



Southwest Indiana News

Cool Cars and Hot TIFs

January means a trip to Detroit for the **Automotive Communities Partnership (ACP)** meeting held in conjunction with the North American International Auto Show. The ACP, *an affiliate program of the Center for Automotive Research*, is a unique program that brings together community and industry along with other key auto sector stakeholders with the goal of sustaining and growing the Midwest and Canadian automotive footprint. The ACP provides [The Coalition](#) with access to data and analysis to interpret and predict trends necessary to bring new automotive investment to the Midwest.

The hottest topic might be the recently released policy brief by *Ball State University's Center for Business and Economic Research* questioning the effectiveness of **Tax Increment Financing (TIF)** as an economic development tool. The brief makes strong claims as to the ineffectiveness of TIFs along with policy recommendations toward curbing its use. Though research into the effectiveness of TIFs would be a much welcomed planning tool, the Ball State University policy brief has a number of major problems with data and methodology as well as in key omissions.

For example, a key revenue stream, *local option income taxes*, are not considered as another good variable to examine beyond property and sales taxes to see if TIFs give a boost to incomes and this data is [readily available at the county level](#). The brief fails to mention as well significant changes in local property tax revenue attributed to the shifting of a portion of local school taxes to the state along with establishment of property tax caps and the implementation of circuit breakers - all of which impact property tax revenue streams. There were even contradictions in footnotes from the narrative, which might call into question other findings in the brief.

Quite simply, *communities use TIF because it works*. TIF financing is one of the few and most important local economic development tools available; and, its use helps our communities compete to attract new investment and jobs. Whether it was *Toyota* choosing Princeton or *Berry Plastics* expanding in Evansville, none of it would have been possible

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BUSINESS FOCUS



Deaconess Health System includes six hospitals, more than 20 primary care locations, and multiple specialty clinics. We are the premier provider of health care services to southern Indiana, western Kentucky, and southeastern Illinois, and continue to meet our mission of delivering compassionate, high-quality care. Deaconess currently employs 5,500 workers.

Local Transportation Survey Needs Your Response by Feb. 10

Product Acceptance & Research (PAR), a local marketing research firm, is currently conducting a brief survey to obtain opinions of local transportation services to improve services that are used in Evansville and Vanderburgh County.

[Click to take the survey](#)

without the ability of communities to use TIF funds to support these important projects.

In the end, the brief's authors admit that the "effects" found are small; which begs the question, if the effects are so minute then what is the real purpose behind the sensationalism? It's troubling to see such strong and specific policy recommendations based on what should be considered exceedingly light statistical work and econometric jargon.

Though the examination of TIFs and their impact is a worthy area of study, all of us have come to expect much more from *Ball State University* and its long history of training economic development professionals working throughout Indiana.

Wathen named one of North America's Top 50 Economic Developers

Consultant Connect recently named [Greg Wathen](#), President and CEO of the Economic Development Coalition of Southwest Indiana as **one of North America's Top 50 Economic Developers**. Nominated by their colleagues in both the economic development industry and the site consultant community, these economic developers were selected for excellent practices, innovation and success in building the communities they serve. Visit Consultant Connect to read more. [Visit Consultant Connect to read more.](#)

Community Development News

In February of 2014, Indiana Lt. Governor, *Sue Ellspermann*, announced the **Blight Elimination Program (BEP)**, a forgivable **residential loan program** through the *Indiana Housing and Community Development Authority (IHCDA)* that would aid communities in demolishing blighted and abandoned homes that are beyond repair to stabilize property values. Communities could then offer a variety of end uses for the newly cleared properties including green space and redevelopment. The loans are forgivable and will be paid through the *U.S. Treasury Hardest Hit Funds*.

To date the Southwest Indiana counties have been awarded **almost \$6 million** for the BEP.

Gibson County - \$1,440,000

Posey County - \$793,000

Vanderburgh County - \$2,357,000 *

Warrick county \$1,318,000

*not administered by the Coalition.

USI holds Career Fair Feb. 25 2015

The University of Southern Indiana will hold Career Fair CareerLINK for spring on February 25th. [Click here for more information.](#)

Economic Indicators Average Wage Per Job

WITHIN INDIANA

Indy-Carmel - \$54,357
Evansville, IN-KY - \$51,843
Ft. Wayne - \$47,822
S. Bend-Mishawaka - \$48,300

PEER COMMUNITIES

Chattanooga, TN - \$48,926
Davenport- Moline IA - \$54,181
Peoria, IL - \$58,454
Spartanburg, SC - \$50,227

Source: *Stats Indiana/Bureau of Labor Statistics, 2013*

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