

REPORT TO THE COMMUNITY

2013 Annual Report



SWITZERLAND COUNTY
economic development corporation

County Dedicates Technology and Education Center

Switzerland County officials dedicated a new building in 2012 that will provide residents with the county's first education and training facilities designed for adult learning. Over 200 people attended the dedication ceremony at the site at 708 W. Seminary Street in Vevay.

The building is the new home of the Switzerland County/Purdue Cooperative Extension Service and the Switzerland County Emergency Management Agency. A new community room for the Switzerland County will be available for private and commercial functions. Additionally, a WorkOne Express satellite office will be operated by the Indiana Region 9 Workforce Board.

Adult educational facilities were funded, in part, from a partnership between the Community Foundation of Switzerland County, the Switzerland County Economic Development Corporation,

and the regional EcO15 initiative in southeastern Indiana. EcO15 began with a Lilly Endowment award to ten southeast Indiana communities in 2008 to increase educational attainment, skill levels, and income from wages for residents. The lack of adult/community educational facilities was identified as the primary limiting factor in Switzerland County's efforts to achieve these goals.

The Technology and Education Center consists of a 300-person multi-purpose training and community room, three classrooms, a computer lab, a conference room with video-conferencing capabilities, and an advanced manufacturing lab. The Technology and Education Center also offers a distance education facility, where residents enrolled in online learning opportunities can work on their courses

with furnished computers in a private setting.

A "flex-office" will be used by multiple organizations to bring services closer to Switzerland County residents. The Region 9 Workforce Board will operate from the Technology and Education Center one day each week, bringing the WorkOne services to the county's residents for the first time locally. Ivy Tech Community College will also staff the flex-office one day a week. Vincennes University and WGU-Indiana will also have use of the office when serving Switzerland County residents.

Purdue Extension and County Emergency Management services are already operating in the new facility. Adult education classes have already begun with more opportunities beginning in 2013. American Structurepoint of Indianapolis was the project's consulting architect. Keystone Corporation of Indianapolis arranged financing for the project and served as the general contractor.

Adult training programs are now available in Switzerland County.



Cover Photo—

Entryway at Switzerland County Technology and Education Center.

As the coordinator of EcO15 activities in Switzerland County, SCEDC was an active partner in the project. SCEDC staff coordinated county efforts throughout the planning and design phases of the project, facilitated the projects financing and served as owner's representative through the construction process. Now that the building is complete, SCEDC is charged with the crucial role of coordinating training programs with the facility.

Training Started Early in the Facility

With the official opening of the building still more than two months away, GED classes began in August in the Switzerland County Technology & Education Center.

Coordination between SCEDC, the community's EcO15 Initiative, the Southeast Indiana Regional Workforce Board, and River Valley Resources made it possible for training course to begin in the TEC facility less than one week after the building was authorized for occupancy by the County Plan Commission.

For many Switzerland County residents a GED is the first step in continuing education in college or post-secondary training and prepares you for career advancement. A primary goal of the EcO15 initiative is to help each resident advance their education, training, and wage-earning ability by one level. A GED program is an important first step in creating this community-wide opportunity.

Coordination between Communities

The Switzerland County Technology and Education Center and the Community Learning Center of Rising Sun have agreed to work together to serve the residents of Southeast Indiana's two smallest counties. The Switzerland County learning center will be located at the new county building currently under construction at 708 W. Seminary Street in Vevay. The facility will contain two adult classrooms, a computer lab, a distance- education lab, and a conference room. Space has also been planned for an industrial training and certification lab.

The Education Center of Rising Sun is located directly in front of the Rising Star Casino Resort at 591 Smart Drive in Rising Sun. It also contains classrooms and a computer lab and shares office space with the Community Foundation of Rising Sun. The two learning centers will collaborate on marketing their programs to the residents of both counties, will work to avoid duplication of services, and will share information about demand for certification programs and college courses.

Both counties participate in the regional EcO15 initiative, a multi-year program funded by Lilly Endowment, Inc. that covers 10 counties in southeast Indiana. EcO15 seeks to connect residents to opportunities in manufacturing, health care, and tourism with the educational requirements needed to obtain high-paying jobs in these fields. In Switzerland County, the EcO15 initiative is overseen by the Community Foundation of Switzerland County and the Switzerland County Economic Development Corporation (SCEDC). The Community Foundation of Rising Sun administers EcO15 in Ohio County.

Funds from the EcO15 initiative are being used to develop the Learning Centers in both Switzerland and Ohio Counties. In 2008, Switzerland County citizens met to discuss priorities for using the EcO15 grant funds in the community. Adult lifelong learning opportunities were one of the top three priorities identified.

Both counties are now offering GED classes in cooperation with River Valley Resources and the State of Indiana. These classes are offered free of charge to any county resident wishing to earn their GED.

***Southeast
Indiana
counties
are working
together to
make training
available to
residents.***

Switzerland County's Workforce: A Critical Key to Attracting and Retaining Jobs in Switzerland County

In 2010, leaders and representatives from across Switzerland County came together to update the County's Economic Development Strategy. One of the top priorities that emerged from this community-led process was the need for the SCEDC to "assess and enhance the county's current and future workforce by (1) continuing the EcO15 programs and preparing for the end of Lilly Endowment funding of those programs, (2) moving toward an emphasis of lifelong learning – regardless of the career sector, and (3) establishing a lifelong learning network by 12-31-12."

Providing local workforce training has never been more important. By 2018, three out of every four jobs in America will require education and training beyond a high school level. Areas of the United States that ignore this economic reality will face serious long-term problems in attracting new jobs to their communities. Those areas will see themselves passed over for new jobs while other communities succeed.

As all rural communities continue to struggle with the basic tools to create new jobs, Switzerland County has moved rapidly forward. The creation of the Markland Business Park provides our county with usable land on which to build new facilities. Our favorable tax rates also help us compete with other communities across the region and the U.S.

But, like other communities without a higher educational institution, we are hampered by a key problem: the Switzerland County educational attainment levels rank below state and national averages. A community's education level is often used by businesses in deciding where to build a new facility. Site selection is a process of elimination, and the process begins with a review of data that meets an expanding company's priorities. Communities that fall below benchmarks are never given the chance to compete for a new business facility. For Switzerland County to successfully compete

for new opportunities that provide jobs for its residents, the community must improve its overall educational attainment.



The investment in adult-education classrooms by Switzerland County officials in 2011 is a step in the right direction. The facility will be invaluable in helping the SCEDC meet our strategic plan's goals of helping residents prepare for a job market that increasingly requires more highly skilled workers.

The SCEDC over the past three years has approached several colleges and universities to gauge their interest in assisting its efforts. The result will be partnerships with key educational providers, such as Vincennes University, Ivy Tech Community College, and Western Governors University. These partners understand their need to engage our workforce in lifelong education and training activities and support the SCEDC's goals of raising educational attainment in Switzerland County.

The SCEDC workforce development program at the community education center focuses on helping each individual resident who wants to move up the education and training ladder. Services and programs to be offered at the center include assistance with personal educational plans, offering short-term certification courses, providing financial aid resources, and helping residents adapt to new educational technologies such as distance-education courses provided through the internet.

*Building
workforce
skills is a
central element
of Switzerland
County's
economic
development
strategy.*

Switzerland County Grocery Initiative: Restoring Critical Elements of our Local Economy

Switzerland County started 2012 with a significant economic blow as Vevay's Super Value grocery store, the community's only full-service grocery, closed its doors in January. The building, which also houses the CVS and Family Dollar stores, was then put up for sale.

The loss of a community's primary grocery is dangerous. Food is something that every household has to buy. Once they are forced to leave the community to do it, they will start buying other items outside the community, too. A grocery store is critical to the viability of a community. The problems created by not having a grocery cover the entire spectrum of concerns, from economic, to public health to quality of life. If residents must leave town to buy groceries, they are much more likely to buy other items out of the county, too. The effect can be devastating to local businesses. In addition, there are community residents who do not drive. Their only chance to have healthy food options is with a local grocery. This becomes an even bigger issue for the elderly, for whom proper nutrition is a critical issue.

The Switzerland County Economic Development Corporation (SCEDC) quickly began work to attract a new grocery store operator with the intent of having a new grocery in place by the end of 2012. The condition of the facility created a substantial obstacle for any new operator, so SCEDC began with an assessment of what would be needed to get the store ready to reopen. In addition, the store's location made it more difficult to predict what consumer market was available to it. This is where SCEDC began its work. A study was developed to determine the available market for a new grocery in Vevay.

With shoppers crossing county and state lines, it would be difficult for a potential operator to know this information without a study.

Once the study was conducted and a basic assessment of the store's condition was made, the SCEDC began the process of presenting the information to potential operators and grocery distributors. It was then that Eric Rabe became aware of the community's need for a grocery store. With over 40 years of experience in the grocery business, the retired Rabe from Northern Kentucky saw the project as an exciting new challenge.

A large crowd of Switzerland County neighbors celebrated the grand opening of the Cash Saver Food Outlet in Vevay on September 6. The celebration marked the successful conclusion of one of SCEDC's most rapid and challenging projects. The new full service grocery store solved a serious problem facing Vevay and the Switzerland County economy.

As a result, the entire community stepped up to help meet the need. In addition to SCEDC, the Switzerland County Economic Development Commission and the Switzerland County Redevelopment Commission participated in the project. The Switzerland County Commissioners and Council and the Town of Vevay also played a substantial role in making the project possible. Challenges with the site and with the store's sales history made it nearly impossible for an operator to come in on their own and run a successful store. It took the entire community working together to make the re-opening possible and to accomplish that task within eight months — something of which everyone can be proud.

*Restoring
the County's
full service
grocery store
was a top
priority in
2012.*



Markland Business Park – A Year of Rapid Progress

Since the Markland Business Park was first studied in 1992, the driving factor in developing usable industrial property in Switzerland County was availability of industrial-grade utilities. Most employers will not consider a location that does not have reliable, modern infrastructure. The most expensive infrastructure item, development of a commercial truck-serviceable access route to an interstate highway, was the largest limiting factor and made the entire project seem impossible.

When the State of Kentucky completed construction of Highway 1039 in 2006, the county's goal of have usable industrial sites came within reach. In addition, the arrival of the Belterra Casino and Resort, required the extension of high-capacity utilities into open areas in Switzerland County, lowering the cost of extending these utilities to usable industrial ground.

Switzerland County began upgrading utilities to the Markland site in 2008 with the installation of a new water line from the Belterra Casino to the property. This project was done in partnership with the Patriot Water Company. This expansion has not only serves the business park, it has also improved water pressure in other parts of Patriot's system, allowing for future growth.

Since that time, other utilities have been extended to and into the business park property. This includes partnering with Southeast Indiana REMC to install buried electrical lines from their Belterra Substation and the extension of natural gas lines from the Switzerland County Natural Gas Company into the business park. This work was completed in 2009.

In addition, Switzerland County has invested nearly \$1 million into the Florence Regional Sewer District throughout the project, including the installation of sewer lines, funding the design and permitting of a treatment plant upgrade that will benefit not only the business park. but will

also solve looming capacity problems facing Florence, Belterra, Markland and the rest of the district. The County has also funded the preparation of loan fund applications for the utility to seek funding for the project.

In 2012, the Switzerland County Redevelopment Commission was awarded a grant to install roads, drainage, signs and other infrastructure in into the park. Current construction has been funded by a grant from the U.S. Economic Development Administration to prepare the park for future business locations. Work this summer includes construction of a new entrance drive and highway approaches, the upgrade of several interior roads, and completion of the park's storm sewer system.

While applying for and receiving the grant added a 24 month delay to the construction process, it lifted the local burden for funding much of the construction. Because the county owned the property, they were able to easily qualify for grant dollars for the \$1.5 million project.

The grant, originally announced in 2010, was the third investment the U.S. Economic Development Administration (USEDA) has made in this project. Earlier, USED A funded the original feasibility study on the project in 1992, as well as a planning grant to the Switzerland County Economic Development Corporation in 2007 to develop a marketing plan for the park.

Finishing work is expected to occur at the Markland Business Park in 2013, including final site work and signage. Once construction of the park and related infrastructure is complete, SCEDC's focus will shift to marketing the park and community to prospective employers.

Grant-funded construction began at the Markland Business Park in 2012.

MARKLAND
business park
Opportunity on the Ohio

SCEDC Projects Help Make Switzerland County Property Taxes are Among the Lowest In Indiana

Switzerland County's property tax rate is again among the lowest in Indiana. According to information recently provided by the Indiana Business Research Center at Indiana University, Switzerland County's median property tax rate is the fifth lowest of Indiana's 92 counties for taxes payable in 2012. The median property tax rate in Switzerland County is 1.15 percent less than 59 percent of the median property tax rate for Indiana. Switzerland County's median tax rate is the second lowest in Southeast Indiana and the second lowest among all riverboat gaming communities statewide. Fourteen Indiana counties have a property tax rate that is more than twice the Switzerland County rate.

The two main factors in determining an individual property tax bill are the assessed valuation of the property and the property tax rate. A change in either of these two factors can raise or increase an individual tax bill. The methods and guidelines for assessing the tax value of property in Indiana are set by the state, leaving very little control at the local level. Unlike many other counties in Indiana, Switzerland County has been able to keep property taxes lower by maintaining a lower rate.

What Every Citizen Should Know About Property Taxes

- **Switzerland County's total county tax rate is .45 percent.** This is the only portion of the property tax rate that county government controls. There are additional tax rates added by townships, our two incorporated towns, and the school corporation, but none of these is controlled by the county. Non-county taxes add an additional .61 percent to 1.21 percent, depending on what town or township the property is located in. In the town of Vevay, county government is responsible for less than one third of the total tax bill.
- **Property tax valuation is controlled by the State of Indiana.** Very little about how property is valued for taxes is controlled by counties. The state dictates what methods can be used to assess property, what consultants can be used to help with assessment, and what training each assessor has to have to assess property.
- **Switzerland County's property tax rate is among the lowest In Indiana.**
- **The county has used strategic investments to lower tax rates.** Some of the county's largest expenditures since the arrival of riverboat gaming have been for the purpose of lowering tax rates in Switzerland County. For example:
 - The County pays more than \$1 million per year to the Switzerland County School Endowment to cover school-related expenses including debt service—thus lowering our school-related property taxes substantially.
 - Economic development investments, like the Markland Business Park, help lower the county's overall tax rate.
 - The County has always negotiated project financing so that it is secured by gaming revenue only and can never be added to property taxes. This type of financing is more expensive, but protects the community from future tax hikes.
 - An educated, trained workforce also lowers taxes. With more training, residents earn more and invest more in their property here in Switzerland County. This added investment, lowers tax rates for the entire community.

Switzerland County's property tax rates are consistently among Indiana's lowest.



**SWITZERLAND
COUNTY
ECONOMIC
DEVELOPMENT
CORPORATION**

OFFICERS

Jonathan Bond
JD, CEcD
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*Vice President
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Judy Firth
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Financial Report

Statement of Activities—Years Ended December 31, 2012 & 2011

	<u>2012</u>	<u>2011</u> RESTATED
Support and revenues		
Contract service revenue	\$ 171,200	\$ 170,000
Grant revenue	433,338	143,465
Other revenue	90,000	0
Investment return	<u>162</u>	<u>0</u>
Total support and revenues	694,700	313,465
Expenses		
Economic Development	<u>430,886</u>	<u>327,608</u>
Management and general	<u>37,616</u>	<u>39,637</u>
Total expenses	468,502	367,245
Change in net assets	226,198	(53,780)
Net assets, beginning of year	(8,489)	45,291
Net assets, end of year	\$ 217,709	\$ (8,489)

Grant Dollars Raised

It is SCEDC's goal to bring as many economic resources to Switzerland County as possible. Over the past five years, SCEDC has matched every dollar invested in its services by Switzerland County with more \$2.24 in outside grant dollars and another two dollars in in-kind contributions. This four-to-one leverage of local resources is key to helping the community achieve its long term goals as efficiently as possible. Grant dollars are attracted by responsible financial management and, most importantly, a track record of successful projects. Grant makers want to invest in communities where they see a clear commitment to moving forward and where they know their dollars will have a significant impact.

Year	2012	2011	2010	2009	2008	Total	5 Year Average
Grant Dollars Accumulated	\$127,000.00	\$61,000.00	\$765,000.00	\$47,000.00	\$900,000.00	\$1,900,000.00	\$380,000.00