOMY

ANALYSIS OF UNIQUE LOCAL JOB POSTINGS IN NORTHWEST INDIANA DURING CALENDAR YEAR 2017

TOURISM & ENTERTAINMENT

CAESARS ENTERTAINMENT®

BOYD GAMING™

AMERISTAR CASINO

HORSESHOE HAMMOND

Pinnacle Entertainment®

SCIENCE & ENGINEERING

PURDUE UNIVERSITY NORTHWEST

ARCONIC
Innovation, engineered.

LOGISTICS

ups

FedEx®

LOCAL HEADQUARTER OPERATIONS

ISI

TRANSCENDING SOLUTIONS, INC.

TRADEBE

LEGACY ANCHORS

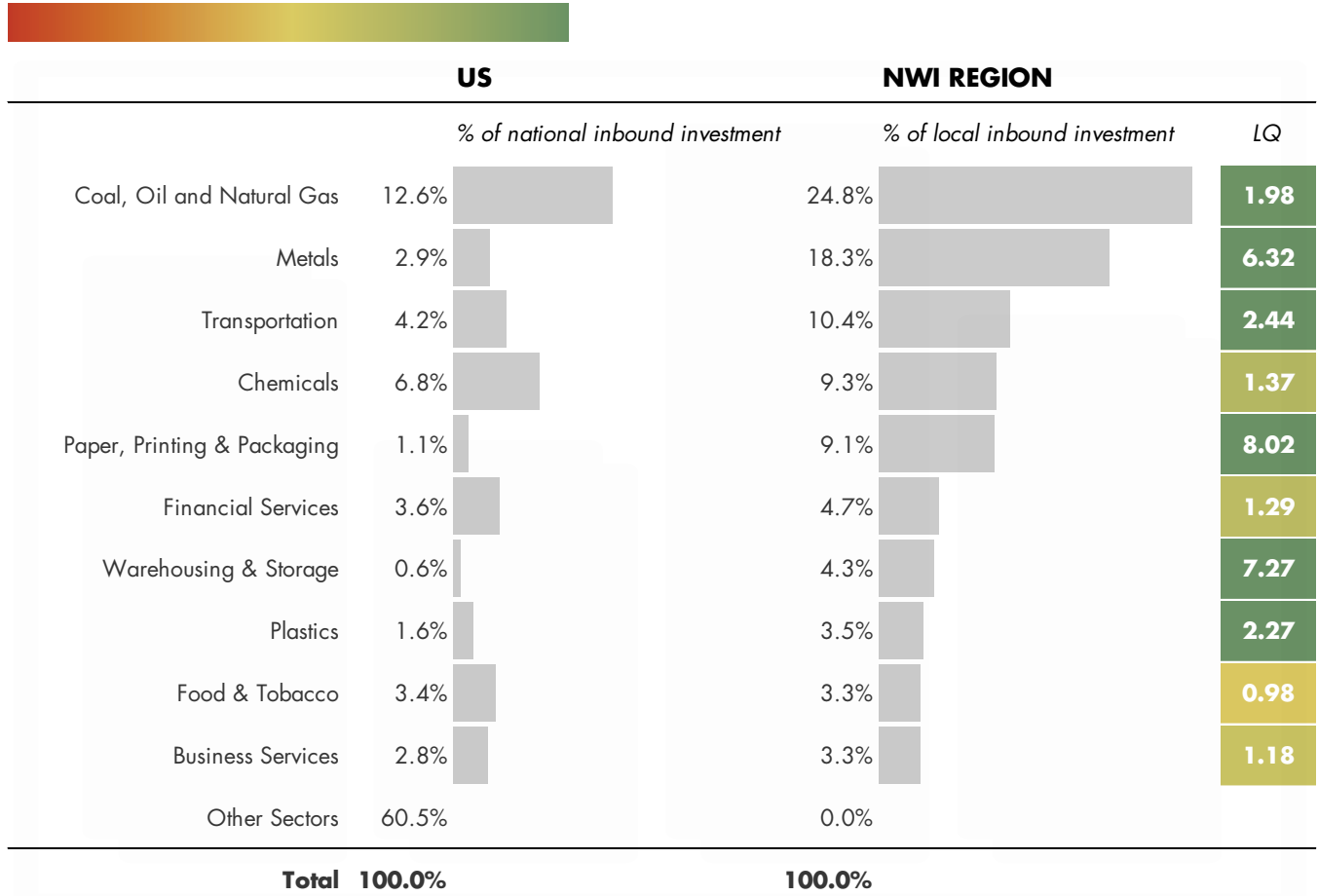
USS

bp

Source(s): CEB Talent Neuron; TIP Strategies.

INBOUND FIXED CAPITAL INVESTMENT
FOREIGN AND OUT-OF-STATE INVESTMENT 2008-2017

LOCATION QUOTIENTS
←BELOW AVG ABOVE AVG→



WHY IT MATTERS

Industry analysis often focuses heavily, sometimes exclusively, on employment patterns. For a fuller understanding of local industry trends, a review of capital investment flows is useful. This figure compares the distribution (in percentage terms) of inbound investment by industry at the national and local levels. The first column shows cross-state and foreign investment in the US. The second column shows inbound investment into the local area from companies based out-of-state (including foreign investment), sorted in descending order. The column on the far right uses LQs to convey the intensity of capital investment in these sectors locally relative to the US. While the cluster definitions differ slightly from the EDA framework, the concepts are similar.

Source(s): fDi Markets; TIP Strategies.

Note(s): Inbound investment includes foreign and out-of-state sources. It excludes in-state sources of investment.

SELECTED COMPANIES BASED IN NW INDIANA WITH RECENT OUT-OF-STATE EXPANSIONS
AN ANALYSIS OF EXPANSION ANNOUNCEMENTS SINCE 2010



WHY IT MATTERS

Companies in traded clusters often seek to expand their geographic markets, and this can lead to growth in capital investment and payrolls. These expansions are often highly publicized, with economic development professionals competing vigorously to attract new facilities. The flipside of this equation is when the expanding company is headquartered locally. Even when their capital investments are outbound from the region, their head office activities are likely to be expanding, too, adding more skilled jobs and consuming more local business services. When targeting efforts focus on traded clusters, then economic development strategies can be broadly structured to consider business retention programs and services to complement traditional recruitment efforts.

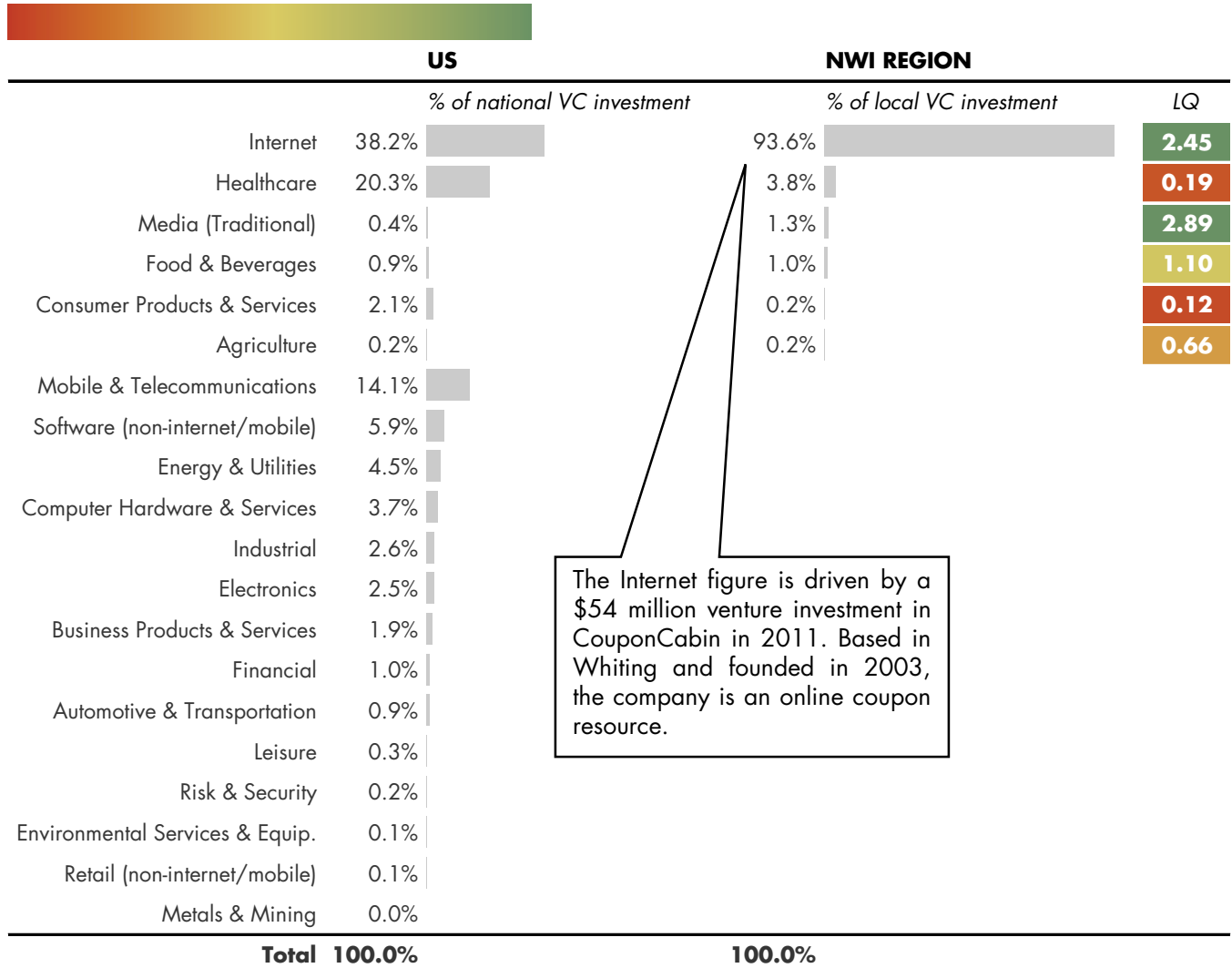
Source(s): fDi Markets; TIP Strategies.

ENTREPRENEURIAL INVESTMENT

VENTURE CAPITAL INVESTMENTS BY TECHNOLOGY SECTOR, 2008-2017

LOCATION QUOTIENTS

← **BELOW AVG** **ABOVE AVG** →



The Internet figure is driven by a \$54 million venture investment in CouponCabin in 2011. Based in Whiting and founded in 2003, the company is an online coupon resource.

WHY IT MATTERS

Venture capital (VC) investment is highly concentrated, with funding disproportionately flowing to large metropolitan areas and robust college towns. Despite this fact, a review of local investment patterns can be instructive even if activity has been scant. This figure catalogs the distribution of these entrepreneurial investments by industry over the past 10 years at the national level (first column) and locally (second column). US data are sourced from PricewaterhouseCoopers (PwC), while local investment activity is sourced from Crunchbase and aligned to the extent possible with PwC’s technology categories (which differ from the EDA framework used elsewhere). The far right column shows the relative intensity of VC activity by technology category using LQs. The fewer VC investments over the past 10 years, the more skewed the results are likely to be. Consequently, this analysis should be interpreted with caution.

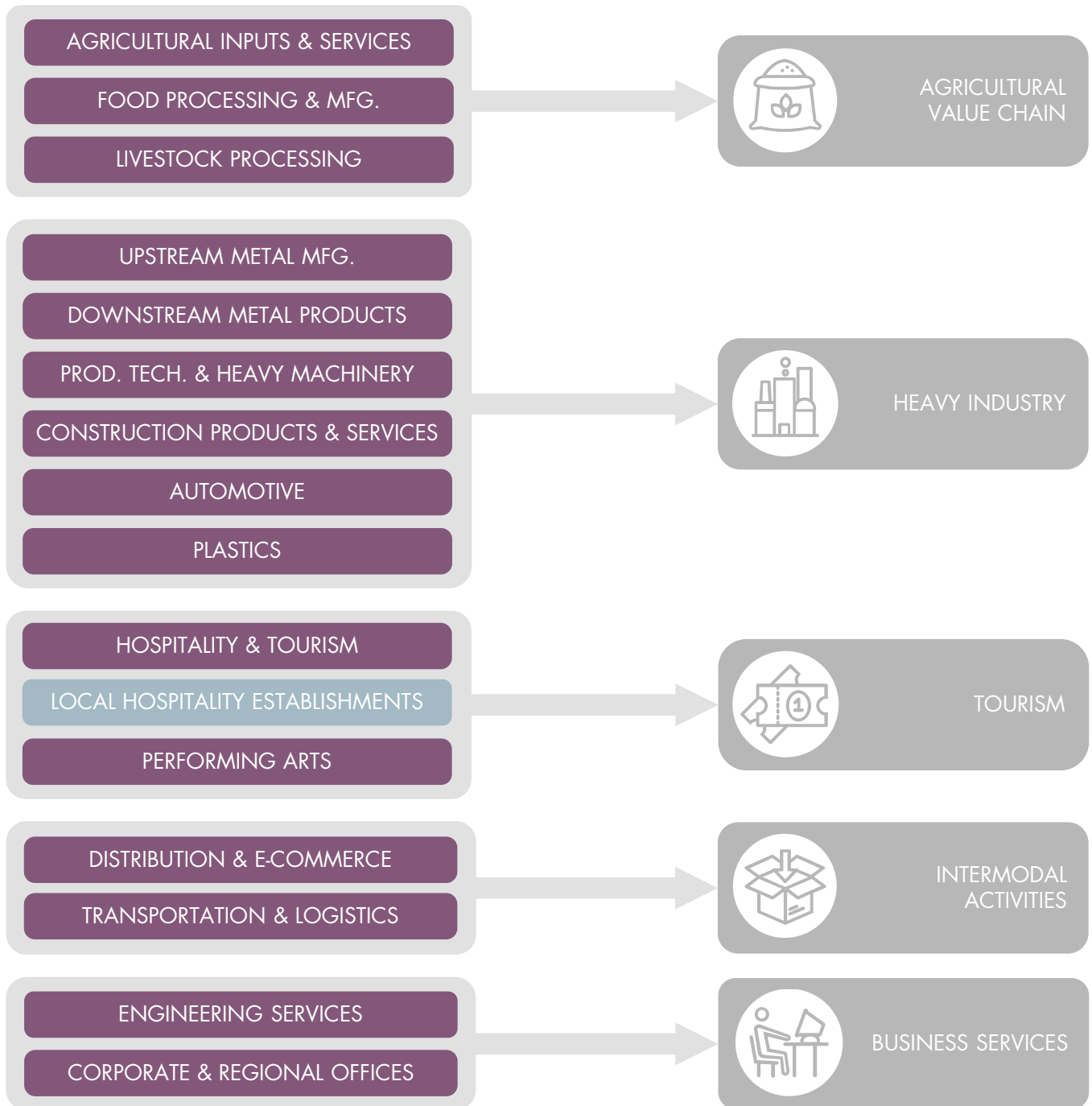
Source(s): PricewaterhouseCoopers; Crunchbase; TIP Strategies.

Note(s): US venture capital investment is based on totals from PwC’s quarterly MoneyTree reports. Using Crunchbase data, TIP has matched (to the extent possible) known local VC investments to the PwC technology sectors.

TARGETING FRAMEWORK

TRADED and **LOCAL** clusters emerge from the analysis...

...to provide a foundation for **TARGET SECTORS**



Source(s): U.S. Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School; TIP Strategies.

Northwest Indiana has a solid base of established heavy industry sectors. These sectors form the foundation of the region’s economy and serve local, regional, and global supply chains. They include steel manufacturing, petrochemical refining, downstream metal products, heavy machinery, construction products, automotive parts, and plastics. The large legacy anchor companies include U.S. Steel, ArcelorMittal, and BP. The region’s industrial assets—its transportation infrastructure, its geographic location (proximity to Chicago and Lake Michigan), and its workforce—have enabled these sectors to thrive over the past several decades.

Future growth in North West Indiana will come from a mix of established and emerging industries. The region’s recognized status as a world-class heavy industry and manufacturing hub will continue to provide business development opportunities in downstream metal products, production technology, automotive parts, and plastics. Likewise, the Gary/Chicago International Airport, the Port of Indiana–Burns Harbor, three class 1 railroads, and three interstate highways will support ongoing investment in new logistics, distribution, and warehousing facilities in and around Northwest Indiana. The region’s base of food production and value added agriculture will also continue growing.

Still, it is important for the region to pursue new avenues for investment and employment growth. An emerging opportunity includes business services, which is not highly concentrated in the region now but is projected to grow locally and nationally over the next few years. The tourism sector – while not a sector traditionally targeted by economic development organizations – will also play a part in diversifying the region’s economic base. Existing assets such as the Indiana Dunes, the South Shore, the casinos will continue attracting outside tourists and visitors. Planned assets such as convention center will only enhance the region’s tourism sector.

Using TIPS Strategies’ three-phase targeting framework, the following target industries have been identified for new business creation, expansion, and relocation in Northwest Indiana over the next five years.

- Agricultural value chain
- Intermodal activities
- Tourism
- Heavy industry
- Business services



Image source: Griffith, IN / CN barns pound the diamond by Nate Beal via Wikimedia Commons (CC BY 2.0)



AGRICULTURAL VALUE CHAIN

Northwest Indiana has a long history of growing and processing food for external markets. Moreover, the region is well-positioned to leverage its agriculture strengths to develop new business opportunities within the multitrillion-dollar global food and beverage sector. This sector includes activities such as handling, machinery, processing, packaging, storage, transportation, and marketing of food and non-food-related agricultural products.

The major components of the agricultural value chain cluster in Northwest Indiana include livestock processing, agricultural inputs and services, and food processing and manufacturing. Regional employment growth of these subsectors continues to be healthy. From 2007-2017, cluster employment expanded by almost 15 percent. Projected job growth is expected to be about 10 percent from 2017 to 2022.

MARKET OPPORTUNITIES

- Connect local specialty food and beverage producers with online markets and gourmet food economics of nearby metros through e-commerce and small business assistance.
- Attract manufacturers and designers of food technology and equipment that could serve food industries of Northwest Indiana and surrounding regions.
- Attract processors of raw product harvested in Northwest Indiana (e.g., dairy, seed corn, grains, and beans).
- Craft breweries, wineries, and distilleries across the US continue to experience rapid growth. Growth associated with craft beverages also supports regional tourism and talent attraction.

NWI'S ADVANTAGES

- Major employers: Albanese, American Licorice, Cargill, ConAgra, Urschel, and Monsanto
- Strong transportation infrastructure and intermodal connections, including marine, rail, air, and truck
- Deep agricultural roots in the region
- Existing base of innovative businesses involved production, processing, and packaging
- Proximity to major population centers and consumer markets
- Agritourism and farm-to-mouth businesses support value added production in the region

CLUSTER SNAPSHOT

NWI REGION	ALL SECTORS	AGRI-CULTURE
2017 Payrolled Business Locations	18,001	95
2017 Employment	344,153	3,358
Net Chg., 2007-2017	-13,944	+428
Pct. Chg., 2007-2017	-3.9%	+14.6%

EMPLOYMENT OUTLOOK

US OVERALL	ALL SECTORS	AGRICULTURE
Net Chg., 2017-2022	+9,233,822	+143,054
Pct. Chg., 2017-2022	+5.8%	+6.5%

NWI REGION	ALL SECTORS	AGRICULTURE
Net Chg., 2017-2022	+5,485	+345
Pct. Chg., 2017-2022	+1.6%	+10.3%

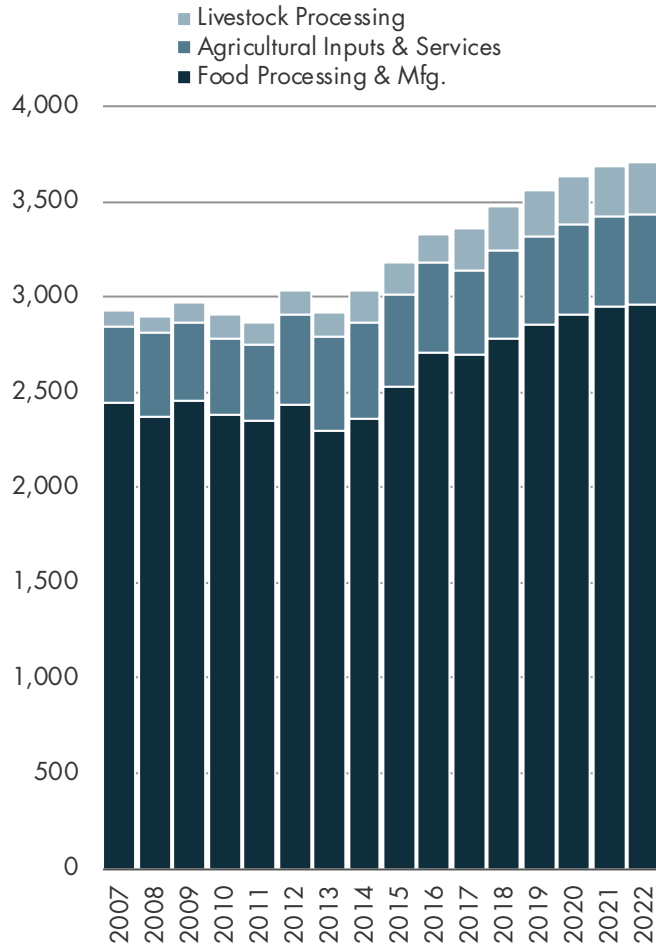
EMPLOYMENT CONCENTRATION

LOCATION QUOTIENT TREND



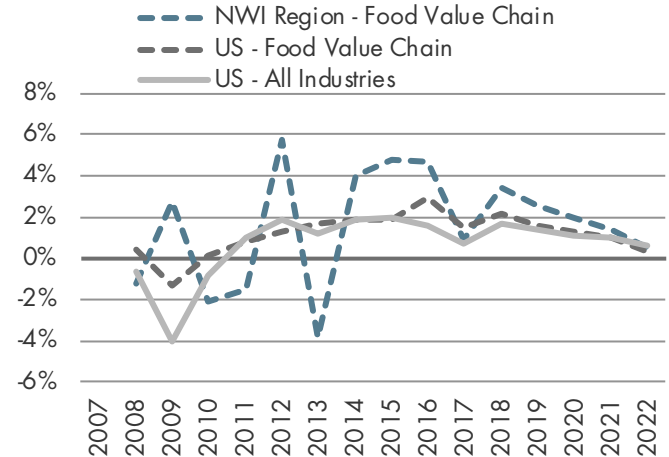
CLUSTER COMPONENTS

ANNUAL EMPLOYMENT



EMPLOYMENT GROWTH

ANNUAL % CHANGE IN EMPLOYMENT



KEY FOCUS AREAS

NAICS	DESCRIPTION
311221	Wet Corn Milling
311340	Confectionery Manufacturing
311412	Frozen Specialty Food Manufacturing
311511	Fluid Milk Manufacturing
311919	Snack Food Manufacturing
311991	Perishable Prepared Food Manufacturing
311999	Miscellaneous Food Manufacturing
312112	Bottled Water Manufacturing
312113	Ice Manufacturing
312120	Breweries
312130	Wineries

Source(s): US Bureau of Labor Statistics; EMSI 2018.1 – QCEW Employees, Non-QCEW Employees, and Self-Employed; U.S. Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School; TIP Strategies.

Note(s): The cluster methodology developed at Harvard Business School has been adjusted by TIP Strategies to align with the 6-digit NAICS classifications used by EMSI.

INDUSTRY INTELLIGENCE

AGRICULTURAL VALUE CHAIN		
TRADE ASSOCIATIONS		
Council for Agricultural Science and Technology (CAST)		www.cast-science.org
Institute of Food Technologists (IFT)		www.ift.org
American Farm Bureau Federation (AFBF)		www.fb.org
Agricultural & Applied Economics Association (AAEA)		www.aaea.org
Agribusiness Council		www.agribusinesscouncil.org
Agribusiness Council of Indiana		inagribiz.org
Farm Equipment Manufacturers Association		www.farmequip.org
Food Processing Suppliers Association (FPSA)		www.fpsa.org
Agricultural Retailers Association (ARA)		www.aradc.org
The Chicago Farmers		chicagofarmers.org
Midwest Food Products Association (MWFPA)		www.mwfpa.org
RELEVANT CONFERENCES/EVENTS		
2018 Marketing & Distribution Convention		
30 October-2 November 2018	Minneapolis, MN	meeting.farmequip.org
MWFPA 2018 Convention		
27-29 November 2018	Wisconsin Dells, WI	www.foodproductsconvention.org
ARA Conference & Expo 2018		
27-29 November 2018	Boca Raton, FL	www.aradc.org/conference/home
2019 AFBF Annual Convention & IDEAg Trade Show		
11-16 January 2019	New Orleans, LA	www.fb.org/events/afbf-annual-convention
ProFood Tech		
26-28 March 2019	Chicago, IL	www.profoodtech.com
PROCESS EXPO		
8-11 October 2019	Chicago, IL	www.myprocessexpo.com
TRADE PUBLICATIONS		
<i>Food Technology</i>		www.ift.org/food-technology.aspx
<i>Food Processing</i>		www.foodprocessing.com
<i>Successful Farming</i>		www.agriculture.com
<i>Ag Innovator</i>		www.farmequip.org/publications/AgInnovator
<i>Choices</i>		www.choicesmagazine.org
<i>American Journal of Agricultural Economics</i>		www.aaea.org/publications/ajae
<i>Agriculture</i>		www.mdpi.com/journal/agriculture

Source(s): TIP Strategies.



HEAVY INDUSTRY

For generations, manufacturing has been a pillar of Northwest Indiana’s economy. The region is home to companies that make an array of heavy industry products such as metals, refined fuel, plastics, vehicles, jet engine parts, industrial machinery, paper, and food. Indeed, one-quarter of the nation’s steel production occurs in Northwest Indiana.

Manufacturing remains an essential sector of the US economy, despite the overall loss of jobs in the sector dating back to the 1970s. Tremendous productivity gains have enabled manufacturers to increase output, even as payrolls have declined. To remain competitive, firms have increasingly turned to advanced processes for better, more efficient production. This too is the case in Northwest Indiana. The region is a hotbed of companies and centers that are spurring new technologies and innovation.

The main components of the heavy industry cluster include downstream metal products, plastics, automotive, construction products & services, production technology & heavy machinery, and upstream metal manufacturing. Total employment for the cluster components in the region amounted to 30,000 jobs in 2017. However, this figure is over 5,400 fewer jobs than was present in the region in 2007. After a robust rebound in heavy industry employment in 2011 and 2012, employment has since been deteriorating and now matches the immediate post recession low point of 29,847 jobs in 2010. Since 2010, job losses within the cluster have been concentrated in upstream metal manufacturing, production technology & heavy machinery, and construction products. However, the automotive, plastics, and downstream metal products have actually experience slight employment gains over the period.

MARKET OPPORTUNITIES

- Northwest Indiana will likely remain a global center of steel production. ArcelorMittal has invested millions into upgrading its Burns Harbor plant and US Steel is planning a similar refurbishment at its Gary Works plant. While there aren’t likely to be many opportunities for recruiting new upstream metal producers to the region, attracting additional downstream metal products companies offers more potential. Overall US employment in downstream metal products is projected to grow by almost 20,000 jobs over the next five years.
- Some of the Northwest Indiana’s largest manufacturers generate a significant amount of carbon as a byproduct of their production processes. In recent years, many companies and regions around the world have focused research and resources on ways to remove carbon from the environment and recycle it for other economic activities. Known as “carbon capture,” this is a field of research and technology that could be encouraged and supported in Northwest Indiana. A profile of global carbon capture trends is presented at the end of the heavy industry profile.

NWI’S ADVANTAGES

- Strategic location within the Chicago metropolitan area
- Intermodal transportation infrastructure
- Proximity to Lake Michigan
- Strong manufacturing culture and deep base of skills
- Extremely high employment concentration in upstream metals (20.49 LQ)
- Existing manufacturing sector partnership in the region; workforce training and career pathways programs
- Friendly business climate
- Competitive utility costs

CLUSTER SNAPSHOT

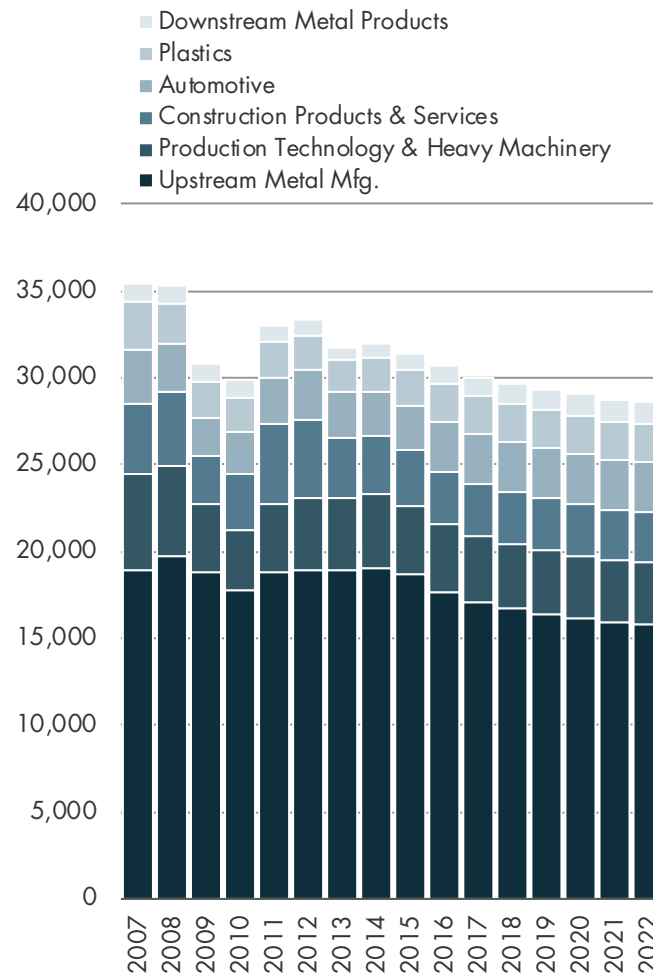
NWI REGION	ALL SECTORS	HEAVY INDUSTRY
2017 Payrolled Business Locations	18,001	290
2017 Employment	344,153	29,998
Net Chg., 2007-2017	-13,944	-5,419
Pct. Chg., 2007-2017	-3.9%	-15.3%

EMPLOYMENT OUTLOOK

US OVERALL	ALL SECTORS	HEAVY INDUSTRY
Net Chg., 2017-2022	+9,233,822	+191,265
Pct. Chg., 2017-2022	+5.8%	+4.4%
NWI REGION	ALL SECTORS	HEAVY INDUSTRY
Net Chg., 2017-2022	+5,485	-1,387
Pct. Chg., 2017-2022	+1.6%	-4.6%

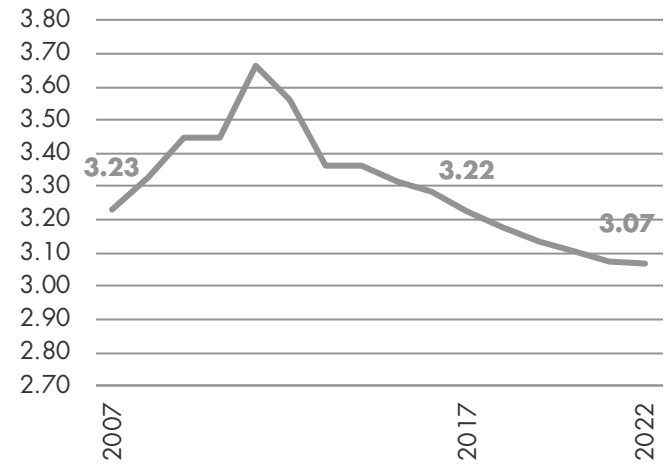
CLUSTER COMPONENTS

ANNUAL EMPLOYMENT



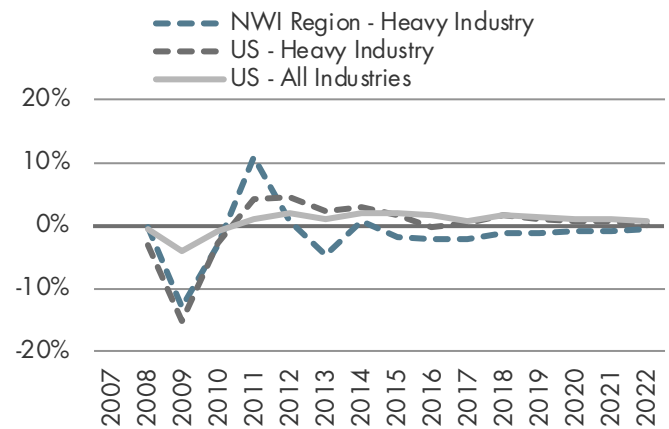
EMPLOYMENT CONCENTRATION

LOCATION QUOTIENT TREND



EMPLOYMENT GROWTH

ANNUAL % CHANGE IN EMPLOYMENT



KEY FOCUS AREAS

NAICS	DESCRIPTION
326113	Unlaminated Plastics Film and Sheet
326199	Misc. Plastics Product Mfg.
331110	Iron and Steel Mills and Ferroalloy Mfg.
331221	Rolled Steel Shape Mfg.
331512	Steel Investment Foundries
332311	Prefabricated Metal Building and Component Mfg.
332312	Fabricated Structural Metal Mfg.
332321	Metal Window and Door Mfg.
333912	Air and Gas Compressor Mfg.
333923	Overhead Crane and Hoist System Mfg.
336360	Motor Vehicle Seating and Trim Mfg.
336390	Misc. Motor Vehicle Parts Mfg.

Source(s): US Bureau of Labor Statistics; EMSI 2018.1 – QCEW Employees, Non-QCEW Employees, and Self-Employed; U.S. Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School; TIP Strategies.

Note(s): The cluster methodology developed at Harvard Business School has been adjusted by TIP Strategies to align with the 6-digit NAICS classifications used by EMSI.

INDUSTRY INTELLIGENCE

HEAVY INDUSTRY		
TRADE ASSOCIATIONS		
Heavy Duty Manufacturers Association (HDMA)		www.hdma.org
National Association of Manufacturers (NAM)		www.nam.org
National Council for Advanced Manufacturing		www.nacfam.org
Society of Manufacturing Engineers (SME)		www.sme.org
Association for Manufacturing Technology (AMT)		www.amtonline.org
Manufacturers Alliance for Productivity and Innovation (MAPI)		www.mapi.net
Association for Manufacturing Excellence (AME)		www.ame.org
Fabricators & Manufacturers Association, International (FMA)		www.fmanet.org
Technology & Manufacturing Association (TMA)		www.tmaillinois.org
Indiana Manufacturers Association		www.imaweb.com
RELEVANT CONFERENCES/EVENTS		
International Manufacturing Technology Show		
10-15 September 2018	Chicago, IL	www.imts.com
FMA Annual Meeting		
5-7 March 2019	Nashville, TN	annualmeeting.fmanet.org
Automate 2019		
8-11 April 2019	Chicago, IL	www.automateshow.com
AME 2019 International Conference		
4-8 November 2019	Chicago, IL	www.ame.org/ame-conferences
FABTECH 2019		
11-14 November 2019	Chicago, IL	www.fabtechexpo.com
TRADE PUBLICATIONS		
<i>Advanced Manufacturing Insight</i>		advancedmanufacturinginsight.com
<i>Manufacturing Engineering</i>		advancedmanufacturing.org/series/manufacturing-engineering-magazine
<i>Smart Manufacturing</i>		advancedmanufacturing.org/series/smart-manufacturing-magazine
<i>Target</i>		www.ame.org/target
<i>IndustryWeek</i>		www.industryweek.com
<i>The Int'l. Journal of Adv. Manufacturing Tech.</i>		www.springer.com/engineering/industrial+management/journal/170

CARBON CAPTURE

*“Recycling and removal of carbon from the atmosphere (carbon management) is likely to be an important activity of any net-zero emissions energy system. The specific technologies that will be favored in future marketplaces are largely uncertain...”**



The Chicago MSA's rank among US metropolitan areas in job postings mentioning "carbon capture"

WHO ARE THE MAJOR INVESTORS?

FIRM	HQ
Prelude Ventures, LLC	San Francisco (CA)
BP Ventures	Palo Alto (CA)
Low Carbon Innovation Fund	Norwich, UK
Carbon Trust	London, UK
GE Energy Financial Services	Stamford (CT)
MissionPoint Capital Partners	Norwalk (CT)
Greencoat Capital	London, UK
Clean Energy Finance Corp	Sydney, Australia
Low Carbon Accelerator	Farrington Gurney, UK
8 Rivers Capital	Durham (NC)
Evok Innovations	Vancouver (BC), Canada
Kenda Capital	Rijswijk, The Netherlands

WHERE IS KEY RESEARCH OCCURRING?

- ▶ Arizona State Univ., Center for Negative Carbon Emissions
- ▶ ETH Zürich, Separation Processes Laboratory (Switzerland)
- ▶ Massachusetts Institute of Tech., MIT Energy Initiative
- ▶ National Energy Technology Laboratory (Pittsburgh, PA)
- ▶ Pacific Northwest National Laboratory (Richland, WA)
- ▶ Stanford University, Stanford Center for Carbon Storage
- ▶ Univ. of Utah, Carbon-Capture Multidisciplinary Simulation Ctr.
- ▶ University of Aberdeen, Aberdeen Institute of Energy (UK)
- ▶ University of Missouri, Carbon Recycling Center
- ▶ University of Texas at Austin, Energy Institute

WHAT DOES THE TECHNOLOGY ENCOMPASS?

One approach to carbon management is the reduction of carbon output associated with human activity. A more aggressive approach is carbon removal, though it comes with daunting technical and economic challenges:

1. How do we capture carbon? Proposals to accomplish this range from environmental intervention (e.g., separating CO₂ directly from the air) to a point-of-source approach (e.g., capturing it from existing processes, such as energy generation or industrial production).

2. Once captured, what do we do with it? One option is a safe, secure geological approach to CO₂ storage. More market-oriented approaches would treat it as a byproduct that could, for example, substitute as a feedstock for plastics, act as an efficiency improvement for turbine generation, or be sequestered within building products.

3. Who pays? The first two challenges, though technical in nature, must also be unpacked in economic terms. In the absence of strict regulatory measures (the classic stick approach), a more market-oriented carrot approach would involve R&D support and market incentives until new technologies can be viable and competitive. A number of promising experiments are underway, especially in North America and Europe. Only time will tell where the market leads.

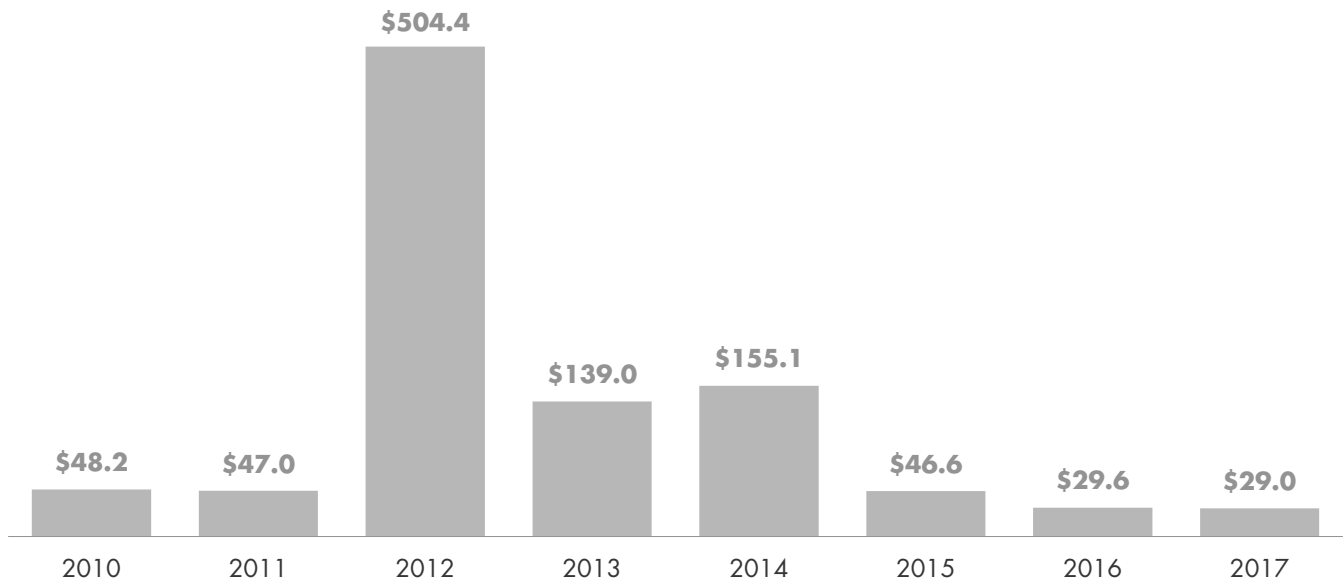
HAVE ANY STRATEGIC ACQUISITIONS OF THIS TECHNOLOGY OCCURRED RECENTLY?

ACQUIRING FIRM	ACQUISITION TARGET	ANNOUNCED	PRICE (\$ bil)
Pentair	Union Engineering A/S	2017	—
Global Bioenergies	Syngip BV	2016	—
Carbonfree Chemicals	Skyonic	2016	—
Intervale Capital	Recapture Solutions	2014	—
Tetra Tech	Caber Engineering	2013	—
Energy Capital Partners	Coalogix	2011	\$101.0
Petrofac	CO ₂ DeepStore	2010	—

*S. J. Davis et al., Science 360, eaas9793 (2018). DOI: 10.1126/science.aas9793

Source(s): Science, MIT Technology Review, McKinsey, National Energy Technology Laboratory, Crunchbase, fDi Markets, CEB Talent Neuron, TIP Strategies

GLOBAL VENTURE INVESTMENT IN CARBON CAPTURE (\$mils)



The leading institutional employers with job postings mentioning "carbon capture"
 UNIV. OF NORTH DAKOTA; SANDIA NATIONAL LABORATORIES; LOS ALAMOS NATIONAL LABORATORY; SOUTHERN RESEARCH INSTITUTE; UNIVERSITY OF ILLINOIS, URBANA-CHAMPAIGN

WHICH CARBON CAPTURE STARTUPS ARE AMONG THE TECHNOLOGICAL LEADERS?

START-UP	FOUNDED	HEADQUARTERS	FUNDS RAISED (\$mil)
Joule Unlimited Technologies	2007	Bedford (MA)	\$190.0
Powerspan	1994	Portsmouth (NH)	\$106.3
Inventys Thermal Technologies	2007	Burnaby (BC), Canada	\$18.7
Carbon Clean Solutions Ltd	2012	Reading, UK	\$16.4
Eco Power Solutions	2005	Quincy (MA)	\$12.7
Carbon Engineering	2009	Squamish (BC), Canada	\$8.4
Climeworks	2009	Zurich, Switzerland	\$3.4
MOF Technologies	2012	Belfast, UK	\$3.2
Kilimanjaro Energy	2004	Waukesha (WI)	\$2.3
Enhanced Energy Group	2011	West Kingston (RI)	\$0.1

HAS THERE BEEN ANY NOTABLE CROSS-STATE OR FOREIGN INVESTMENT?

PROSPECT	HQ	EXPANSION/RELOCATION	YEAR	JOBS	CAPEX (\$mil)
Covestro (Bayer MaterialScience)	Leverkusen, Germany	New Martinsville (WV)	2017	58	\$22.4
Covestro (Bayer MaterialScience)	Leverkusen, Germany	Pittsburgh (PA)	2012	30	\$7.2
ThermoEnergy	Little Rock (AR)	Worcester (MA)	2011	113	\$7.6
Joule Unlimited	Cambridge (MA)	Hobbs (NM)	2011	25	\$17.0
Union Engineering	Fredericia, Denmark	Atlanta (GA)	2007	3	\$0.3

Source(s): Science, MIT Technology Review, McKinsey, National Energy Technology Laboratory, Crunchbase, fDi Markets, CEB Talent Neuron, TIP Strategies



TOURISM

While the tourism industry is not a traditional focus of business recruitment programs, this target can yield direct and indirect benefits. From an economic development standpoint, tourism and associated activities draw in dollars from outside the region, making it an attractive source of revenue.

From a workforce perspective, tourism is often seen as a source of low-wage jobs with few benefits and little security. However, this view ignores the important role that tourism can play with regard to talent recruitment. A successful tourism strategy provides a mechanism for introducing new people to an area who might later become residents, establish businesses, or attend college in the region. Tourism also serves as an important source of job growth for the region, even in difficult economic times. From 2007-2017, tourism employment in the region grew by 3.3 percent, at the same time overall employment in the region decreased by 3.9 percent.

On a regional level, a well-coordinated tourism initiative can increase media exposure and maximize resources. This can, in turn, raise the profile of a region and help to change perceptions of an area (among both internal and external audiences).

MARKET OPPORTUNITIES

- The development of a new convention center in Lake County along with associated hospitality, retail, and entertainment developments could have a transformative effect on the nearby surrounding area and wider direct and indirect economic benefits for the region.
- According to the findings of the convention center feasibility analysis, one of the primary non-local event markets for the convention center is “corporate and other types of event activity” from the Chicago/Northwest Indiana greater metropolitan area and throughout the state of Indiana.
- Ongoing investments and enhancements along the lakeshore, parks, and destinations, will make the region more attractive to visitors and tourists from the broader Great Lakes region.
- Agritourism is a growing driver of tourism in the region.

NWI’S ADVANTAGES

- Northwest Indiana already draws in thousands of visitors to its lakefront, dunes, casinos, parks, wetlands, trails, museums, and agritourism resources.
- NWI enjoys a lower cost of doing business and cost of living, especially relative to surrounding tourism markets.
- The region is located within a short drive of a number of major population centers, especially downtown Chicago.
- The hospitality & tourism cluster accounts for 2.2 percent of total employment in the region, which is slightly higher than the 2.1 percent share for the nation.

CLUSTER SNAPSHOT

NWI REGION	ALL SECTORS	TOURISM
2017 Payrolled Business Locations	18,001	1,973
2017 Employment	344,153	39,840
Net Chg., 2007-2017	-13,944	+1,267
Pct. Chg., 2007-2017	-3.9%	+3.3%

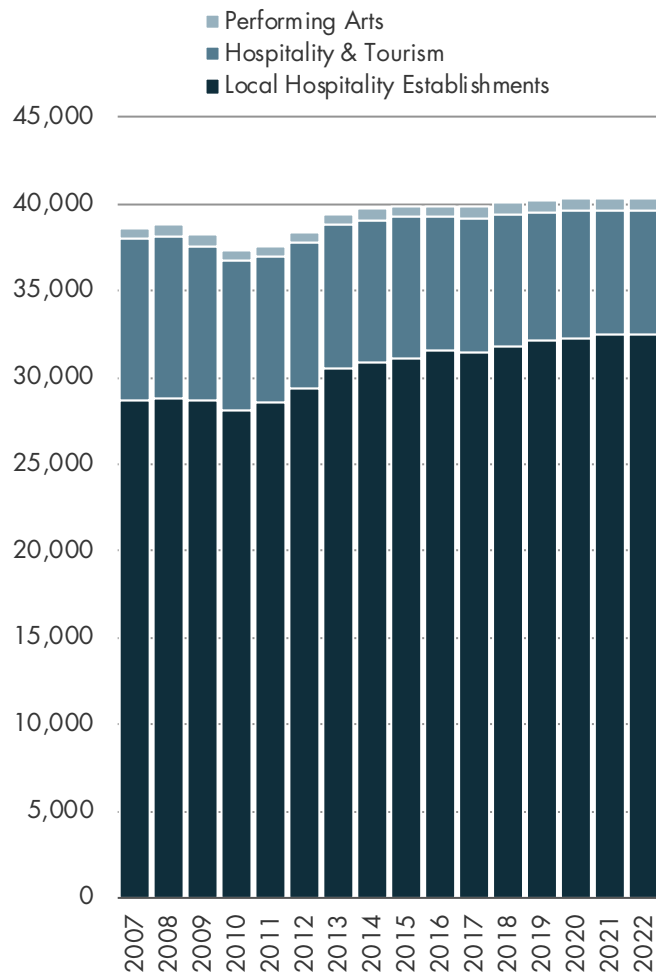
EMPLOYMENT OUTLOOK

US OVERALL	ALL SECTORS	TOURISM
Net Chg., 2017-2022	+9,233,822	+1,186,544
Pct. Chg., 2017-2022	+5.8%	+7.0%

NWI REGION	ALL SECTORS	TOURISM
Net Chg., 2017-2022	+5,485	+519
Pct. Chg., 2017-2022	+1.6%	+1.3%

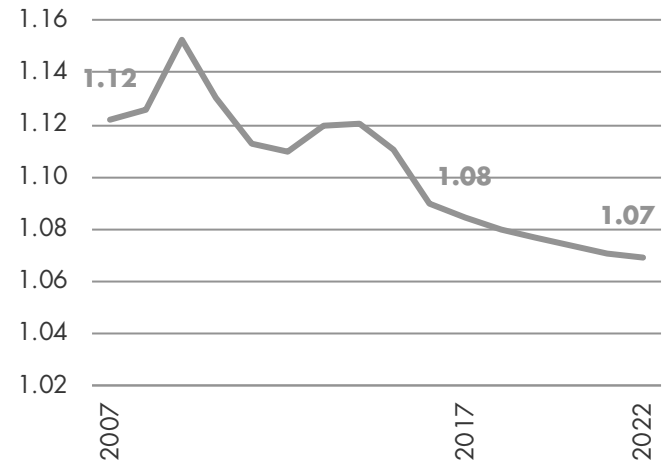
CLUSTER COMPONENTS

ANNUAL EMPLOYMENT



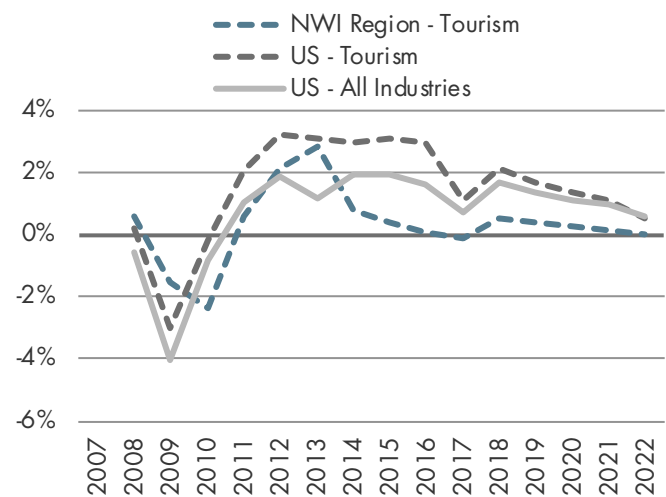
EMPLOYMENT CONCENTRATION

LOCATION QUOTIENT TREND



EMPLOYMENT GROWTH

ANNUAL % CHANGE IN EMPLOYMENT



KEY FOCUS AREAS

NAICS	DESCRIPTION
561591	Convention and Visitors Bureaus
711211	Sports Teams and Clubs
712110	Museums
713110	Amusement and Theme Parks
713210	Casinos
713930	Marinas
713990	Misc. Amusement and Recreation Industries
721110	Hotels and Motels
722410	Drinking Places (Alcoholic Beverages)
722511	Full-Service Restaurants

Source(s): US Bureau of Labor Statistics; EMSI 2018.1 – QCEW Employees, Non-QCEW Employees, and Self-Employed; U.S. Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School; TIP Strategies.

Note(s): The cluster methodology developed at Harvard Business School has been adjusted by TIP Strategies to align with the 6-digit NAICS classifications used by EMSI.



INTERMODAL ACTIVITIES

The companies in the intermodal activities cluster mostly buy, hold, and distribute a wide range of products, such as apparel, food, chemicals, gasses, minerals, farm materials, machinery, and other merchandise. The sector also contains firms that support distribution and electronic commerce operations, including packaging, labeling, and equipment rental and leasing.

The intermodal activities target cluster includes two component subclusters: distribution and electronic commerce, and transportation and logistics. Cluster employment totaled nearly 18,000 in Northwest Indiana in 2017. Component clusters contracted by about 4.6 percent in the region and 3.9 percent nationally from 2007 to 2017, largely due to a dramatic drop in employment caused by the recession. However, the region is projected to experience a 1.2 percent growth in cluster employment over the next five years.

Additionally, regional talent demand indicators show high demand in the region for occupations and skills associated with intermodal activities. Occupations with above-average LQs include heavy truck drivers and delivery drivers. Skills in high demand in the region include flatbed trucks, tractor-trailers, forklifts, freight, and pallet jacks.

MARKET OPPORTUNITIES

- Food, beverage, and other perishable items that require close proximity of warehousing to customers.
- While the e-commerce industry is growing rapidly, it is still only responsible for around 10 percent of all retail sales. However, that rate is expected to grow between 15 to 25 percent annually.
- Focus e-commerce business development efforts on business-to-business (B2B) companies versus business-to-consumer (B2C) companies, whose market capitalization is valued at much less.
- Third-party logistics (3PL) providers and logistics consulting firms provide a range of services, including assembling and repackaging materials, consolidating orders and shipments, physically delivering goods to customers, processing returned items, and handling e-commerce fulfillment operations. The 3PLs typically serve multiple clients from a single facility.

NWI'S ADVANTAGES

- Northwest Indiana lies within a day's drive to 80 percent of the U.S. population. Major metro areas within close proximity include Chicago, Detroit, Indianapolis, Milwaukee, Cleveland, Columbus, Cincinnati, Louisville, St. Louis and Toronto.
- Major highways include I-65 (north-south), I-94 (east-west), and the Indiana Toll Road (east-west)
- Three Class I railroads – Norfolk Southern, CSX, and Canadian National – and a network of short line and regional railroads
- The Port-of Indiana-Burns Harbor handles international ships via the St. Lawrence Seaway connecting the Great Lakes to the Atlantic Ocean and provides year-round barge access to more than 20 states and the Gulf of Mexico through the Inland Waterways System.
- The Gary/Chicago International Airport is a full-service airport that serves general aviation, corporate, and cargo users.

CLUSTER SNAPSHOT

NWI REGION	ALL SECTORS	INTER-MODAL
2017 Payrolled Business Locations	18,001	1,401
2017 Employment	344,153	17,792
Net Chg., 2007-2017	-13,944	-853
Pct. Chg., 2007-2017	-3.9%	-4.6%

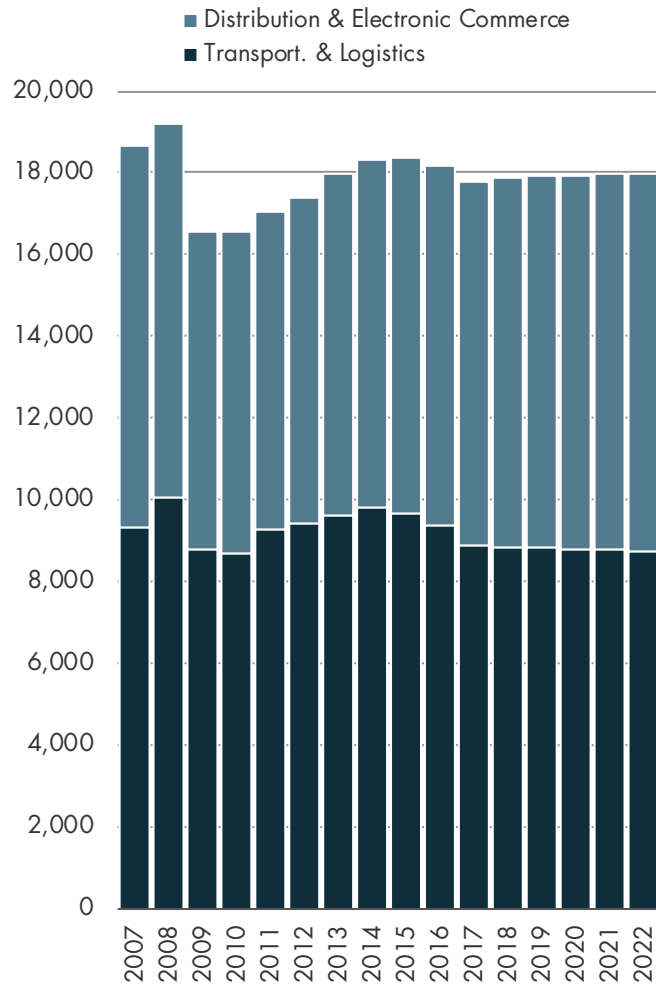
EMPLOYMENT OUTLOOK

US OVERALL	ALL SECTORS	INTERMODAL
Net Chg., 2017-2022	+9,233,822	+533,485
Pct. Chg., 2017-2022	+5.8%	+6.7%

NWI REGION	ALL SECTORS	INTERMODAL
Net Chg., 2017-2022	+5,485	+205
Pct. Chg., 2017-2022	+1.6%	+1.2%

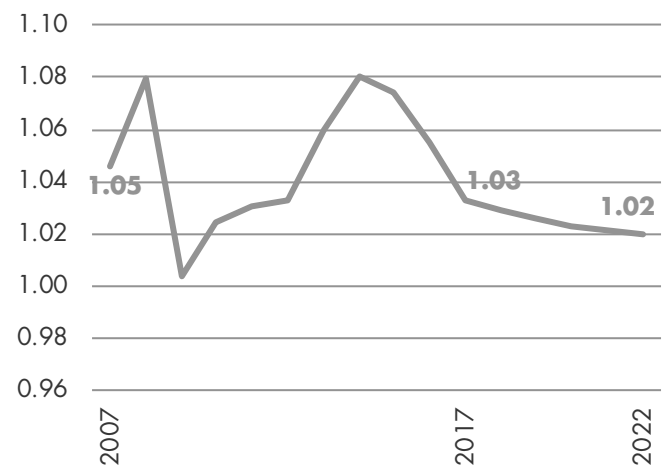
CLUSTER COMPONENTS

ANNUAL EMPLOYMENT



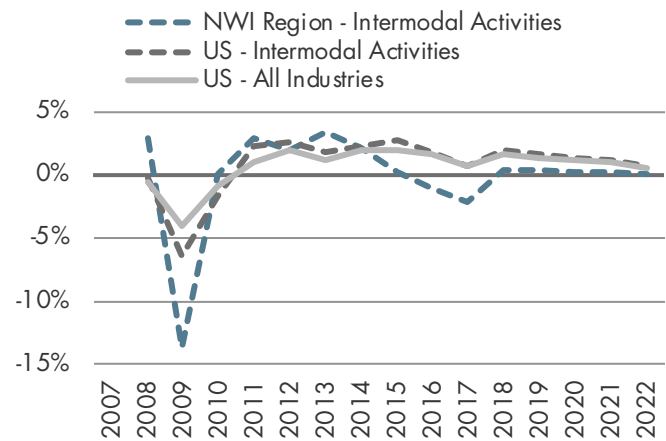
EMPLOYMENT CONCENTRATION

LOCATION QUOTIENT TREND



EMPLOYMENT GROWTH

ANNUAL % CHANGE IN EMPLOYMENT



KEY FOCUS AREAS

NAICS	DESCRIPTION
482110	Rail transportation
484230	Specialized Freight Trucking, Long-Distance
425120	Wholesale Trade Agents and Brokers
561910	Packaging and Labeling Services
454110	Electronic Shopping and Mail-Order Houses
423840	Industrial Supplies Merchant Wholesalers
424710	Petroleum Bulk Stations and Terminals
488490	Support Activities for Road Transportation
488190	Support Activities for Air Transportation
493190	Misc. Warehousing and Storage
493120	Refrigerated Warehousing and Storage
481219	Nonscheduled Air Transportation

Source(s): US Bureau of Labor Statistics; EMSI 2018.1 – QCEW Employees, Non-QCEW Employees, and Self-Employed; U.S. Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School; TIP Strategies.

Note(s): The cluster methodology developed at Harvard Business School has been adjusted by TIP Strategies to align with the 6-digit NAICS classifications used by EMSI.

INDUSTRY INTELLIGENCE

INTERMODAL ACTIVITIES	
TRADE ASSOCIATIONS	
Intermodal Association of North America (IANA)	www.intermodal.org
Logistics & Transportation Association of North America (LTNA)	www.ltna.org
National Shippers Strategic Transportation Council (NASSTRAC)	www.nasstrac.org
Transportation and Logistics Council (TLC)	www.tlcouncil.org
American Trucking Associations	www.trucking.org
Association of American Railroads (AAR)	www.aar.org
Industrial Supply Association (ISA)	www.isapartners.org
National Association of Wholesaler-Distributors (NAW)	www.naw.org
Intermodal Association of Chicago	www.intermodalofchicago.org
RELEVANT CONFERENCES/EVENTS	
FTR Transportation Conference 2018	
11-13 September 2018	Indianapolis, IN www.ftrconference.com
IANA Intermodal Expo 2018	
16-18 September 2018	Long Beach, CA www.intermodalexpo.com
2018 LTNA National Conference	
17-19 October 2018	New Orleans, LA www.ltna.org/2018-conference-details.html
Mid-America Trucking Show 2019	
28-30 March 2019	Louisville, KY www.truckingshow.com
ISA Convention 2019	
6-8 April 2019	Houston, TX www.isapartners.org/convention
TRADE PUBLICATIONS	
<i>Journal of Commerce</i>	www.joc.com
<i>American Shipper</i>	americanshipper.com
<i>International Journal of Shipping and Transport Logistics</i>	www.inderscienceonline.com/loi/ijstl
<i>Progressive Railroading</i>	www.progressiverailroading.com
<i>American Trucker</i>	www.trucker.com/american-trucker-magazine

Source(s): TIP Strategies.



BUSINESS SERVICES

Business Services encompass establishments and services primarily designed to support other aspects of a business or to assist unrelated companies. This includes corporate regional headquarters, professional services firms, financial services, data centers, and back office operations. Within Northwest Indiana, the Business Services cluster accounted for 2.3 percent of regional employment in 2017. The two cluster components employment are corporate headquarters and engineering services. Together these components accounted for almost half of all jobs business services and are projected to account for two-thirds of new jobs in the cluster over the next five years.

Corporate headquarters offer multiple benefits to any local economy. In addition to their value as a source of high-wage employment, these facilities are often prized for reasons that go beyond job creation. Beyond the direct impact of wages, corporate profits are often invested locally through spending by executives and through philanthropic activities. Finally, these firms typically contribute to the creation of an ecosystem of professional and business services that support the growth of all sectors.

Talent demand indicators suggest there is a high demand in the region for industrial engineering occupations. High-demand skills in the region associated with business services include marketing and sales, android, Microsoft Office, and preventative maintenance.

MARKET OPPORTUNITIES

- Employment growth in the business services cluster is expected to be strong nationally and regionally. At the national level, employment is projected to increase by 6.3 percent. Within the region, employment in business services is projected to grow by 7.61 percent and over 294 jobs.
- The growing base of manufacturing and logistics & distribution businesses within the region and the Chicago MSA provides numerous opportunities for professional and technical services firms to support plants and facilities.
- Northwest Indiana’s fiber optics backbone, access to fresh water, and proximity to major metro markets in the Midwest position it to attract interest and investment in data centers. The recent announcement of the Lakefront Data Center in Hammond is an example of this potential.

NWI’S ADVANTAGES

- Technical maintenance and repair services firms located in Northwest Indiana can quickly access and support customers in Chicago.
- Northwest Indiana offers a lower-cost alternative to companies with large corporate and back office operations in Chicago.
- Northwest Indiana offers a friendlier business climate than Illinois.

CLUSTER SNAPSHOT

NWI REGION	ALL SECTORS	BUS. SERVICES
2017 Payrolled Business Locations	18,001	223
2017 Employment	344,153	3,863
Net Chg., 2007-2017	-13,944	+417
Pct. Chg., 2007-2017	-3.9%	+12.1%

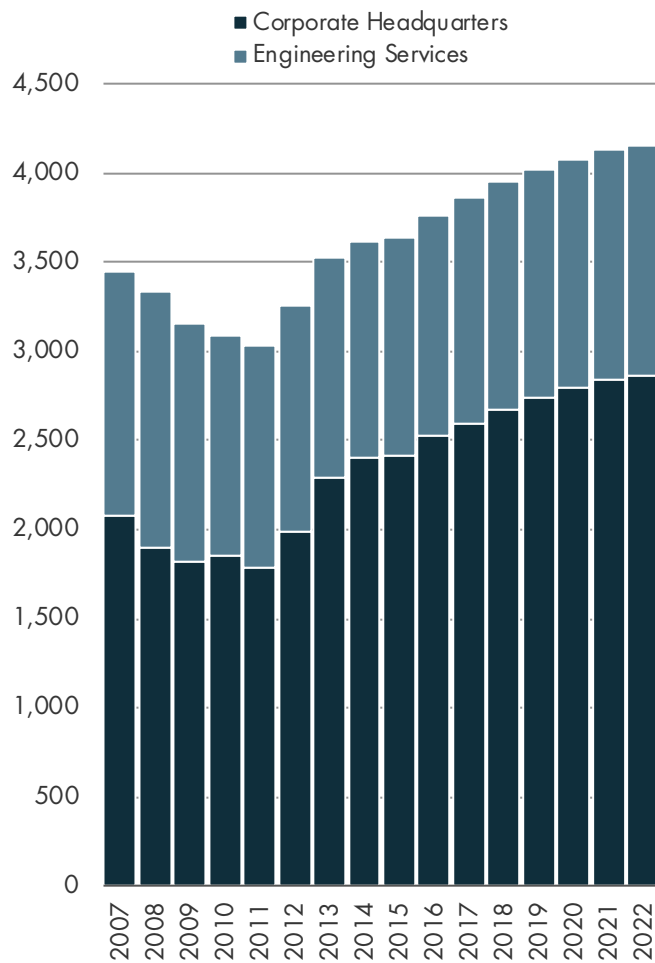
EMPLOYMENT OUTLOOK

US OVERALL	ALL SECTORS	BUS. SERVICES
Net Chg., 2017-2022	+9,233,822	+204,194
Pct. Chg., 2017-2022	+5.8%	+6.3%

NWI REGION	ALL SECTORS	BUS. SERVICES
Net Chg., 2017-2022	+5,485	+294
Pct. Chg., 2017-2022	+1.6%	+7.6%

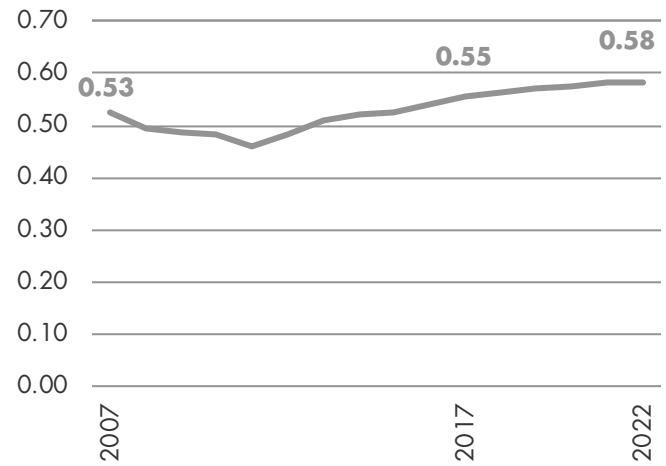
CLUSTER COMPONENTS

ANNUAL EMPLOYMENT



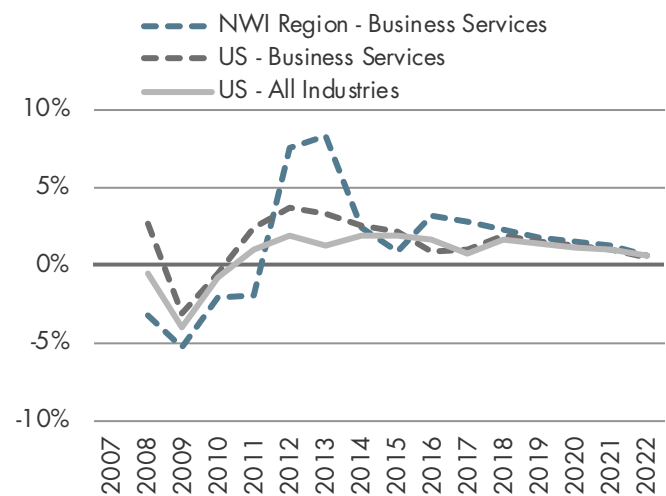
EMPLOYMENT CONCENTRATION

LOCATION QUOTIENT TREND



EMPLOYMENT GROWTH

ANNUAL % CHANGE IN EMPLOYMENT



KEY FOCUS AREAS

NAICS	DESCRIPTION
541330	Engineering Services
551114	Corporate, Subsidiary, and Regional Offices

Source(s): US Bureau of Labor Statistics; EMSI 2018.1 – QCEW Employees, Non-QCEW Employees, and Self-Employed; U.S. Economic Development Administration; Institute for Strategy and Competitiveness at Harvard Business School; TIP Strategies.

Note(s): The cluster methodology developed at Harvard Business School has been adjusted by TIP Strategies to align with the 6-digit NAICS classifications used by EMSI.

INDUSTRY INTELLIGENCE

BUSINESS SERVICES		
TRADE ASSOCIATIONS		
Association for Facilities Engineering (AFE)		www.afe.org
American Management Association (AMA)		www.amanet.org
International Facilities Management Association (IFMA)		www.ifma.org
American Marketing Association (AMA)		www.ama.org
American Financial Services Association (AFSA)		www.afsaonline.org
Association for Financial Professionals (AFP)		
American Bar Association (ABA)		www.americanbar.org
American Insurance Association		www.aiadc.org
CompTIA		www.comptia.org
Society for Marketing Professional Services (SMPS)		www.smps.org
American Staffing Association (ASA)		americanstaffing.net
Institute of Management Consultants USA		www.imcusa.org
RELEVANT CONFERENCES/EVENTS		
Build Business 2018		
15-17 August 2018	San Diego, CA	buildbusiness.org
Consult-Con		
5-7 October 2018	San Diego, CA	imcusaconference.org
Staffing World		
16-18 October 2018	Washington, DC	americanstaffing.net/staffing-world-2018
AFP 2018		
4-7 November 2018	Chicago, IL	conference.afponline.org
Facility Fusion 2019		
8-10 April 2019	Atlanta, GA	facilityfusion.ifma.org
TRADE PUBLICATIONS		
Wall Street Journal		www.wsj.com
Marketer		www.smps.org/resourcesmarketer
Journal of Marketing		www.ama.org/publications/JournalOfMarketing/Pages/Current-Issue.aspx
Staffing Success		americanstaffing.net/asa-publications/staffing-success-magazine
FMJ Magazine		www.ifma.org/publications/fmj-magazine
Exchange		www.afponline.org/publications-data-tools/publications/afp-exchange-magazine
Business Process Management Journal		www.emeraldgroupublishing.com/bpmj.htm

Source(s): TIP Strategies.

APPENDIX 2. ECONOMIC ASSESSMENT



POPULATION AND DEMOGRAPHICS

KEY FINDINGS

Northwest Indiana is losing population.

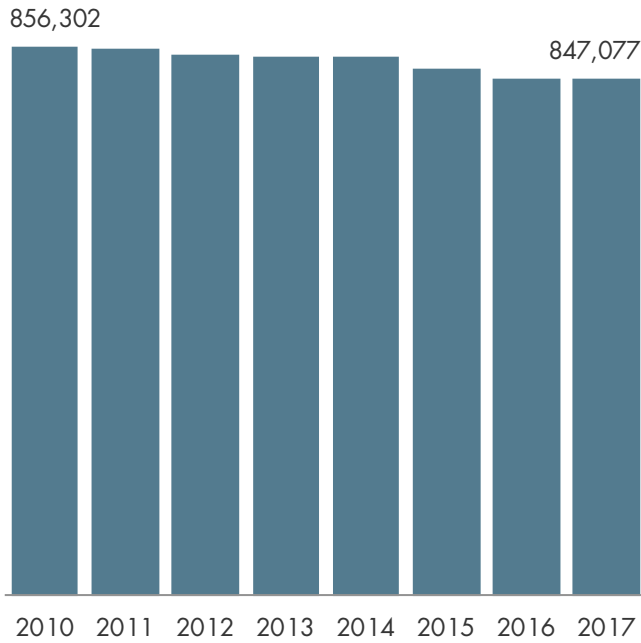
From 2010 to 2017, the seven-county region experienced an estimated net decline of 9,225 residents. The region's population decline contrasts sharply with the positive growth trends shown at the national and state levels. Northwest Indiana's troubling population trends have also been felt in the Chicago metropolitan statistical area (MSA) (four Indiana counties excluded from the Chicago MSA calculations), which experienced flat population growth from 2012 to 2017. The out-migration of Northwest Indiana residents to other domestic locations accounted for much of the region's population decline. Natural increase (births minus deaths) in the region's population has also been dropping in recent years.

The region is less affluent than the Chicago MSA and the nation, but on par with the state.

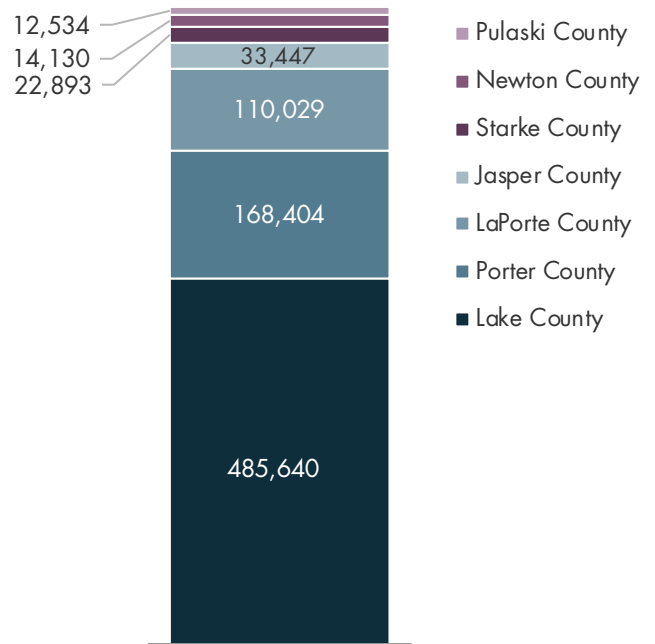
One-fifth of households in Northwest Indiana earn over \$100,000 a year, which is a similar percentage to the state (19 percent) but notably less than the US (25 percent) and the Chicago MSA (31 percent). The region's overall income distribution is comparable to both the state and the nation. The distribution of housing values is also more favorable for Northwest Indiana than for the state. Seventy-three percent of the region's housing stock is valued below \$200,000 compared to 77 percent for the state. However, the nation and the Chicago MSA both have a much larger share of housing stock valued at \$200,000 and above. Additionally, detached single-family homes dominate the region's housing stock.

POPULATION AND DEMOGRAPHICS

NORTHWEST INDIANA POPULATION

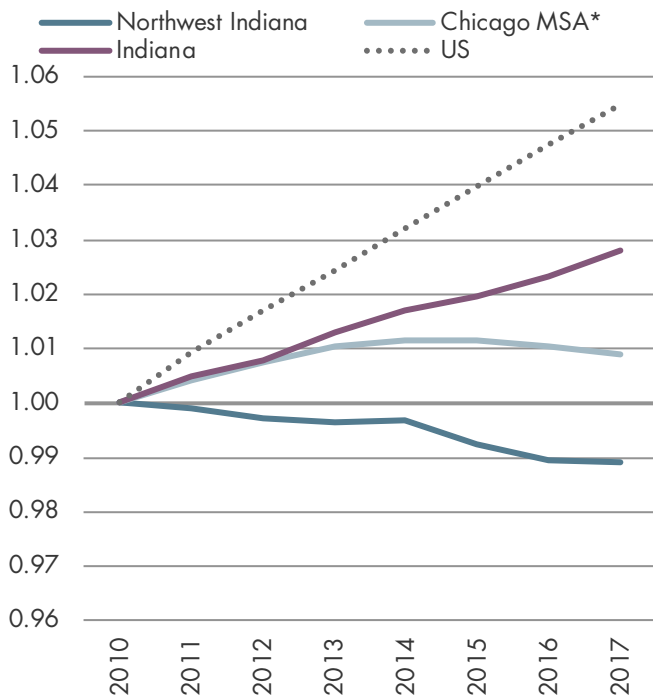


NORTHWEST INDIANA POPULATION, 2017

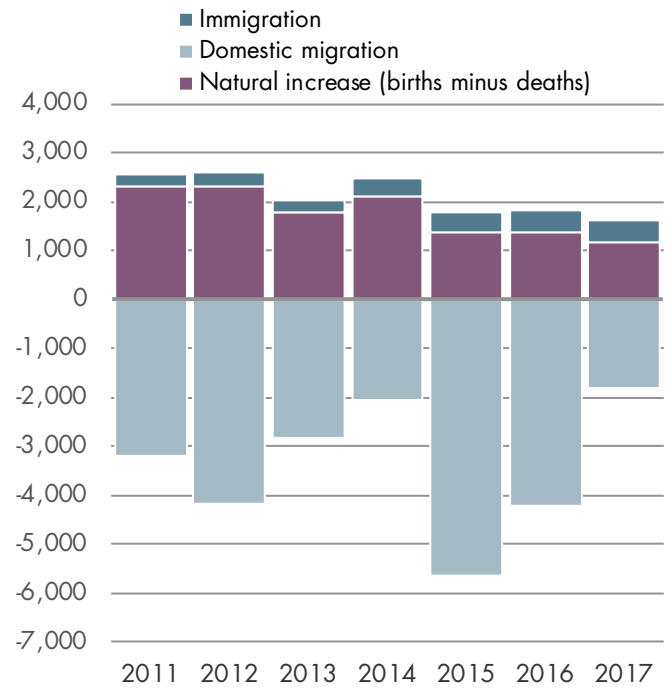


COMPARATIVE POPULATION TRENDS

INDEXED TO 2010



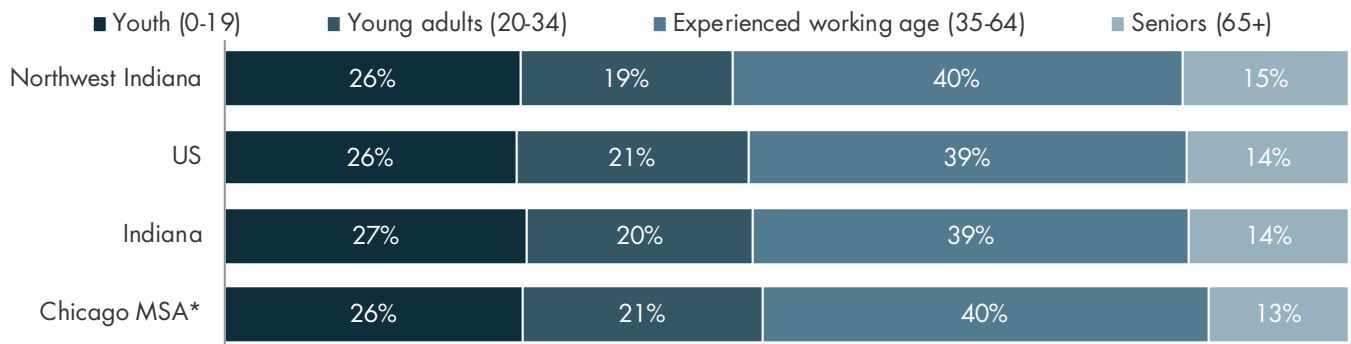
NORTHWEST INDIANA COMPONENTS OF POPULATION CHANGE



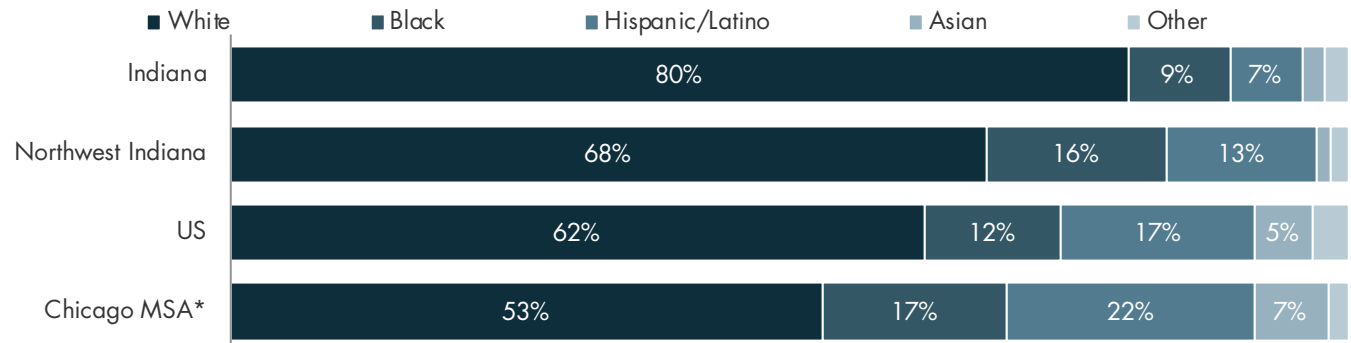
*Data for Lake, Porter, Newton, and Jasper Counties are not included in calculations for Chicago MSA figures.
Source: US Census Bureau, Population Estimates Program.

POPULATION AND DEMOGRAPHICS

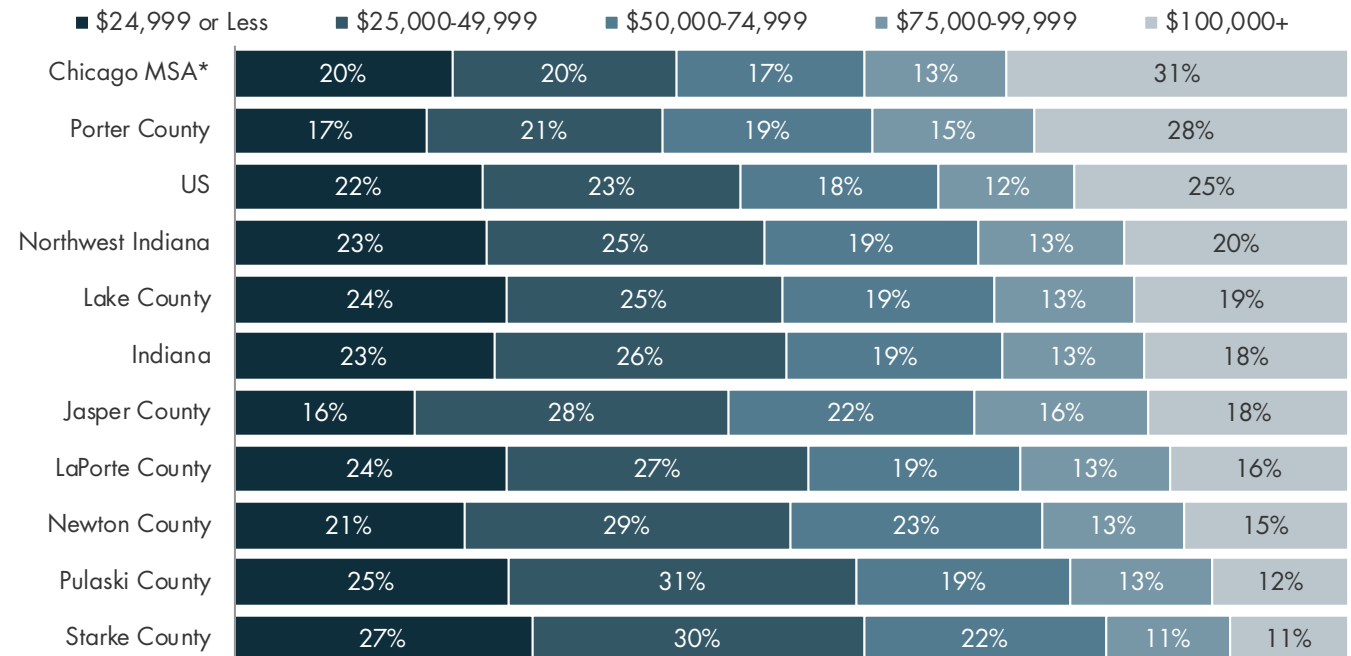
AGE STRUCTURE



RACE/ETHNICITY



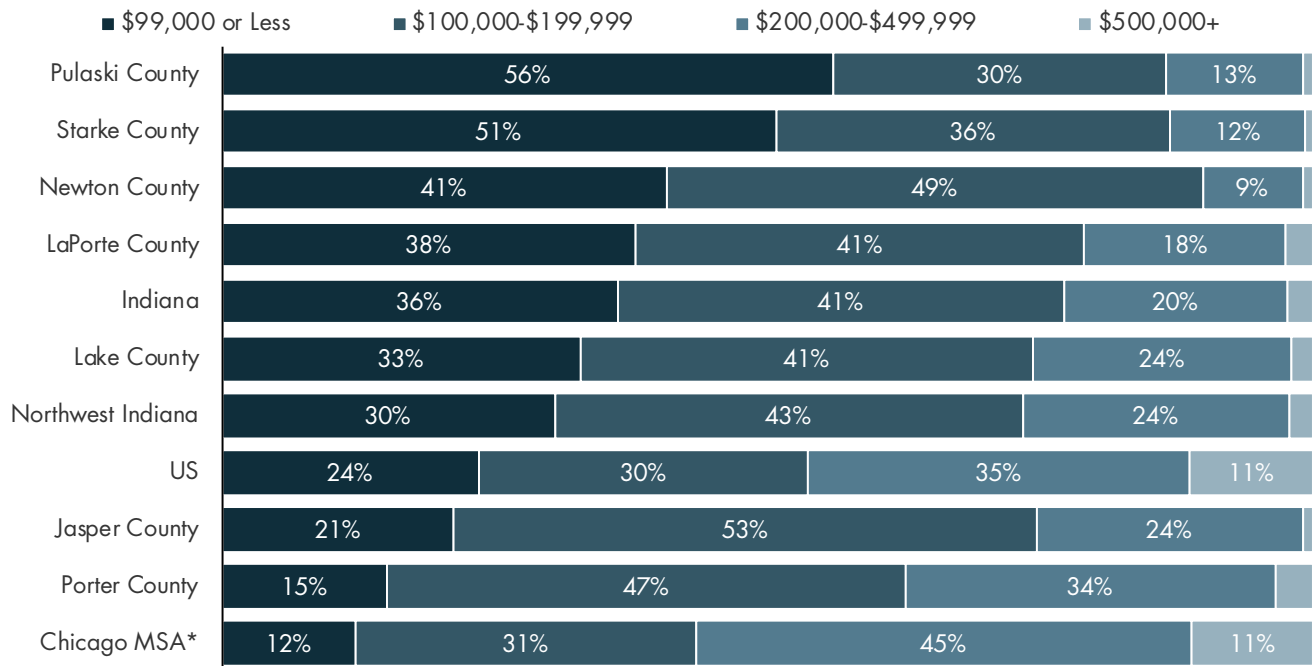
INCOME DISTRIBUTION



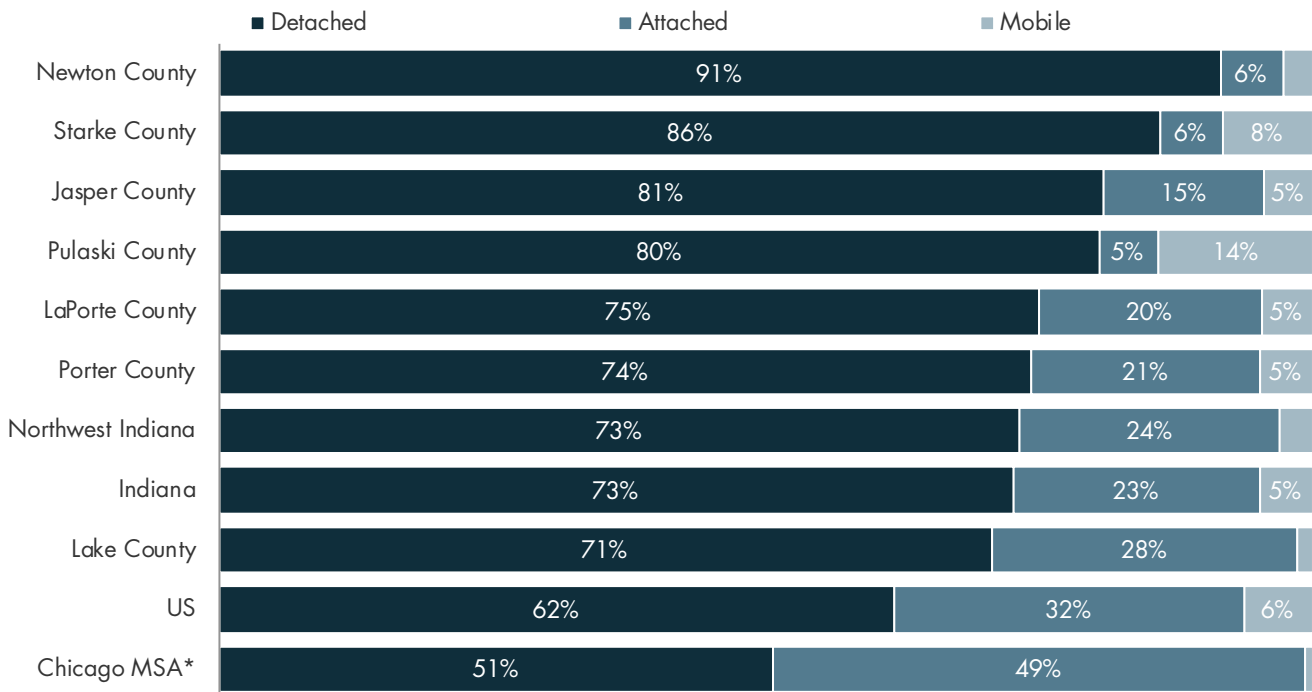
*Data for Lake, Porter, Newton, and Jasper Counties are not included in calculations for Chicago MSA figures.
 Source: US Census Bureau, American Community Survey, 5-year averages for the period 2012-2016.
 Notes: Hispanics might be of any race. All other racial categories represent non-Hispanics.

POPULATION AND DEMOGRAPHICS

HOUSING VALUE DISTRIBUTION



COMPOSITION OF HOUSING STOCK



*Data for Lake, Porter, Newton, and Jasper Counties are not included in calculations for Chicago MSA figures. Source: US Census Bureau, American Community Survey, 5-year averages for the period 2012-2016.



WORKFORCE AND COMMUTING

KEY FINDINGS

The region's labor force has not grown in over 20 years.

Between 1994 and 2017, Northwest Indiana's civilian labor force remained essentially stationary at about 400,000. This reflects the lack of overall population growth in the region.

The participation rate of the region's labor force is below average.

The percentage of Northwest Indiana's working population (age 16–64 years) that is currently employed or looking for work (61 percent) was lower than the rates for the nation (63 percent), the state (64 percent), and the Chicago MSA (67 percent) in 2017. Lower rates of labor force participation in the region are true for males and females.

Unemployment rates in Northwest Indiana have been trending down since the Great Recession.

The region's 2017 annual average unemployment rate was the lowest it has been in 10 years. From a high of over 10 percent in 2010 to 4.5 percent in 2017, the unemployment rate has fallen by more than half. The regional unemployment rate has trended closely to the Chicago MSA, but has been slightly higher than state and national rates during the recovery since the Great Recession of 2007 to 2009.

More Northwest Region residents commute out of the region for work than commute in.

According to the US Census Bureau, in 2015 an average of 107,922 Northwest Indiana residents commuted to jobs outside the region. Conversely, 56,241 workers commuted to jobs in Northwest Indiana from outside the region. The difference of 51,681 commuters in 2015 was the highest net loss of commuters of the previous 10 years. A substantial percentage of outbound commuters were 30 to 54 years of age and earned \$39,996 a year or more. Over a quarter of the inbound commuters were age 29 or younger and earned \$15,000 a year or less.

The manufacturing sector was the industry that accounted for the largest number of outbound commuters.

An average of over 9,700 people left the region to work in the manufacturing sector in 2015, which is more than twice the amount of the next largest sector—healthcare (4,485). The only sectors that drew in a net inflow of workers were agriculture (215) and utilities (18).

WORKFORCE AND COMMUTING

LABOR MARKET OVERVIEW, 2017

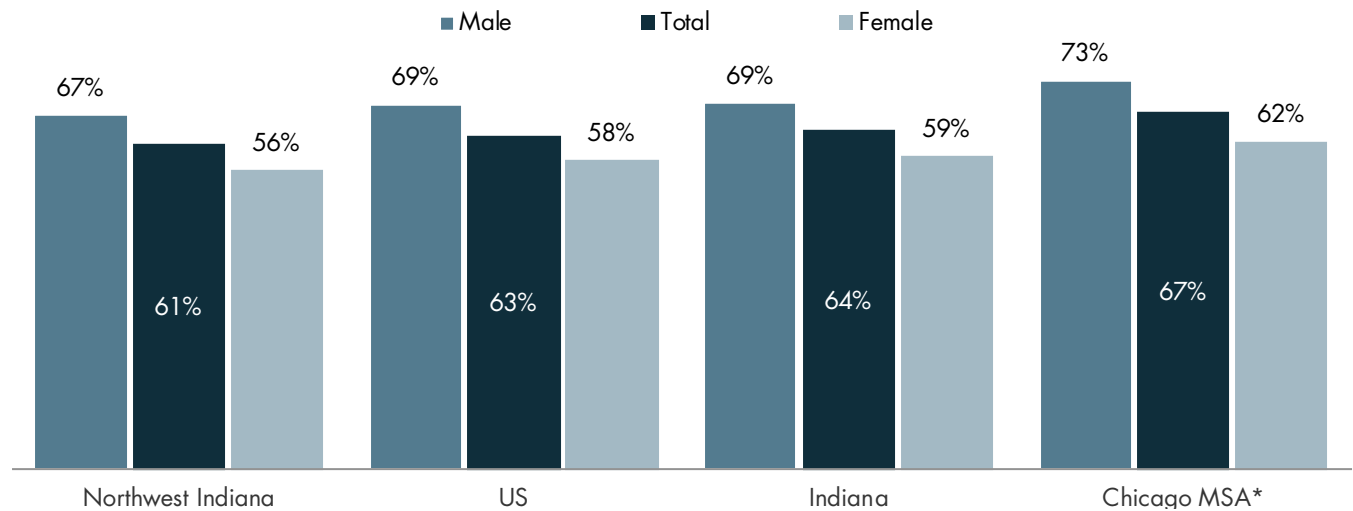
IN THOUSANDS

GEOGRAPHY	CIVILIAN LABOR FORCE	EMPLOYMENT	UNEMPLOYMENT	UNEMPLOYMENT RATE
Northwest Indiana	401	382	19	4.8%
Chicago MSA*	4,542	4,327	215	4.7%
Indiana	3,320	3,203	117	3.5%
US	160,320	153,337	6,982	4.4%

NORTHWEST INDIANA CIVILIAN LABOR FORCE



LABOR FORCE PARTICIPATION



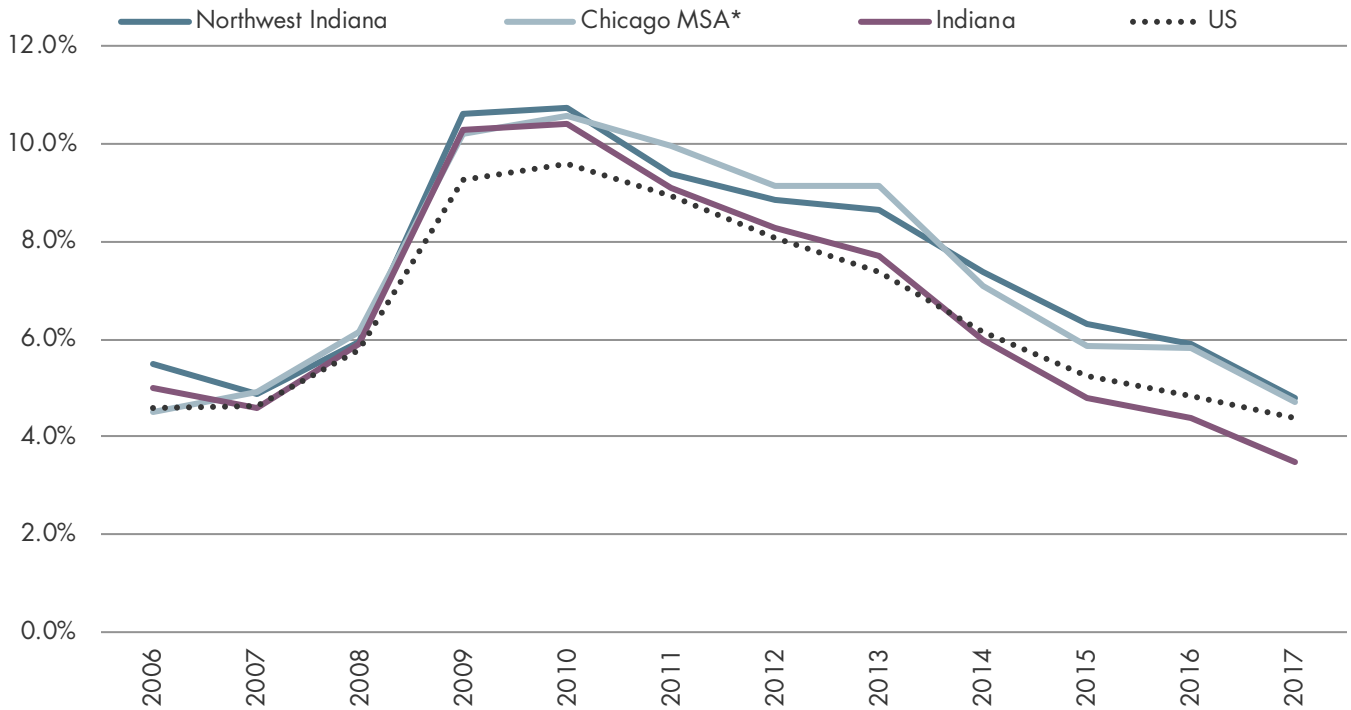
*Data for Lake, Porter, Newton, and Jasper Counties are not included in calculations for Chicago MSA figures.

Sources: (top two figures) US Bureau of Labor Statistics, Current Population Survey (national figures) and Local Area Unemployment Statistics (state and local); (bottom figure) US Census Bureau, American Community Survey, 5-year averages for the period 2012-2016.

Note: Annual averages for 2017 were calculated based on available monthly figures and are not official releases.

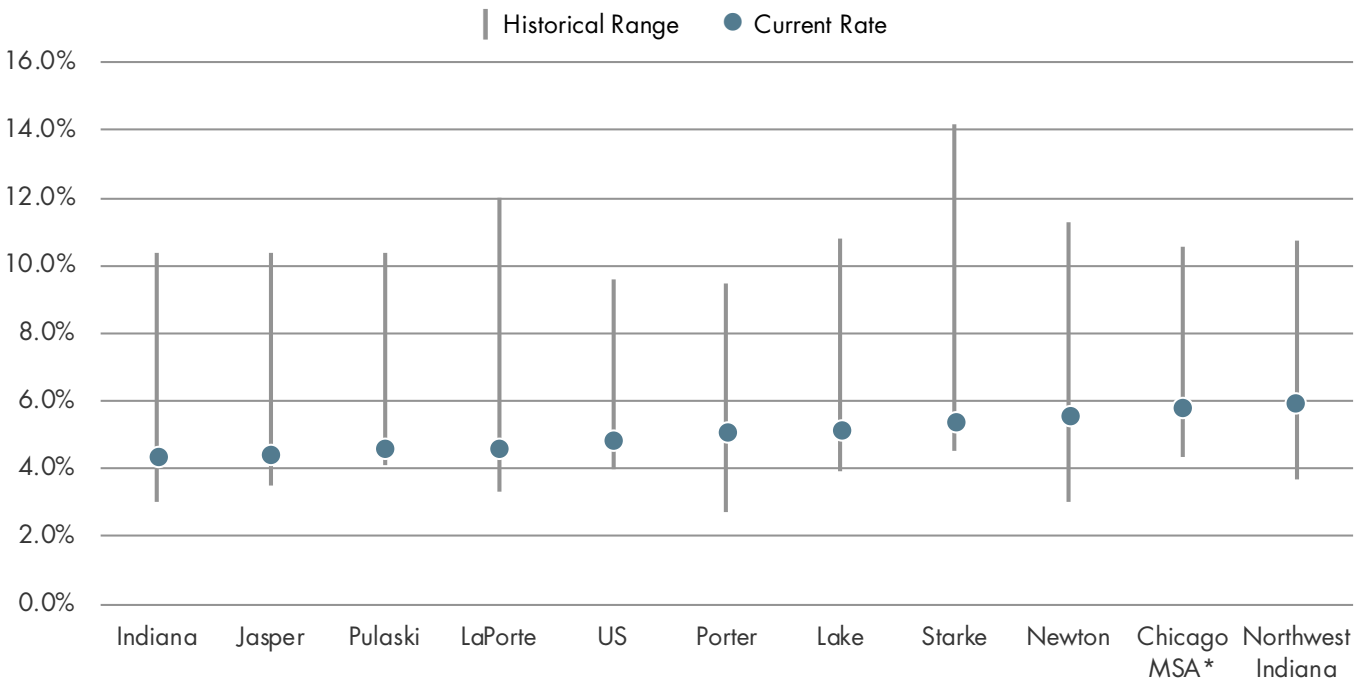
WORKFORCE AND COMMUTING

UNEMPLOYMENT RATES



HISTORICAL RANGE AND CURRENT UNEMPLOYMENT RATE

HISTORICAL RANGE = 1990 TO PRESENT YEAR



*Data for Lake, Porter, Newton, and Jasper Counties are not included in calculations for Chicago MSA figures.

Source: US Bureau of Labor Statistics, Current Population Survey (national figures) and Local Area Unemployment Statistics (state and local).

Note: Annual averages for 2017 were calculated based on available monthly figures and are not official releases.

WORKFORCE AND COMMUTING

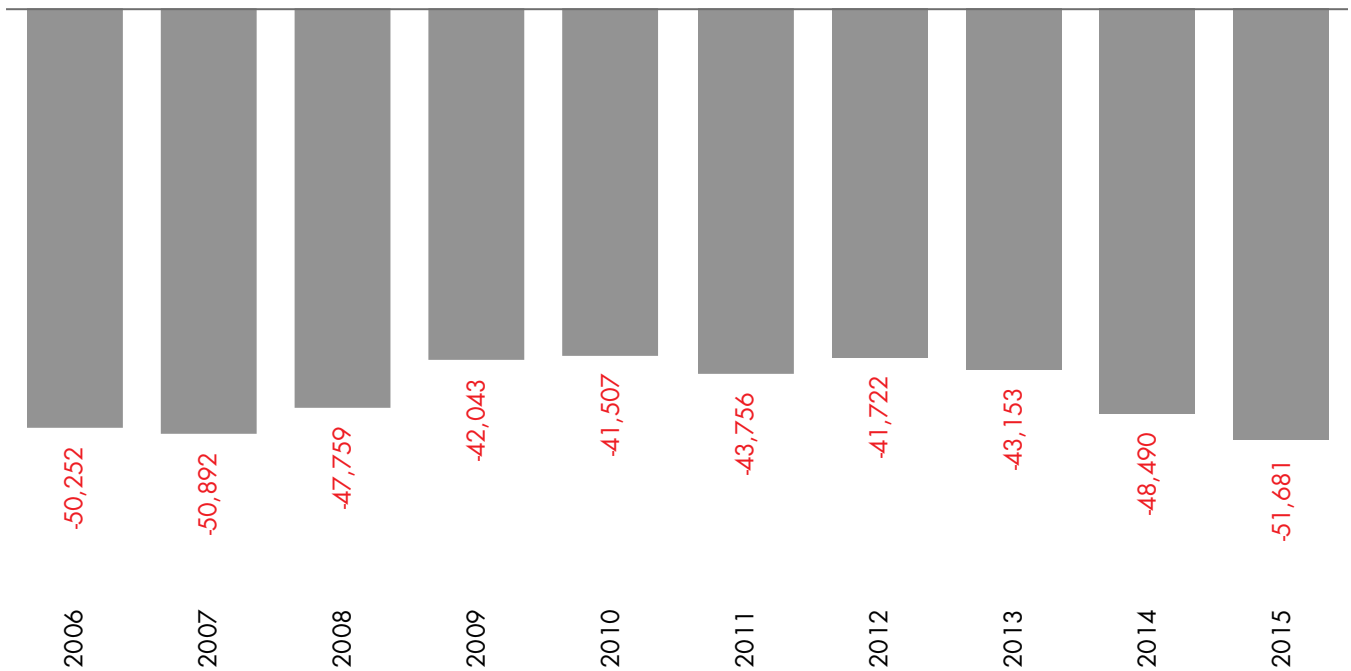
INFLOW/OUTFLOW FOR NORTHWEST INDIANA, 2015

FLOW OF WORKERS TO/FROM THE AREA



NORTHWEST INDIANA NET COMMUTING FLOWS, 2006 TO 2015

NET FLOWS = INBOUND - OUTBOUND FLOWS



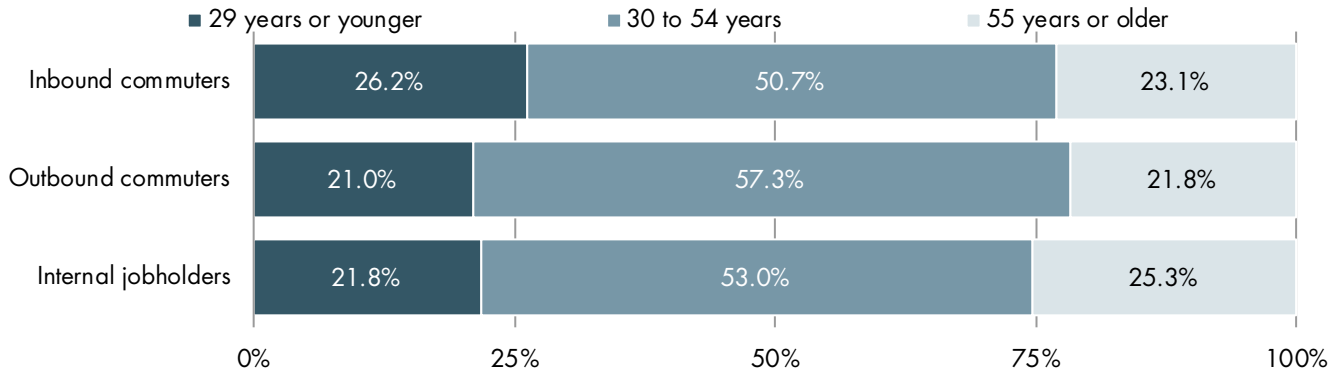
Source: US Census Bureau, Local Employment Dynamics.

Note: (top figure) Overlay arrows are for illustrative purposes and do not indicate directionality of worker flow between home and employment locations.

WORKFORCE AND COMMUTING

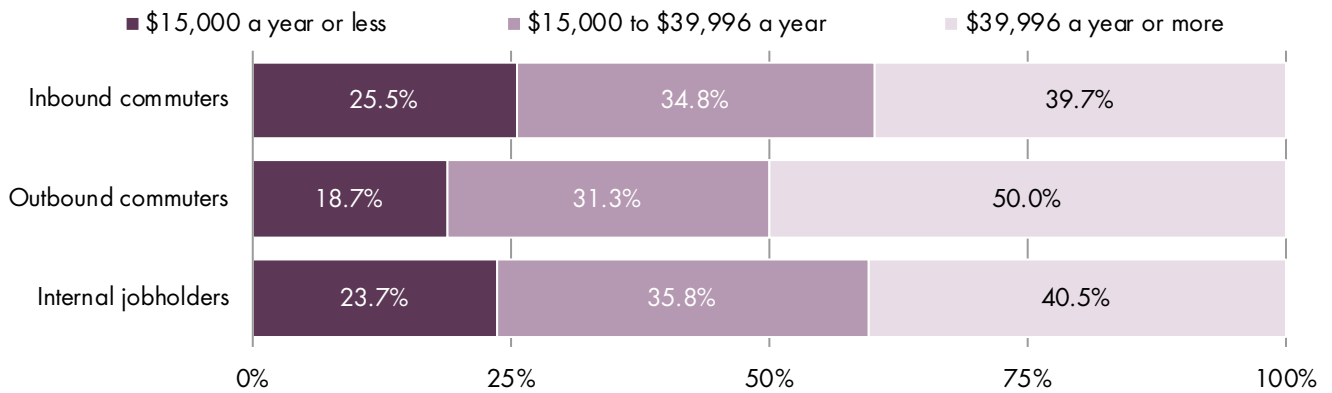
AGE OF WORKERS BY COMMUTING STATUS

SHARE OF WORKERS BY TYPE OF COMMUTING FLOW (INTERNAL, OUTBOUND, INBOUND)



EARNINGS OF WORKERS BY COMMUTING STATUS

SHARE OF WORKERS BY TYPE OF COMMUTING FLOW (INTERNAL, OUTBOUND, INBOUND)

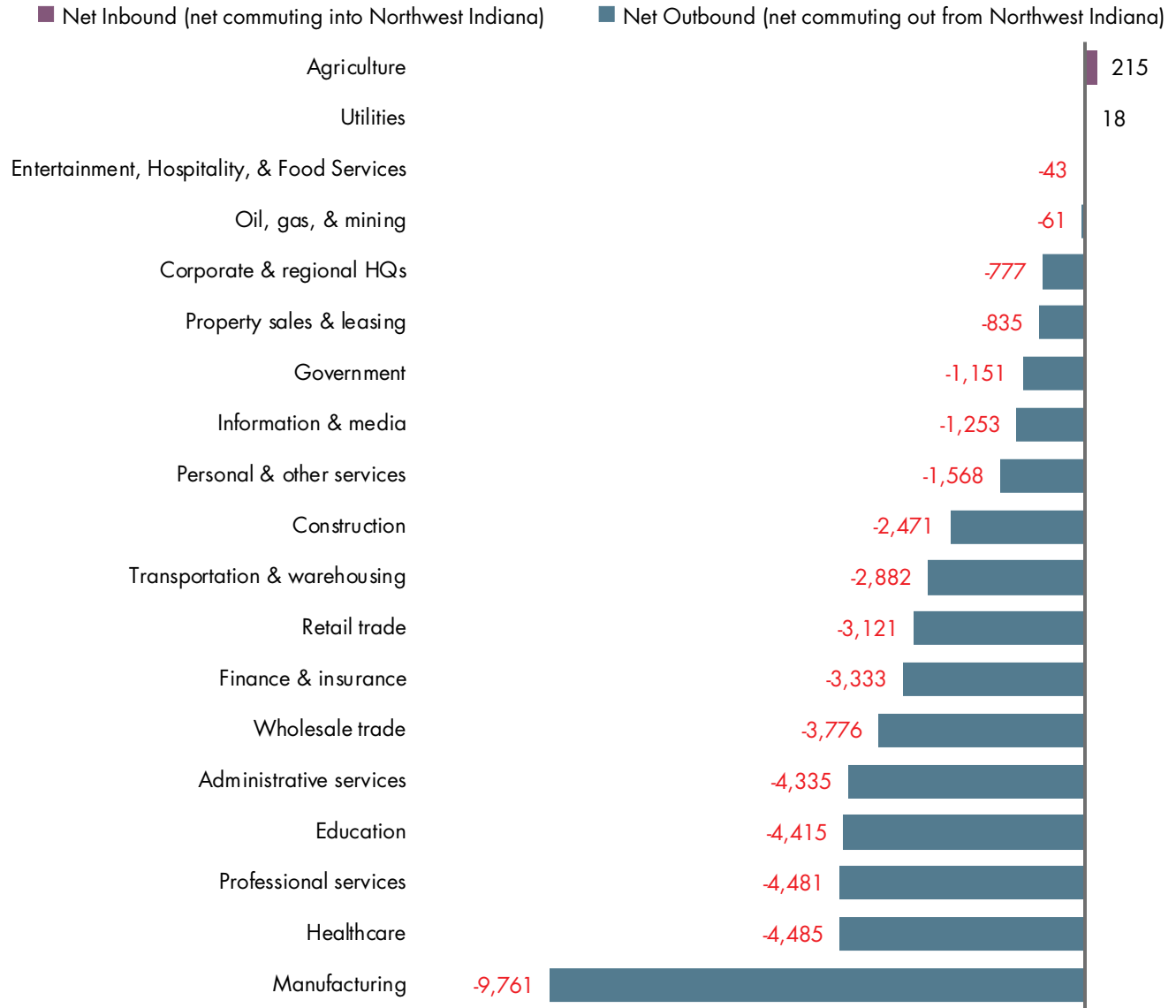


Source: US Census Bureau, Local Employment Dynamics.

WORKFORCE AND COMMUTING

NET COMMUTING FLOWS BY NAICS* INDUSTRY SECTOR, 2015

NET FLOWS = INBOUND - OUTBOUND FLOWS



Source: US Census Bureau, Local Employment Dynamics.
 * North American Industry Classification System.

WORKFORCE AND COMMUTING

TOP 20 SOURCES OF WORKERS, 2015

AREAS WHERE NORTHWEST INDIANA WORKERS LIVE, WITH NET FLOW

	People who WORK in Northwest Indiana and live in this city	People who LIVE in Northwest Indiana and work in this city	Net flow
1 Gary city, IN	15,831	22,865	-7,034
2 Hammond city, IN	15,634	20,133	-4,499
3 Portage city, IN	12,690	11,247	+1,443
4 Valparaiso city, IN	11,008	20,393	-9,385
5 Merrillville town, IN	10,424	16,885	-6,461
6 Hobart city, IN	9,664	11,024	-1,360
7 Crown Point city, IN	9,330	12,906	-3,576
8 Michigan City city, IN	9,221	13,285	-4,064
9 Schererville town, IN	8,525	7,041	+1,484
10 Highland town, IN	7,603	8,174	-571
11 La Porte city, IN	6,741	9,666	-2,925
12 Munster town, IN	5,664	10,112	-4,448
13 Chicago city, IL	5,524	21,596	-16,072
14 East Chicago city, IN	5,246	13,802	-8,556
15 Griffith town, IN	4,979	3,735	+1,244
16 Chesterton town, IN	4,671	4,637	+34
17 St. John town, IN	4,114	3,942	+172
18 Dyer town, IN	3,955	3,654	+301
19 Cedar Lake town, IN	3,811	1,368	+2,443
20 Lake Station city, IN	3,761	1,386	+2,375

Source: US Census Bureau, Local Employment Dynamics.



INDUSTRIES AND OCCUPATIONS

KEY FINDINGS

The rate of annual job growth in the region has remained generally flat in recent years.

Over the past 5 years, the rate of annual job growth fluctuated around 0.0 percent. Moreover, job growth in the region has lagged the Chicago MSA, the state, and the nation over this same period.

The region has not regained the jobs that were lost due to the Great Recession.

Total employment in the region stood at a high of 358,000 jobs in 2007, subsequently falling to a low of 335,000 in 2010. From 2012 to 2015, the total number of jobs remained about 342,000, finally rising to a postrecession high of 344,000 in 2017.

Healthcare, manufacturing, and retail trade are the largest employment sectors in the region.

The distribution of the region's industry employment is similar to the Chicago MSA, state, and nation. The main exception is the region's higher percentage of employment in manufacturing (13.4 percent) compared to the Chicago MSA (8.4 percent) and the nation (8.0 percent). In terms of employment concentration (measured by location quotients), Northwest Indiana shows comparative advantages in the utilities, manufacturing, and transportation & warehousing sectors.

Industry sector job growth has been led by healthcare, hospitality, and retail trade in the region.

Together, these three sectors have accounted for 75 percent of the 8,500 net jobs that were created from 2012 to 2017. Conversely, the sectors that experienced the largest employment losses over the period were construction (-3,196), education (-1,254), and manufacturing (-791). The loss of construction jobs might in part be tied to the completion of the massive refurbishment project at the BP Whiting Refinery, which involved over 12,000 construction workers.

The region's largest industries are mirrored in its largest occupational groups.

Over 45,000 people in the region work in office & administrative support jobs (which contributes to a range of industries, including manufacturing and healthcare) and 35,000 people work in food services and sales jobs. Together, these three occupational groups account for one-third of jobs in Northwest Indiana. Almost 30,000 people are employed in production occupations, demonstrating the importance of manufacturing to the region. This comparative strength is also reflected in the 1.47 location quotient (LQ) for production occupations and the 1.43 LQ for maintenance, installation, and repair occupations. These two occupational groups are primarily classified as middle-skill occupations, which require a high school diploma and some additional training but less than a bachelor's degree. Compared to the US, Northwest Indiana has a higher share of middle-skill jobs, but a lower share of high-skill jobs.

Most of the highest-paying occupational groups, nationally, pay notably lower wages in Northwest Indiana, such as management; computer and mathematical; architecture and engineering; business and financial operations; and life, physical, and social science. Only construction and extraction; production; and installation, maintenance, and repair pay slightly higher wages in the region compared to the nation.

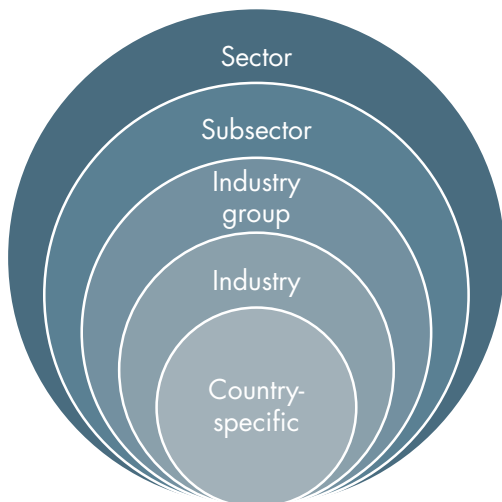
CLASSIFICATION SYSTEMS

Much of the data presented in this section are organized under one of two federal classification systems.

The **North American Industry Classification System (NAICS)** (pronounced nakes) was developed for use by federal statistical agencies in classifying business establishments for the collection, tabulation, presentation, and analysis of statistical data describing the US economy. The classification system was developed jointly with government agencies in Canada and Mexico to allow for a high level of comparability in business statistics among the North American countries. It classifies industries into 20 sectors based on production processes. These sectors are broken into subsectors, industry groups, and individual industries, with an additional level of detail to accommodate industry codes specific to the three countries.

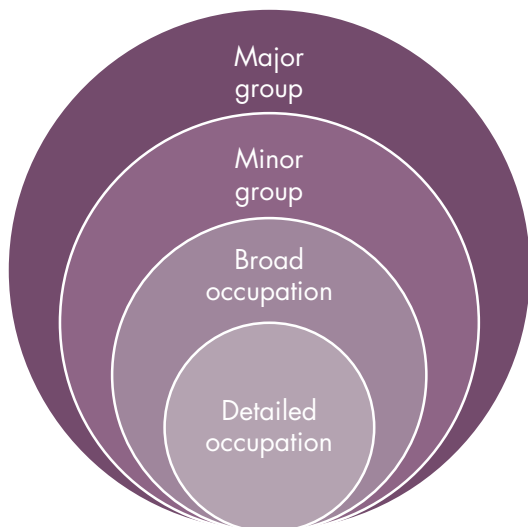
The **Standard Occupational Classification (SOC)** system is used by federal statistical agencies to classify workers into categories for the purpose of collecting, calculating, or disseminating data. This system groups all occupations in which work is performed for pay or profit according to the type of work performed and, in some cases, on the skills, education, or training needed to perform the work at a competent level. Under the current (2010) SOC system, workers are classified into one of 840 detailed occupations, which are combined to form 461 broad occupations, 97 minor groups, and 23 major groups.

NORTH AMERICAN INDUSTRIAL CLASSIFICATION SYSTEM (NAICS) STRUCTURE AND EXAMPLE



- **Sector** 31-33 Manufacturing
 - **Subsector** 336 Transportation equipment manufacturing
 - **Industry group** 3361 Motor vehicle manufacturing
 - **Industry** 33611 Automobiles & light duty motor vehicles, incl. chassis
 - **Country-specific** 336111 Automobiles & light duty motor vehicles, incl. chassis

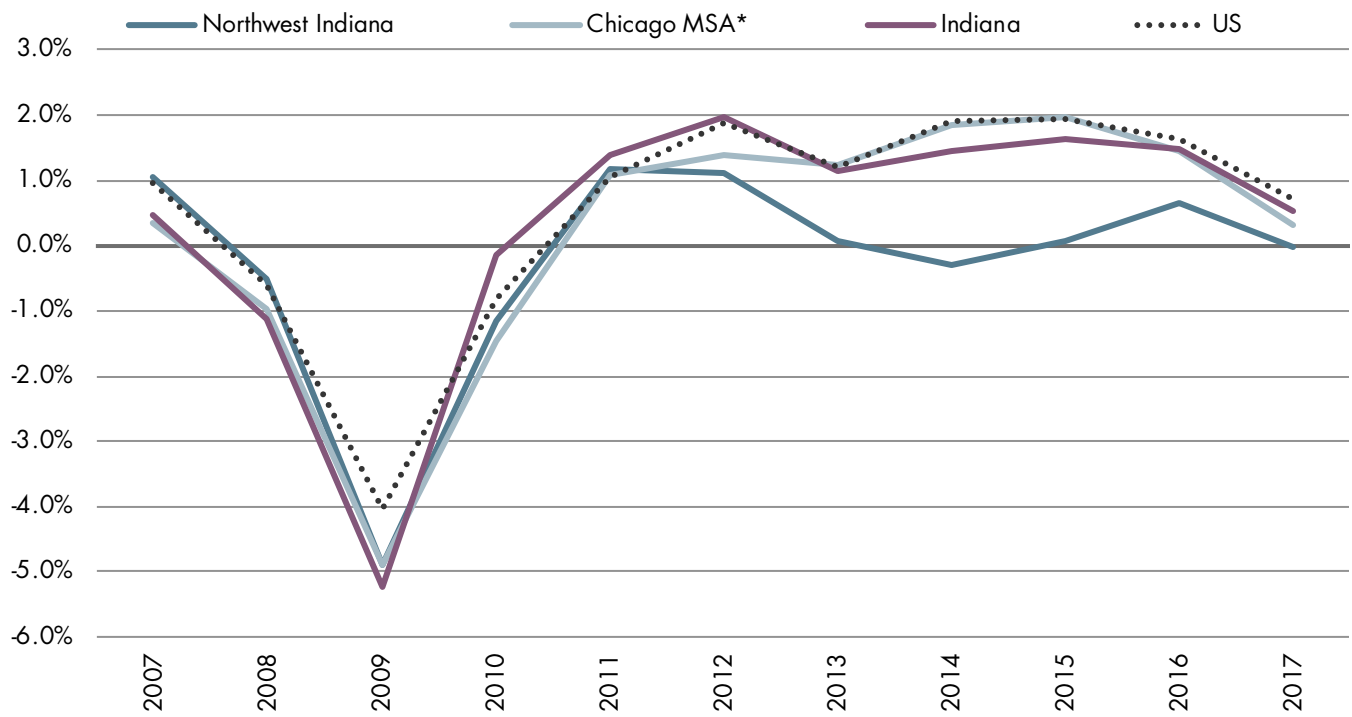
STANDARD OCCUPATIONAL CLASSIFICATION SYSTEM (SOC) STRUCTURE AND EXAMPLE



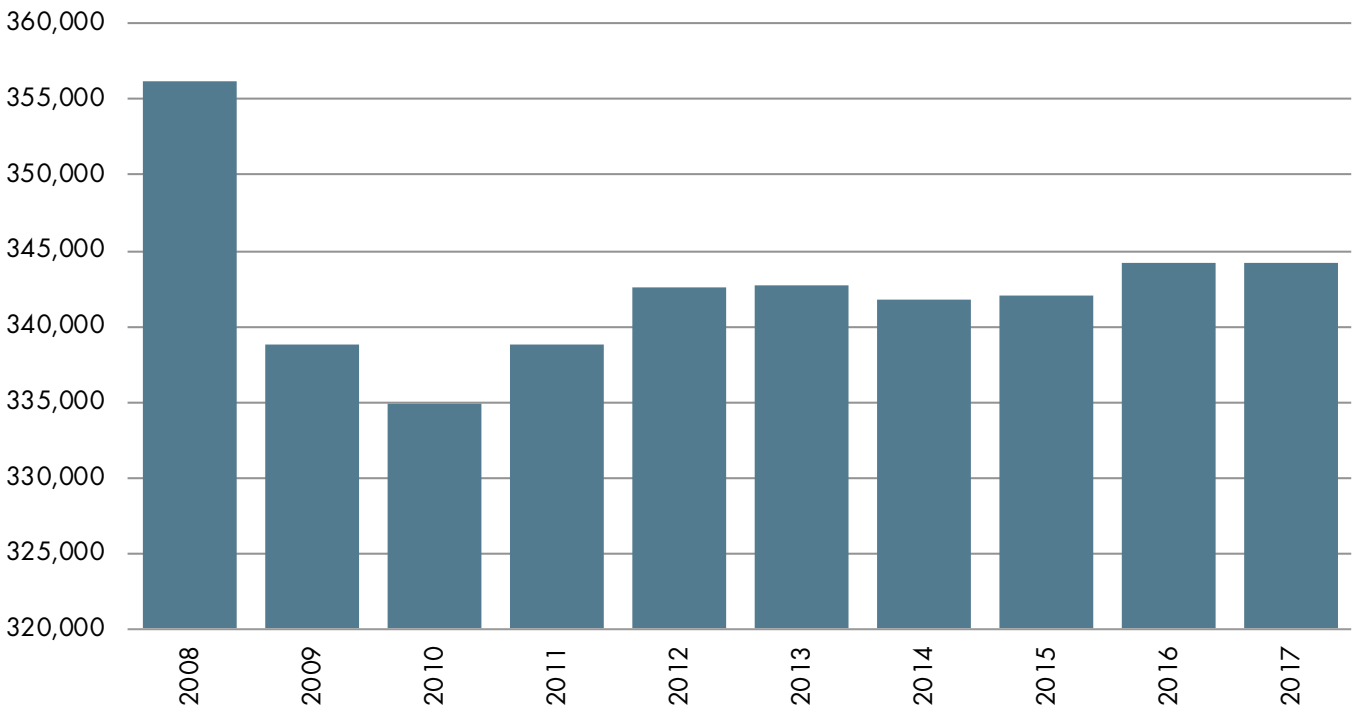
- **Major group** 51-0000 Production occupations
 - **Minor group** 51-2000 Assemblers & fabricators
 - **Broad occupation** 51-2090 Miscellaneous assemblers & fabricators
 - **Detailed occupation** 51-2092 Team assemblers

INDUSTRIES AND OCCUPATIONS

ANNUAL JOB GROWTH (%)



NORTHWEST INDIANA EMPLOYMENT



*Data for Lake, Porter, Newton, and Jasper Counties are not included in calculations for Chicago MSA figures.
 Source: EMSI 2018.1—QCEW Employees, Non-QCEW Employees, and Self-Employed.

INDUSTRIES AND OCCUPATIONS

INDUSTRY DISTRIBUTION (% OF TOTAL)

COMPARISON OF NORTHWEST INDIANA WITH SELECTED GEOGRAPHIES AND US

NAICS Code & Description	Northwest		Indiana	US
	Indiana	Chicago MSA**		
62 Healthcare & social assistance*	14.7%	12.5%	13.3%	13.4%
31-33 Manufacturing	13.4%	8.4%	16.2%	8.0%
44-45 Retail trade	12.2%	9.7%	10.5%	10.5%
71 & 72 Entertainment, Hospitality & Food Svcs	11.5%	10.1%	9.6%	10.4%
61 Education*	9.2%	9.1%	9.4%	9.4%
23 Construction	6.4%	4.2%	5.2%	5.5%
81 Personal & other services	5.4%	4.7%	4.9%	4.9%
48-49 Transportation & warehousing*	4.9%	5.2%	4.6%	3.9%
56 Administrative & support services	4.6%	7.9%	6.2%	6.3%
9039 Local government	4.2%	3.8%	3.0%	3.6%
42 Wholesale trade	3.0%	4.9%	3.7%	3.8%
54 Professional services	2.8%	8.1%	3.9%	6.5%
52 Finance & insurance	2.1%	4.9%	3.1%	3.9%
11 Agriculture & forestry	1.2%	0.2%	0.9%	1.2%
53 Property sales & leasing	1.1%	1.7%	1.2%	1.7%
9029 State government	0.8%	0.2%	0.9%	1.4%
55 Corporate & regional offices	0.8%	1.8%	1.1%	1.4%
22 Utilities	0.7%	0.3%	0.4%	0.4%
51 Information	0.7%	1.7%	1.0%	1.9%
9011 Federal government (civilian)	0.3%	0.7%	0.8%	1.4%
21 Mining (incl. oil & gas)	0.1%	0.0%	0.2%	0.4%

*Includes related public sector employment (e.g., education includes public schools, colleges, and universities; healthcare includes public hospitals; and transportation & warehousing includes US Postal Service workers).

**Data for Lake, Porter, Newton, and Jasper Counties are not included in calculations for Chicago MSA figures.

Source: EMSI 2018.1 – QCEW Employees, Non-QCEW Employees, and Self-Employed.

Note: Three largest industries are highlighted.

INDUSTRIES AND OCCUPATIONS

INDUSTRY CONCENTRATION (LQ)

COMPARISON OF NORTHWEST INDIANA WITH SELECTED GEOGRAPHIES AND US

NAICS Code & Description		Northwest Indiana	Chicago MSA**	Indiana	US
11	Agriculture & forestry	0.97	0.19	0.75	1.00
21	Mining (incl. oil & gas)	0.13	0.07	0.45	1.00
22	Utilities	2.09	0.82	1.22	1.00
23	Construction	1.16	0.77	0.95	1.00
42	Wholesale trade	0.78	1.30	0.97	1.00
51	Information	0.38	0.91	0.55	1.00
52	Finance & insurance	0.54	1.24	0.79	1.00
53	Property sales & leasing	0.67	0.99	0.74	1.00
54	Professional services	0.44	1.26	0.61	1.00
55	Corporate & regional offices	0.53	1.24	0.74	1.00
56	Administrative & support services	0.73	1.26	0.98	1.00
61	Education*	0.98	0.98	1.00	1.00
62	Healthcare & social assistance*	1.09	0.93	0.99	1.00
71 & 72	Entertainment, hospitality & food svcs	1.10	0.96	0.92	1.00
81	Personal & other services	1.11	0.97	1.01	1.00
9029	State government	0.59	0.11	0.65	1.00
9039	Local government	1.18	1.06	0.85	1.00
901199	Federal government (civilian)	0.17	0.50	0.56	1.00
31-33	Manufacturing	1.69	1.05	2.04	1.00
44-45	Retail trade	1.18	0.93	1.01	1.00
48-49	Transportation & warehousing*	1.26	1.33	1.17	1.00

ABOUT LOCATION QUOTIENTS (LQS)

Location quotient analysis is a statistical technique used to suggest areas of relative advantage based on a region’s employment base. LQs are calculated as an industry’s share of total local employment divided by the same industry’s share of employment at the national level.

$$\frac{(\text{local employment in industry } x / \text{total local employment-all industries})}{(\text{national employment in industry } x / \text{total national employment-all industries})}$$

If the local industry and national industry are perfectly proportional, the LQ will be 1.00. LQs greater than 1.25 are presumed to indicate a comparative advantage; those below 0.75 suggest areas of weakness but also point to opportunities for expansion or attraction.

*Includes related public sector employment (e.g., education includes public schools, colleges, and universities; healthcare includes public hospitals; and transportation & warehousing includes US Postal Service workers).

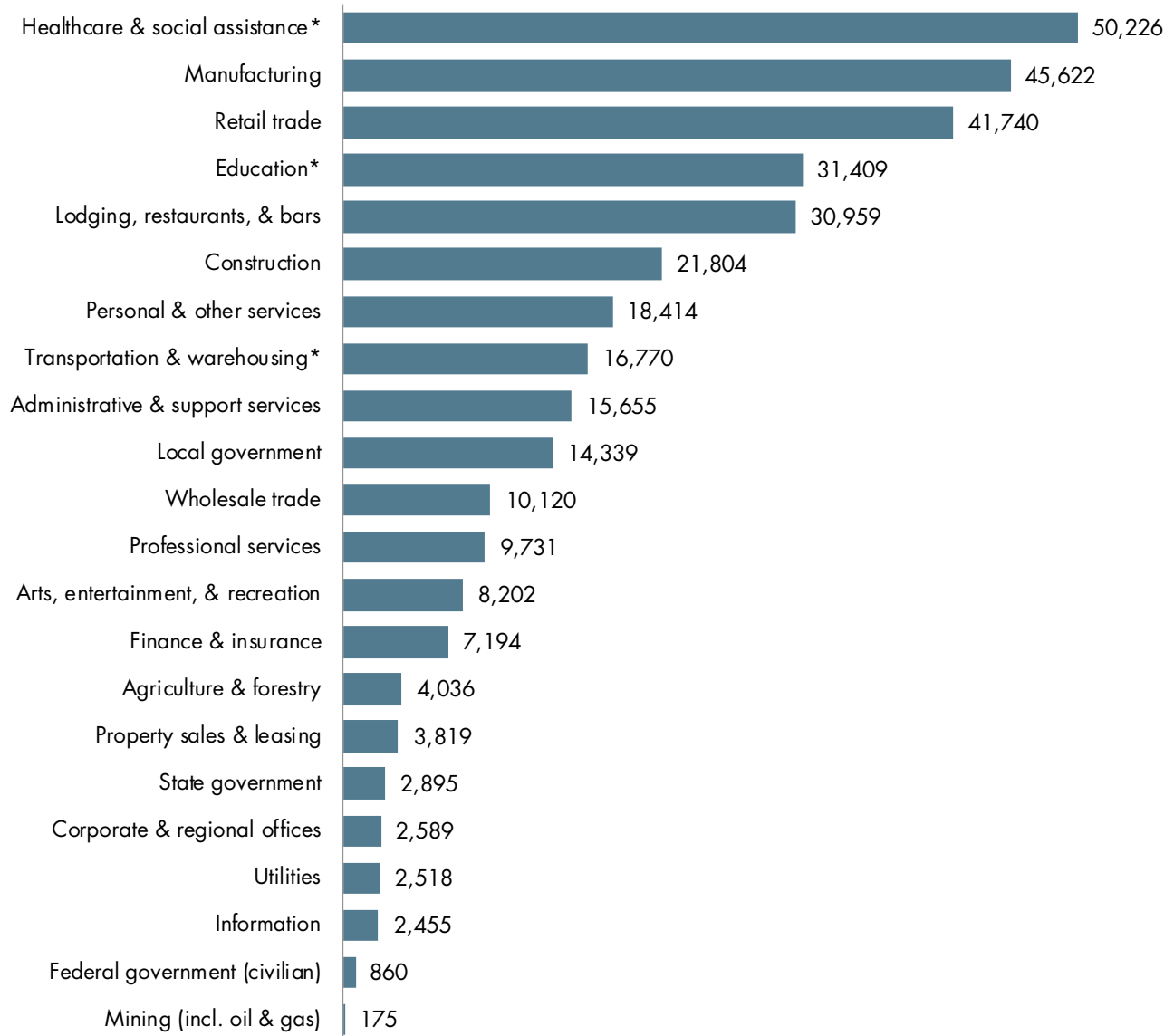
**Data for Lake, Porter, Newton, and Jasper Counties are not included in calculations for Chicago MSA figures.

Source: EMSI 2018.1 – QCEW Employees, Non-QCEW Employees, and Self-Employed.

Note: LQs greater than 1.25 are presumed to show competitive advantage and are highlighted.

INDUSTRIES AND OCCUPATIONS

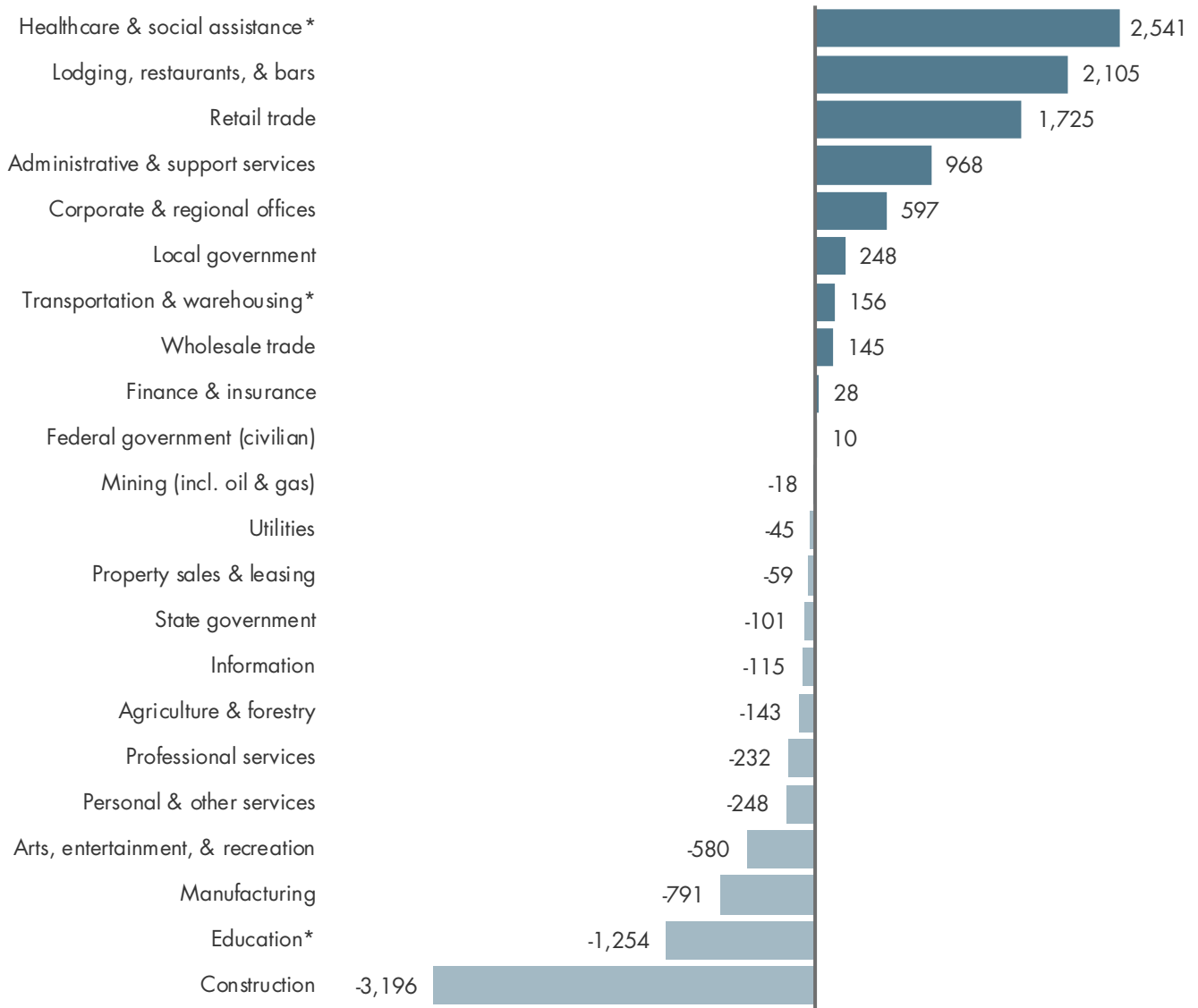
NORTHWEST INDIANA JOB BASE BY INDUSTRY SECTOR, 2017



*Includes related public sector employment (e.g., education includes public schools, colleges, and universities; healthcare includes public hospitals; and transportation & warehousing includes US Postal Service workers).
 Source: EMSI 2018.1 – QCEW Employees, Non-QCEW Employees, and Self-Employed.

INDUSTRIES AND OCCUPATIONS

NORTHWEST INDIANA NET CHANGE IN JOBS, 2012-2017

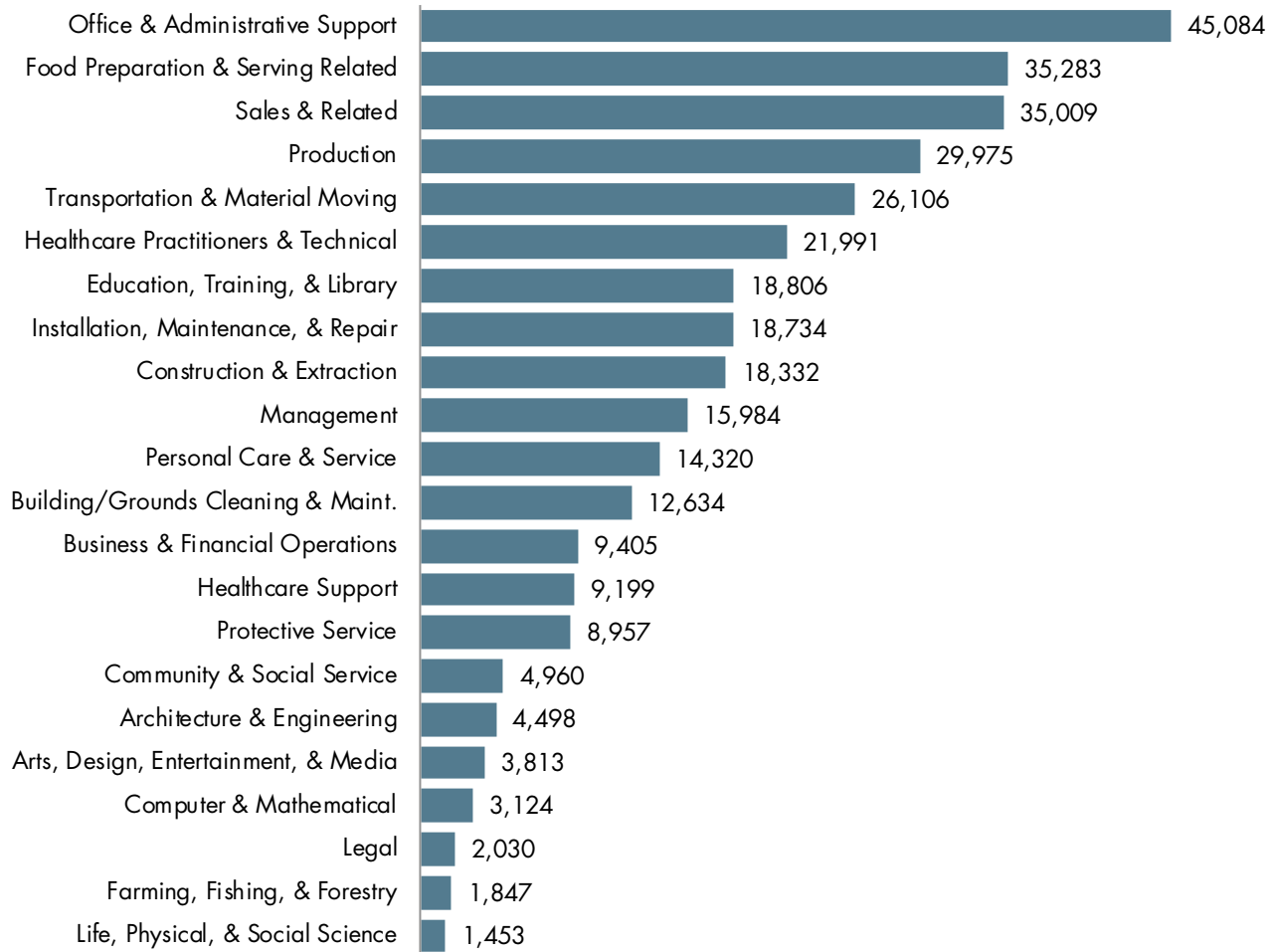


*Includes related public sector employment (e.g., education includes public schools, colleges, and universities; healthcare includes public hospitals; and transportation & warehousing includes US Postal Service workers).
 Source: EMSI 2018.1 – QCEW Employees, Non-QCEW Employees, and Self-Employed.

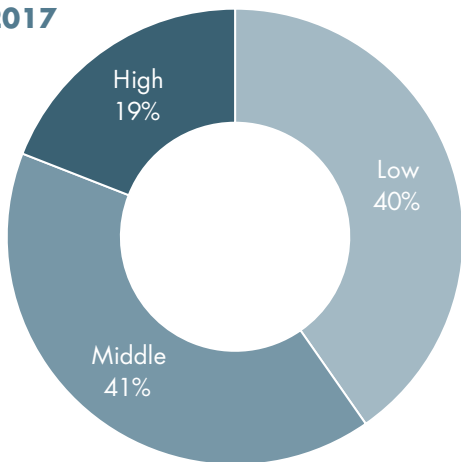
INDUSTRIES AND OCCUPATIONS

EMPLOYMENT BY OCCUPATION

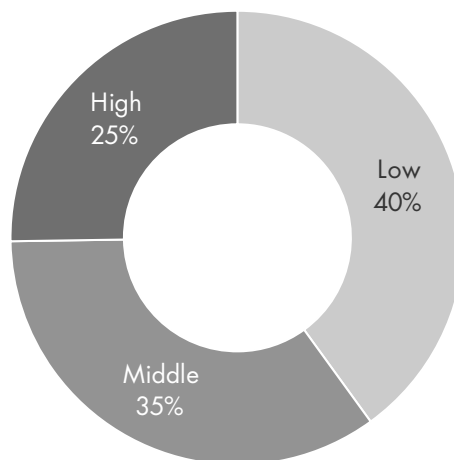
NORTHWEST INDIANA



NORTHWEST INDIANA OCCUPATIONS BY SKILL LEVEL, 2017



US OCCUPATIONS BY SKILL LEVEL, 2017



Source: EMSI 2018.1 – QCEW Employees, Non-QCEW Employees, and Self-Employed.
 Note: Excludes military and unclassified occupations.

INDUSTRIES AND OCCUPATIONS

OCCUPATIONAL DISTRIBUTION (% OF TOTAL)

COMPARISON OF NORTHWEST INDIANA WITH SELECTED GEOGRAPHIES AND US

SOC Code & Description	Northwest		Indiana	US
	Indiana	Chicago MSA*		
43 Office & Administrative Support	13.2%	15.0%	14.0%	15.1%
35 Food Preparation & Serving Related	10.3%	7.9%	8.7%	8.5%
41 Sales & Related	10.3%	9.8%	9.3%	10.1%
51 Production	8.8%	6.5%	11.6%	6.0%
53 Transportation & Material Moving	7.6%	8.1%	8.2%	6.6%
29 Healthcare Practitioners & Technical	6.4%	5.4%	5.9%	5.6%
25 Education, Training, & Library	5.5%	5.8%	5.1%	5.8%
49 Installation, Maintenance, & Repair	5.5%	3.2%	4.4%	3.8%
47 Construction & Extraction	5.4%	3.2%	4.3%	4.5%
11 Management	4.7%	7.5%	5.2%	5.5%
39 Personal Care & Service	4.2%	3.8%	3.5%	4.2%
37 Building/Grounds Cleaning & Maint.	3.7%	3.2%	3.5%	3.8%
13 Business & Financial Operations	2.8%	5.8%	3.9%	5.1%
31 Healthcare Support	2.7%	2.7%	2.5%	2.8%
33 Protective Service	2.6%	2.5%	1.9%	2.3%
21 Community & Social Service	1.5%	1.4%	1.5%	1.7%
17 Architecture & Engineering	1.3%	1.4%	1.5%	1.7%
27 Arts, Design, Entertainment, & Media	1.1%	1.7%	1.4%	1.8%
15 Computer & Mathematical	0.9%	3.2%	1.9%	2.9%
23 Legal	0.6%	0.9%	0.5%	0.8%
45 Farming, Fishing, & Forestry	0.5%	0.1%	0.5%	0.8%
19 Life, Physical, & Social Science	0.4%	0.6%	0.6%	0.8%

*Data for Lake, Porter, Newton, and Jasper Counties are not included in calculations for Chicago MSA figures.

Source: EMSI 2018.1 – QCEW Employees, Non-QCEW Employees, and Self-Employed.

Notes: Excludes military and unclassified employment. Three largest occupations are highlighted.

INDUSTRIES AND OCCUPATIONS

OCCUPATIONAL CONCENTRATION (LQ)

COMPARISON OF NORTHWEST INDIANA WITH SELECTED GEOGRAPHIES AND US

SOC Code & Description	Northwest			US
	Indiana	Chicago MSA*	Indiana	
51 Production	1.47	1.10	1.95	1.00
49 Installation, Maintenance, & Repair	1.43	0.84	1.15	1.00
35 Food Preparation & Serving Related	1.22	0.93	1.03	1.00
47 Construction & Extraction	1.19	0.71	0.96	1.00
33 Protective Service	1.16	1.11	0.84	1.00
29 Healthcare Practitioners & Technical	1.16	0.96	1.05	1.00
53 Transportation & Material Moving	1.15	1.22	1.23	1.00
41 Sales & Related	1.02	0.97	0.93	1.00
39 Personal Care & Service	1.00	0.91	0.83	1.00
37 Building/Grounds Cleaning & Maint.	0.98	0.84	0.93	1.00
31 Healthcare Support	0.97	0.98	0.91	1.00
25 Education, Training, & Library	0.96	1.01	0.89	1.00
21 Community & Social Service	0.88	0.86	0.92	1.00
43 Office & Administrative Support	0.87	0.99	0.92	1.00
11 Management	0.85	1.37	0.94	1.00
17 Architecture & Engineering	0.79	0.84	0.90	1.00
23 Legal	0.72	1.12	0.65	1.00
45 Farming, Fishing, & Forestry	0.70	0.19	0.61	1.00
27 Arts, Design, Entertainment, & Media	0.61	0.94	0.76	1.00
13 Business & Financial Operations	0.54	1.14	0.76	1.00
19 Life, Physical, & Social Science	0.53	0.77	0.79	1.00
15 Computer & Mathematical	0.32	1.11	0.66	1.00

*Data for Lake, Porter, Newton, and Jasper Counties are not included in calculations for Chicago MSA figures.

Source: EMSI 2018.1 – QCEW Employees, Non-QCEW Employees, and Self-Employed.

Notes: Excludes military and unclassified employment. LQs greater than 1.25 are presumed to show competitive advantage and are highlighted.

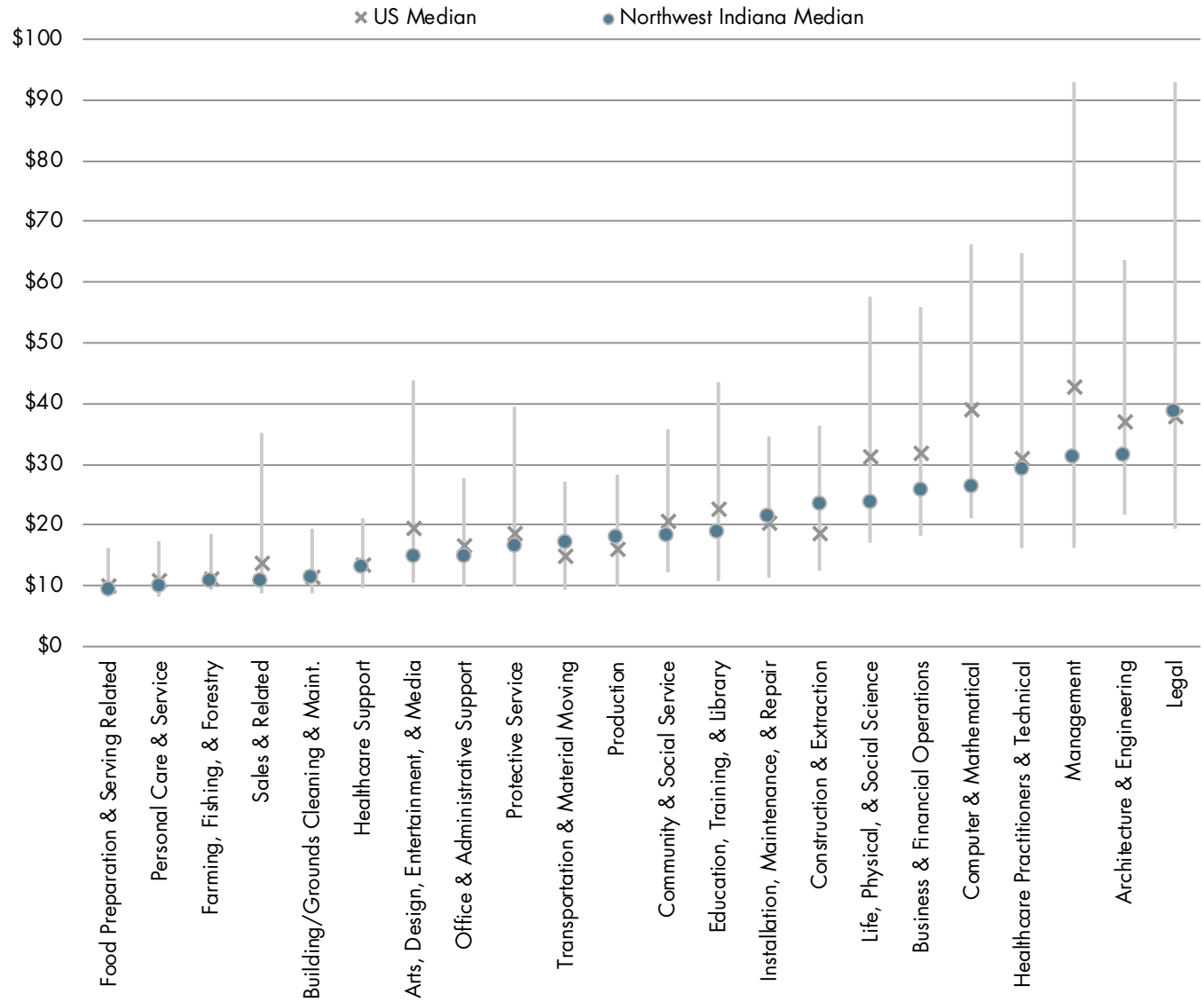
INDUSTRIES AND OCCUPATIONS

NORTHWEST INDIANA WAGES IN THE CONTEXT OF THE NATIONAL WAGE RATES

BY MAJOR OCCUPATIONAL GROUP

Line = US wage range from the 10th to the 90th percentile

Markers = Median hourly wage rates for US (x) and Northwest Indiana (dot)



Source: EMSI 2018.1 – QCEW Employees, Non-QCEW Employees, and Self-Employed.

Note: Figures exclude military occupations.

APPENDIX 3. LEADERSHIP GROUP MEMBERS

NAME	ORGANIZATION
Kyle Allen Jr.	Lake County, Indiana
Don Babcock	Northern Indiana Public Service Company (NIPSCO)
Speros Batistatos	South Shore Convention & Visitors Authority
Julie Bieszczat	Barney Enterprises Management Services
Wade Breitzke	WeCreate Media
Chris Campbell	Centier Bank
Joe Coar	Tonn and Blank Construction
Tom Collins Jr.	Luke Oil
Bert Cook	Greater La Porte Economic Development Corporation (GLEDC)
Rick Dekker	Dekker Vacuum Technologies
Erica Dombey	Regional Development Company (RDC)
George Douglas	Indiana Beverage
Stephen Eastridge	Jasper County Economic Development Organization
Heather Ennis	Northwest Indiana Forum (NWIF)
Cem Gercek	Carmeuse Lime & Stone
Ron Gifford	Starke County Economic Development Foundation
Mike Golando	Cargill
John Girzadas	B. Coleman Aviation
Bill Hanna	Northwest Indiana Regional Development Authority
Ian Hirt	Port of Indiana Burns Harbor
Clarence Hulse	Economic Development Corporation Michigan City
Robert Johnson	Cimcor
Denarie Kane	City of Hobart
Thomas Keon	Purdue University Northwest
Leah Konrady	One Region
Kris Krouse	Shirley Heinze Land Trust
Paul Labovitz	National Park Service
Richard Leverett	AT&T
William Lowe	Indiana University Northwest
Patrick Lyp	City of Valparaiso
Dean Mazzoni	Franciscan Alliance
Michael McCall	Fair Oaks Farms
Stewart McMillan	Task Force Tips
Mike Noland	Northern Indiana Commuter Transportation District (NICTD)
Pete Novak	Greater Northwest Indiana Association of REALTORS (GNIAR)
Nathan Origer	Pulaski County Community Development Commission
Randy Palmateer	Northwest Indiana Building and Trades Council
Craig Phillips	City of Michigan City
Carol Podolak	BNutty
Rex Richards	Valparaiso Chamber of Commerce
Matt Saltanovitz	Indiana Economic Development Corporation (IEDC)
Carolyn Saxton	Legacy Foundation

NAME	ORGANIZATION
Aco Sikoski	Ivy Tech Community College
Maggi Spartz	Discovery Alliance
Bill Steers	ArcelorMittal
Jeff Strack	Strack & Van Til
Lori Tubbs	Commercial Advantage
Rick Urschel	Urschel Laboratories
Dan Vicari	Gary/Chicago International Airport
Brian Vanosky	Lee & Associates
Don Weiss	Weiss Entities
Linda Woloshansky	Center of Workforce Innovations (CWI)