

# **I Executive Summary**

## **History**

Established in 1832, LaPorte was originally a trading center, catering largely to the rural community. In the late twenties, the face of LaPorte changed somewhat as a result of the growth of manufacturing in the northern region of the State. During the 1930's through the 1970's LaPorte saw its manufacturing base grow, specifically with the emergence of the Allis Chalmers Manufacturing Company.

In the early to mid 1980's, LaPorte saw a significant loss of manufacturing and production business along with accompanying jobs. The closures of the Chalmers Company and American Home Food resulted in 3,000 to 3,500 jobs lost.

As a result the economic downturn in LaPorte several strategies were discussed and implemented. In 1984 the City of LaPorte applied for enterprise zone designation. At the time of application, the zone area had an unemployment rate of 22.8% and a poverty rate of 50%. The City was not successful in its efforts however; as a result of the zone application, they had forged an alliance with the LaPorte Chamber of Commerce and the newly created LaPorte Economic Advancement Foundation (LEAF). LEAF assumed the role of Local Economic Development Organization and as such spearheaded many of the economic development efforts in the City of LaPorte.

Into the late 1980's and through the 1990's the City of LaPorte slowly began recovering. As part of the City's more recent efforts, the City applied for and were granted a designation as a brownfield pilot project. The brownfield site is located within the proposed enterprise zone and contains the former Chalmers facility. The City has also created the Greater LaPorte Economic Development Corporation (GLEDC). The GLEDC will assume the role of business attraction on behalf of the Greater LaPorte area and work in cooperation with the LEAF organization on business retention and expansion.

In early 2001, Mayor Chrobak assembled a volunteer Enterprise Zone Task Force. The Zone Task Force was comprised of resident, business and civic leader whose charge was to explore to opportunities of creation of an enterprise zone. The Task Force met over several months and has recommended that the City pursue an Enterprise Zone designation.

While the above referenced economic development efforts were underway, the City again experienced significant job loss. With the recent closing of Whirlpool and the closings at Berkel the City again lost major employers and additional 630 jobs.

It was a combination of recent job loss, lack of growth in the City of LaPorte and the building momentum in the areas of economic development, including the Brownfield Pilot Designation that has let the City leaders to the conclusion to apply for Enterprise Zone Designation.

## **MISSION**

The mission of the LaPorte Urban Enterprise Association is to be a comprehensive economic and community development organization that fosters new investment, partnerships, job creation and redevelopment of the Enterprise Zone.

## **GOALS**

Through the strategic planning process the organization has developed goals as related to the development and future operations of the organization. The four goals identified in this plan will have a tremendous impact in the zone area and as well as the City as a whole. By achieving the goals set forth in this plan, the City will enjoy increased job opportunities, diversification of the tax base, beautification of the zone area increase in participation and growth of neighborhood groups and remediation and redevelopment of the brownfield site.

## **ORGANIZATION**

The organization responsible for the “zone” will be the Urban Enterprise Association of LaPorte. This organization will be comprised of members of the resident, business, government and labor sectors of the City of LaPorte. The Association is provided for in I.C. 4-4-6.1. The twelve-member board is chosen by the Governor (2), the Mayor (6) and the City Council (4). The Association shall, coordinate zone development activities, promote and serve as catalyst for the zone, establish formal lines of communication with residents, businesses in the zone, act as a liaison between zone residents, businesses and the City.

## **SERVICES**

The Enterprise Zone program promotes growth in both community and economic development. Various tax incentives would be available for zone businesses that qualify and apply for such incentives. A Company claiming a tax incentive(s) must reinvest an amount equal to or greater than their savings as follows, cash or in-kind assistance to the Urban Enterprise Association, and or capital improvement/new investment and new job creation/increase in wages. The State average for reinvestment is that for every dollar saved thirteen dollars are reinvested. Additionally, the program also provides qualified zone residents a tax benefit. Qualified residents in the zone can receive a deduction on up to \$7,500 on their State of Indiana Income taxes.

The operating funds for the Urban Enterprise Association are generated from the cash or in-kind contributions from participating zone businesses. Along with funding the administrative functions for the Association, the balance of funds are to be used for community and economic development in the designated zone area, or benefiting zone residents.

## **II Situational Analysis**

The members of the Enterprise Zone Committee were brought together to perform a Situational Analysis (SWOT) of the potential zone area. The critical analysis included strengths, weaknesses, opportunities and threats in the City and specifically the zone area. Below is a summary of the SWOT analysis.

### **STRENGTHS:**

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- Quality of life including safe community, clean environment
- Quality schools
- Midwest work ethic
- Available work force
- Ability to grow and expand (not land locked)
- Transportation network, including rail
- Location to major markets
- Parks and recreation opportunities
- Identifiable downtown area
- Historic
- Ample medical services
- Volunteerism
- Time zone

### **WEAKNESSES:**

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- Provincial attitudes and conservatism
- Resistance to change
- Lack of new investment and general tax climate
- Generally, the community is reactive and not proactive
- Lack of planned growth in order to further diversify tax base
- Lack of truck routes
- General access to the downtown area
- Aesthetic appearance of City corridors
- Community has been generous in the past with extension of services
- Lack of staff to market and promote the City of LaPorte
- Lack of innovation and changes in attitudes toward development
- Need for “outside the box” thinking

## **OPPORTUNITIES:**

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- Creation of a partnership between community and economic development entities that will benefit the zone, the City and the County
- Be more competitive with surrounding States and communities for new investment and jobs
- Promote available land for development
- Available industrial and commercial opportunities in the zone
- Ample sewer and water capacity for redevelopment and growth
- Continued of positive growth of the community and business community
- Redevelopment of 140 acres (Brownfield Pilot) in the downtown area
- Diversification of tax base

## **THREATS:**

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- Federal, State and local economy
- Inability to compete on a level playing field with surrounding communities zone vs. non zone communities
- Industrial instability and changes in the market place
- Downturn in the steel and steel related industry
- Pending changes in the State of Indiana's tax climate
- The ever increasing competition for new investment and jobs
- Continued job loss related to Whirlpool and other major industry

### **III Strategic Direction**

The mission of the LaPorte Urban Enterprise Association is to be a comprehensive economic and community development organization that fosters new investment, partnerships, job creation and redevelopment of the Enterprise Zone.

#### **GOALS, OBJECTIVES, STRATEGIES AND TACTICS**

##### **Goal 1 To create and maintain a comprehensive economic and community development services group focused on revitalization of the zone.**

- G1-O1 Provide existing businesses a one stop shop for economic and community development assistance.
  - S-1 Form partnership with the Chamber of Commerce, LaPorte Economic Advancement Foundation and the newly created Greater LaPorte Economic Development Corporation.
  - S-2 Establish formalized relationship with the Northwest Indiana Regional Development Corporation so as to facilitate SBA lending within the Zone.
  - S-3 Host 4 enterprise zone workshops throughout the year focusing on educating the business community regarding enterprise zone and other available assistance.
  - S-4 Participate in functions hosted by the Northwest Indiana Forum, Indiana Economic Development Association and the Indiana Association of Cities and Towns.
  - S-5 Join the Indiana Association of Enterprise Zones.
  
- G1-O2 Assist in new business attraction by providing technical assistance to prospective clients.
  - S-1 Develop a site catalog of available zone commercial and industrial properties.
  - S-2 Prepare incentive matrix including potential Federal, State and local incentives.
  - S-3 Work in cooperation with the real estate community in identifying appropriate site matches.

## Goal 1 continued

- G1-O3      Coordinate and foster the development of active neighborhood groups.
  - S-1      Host 4 neighborhood meeting regarding the enterprise zone program and the local benefits.
  - S-2      Promote the development of “active” neighborhood groups including providing technical assistance with regard to capacity building and fund raising.
  - S-3      Establish a zone neighborhood community program taskforce with the specific purpose of educating the zone areas regarding the program.
  
- G1-O4      Establish open lines of communication allowing diverse input as to the ongoing operation of the zone.
  - S-1      Maintain a monthly LaPorte UEA meeting schedule
  - S-2      Solicit bids for the production of an Enterprise Zone newsletter
  - S-3      Participate when possible with media promotions, local channel access, and local conferences.
  - S-4      Monitor City of LaPorte Council meetings and participate where appropriate.
  
- G1-O5      Integrate the new zone program with existing Federal, State and local community and economic development initiatives.
  - S-1      Coordinate funding opportunities with the City, Chamber, and the Greater LaPorte Economic Development Corporation so as to quantify existing funds and to leverage additional.
  - S-2      Host meeting of the various community and economic development organizations to facilitate brainstorming and teaming session.
  - S-3      Have zone board participate on the Brownfield Redevelopment project, Business Improvement District, and Greater LaPorte Economic Development Corporation.

**Goal 2 To develop and implement a zone wide beautification project.**

- G2-O1 Compliment existing City beautification services and focusing efforts within the zone boundaries.
  - S-1 Identify ongoing City programs that impact the aesthetics of the zone area.
  - S-2 Through the neighborhood capacity building process, identify specify concerns of various neighborhood groups
- G2-O2 Improve the aesthetics of the zone areas specifically on the commercial corridors and in and around zone parks and lakes
  - S-1 Coordinate annual zone clean-up projects
  - S-2 Facilitate application when possible for funding from the Division of outdoor recreation for park and green space development
- G2-O3 Promote self help initiatives within the zone area
  - S-1 Work in cooperation with the City's code enforcement officers to foster stakeholdership in the zone areas by providing funding for façade improvement of owner occupied units.
- G2-O4 Promote investment in housing rehabilitation and maintenance in the zone.
  - S-1 Development a consortium of local lenders with the purpose of promoting home loans within the zone area.
  - S-2 Design an "Enterprise Zone" loan program with the consortium of lenders for façade and other cosmetic improvement.

**Goal 3 To create 150 job opportunities for zone residents and a total new investment of 30 MM.**

- G3-O1 Enhance employment opportunities within the zone area.
  - S-1 Prepare zone business survey.
  - S-2 Create database identifying type of business and current number of employees.
  - S-3 Work cooperatively with the LaPorte area Workforce Investment Board and training agents to identify and promote qualified zone residents.
  - S-4 Provide a repository for interested zone residents to make application for available zone jobs.
  - S-5 Education zone businesses regarding tax incentives for employing zone residents.
- G3-O2 Increase the assessed valuation of the zone as well as the City
  - S-1 Work in cooperation with the Greater LaPorte Economic Development Corporation, to market the City of LaPorte.
- G3-O3 Provide prospective new business examples of successful expansions in the LaPorte Enterprise Zones
  - S-1 Create and maintain a City of LaPorte “Deal” database including expansions, new business development and job creation.

**Goal 4 To successfully prepare the designated Brownfield Pilot Site for new development and reuse.**

- G4-O1 Remove environmental hazard for the downtown area
  - S-1 Follow through in a timely manner on the submitted and approved Brownfield Pilot Grant
  - S-2 Identify funding sources for remediation (CEDIT, TIF, IDFA loan)
  - S-3 Leverage funding were possible for the PRP’s



## **Goal 4 continued**

- G4-O2      Demolish blighted structures located on Brownfield site
  - S-1      Acquire subject property via donation, auction or condemnation.
  - S-2      Leverage funding were possible from property owners (including the county in the event of tax sale).
  
- G4-O3      Provide 150 acres for reuse in the downtown area
  - S-1      Establish contract with local real estate firm to form partnership to market the available property.
  - S-2      Compile an incentive matrix specifically target to the redevelopment of the brownfield property.
  
- G4-O4      Promote redevelopment of areas served with infrastructure to minimize urban sprawl.
  - S-1      Target use of local tax incentive, funding and regulatory assistance on the brownfield project.

## IV Implementation & Structure

Provided that the City of LaPorte receives a designation as an enterprise zone community, the process of finalizing the articles of incorporation and bylaws for the LaPorte Urban Enterprise Association will begin as of January 1, 2002.

It was the consensus of the Enterprise Zone Committee that maximum flexibility be afforded the newly created UEA for administration, projects and programs. There were identified through the strategic planning process Goals, Objectives and Strategies that the Zone Committee felt should be necessary components of the LaPorte Zone Programs, however, the preliminary three year plan was not intended to be all inclusive.

It is the strategy of the Zone Committee to facilitate an internal strategic planning process for the newly appointed Board of Directors. The purpose of the session(s) will be to identify the form and structure of the UEA, basic responsibilities for participation non-profit board, the various committees, and internal policies and fiduciary responsibilities.

## V Evaluation & Control

Throughout the various meetings of the Enterprise Zone Committee a great deal of concern was placed on the creation of the LaPorte UEA as well as the continued operations of the organization.

It was the recommendation of the Committee that the LaPorte UEA would be best served by the following suggestions:

- Establish and maintain a monthly meeting schedule.
- Formalize the committee process so as to assign responsibilities, timeframes and measures of success for administration, projects and programs.
- Advertise and provide for public input at all zone board meetings
- Revisit the external and internal planning documents on a semi-annual basis to review progress and to make adjustments.

## VI Vision

The vision of the Enterprise Zone Committee is to stabilize and promote investment in the existing residential, commercial and industrial sectors of the community. Revitalize the downtown/enterprise zone area to produce suitable redevelopment and reuse of a blighted area.

To foster, promote and participate in the development of affordable residential housing programs targeted toward primarily improvement of existing housing stock in the zone and secondarily the development of new affordable single and multifamily housing.

To have a viable community economic development organization dedicated to the City of LaPorte and the enterprise zone. To compete for new investment and jobs by forming a coalition with the City of LaPorte, Chamber of Commerce, LaPorte Advancement Foundation and the Greater LaPorte Economic Development Corporation so as to present one voice and one focus when promoting the community.

And lastly, to play a major role in existing business development, fostering new investment and growth, and in attracting and promoting quality jobs for LaPorte Enterprise Zone residents.