

Local Economic Development

LEDO shuffle? DEDC, CEDC, PCEDA, RDA, RTA, EDC, NIRPC: The Alphabet soup of economic development
Chesterton Tribune Article 2/25/10

By KEVIN NEVERS

Members of the Chesterton / Duneland Chamber of Commerce who spend most of their time minding the till and making ends meet can be forgiven if, on reading about local and regional economic-development efforts in the Chesterton Tribune, they tend to go all glassy eyed.

There's the DEDC, the CEDC, the PCEDA, the RDA, the RTA, and the EDC. Of course there's also NIRPC. And CEDIT.

As former president Chuck Parkinson suggested at the Chamber's monthly luncheon on Wednesday, it's easy to choke on the acronyms when slurping the alphabet soup of economic development. "What does it all mean?" he asked. "What does it all mean for us in the Chamber?"

Quite a bit actually, insofar as the Chamber has specifically committed itself—as one of the "critical success factors" of its strategic plan—to "leverage partnerships" with other economic developers in the region. "We need to identify what certain groups are doing and partner with those groups and create a climate of role clarity," Parkinson said. "Are we always swimming in the same direction? Probably. Do we have role clarity? Probably not."

In other words, you can't tell the players without a program.

Hence Parkinson's program on Wednesday: "The Alphabet Soup: A Guide to Economic Development in Duneland."

Feel free to clip this piece and tape it to the fridge.

LEDO

Local Economic Development Organization or LEDO: Any group tasked with economic development is a LEDO: a chamber of commerce, a chamber's not-for-profit economic development corporation, a municipality's redevelopment commission, a county's tourism bureau.

It's a functional enough term when discussing economic development in the most general possible terms but too broad really to be of much use otherwise.

EDC

Economic Development Committee or EDC: This committee is one of several operating under the aegis of the Chesterton / Duneland Chamber of Commerce, Parkinson said. Its goals: business attraction, business retention, and the enhancement of the "look and feel" of the Duneland.

Among its projects: a bus tour later this spring of the key economic-development sites in the Tri-Towns and a grant program to help businesses freshen and invigorate their storefront facades.

DEDC

Duneland Economic Development Corporation or DEDC: The Chamber's 501(c)(3) arm, incorporated as a not-for-profit to enable it to apply for grants, is the funding source for projects whose purpose is to "enhance the quality of life in Duneland by promoting economic development activity and fostering economic growth in the area.

The DEDC "has chosen to market the Duneland business community," Parkinson said, by bankrolling the distribution of informational materials at regional trade shows and the re-design of the Chamber's new website and is right now looking for ways to fund the facade grant program proposed by the EDC.

For the record, the DEDC is a LEDO. And it has received a significant portion of its funding from a grant awarded by an association of other LEDOs, namely, the PCEDA.

PCDEA

Porter County Economic Development Alliance or PCDEA: The PCDEA is funded by the Porter County Commissioners, was established to promote economic development in the county, and makes grants available to its members, which include—besides the DEDC—the Porter County Convention, Recreation, and Visitors Commission (PCCRVC), Ivy Tech, Purdue North Central, Valparaiso University, and the Center for Workforce Development.

www.goportercounty.org

CEDC

Chesterton Economic Development Company or CEDC: The CEDC, like the DEDC, is an incorporated not-for-profit whose most basic mission is the promotion of economic development. Unlike the DEDC, the CEDC is a Town of Chesterton municipal entity.

Originally, the CEDC was charged with determining appropriate projects on which to expend its share of the County Economic Development Income tax or CEDIT, which when first enacted could be used legally only for economic development in the strictest sense. Since then, the law has changed and now CEDIT moneys can be "used for any lawful purpose," Parkinson said. "Most communities rely on CEDIT for day-to-day municipal operations."

RDCs

Redevelopment Commissions or RDCs: The towns of Chesterton, Porter, and Burns Harbor all have municipal redevelopment commissions, whose job is to administer Tax Increment Financing or TIF districts and to use TIF revenues on capital improvements within those districts. On the strength of TIF revenues, RDCs have bonding authority. Thus the Chesterton Redevelopment Commission floated a bond issue to finance the South Calumet District project.

TIF, on the other hand—most simply put—is a tax on the incremental increase of assessed valuation since a base year on commercial property in a designated district. Say a commercial property in a TIF district had an AV of \$100,000 in 2000. Now in 2010 that property has an AV of \$500,000. TIF is a tax on the \$400,000 incremental increase. What makes TIF controversial is that the entirety of that tax on the incremental increase goes to the municipality which established the district and is not shared with any other taxing unit (like the county, the township, or the school corporation).

RDA

Northwest Indiana Regional Development Authority or RDA: Established by the Indiana General Assembly, the RDA is intended to promote the development of transportation infrastructure in Northwest Indiana—air, rail, and bus—as well as the Lake Michigan shoreline. It's funded through casino revenues, CEDIT revenues, and state moneys. In Porter County the RDA has made funding available for the Portage Lakefront Park, Burns Harbor planning, and Porter's gateway project, Parkinson said.

Last year, however, the Porter County Council split-voted to withdraw from the RDA and that vote is currently being contested in court, Parkinson added.

RTD

Regional Transportation District (RTD): An entity whose creation depended on a referendum in November 2009, when voters in Porter County for one overwhelmingly defeated it. The RTD would have established a regional bus public transportation system in Porter and Lake counties, would have overseen the South Shore commuter service (including proposed spurs to Lowell and Valparaiso), and would have had the authority to impose a county income tax of up to .25 percent in member counties to fund its activities.

"But it went down in the flames," Parkinson said.

NIRPC

Northwestern Indiana Regional Planning Commission or NIRPC: "A council of governments," is how Parkinson described it, whose membership is comprised of a representative from every municipality in the region. Its mission: to create a regional transportation plan.

When a municipality applies to the Indiana Department of Transportation or INDOT, or else to the federal government, for moneys with which to fund an infrastructure project—say, in Chesterton, a Dickinson Road extension or a non-grade interchange at the intersection of Indian Boundary Road and Ind. 49—that project must be included in NIRPC's regional transportation plan to be eligible for an award.

As it happens, NIRPC is tasked with allocating to municipalities in Northwest Indiana stimulus funds authorized by the American Recovery and Reinvestment Act.

Alphabet Soup

"Regionalism is very important to us as a Chamber," Parkinson concluded. "We're not going to pursue economic development alone. The Chamber does not go it alone. So we need to identify groups that we can work with. We need to be at the table when the decisions are made. We can't do our work separately toward the same aim. We need to work together toward the same aim."