



Tipton County Economic Development Corporation

Development News

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TCEDC hears from Ball State's Office of Building Better Communities about Strategic Plan

Dick Heupel, CECD and Senior Project Director of the Office of Building Better Communities at Ball State University attended the October meeting of the Tipton County EDC to present an overview of the strategic planning process and to help lead discussion. The Office of Building Better Communities covers many topics but fundamentally focuses upon helping communities identify their own strengths and weaknesses and what actions can be taken to address them.

Since that initial presentation, TCEDC staff met with representatives of the Tipton County Foundation, Tipton Hospital Foundation, and the State to discuss the planning process and how it might be combined for a community-wide strategic plan. Steven Ray, North Central Indiana Community Liaison, Indiana Office of Community and Rural Affairs Division (OCRA), was present to discuss the possibility of Community Development Block Grant (CDBG) funds that may be available to help assist with the \$17,800 cost associated with the creation of a final Strategic Plan. CDBG funds require the county to have at least 51% low-to-moderate income families, and the most current Census data indicates Tipton County falls well below that. It is doubtful we will be eligible for the OCRA grants, even with a current income survey.

The planning process is designed to provide guidance, facilitation and technical assistance to the board and staff of the TCEDC as they follow a strategic planning process that will result in: 1) an increased understanding of the local, regional and state economy; 2) identification of major issues impacting the county's development and overall quality of life; 3) vision, mission and goals for TCEDC; 4) a review and confirmation of organizational structure; 5) an organizational plan for the TCEDC; and 6) a one-year work plan.

Strategic planning is about managing change. Companies have used strategic planning to help assure their competitiveness and ability to adapt to changes in the marketplace. Communities are using strategic planning for the same purpose; to adapt to change based on both internal and external forces, and to keep the community competitive in an increasingly complex economic environment. Simply put, strategic planning determines where an organization is going over the next year or more and how it's going to get there.

Collaboration and partnership with the philanthropic community such as groups involved in healthcare, the business community, social work, transportation, etc. would be a positive to consider and that may strengthen the grant funding application process.

Ball State University has a long history of working at the local level to foster economic development and improve the quality of life. The Building Better Communities initiative helps communities maintain their economic viability by developing an understanding of the global economy and the economic development process through:

- strategic planning for economic development
- business retention and expansion studies
- economic impact analysis of specific developments and activities
- assessment of the local economy vis-à-vis the region, state, and nation
- entrepreneurial environment assessment
- economic forecasting and business research
- internationally accredited economic development education
- organizational plans for economic development
- deployment of wireless broadband technology

**Mark Your Calendar & Reserve
your Spot - Save the Date
CHAMBER / TCEDC GOLF
INVITATIONAL - JULY 18
WATCH FOR DETAILS IN
OUR NEXT ISSUE OF
NEWS & VIEWS**

TCEDC staff received an economic development strategic plan proposal from Ball State in early January. The new proposal includes the Tipton Hospital Foundation's survey requirements and is currently being reviewed by the Hospital Foundation. Staff will be working with Frank Giammarino, Executive Director of the Tipton County Foundation on exploring a grant to help fund the strategic plan.

Building a better community ~ Advocates for business ~ Working together for you and your business

Director's Message - *From the desk of Executive Director William Keir, CEcD*

TAX ABATEMENT ASSISTS COMPANIES WITH EXPANSIONS & RESULTS IN CREATION OF NEW TAXES THAT BENEFIT COMMUNITY

At this time of the year it seems appropriate to review what has happened over the recent past concerning the Tipton County Economic Development Corporation's (TCEDC) specific assistance with company expansions or new companies locating in Tipton County. We work with many companies each year and assist them in a variety of ways. Occasionally our assistance is part of a significant new investment into our economy by the company. I will outline for you here those companies that we have assisted in this way over the past two and a half years, and who have requested and received tax abatement. (Getrag has not yet received approval for tax abatement.)

The assistance and resources we provide all companies and businesses take place to bring about our Corporate Mission Statement: To promote economic development, to increase the number of available employment opportunities, to enhance the strength of the business sector, and to create economic stability in Tipton County.

Several companies have made significant new investment in our economy without requesting or desiring any form of public assistance, and we have helped them equally. However, they wish their activities to remain confidential. Once an applicant formally requests tax abatement and enters the public process, the details of the investment are public, and the process includes a "public hearing".

Here is a summary of the individual company projects over the past two and a half years that have received tax abatement:

Pioneer Hi-Bred International: Invested \$2,000,000 +. Creating 7 jobs at \$12.50/hr. avg. Six-year tax abatement.

Average new taxes paid per year during the abatement: \$13,423.

New taxes to be paid per year after abatement: \$31,775.

Tipton Precast: Invested \$3,000,000 +. Creating 11 jobs at \$16.20/hr. avg. Six-year tax abatement.

Average new taxes paid per year during the abatement: \$21,194.

New taxes to be paid per year after abatement: \$44,747.

Package Right Corporation: Invested \$700,000. Retaining 90 jobs at \$13.95/hr. avg. Ten-year tax abatement.

Average new taxes paid per year during the abatement: \$12,813.

New taxes to be paid per year after abatement: \$25,373.

Böttcher America Corporation: Invested \$530,000 +. Creating 16 jobs at \$15.02/hr. avg. Ten-year tax abatement.

Average new taxes paid per year during the abatement: \$5,158.

New taxes to be paid per year after abatement: \$9,968.

Steel Parts Manufacturing: Will invest \$3,545,000 +. Creating 20 jobs at \$14.42/hr. avg. Ten-year tax abatement.

Average new taxes to be paid per year during the abatement: \$9,740.

New taxes to be paid per year after abatement: \$16,755.

GETRAG Transmissions Corporation: Will invest \$530,000,000. Creating 1,400 jobs at \$27.00/hr. avg. Ten-year tax abatement requested.

New taxes to be paid per year after abatement, and after depreciation at the 30% floor: \$2,389,400.

It is interesting to note that the Getrag project has had at least four advertised public hearings for various stages of the project, plus many public meetings. For the tax abatement process they have filed their application, received a Preliminary Resolution and held the advertised Public Hearing. Their next step will be to request formal approval in the form of a Final Resolution.

In summary, the above five projects (excluding Getrag) that have received tax abatement on their new investments are paying an average of over \$60,000 per year in NEW taxes during their tax abatement period. Once the tax abatement

continued next page



periods are concluded, these same five companies will be paying a total of over \$125,000 annually in NEW taxes into our economy. And, this summary does not include the Getrag project, which is “off the charts”!

ALL companies receiving the above abatements have a minimum starting wage for any new job of at least \$9.50 per hour, require a high school diploma or equivalent, are engaged in a continuous quality program, provide regular staff training, and co-pay the cost of dependant health insurance. Additionally, they ALL offer paid vacation, paid holidays, health insurance, and 401k or pension type programs. MOST also offer sick leave, life insurance, dental insurance, paid employee training, and tuition reimbursement. In addition to the new investment, the same five companies have created and retained 144 jobs that pay an average of \$14.24 per hour with excellent benefits.

The total private investment made by these five companies (excluding Getrag) is \$9,775,000. This investment is an example of how tax abatement and EDC assistance benefits local businesses and our community. For more information on tax abatement, please click on “News & Views” on our web site <http://www.tiptonedc.com/index.asp> and see the First Quarter 2006 Issue.

All data on the first five projects above was taken from their application, SB-1 Form, and other “public” information that was submitted as a part of the tax abatement process. The applications were all reviewed with the companies in advertised public hearings.

Tipton Hospital is Growing to Meet the Healthcare Needs of the Community

Tipton Hospital is proud to announce that the facility expansion and renovation project that will improve services and technology that are currently being offered to the community is scheduled to open on February 11, 2008. “The scope of this project focuses on offering patients quality service in an environment conducive to safety, privacy and comfort,” says Michael Harlowe, President and CEO.

Expansion Project Key Features

Key features will include a new public entrance and registration area on the south side of the campus and features immediate access to a replacement Emergency Department, Radiology (x-ray), Gift Shop and community classroom. Carl Pafford, M.D., V.P. Operations and Business Development states, “Physicians are extremely pleased with the decision to expand emergency services that gives us a workshop promoting excellent patient care with an emphasis on quality and privacy.”



The Emergency Department will feature all private rooms, with a dedicated trauma bay and observation (short stay) suites. The Imaging (radiology) Department will feature state-of-the-art diagnostic equipment in a centralized area immediately proximate to the Emergency Department and main outpatient waiting area. Two stories over these departments will be shelled in to accommodate replacement surgical suites and inpatient units.

The community’s patience has been appreciated during our time of growth. If you have any questions or comments regarding this expansion project, please feel free to call Lora Gates, Marketing & Public Relations Manager at (765) 675-8512. For additional information on the project, as it progresses, please visit our website at www.tiptonhospital.org.

Grand Opening Events – Saturday, February 9

The community is invited to join us at our grand opening events, scheduled for Saturday, February 9th.

- 9 a.m. - 12 p.m. - *Recruiting Open House*

Anyone interested in employment is invited to join us for behind-the-scenes tours of our brand new expansion including:

- Emergency Department
 - Radiology Department
 - Registration/Communications Department
- Human Resources will be available to answer questions and accept applications.

- 1 p.m. - 4 p.m. - *Public Open House*

The public is invited to join us for behind-the-scenes tours of our brand new expansion including:

- Emergency Department
- Radiology Department
- Registration/Communications Department

US 31 Kokomo Bypass Project to Begin Summer 2008

Article by Monty Henderson, US 31 Coalition Board Member

INDOT has announced that they will soon award bids for the construction of several Howard County road overpasses that will cross over the new US 31 highway. These projects will begin in the summer of 2008. It appears that INDOT is aggressively moving the construction schedule forward. Land acquisition will soon be taking place and construction will begin shortly after the property is acquired.

The US 31 / State Road 22 project that will widen the highway from two to four lanes between Kokomo and Greentown will also start construction soon. Because of this project, the new US 31 will cross over US 35 / SR 22 instead of going under it as previously planned. The "Modified J" option for US 31 was chosen as the approved route of the new corridor when the project received final federal "Record of Decision" last spring. This means that in Tipton County, the highway will become limited access just North of County Road 550 North, veer East at what is now Miller & Sons furniture store and head Northeast to State Road 26, where a new interchange will be built just West of Howard County Road 200 East, which becomes Tipton County Road 400 West which runs to Sharpville.

There will be an overpass of both the new highway and the existing US 31 to safely allow traffic on Tipton County Road 600 North to cross. This will greatly alleviate the risk for school busses and citizens that need to move East and West in the area. The entire project should be complete by 2016 or before. Citizens who have questions about the project may contact Aimee Kindred at akindred@indot.in.gov or call (317) 234-4938.

Visit us on the Web at
www.tiptonedc.com

Tipton County EDC MISSION STATEMENT

TCEDC is a private not-for-profit corporation governed by its Board of Directors and organized for the purpose of promoting economic development, to increase the number of available employment opportunities, to enhance the strength of the business sector, and to create economic stability in Tipton County.

TCEDC 2007-08 OFFICERS

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Warren Baird, 1st Vice Chairman
John Graham, 2nd Vice Chairman
David Reep, Secretary
Ronald Warren, Assistant Secretary
Jackie Cardin, Treasurer

2007-08 BOARD OF DIRECTORS

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Donald F. See	

STAFF

William Keir, CECD Executive Director wkeir@tds.net	Debra L. Gillam Administrative Assistant degillam@tds.net
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TCEDC Development News
is published quarterly

CONTACT INFORMATION

Tipton County EDC, 136 E. Jefferson St., Tipton, IN 46072
(765) 675-7417 or (800) 461-4907 FAX (765) 675-8917

A HISTORY OF THE ECONOMIC DEVELOPMENT REVENUE BONDS SERIES 1999 (CITY & COUNTY)

The following article is a portion of the TCEDC Executive Director's Message that appeared in the News & Views 2006, third quarter issue.

In late 1996 and early 1997, the Tipton County Economic Development Corporation (TCEDC) was working fervently with two large industries to convince them that Tipton County was where they should locate. As is normally the case, incentives were going to be required to assist the companies in locating a major facility here and to start production. As is normally the case, the company receiving the incentives is required to make promises to invest a certain amount of money in renovations or buildings, in new equipment, and to create a certain number of new jobs.

At the same time, we saw the original Tipton County Industrial Park had nearly reached its capacity and that additional property would need to be purchased and infrastructure added such as water lines, sewer, roads, and storm water control to assist the two industries. It was decided that this was the perfect opportunity to expand the industrial park in order to sustain the momentum and to meet the needs of the two new companies as well as future prospective companies. Property adjacent to the Tipton County Industrial Park and Norfolk Southern Railroad was considered and discussed in detail initially with the County Commissioners and the Mayor of Tipton, who were in agreement.

Local lenders were approached to fund the initial stages of the huge project; the County and City Executives pledged EDIT revenues for repayment over the next ten years; and the TCEDC worked to create a non-profit entity to make the take-out financing (financing of the complete project) much less expensive. The entity created was the Tipton County Economic Development Foundation (TCEDF), a 501(c)(3) nonprofit corporation. The project moved forward quickly in 1997 and 1998 because of the timelines of the new companies - Böttcher America Corporation, and Midwest Sheets (a subsidiary of Temple-Inland). 1999 saw the opportunity to finance the total project as an *Economic Development Revenue Bond*, a tax-free type of financing which has a much lower interest rate than conventional financing. The main reason for this being that the proceeds from the sale of the bonds would be going to the new TCEDF, formed in late 1997.

The details of the financing were as follows: As required by the Internal Revenue Code of 1986 notice was published, and a public hearing held on April 22, 1999. The City issued the bonds in the amount of \$1,302,000 on July 1, 1999. First National Bank & Trust purchased the Bonds. The Borrower was TCEDF, and the Trustee was First National Bank & Trust. The loan proceeds are administered by the Trustee, as are the bond (loan) repayments, all in accordance with the Bond Documents (about 400+ pages) which were prepared by the law office of Baker & Daniels, LLP (business and legal counsel).

The Bond Documents state the use of the bond/loan proceeds is to be used for the "Project", which they describe as follows: "The acquisition, construction, installation and equipping of site and infrastructure improvements, without limitation sewer, water, drainage and road improvements, to be made for Phase II of the Tipton County Industrial Park (also known as Northgate Business Park) located adjacent to Phase I of the Tipton County Industrial Park and the Norfolk Southern Railroad yard located outside of the City in an unincorporated area of Tipton County, Indiana."

In presentations before the City and County Executives, TCEDC requested each to consider repaying the Bond with EDIT funds. The more specific Project goals were stated as: Widen and resurface the existing Industrial Drive; Extend Industrial Drive 150 feet and add a cul-de-sac; Construct a lift station, force main; and water & sewer to the end of Industrial Drive; Purchase 54.4 acres of unimproved land; and Böttcher and Midwest Sheets agree to invest \$18 million and create 135 new jobs with an average pay of \$12.50 an hour.

All Bond proceeds and repayments were completed in January 2006. The Trustee certified that all transactions were in accordance with the Bond Documents. In addition, because of the creative financing developed by the TCEDC using the tax-exempt Bond over a shorter period of time, the City and County were able to realize a reduction of payments in the amount of \$240,000 each over what they initially pledged in 1997!

As for the "Project", what actually occurred?

- Industrial Drive was initially widened, resurfaced and extended 150 feet.
- Industrial Drive has been extended an additional 500 feet, and a new cul-de-sac added.

- A new lift station and force main have been constructed.
- Water and sewer have been extended to the end of Industrial Drive, an additional 500 feet.
- 63.4 acres of additional land for development was purchased.

Böttcher and Midwest Sheets have invested over \$23 million to date and both companies currently employ 135 people, even after a severe recession. Average pay at the two companies is \$18.34 an hour. In addition, two new companies have located along the extended Industrial Drive, investing over \$4 million and hiring 32 new employees with an average wage of \$17.10 an hour.

The TCEDC Board Members (26) represent all business and industry in our county, including city and county elected officials, and live in all of its townships. They are volunteers – receive no pay. Their hard work and foresight ten years ago set this huge project in motion. The hard work paid off, and we the citizens can now see the success of the completed project.

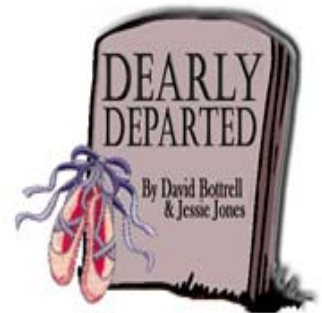
– **“A community is best defined as a group of people who, regardless of the diversity of their backgrounds, have been able to accept and transcend their differences, enabling them to communicate effectively and openly and to work together toward goals identified as being for their common good.” - Definition of “community” taken from Preparation & Guidelines for Community Building. This project is one example of “community building” and how the TCEDC assists in community building. It took many stakeholders in our community to bring this project to where it is today.**

Meeting Calendar - Community Events

Coming Soon...*Dearly Departed*

A drop dead funny Southern comedy

Dearly Departed, written by David Bottrell and Jessie Jones, is an over-the-top comedy set in the Baptist backwoods of the Bible Belt. The beleaguered Turpin family proves that living and dying the South is seldom tidy and always hilarious. Performance dates are **March 7-8-9, 2008** at the Tipton High School Auditorium.



The joy of *Dearly Departed* lies in its bold farcical characters and their ridiculous responses to a serious situation. Evelyn Dollens plays the matriarch Raynelle, wife of Bud, the dearly departed who keels over at the breakfast table. Ray-Bud and Junior, the often at odds sons in the family, are played by Jon Pyke and Doug Tragesser. Their troubled, but hopefully wives, Lucille and Suzanne are played by Tracy Huff and Shannon Burke. Marguerite, the self righteous, Bible thumping sister of Bud is played by Pam Pottenger with Chad Huff as her worthless son Royce. Rounding out the cast of well wishers at the funeral are Audrea Cannon, Margaret Hawkins, Angelia Henry, Steve Bachmann, Tamara Ritter, and Ed Faunce. Mike Dollens, in dubious casting as the Reverend Hooker, is joined by Allyssa Huff, Sue Forkner and Cameron Tragesser as the Joy of Life Singers.

Directors for the show are Margy and Top Fletcher. Friday and Saturday performances are at 7:30 pm and Sunday afternoon at 2:00 pm. Individual ticket prices are \$10.00 Adults, \$8.00 Seniors (55+), or Students (13-college), and \$5.00 children (2-12). Save \$1.00 with advance sale tickets available during normal business hours at the Tipton Chamber of Commerce office.

For additional ticket information visit the Tipton Community Theatre website at www.tiptontheatre.com or call the TCT voicemail at (765) 675-1682.

TCEDC Meeting Calendar

Thursday, February 14 – 7 PM at Tipton County Library

Thursday, March 13 – 7 PM at Tipton County Library

Thursday, April 10 – 7 PM at Tipton County Library

Tipton County EDC

Investors Acknowledged

Thanks to the following companies and individuals for their investment in the Tipton County EDC during 2007 and 2008. Their participation continues to make a difference, both for the financial investment given and the moral support it represents. TCEDC efforts and successes are not ours alone but a result of the cooperation of our local government, the commitment of our board of directors and staff, and the contributions of our private investors. Achieving Tipton County's vision for the future requires communication and cooperation from all stakeholders involved. We salute our investors for their friendship, investment and continued support. They realize that in partnering together, more can be accomplished!

2007 INVESTORS

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Tipton Ford Mercury, Inc.

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Apple Group, Inc.
Bouquet Barn, LLC
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Pizza King / Cardini's Inc.
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Shirley Computer / Radio Shack
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The House of Glass, Inc.
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Ashley Construction
Baumgartner & Co. Asphalt Services
E & B Paving, Inc.
Maxey Home Construction, Inc.
Smith Building, Inc.
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Funeral Homes

Young-Nichols Funeral Home, Inc.

Industry

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Temple Inland
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Mrs. Gene Doversberger
Mr. & Mrs. David Gillam
Mr. & Mrs. Monty Henderson
Mr. William Keir, CEcD
Ms. Nancy Nicholson
Mr. & Mrs. Allen Perry
Mr. & Mrs. Donald F. See

Special thanks to **Tipton County and
the City of Tipton for their commitment
and involvement during 2007**

2008 INVESTORS (thru 2/06/08)

Auto

Tipton Ford Mercury, Inc.

Banks

National City Bank

STAR Financial Bank
Steel Parts Federal Credit Union

Commercial / Restaurants / Retail

Bouquet Barn, LLC
Jean's Flowers & Gifts
Medicine Shoppe Pharmacy
The House of Glass, Inc.
Tipton ACE Hardware

Construction / Contractors

Baumgartner & Co. Asphalt Services
E & B Paving, Inc.
Maxey Home Construction, Inc.
PHASE I Environmental Engineering
Smith Building, Inc.
TenBrook Sales, Inc.

Funeral Homes

Young-Nichols Funeral Home, Inc.

Industry

Cargill, Inc.
Package Right Corporation
Ray Bros. & Noble Canning Co.
Roberts & Dybdahl, Inc.
Total Seed Production

Individuals

Mr. & Mrs. Warren Baird, Oak Grove Farm
Mrs. Gene Doversberger
Ms. Nancy Nicholson
Mr. & Mrs. Allen Perry
Mr. & Mrs. Donald F. See

Insurance

Farmers Mutual Insurance Co.
Luttrell Insurance Agency, Inc.

Professionals

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Accounts, PC
Max McNeal, CPA – McNeal &
Company CPAs
McQuinn Family Dentistry – Dr. Kiley
McQuinn & Dr. Mark McQuinn
Dr. Michael T. Smith, D.D.S.

Real Estate

Havens Realty Company, Inc.
Patrick B. Lindley, Colliers Turley
Martin Tucker

Utility

Indiana Municipal Power Agency