



EVALUATION GUIDELINES

As required by Indiana Code § 5-28-41-14, the Indiana Economic Development Corporation (IEDC) board of directors must consider certain factors when reviewing applications for a grant or loan from the fund. This includes recommendations from the board's strategic review committee, as well as:

- 1) Which projects have the greatest economic development potential.
- 2) Which applications focus on Indiana's rural communities.
- 3) The degree of regional collaboration.
- 4) The application's alignment with the state's economic development priorities.
- 5) Any other criteria as determined by the board.

This policy has been developed to provide additional detail on the specific criteria the board will consider when making determinations on applications for a grant or loan from the fund. This should not be considered an exclusive set of metrics and evaluation criteria, but it does contain the baseline measures to be considered during the board's evaluation process.

Successful applications for a grant or loan from the fund must comply with the Plan Content Guidelines of this policy and demonstrate to the board that if successfully implemented, it will accelerate population growth within the region covered by the plan. The IEDC's financial commitment to a region will be scaled (up to \$50 million) based on the region's alignment with the IEDC's economic development priorities, the potential impact of the region's plan and the regions' capacity to leverage public and private resources.

To determine whether the plan will achieve these goals, the board will consider:

(1) The application's economic development potential:

The board will consider the following when evaluating the plan's economic development potential. This analysis will consider similar actions taken by benchmark communities identified by the region to estimate the potential impact and outcomes of the initiatives the region is seeking to fund.

- ▶ How much potential co-investment has been identified for the projects included in the plan? The coordinating organization should be:
 - Has the region met or exceeded the 4:1 match expectation established by the IEDC?
 - Of the matching sources identified by the region for the entire plan, has the region demonstrated that the private sector and philanthropic organizations will likely be the majority investors?
- ▶ Has the region articulated how the projects included in the plan can lead to additional investment within the region?
- ▶ Has the region demonstrated how the projects included in the plan can lead to accelerated population growth?
- ▶ Has the region shaped its plan using reference points or other sources of data from communities identified as benchmark peers or from other successful efforts in Indiana or elsewhere?
- ▶ For the projects included in the plan, has the region demonstrated how those projects will have regional and not just local impacts?
- ▶ Are the projects and initiatives included in the plan intended to address the barriers to the region's growth, or otherwise meet a regional need (e.g., increase the availability of quality workforce housing)?
- ▶ Has the region considered making investments to support the growth of an entrepreneurial ecosystem within the region, particularly within its rural communities?.



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(2) The extent to which the plan includes a focus on Indiana's rural communities:

The board will evaluate the plan's potential impact on rural areas of the region. While approximately 20% of the state's population resides in a rural community¹, the IEDC recognizes that the state's continued economic growth will require these rural areas to remain healthy and vibrant places for those who live there today and in the future

When analyzing a regional development plan, the board will determine: The extent to which the needs and opportunities of rural Indiana are considered in the plan.

- ▶ How the region will evaluate investment opportunities in rural areas.
- ▶ How investments in urban areas of the region will beneficially impact rural communities, and vice versa.
- ▶ Whether or not the region has a plan to identify ways to promote rural communities and raise awareness of the activities and opportunities available to residents and visitors.
- ▶ To what extent the rural and urban stakeholders have developed a plan that accounts for the growth of urban areas and its impact on the surrounding rural communities.
- ▶ Whether the region identified funding opportunities for projects in rural areas that align with other state initiatives (i.e. Indiana State Department of Agriculture or the Office of Rural and Community Affairs).

(3) The degree of regional collaboration:

Broad stakeholder input in the planning and execution processes is critical for a successful regional development strategy. Through extensive research of the most successful regions in the country for economic and population growth, the IEDC identified broad, regional collaboration as a critical factor in the overall success in the development and implementation of a region's strategic plan.²

When reviewing applications, the board will expect to see a clear demonstration by the region that it proactively engaged a diverse group of individuals, organizations and interest groups during the planning process by considering:

- ▶ What criteria was used to define the region, who was involved in that process and why the region came together as it did.
- ▶ How the region solicited input when developing the plan.
- ▶ Whether or not the region has an action plan to maintain regional stakeholder engagement and input as the plan is implemented.
- ▶ How has the region demonstrated commitments to the plan's implementation from key public and private stakeholders.

(4) Alignment with the state's economic development priorities:

There is an opportunity to leverage the READI planning process to align state and regional economic development priorities to increase the impact and return on investment for communities across Indiana. Coordinating investments and extending the reach of successful economic development efforts already underway to achieve the state's economic development objectives.



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In its review, the board will assess the region's alignment with the following:

- ▶ **Quality of Place and Quality of Life:**
 - The extent to which the plan and the proposed investments it contains focuses on creating high-quality, vibrant places with an eye toward attracting and retaining people.
 - The extent to which the plan prioritizes the revitalization or redevelopment of existing vacant, blighted or underutilized assets within the region.
 - Whether or not the plan considers investments in arts and cultural amenities.
 - Whether or not the plan highlights the natural resources within the region as a part of creating high-quality communities.
- ▶ **Innovation and Entrepreneurship:**
 - Whether or not the plan compliments the state's investments in supporting advanced industries including:
 - Expanding the reach of the IEDC's Manufacturing Readiness Grant and Innovation Voucher programs.
 - The region's engagement with existing IEDC innovation programs and initiatives including:
 - Existing public-private partnerships such as the Battery Innovation Center, Emerging Manufacturing Collaboration Center, Indiana 5G Lab and others.
 - Expanding or establishing a community ideation + investment fund in partnership with Elevate Ventures.
 - Engaging with and supporting the IEDC's connected factory pilot project.
 - Whether or not the region has a focus on creating spaces and programs to increase the rates of entrepreneurial activity including:
 - Participation in and support of the Innovate WithIN pitch competition.
 - Support of Indiana's Small Business Development Centers engagement with entrepreneurs and business owners in the region.
 - Engagement with existing incubator and accelerator programs supported by the IEDC.
 - Whether or not the plan includes projects or programs to expand access to capital for small and medium sized businesses (e.g., creating or expanding a revolving loan fund or venture investment fund in partnership with Elevate Ventures).
- ▶ **Talent Development and Attraction:**
 - Whether or not the region engaged its major employers to understand their workforce needs.
 - The extent to which the region developed projects or initiatives that capitalize on opportunities to attract a remote or distributed workforce.
 - Whether or not the region utilizes existing tools, programs or organizations to identify individuals who may have a likelihood to move to the state.
 - Whether or not the plan contemplates leveraging the quality of life/quality of place investments the region is making through the initiative in its talent development and attraction efforts.
 - Whether or not the region considered efforts to attract and support military veterans, e.g., coordinating with INVets.
 - The extent to which the projects and initiatives in the plan support increased wages throughout the region.



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(5) Other criteria determined by the board:

In addition to the evaluation categories outlined above, the board will also consider other factors in its analysis.

- ▶ Can the region sustain the effort after the state's initial investment has been made?
 - Has the region demonstrated a commitment to regional collaboration in the absence of state funding?
 - Does the plan consider creative ways to invest the state's READI funds to generate returns for the region to reinvest (e.g., through the creation of revolving loan funds or other investment vehicles)?
 - Has the region identified barriers to continued investment and considered opportunities to remove them?
- ▶ How has the region engaged its anchor institutions?
 - Did the region use its major employers and other legacy anchors to coordinate the regional planning effort or otherwise actively solicit their input and engagement in the planning process?
 - Have the region's anchor institutions committed to the plan's implementation, including providing funding where appropriate?
 - Have the anchor institutions demonstrated they are committed to focusing on interests outside of their own?
- ▶ Are there clearly-identified metrics, goals or outcomes expected to be achieved if the plan is successfully implemented? Has the region articulated how the projects are intended to achieve these outcomes?
- ▶ Will the investments in the plan be promoted in alignment with the region's vision?
 - Has the region described its visionary identity? Is this identity being used to help attract and retain people in the region?
 - Does the regional plan include a marketing strategy or a plan to ensure the region is being actively promoted?
 - How does the region plan to ensure any planned programmatic investments are still visible to the public within the region, across the state and around the world?
- ▶ How likely will the plan be successfully implemented?
 - How many of the projects or initiatives in the plan are in a stage of development to move forward in the next 3 years?
 - How does the plan align with or capitalize on the existing assets in the region?
 - Does the region have strong leadership that is trusted and relied upon by a broad group of stakeholders?