

G. When was the last strategic plan created? 1999

II. UEA Organization

A. List your board members (indicate board officers) and their representation.

Name	Office	Representation
Dennis Harvey	Chairman	Building Trades Union
Karen Burnett	Vice Chairman	Business
Mary Tonne	Secretary/Treasurer	Business Industry
John Lightle	Past Chairman	Resident Republican
Jerry Milford		Business
Melba Smith		Resident Democrat
Jim Stewart		City Council
Ken Ellis		Planning
Tom Higgins		Community Development
Doris Jones		Resident
Luke Kenley		State Legislature
Deanna Jeffrion		Indiana Dept of Commerce
Robin Townsend		Indiana Dept of Commerce

B. Staff

Full-Time 2

Part-Time or Shared 1

Volunteer (occasional) 10

C. How many times did the board meet last year? 10

D. How many times was a quorum present? 9

III. Zone Businesses

The zone business information in this annual report is for UEA activities for calendar year 2001 and EZB-R filers for 2000. The information from EZB-R filers for 2001 is for tax savings claimed and reinvestments made in 2000 unless otherwise indicated.

A. Number of Business Participants 45
(List names of participants and attach.)

Able Ambulance	Ambucare Clinic	Automotive Color
Bowman Construction	Boyd's Auto Sales	Brandt Jewelers
Brunt's Downtown	Essex Group	Federated Publications
CVS / Hooks	Howard Auto Sales	Jimmy's Used Furniture
Kennedy's	Kirby Risk	Kirby Risk Motor Repair
Marion Camera Shop	Marion Family Opt	Marion Music and Sound
NAPA	Marion Tire	McClure Oil
Private Eyes	Browns Muffler	Robbins & Zirkle
STAR Financial	Vices Floral	Webbs Hallmark
Cubberley's	Roskins Jewelers	Peerless Printing
Marion Steel	Priscilla & Perry	NX Communications
Curran Roofing	Peerless Machine	Greenline Manufacturing
General Motors	B & H Automotive	Klean & Neat
Union Planters	Salin Bank	Bank One Corp
Grant County State Bank	Old National Bank	Knit & Purl

B. Estimate how many businesses in the zone are **not** participating in the program. 325

Why are these businesses not participating?

Most do not participate because they are businesses that offer professional services involving little or no inventory, and employees do not live in the enterprise zone.

C. How many new jobs created were filled by enterprise zone residents?

8

- D. List any new business openings in the zone and the number of jobs created.

S & A Call Services	10
The Painted Lady	2
The Uniforme Shoppe	2
Pop A Top	4

- E. List any business relocations to the zone and the number of jobs. (Note if the business is relocating from within Indiana.)

N/A

- F. List any business expansions and the number of jobs created.

Curran Roofing	20 jobs created
Marion Engineering & Technology	4 jobs created
NX Communications	4 jobs created
Peerless Machine & Tool	3 jobs created
Auto Pro's	1 job created
Foods For Thought	1 job created

- G. List any business closings and the number of jobs affected.

Kirby Risk Motor Repair	3 jobs
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- H. List any businesses relocating outside of the zone and the number of jobs relocated.

Napa Auto Parts	11 jobs
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IV. UEA Activities for 2001

A. List and briefly describe UEA efforts or programs to:

(1) *increase capital investment in the zone:*

As a result of MUEA programs and incentives, over \$.5 million was reinvested into Marion's urban enterprise zone in 2001.

IN 2001, 1 MUEA \$ = 5.5 \$ INVESTED IN THE ZONE

Business Improvement Grants: The MUEA offered a matching grants program to zone businesses. 14 grants were awarded to assist with projects such as landscaping, signage, and sidewalk replacement.

Zone Loan Program: The MUEA continued offering the Zone Loan program, a low-interest rate loan offered in partnership with locally participating banks. 2 Zone Loans were awarded to assist with the planning and development of 2 business locations.

The Home Improvement Grants Program: The MUEA awarded a matching grant to 5 enterprise zone homeowners, which assisted with the repair and replacement of roofs and windows.

(2) *retain and create jobs:*

Zone Loan: The Zone Loan program was utilized by two local businesses. One of those businesses is a locally-owned technological services provider, which purchased a vacant building for complete renovation, with plans to relocate their business and add 15 new positions to their company. This business currently employs 3 enterprise zone residents; and the owners are active participants in the growth of our community and in other organizations that serve it.

Business Grants: The Business (matching) Grants program was utilized by one local entrepreneur in the renovation of a Victorian home into a salon. The opening of this business created 1 immediate job. The business has flourished; and has plans to continue property improvements and expand its staff and services. One zone business, having received prior MUEA assistance and relocating last year because of business expansion, asked for MUEA help again in its SECOND relocation within 2 years because of continued growth! This health and nutrition education center relocated to South Marion, opening 3 side-by-side shops, and adding 1 new position.

The MUEA was also instrumental in the recruitment of a new enterprise zone business in 2001, adding 10 new employment opportunities in the zone. This business is expected to expand its staff to 25 over the next year.

The MUEA received approval from the State Enterprise Zone Board for a modification to its enterprise zone boundary, allowing for the inclusion of a Marion's largest employer and several vacant/underused industrial sites. The inclusion of these areas into the zone has allowed several employers to gain a competitive edge while remaining at their current location. Through enterprise zone tax incentives, the modification has added several "tools" to the toolbox of other local EDO's working to recruit new business to the vacant/underused sites.

(3) increase employment opportunities for zone residents:

With MUEA financial assistance provided, zone businesses have been able to expand, creating employment opportunities for zone residents.

Tuition assistance: Zone residents were also offered up to \$1,000 in tuition, books, and fees assistance through the MUEA/Community Foundation partnership for the Tuition Grant program. This program creates increase opportunity for zone residents to successfully attain a higher level of education leading to higher wages.

GED incentive: A \$200 incentive was offered to low-to-moderate enterprise zone residents who obtained their GED. 2 enterprise zone residents participated in the program.

Job readiness training and placement: In partnership with World Hope International, Inc., Salvation Army, and Grant County, the MUEA assisted in the job readiness and training of 8 enterprise zone residents. This program has gained the support of many in the "welfare-to-work" and "rehabilitation vs. incarceration" effort, including Senator Luke Kenley, Madison-Grant County Department of Workforce and Development, Grant County Probation department, and the Salvation Army. With its holistic approach and mentor-based focus, this program has been recognized as an effective approach to transforming the "mindset" of many seemingly "stuck" in poverty.

- B. List and briefly describe any other UEA efforts or programs that benefited zone residents and/or businesses.

Supportive services: The MUEA provided assistance for zone residents entering the workforce needing assistance with starting expenses such as uniforms, equipment, work boots.

Job training: The MUEA offered 50% reimbursement to zone employers for the training/education of zone resident employees that resulted in a wage increase. Two zone businesses utilized this program, resulting in the wage increase of 2 zone residents.

- C. List any joint efforts or collaboration with other organizations (non-profits, city government, businesses, etc.).

Youth Leadership Training: In partnership with Marion-Grant County Chamber of Commerce Business and Education Partnership and North-Central Indiana Youth for Christ; and, with the financial and in-kind support of private citizens, other not-for-profit organizations, Marion city administration, and WIA funds, the Marion Urban Enterprise Association launched its first year of Y.E.S. Network – Youth Empowered to Serve. 18 eighth grade students living in the zone, nominated by school counselors and other youth workers for their “untapped leadership potential”, began their first year of this three-year leadership-training program. The students began with a team-building retreat at a local challenge course, and attend training session/trips after school twice a month. The first-year’s training focus is on Individual Leadership. The second year will train the students in Team Leadership; and the third year will activate them in Community Leadership. The three-year curriculum is a combination of relationship-building time, workbook sessions, experiential learning activities, and learning trips.

In partnership with the Marion-Grant County Chamber of Commerce, the MUEA sponsored an “Enterprise Zone” category in the Chamber’s Annual Neighborhood Awards contest to encourage neighborhood clean-up and/or beautification efforts.

- D. What activities were new to the UEA in 2001? Why did the UEA engage in these activities? Were they successful?

Easter Egg Hunt: In an effort to find a more effective means of encouraging zone resident utilization of MUEA programs and services, the MUEA hosted a downtown Easter egg hunt for the zone community. Residents attended and met MUEA board members, who distributed brochures and discussed MUEA services and programs with the residents. As a result of the event, over 60 first-time requests were received for more information on zone resident services and programs. The event was considered a success.

YES Network: While the planning for this program started in 1999, 2001 was the "launching" year for this youth-leadership training pilot program that targets enterprise zone students. The MUEA birthed the idea for this program during their last strategic planning process, when discussing the issue of the employability of zone residents. It was agreed that MUEA would include a strategy of increasing zone resident employability and job opportunity by targeting the youth of the zone for a leadership-training program that would include career/life path exploration and local business mentorship. The program has already received broad community support; and is considered a "Grant County" original.

Note: The MUEA hired a part-time program manager for the operational function of the YES Network sessions. The addition of UEA staff required the use of more office space, which meant the relocation of the Main Street Marion office. This physical separation of the partnering organizations has benefited both organizations by clarifying each organization and their functions to the rest of the community.

The supportive services program was offered to help "fill the gap" for other supportive agencies working to employ zone residents. The program was used by only one zone resident; and was not continued for 2002; but may be revisited for future programming.

The job-training program, although utilized by 2 businesses, was thought to not have served as a true incentive for encouraging the training and education of zone resident employees. It was not continued for 2002; but may be evaluated for future programming.

- E. Highlight the major successes of the UEA for 2001. (Attach additional materials to document these successes i.e. news articles, testimonials, etc.)

Successful enterprise zone boundary modification: Attachment A

Youth Leadership training – YES Network: Attachments B, C

Easter Egg hunt: Increasing enterprise zone resident awareness and utilization of MUEA programs and services (Attachment D).

V. UEA Funding & Expenditures

UEA fiscal year: January 1 – December 31, 2001

- A. Attach the UEA's most recent financial statements for 2001.
(Note: The Indiana State Enterprise Zone Board approved a resolution requiring UEAs to submit a financial statement that is certified by the UEA Board's financial officer.)

VI. Goals for 2002

- A. Briefly describe the UEA's greatest challenges for 2002. How does the UEA plan to meet these challenges?

Legislation: The MUEA is facing the challenge of continuing its programs and services to the community in light of current efforts to eliminate the inventory tax. This challenge will be addressed in this year's writing of the MUEA's 5-year strategic plan. The MUEA will also support the AIEZ in marketing the enterprise zone concept and alternate funding stream possibilities to legislators.

Community Collaboration: There is community-wide concern regarding the "disconnectedness" and "turfism" between organizations and agencies throughout Marion and Grant County. This disconnectedness has hindered the effectiveness of many programs and services because of lack of awareness that these benefits exist. The MUEA will initiate discussion on this issue with fellow organizations who serve the zone community and will continue to explore partnership opportunities with those organizations.

- B. What other goals does the UEA have for **2002**?

The MUEA's primary goals for 2002 are:

- To develop of an effective 5-year strategic plan
- To receive approval from the Indiana State Enterprise Zone Board for a 5-year zone renewal
- To ensure the successful utilization of tax incentives by each business that was brought into the zone as a result of the boundary modification.
- To raise funds for the expansion of the YES Network program in order to include students from the rest of Marion city limits for the start of the new 2002-2005 3-year class.

Chronicle-Tribune

Friday, December 14, 2001

INDIANA'S BEST DAILY NEWSPAPER

SERVING MARION AND GRANT COUNTY SINCE 1867

Urban enterprise zone

State approves zone expansion

Businesses and residents in zone may apply for tax relief

BY STAFF WRITERS

The state on Thursday approved the expansion of Marion's urban enterprise zone, increasing the number of local businesses and residents who will be eligible for tax breaks and, consequently, boost the city's economy.

Officials hope expanding the zone will provide a lift for Marion's sagging economy.

As of October, the city's unemployment rate was 9.4 percent, more than double the state average.

It is significant that this is being done," Tim Miller, executive director of the Marion Urban Enterprise Association said after Thursday's decision by the Indiana State Enterprise Zone Board to expand the enterprise zone in Marion. "It will help those areas be marketable to potential employers."

Businesses and residents located in the urban enterprise zone may apply for various forms of state income tax relief, said Dennis Jefferson, enterprise zone program manager with the Indiana Department of Commerce.

For business owners, that may mean exemptions from taxes on their inventories and income, and more if they have residents who live within the urban enterprise zone.

For residents, the first \$7,500 of their wages would be exempt from state income tax, and small business owners may receive a 5-percent tax credit on income from interest on loans made within the zone.

All of the incentives are based on establishing businesses and residences around these areas," said Jeff Harris, spokesman with the Indiana Department of Commerce.

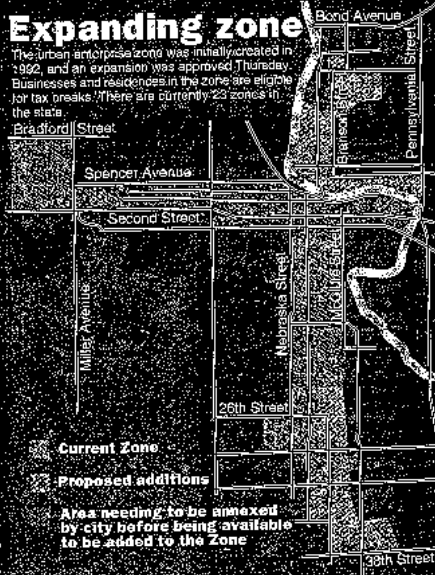
Under the expansion, the zone will incorporate areas that include the former Active Products and Ball-Foster Glass Container Corp. buildings and the Memorial Coliseum on the north and the Thomson multimedia plant and the site of the former Saint Regis Paper Co. on the south.

Miller said Marion's urban enterprise zone contains many vacant industrial sites. For example, despite Spencer Development and Roll and Hold moving into Ball-Foster's former Charles Street plant, about half of the building — or an estimated 1 million square feet — remains unused.

The same is true of the former Esser Wire site at 214 E. 24th St. where 75 percent, or 300,000 square feet, is dormant.

Expanding zone

The urban enterprise zone was initially created in 1992 and an expansion was approved Thursday. Businesses and residences in the zone are eligible for tax breaks. There are currently 23 zones in the state.



BENEFITS OF BEING IN THE ENTERPRISE ZONE

- In an urban enterprise zone, the following are available:
 - Up to a 30-percent tax credit for people who become part owners of a business.
 - Businesses who hire residents in the zone may receive a \$1,500 tax credit or 10 percent of their employees' gross increase in wages, whichever is the lesser amount.

- The first \$7,500 of residents' income are exempt from state income taxes.
- A 5-percent tax credit for lenders on income from interest on loans.
- Tax exemption for businesses on any increase in profits.

"Anytime you have under used property that could be used for housing jobs, that's definitely a problem," Miller said. Originally created in 1992, Marion's urban enterprise zone ran from Miller Avenue east to the Massis Street River between Spencer Avenue and Fourth Street. It also runs south from the river to

32nd Street between Nebraska and McClure streets. Mayor Bill Henry said he'd been working with officials for 18 months to expand the zone. Thursday's decision was a much-anticipated blessing. "It makes Marion an even better place to do business and employ people," he said. "It might help keep jobs in town."

Attachment
A

Local

MARION CHRONICLE-TRIBUNE / TUESDAY, APRIL 24, 2001 / A3

Group to build youth leaders

Agencies to combine for Y.E.S. Network

BY STAFF WRITER

A new three-year pilot program designed to build leadership in area youths was launched Monday and will later include all of Grant County.

The Marion Urban Enterprise Association, Youth for Christ and the Marion-Grant County Chamber of Commerce joined forces to create the program called Youth Empowered to Serve, Y.E.S. Network.

"The first year of the program is a pilot involving students in the enterprise zones," said Madonna

French, chairman of the program. Next year, residency will not be restricted.

Marion's L-shaped Urban Enterprise Zone runs roughly from its west boundary at Miller Avenue east to the Missisquoi River between Spencer Avenue and Pouch Street. It runs south from between Robinson and McClure streets.

Twenty students will be selected from the area by area teachers, pastors or others interested in nominating students, French said.

Youth leaders will be trained September through May using a curriculum developed by Dr. Jim Lantz,

associate director of life calling and leadership at Indiana Wesleyan University. On average they will

To help

Anyone wanting to donate money to help pay expenses of the leadership program may send a donation to the Marion Urban Enterprise Association, 2149 S. Adams St., Marion 48852. The school is closed in standing a season. To nominate youths for the program may meet at three different times, 7:30 a.m., noon or 3:45 p.m. on May 1 in the Marion Public Library.

meet twice a month. Training will include instruction on leadership and field trips, French said.

In the summer there will be cultural events for students and invite parents while school is out to keep students connected, said

Cheryl Robson, executive director for Youth for Christ. The field trips will be; students in touch with leaders in the community.

"We want young people to be exposed to them," he said.

Training the first year will concentrate on teaching students what leadership is and how each person can effect positive change, said Tina Miller, the executive director of the Marion UEA.

"They will learn about personal goal setting, accountability and achievement in all areas of life," she said.

In the second year students will learn how to build a team of leaders and how to communicate within a team setting. She said they will learn about the dynamics of working together and how that leadership is different.

"They will learn about visioning and strategic planning," she said. "They will begin to put together a community improvement plan."

In the third year they will implement the community plan and begin performing community service, Miller said. Organizers expect that by the time they are sophomores, leadership skills will be part of their life and continue beyond the program.

Students chosen will tend to be those not already leaders in school activities such as student government or organizations in school, she said. Instead the program wants to find students that are potential leaders and develop them.

A director will be named this fall and paid for by the UEA, French said. The three organizations formed

a committee to raise an additional \$47,000 to pay incidental expenses.

Ultimately the goal of the project is help students in Marion providing leadership, said Mike McMillan, director of the United Way of Grant County and one of the program's committee members.

"In 10 years some of them will be here continuing this program," he said.

As more people are exposed to the positive aspects of the community, they change their minds about how they feel about Grant County, said Tim Harsh, a member of the committee developing the program.

"Once you feel ownership, it's likely you will remain or return (to Marion)," he said.

Attachment B

Local

2.com MARION CHRONICLE-TRIBUNE / MONDAY, AUGUST 27, 2001 /

Parents', participants' questions were answered at the bowling alley



DENISE LOLES/Staff photographer

HOPING FOR A STRIKE — Kyla Traxler, a Jones Middle School eighth-grader, bowls during the Youth Empowered to Serve organization kick-off Sunday at the Plaza Bowl. "I hope to learn more about leadership and become a better person," said Traxler.

YES network kicks off

BY STAFF WRITER
AVON WATERS

A new program designed to foster leadership in area youth had its kick-off meeting Sunday.

Organizers of the Youth Empowered to Serve program met at the Plaza Bowl to answer participant's and parent's questions regarding the new program. An estimated 23 eighth-grade students from the Marion Urban Enterprise zone were selected for the pilot program that is designed to develop leadership in youth.

The Marion Urban Enterprise Association, Youth for Christ and the Business Education Partnership teamed up to develop the program, said Jay Kraft, the director of the YES network. The three-year program will expand to include the whole county by the third year.

"The hope is these kids graduate from the program, go to college and return to Grant County with their leadership skills," he said. "The good kids move away. We lose our good leaders in Grant County."

Although the Youth for Christ is involved and staff from Indiana Wesleyan University is developing the curriculum, the program has no reli-

"We want to take students that have shown potential and develop their understanding of leadership and help them develop new skills."

— Tina Miller, executive director

gious content, Kraft said. It strictly is designed to develop leadership in students at a critical time in their lives.

Studies show that if students develop any leadership skills, it is before they reach their junior year, he said. That is why this program targeted students in the eighth grade.

Students will meet once a month at St. Paul Catholic Church after school for training sessions using books, activities and discussions, Kraft said. They will meet an additional time each month for a field experience where they will tour businesses and meet community leaders. Once every 14 weeks they will meet for a social gathering.

This is not a youth group, said Tina Miller, executive director of the Marion Urban Enterprise Association.

"We want to take students that have shown potential and develop their understanding of leadership and help them develop new skills," she said.

Kraft said there is a need to serve all of Grant County. Funding must be found to expand the program. It costs an estimated \$3,000 per student for the three years. The money for the program is coming from the MUEA, BEP and from private donations.

McCulloch Middle School student Vanessa Pensis is looking forward to beginning the program.

"There are a lot of kids trying to be followers and not leaders," she said. "This is good for kids our age."

She hopes the program will teach her how to get things done and accomplish projects to help the community that she thinks are needed. She wants to see more things for students to do so they won't get into trouble.

The program also teaches students how to deal with problems and to be able to help others solve conflicts, said Trey McClung, an eighth-grader from Justice Middle School.

He said, "I think it will help us learn life skills."

Attachment C

MUEA hosts Easter egg hunt

Event promotes association

BY STAFF WRITER
SEAN F. DRISCOLL

Besides giving job training, tuition assistance and home improvement grants, the Marion Urban Enterprise Association spent Saturday handing out Easter eggs to area residents.

The association hosted its first ever Easter egg hunt on the Grant County Courthouse Square. Face painters, a miniature train and Marion's newest fire engine were also on hand to entertain the children.

MUEA Executive Director Tina Miller said the event was a chance for people to learn more about the association's opportunities.

"The idea was to put faces to names for us, and to give residents faces to connect to the (association)," she said.

Any Marion resident living within the Marion Urban Enterprise Zone, which includes areas in central and south Marion, is eligible for the association's programs. Residents who live and work within the zone are also eligible for a tax credit.

Mary Tonne, chairwoman of the MUEA's Neighborhood Development committee, estimated about 300 people

For help

Residents who would like assistance from the Marion Urban Enterprise Association, 214-B S. Adams St. should call 684-0988 or e-mail muea@mxco.com.

Only residents living within the Marion Urban Enterprise Zone are eligible for the programs. If you are unsure whether you live in the zone, call the MUEA office.

attended Saturday's event.

"We were afraid we would have way too many or too few people," she said. "This is just fantastic."

Miller said those who attended were evenly split between people who had used the association's services and those who had not.

"(The Easter egg hunt) is a different kind of effort to give information on our programs and to raise awareness that we're here and where (the enterprise zone) is," she said.

Marion resident Teresa Black said she knew about the association, but after attending Saturday's event, she said she was considering using some of its services.

"I've been talking about buying a house for forever," she said. "Now, I might talk to (the association) about getting some help."

Attachment D



HOLIDAY FUN — Reflected in a flower-shaped mirror, Triela Henry, 2, Marion, inspects the flowers painted on her cheek Sunday after the Marion Urban Enterprise Area Easter egg hunt on the Courthouse Square. Representatives of the Child Evangelism Fellowship painted the children's faces.