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Regional Development Authority Approves \$6 Million for Job Creation in Northwest Indiana

RDA also urges local officials to take action quickly on a permanent funding solution for the Regional Bus Authority, saying years of work and millions of dollars of investment are at stake.

CROWN POINT (October 20, 2011) – The Board of Directors of the Northwest Indiana Regional Development Authority (RDA) voted unanimously on Tuesday to approve \$6 million in funding that will help create almost 500 jobs in Gary and Merrillville, Ind.

The Board gave the green light to an approximately \$4 million matching grant for Gary which the city will put toward eligible improvements – such as installation of a new waste water treatment facility and a new storm water management system – to the Canadian National Kirk Yard in Gary. CN is relocating some of its operations from Illinois to Gary and investing \$163 million to fully redevelop the yard, a move projected to create 251 new jobs by 2015.

The Board also approved a \$2 million grant which is part of a package of local and state incentives that secured a \$17 million investment by Modern Forge in Merrillville. The company is moving from Blue Island, Ill., to an existing facility in Merrillville, a relocation which will generate an estimated 240 new Hoosier jobs by 2014. The Authority is allowed to provide up to \$6 million a year to assist the Indiana Economic

Development Corporation (IEDC) in attracting companies to the region through the RDA Job Creation Policy, approved by the RDA Board in January 2011.

Hanna adds that the RDA is already fielding calls from parties interested in next year's funding. "Our task will be to spend next year's allocation as wisely as possible to bring the maximum benefit to the region," he says.

The RDA continues to pursue long-term economic development projects around Northwest Indiana. In addition to approving the grants for Gary and Merrillville, the Board also took under consideration a request from the City of Portage for \$1.98 million to connect lakeshore trails in Lake, Porter and La Porte counties. Portage officials say the expanded network of trails will further connect the region and aid in the development of local business parks.

The Authority also released a position statement on the future of the Regional Bus Authority (RBA) in Northwest Indiana. The RDA has worked with the RBA for several years to establish a regional bus service, with impressive results. Ridership on regional routes has grown substantially and approximately 1.4 million rides were delivered on fixed routes in 2010. In the case of Gary, 60 percent of the total ridership utilizes the regional system. Commuter bus lines that take Hoosiers in and out of the Chicago Loop to work every day have been created in southern Lake and Porter counties. In 2010, 42,000 rides were delivered on these express commuter buses and it is projected that approximately 53,000 rides will have been delivered at the close of 2011, a 26 percent increase in one year.

Hanna attributes the growth to consistent and dependable service, increased frequency, the redesign of routes, and effective public outreach and communications. However, he warns that this growth can only continue if there is a unified system with stable funding which, at the moment, there is not.

“Our role has been to support the capital purchases and operating costs needed to get the system started up,” Hanna says. “But now the platform has been built and we cannot continue to fund the RBA without reducing our other commitments, including our ability to help attract jobs as in the cases of CN and Modern Forge.”

The need for a permanent funding source is absolute. “Without it, all the improvements made to date are at risk of being lost, along with all the capital investments made by the RDA, and state and federal governments,” Hanna says. “The cost of reestablishing these systems after a collapse will easily run into the tens of millions of dollars.”

Local officials need to consider all options to fund the RBA. “The system is of great benefit to the citizens and businesses of Lake County and Northwest Indiana,” he says. “And the RDA is more than willing to help them identify specific solutions. But we need to get started on this yesterday. If we don’t find a solution, parts of the system will begin shutting down as early as next June.”

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About the Northwest Indiana Regional Development Authority

Established in 2005 through a bipartisan effort including Governor Mitchell E. Daniels, Congressman Peter J. Visclosky, key state legislators and local elected officials, the RDA is quasi-governmental, development entity entrusted to make public investment decisions within a regional framework for supporting catalytic infrastructure projects and inducing private sector investment. For more information, visit <http://www.in.gov/rda/>