



CUTTERS *to* CODERS

Bloomington's Next Step

Indiana Chamber of Commerce
2014 Community of the Year

Why did the community feel it was necessary to improve its local economy and partner with business for a solution?

Bloomington is stepping into the next stage of its evolution as the economic and cultural capital of south central Indiana. The last decade has seen many changes in our increasingly globalized economy that impact our community and require us to be proactive about creating new opportunities for Bloomington.

Traditionally, Bloomington has thrived on several primary economic drivers:

- Indiana University
- Limestone
- Manufacturing
- Life Sciences/Pharma

While these industries continue to make contributions to the economy of Bloomington, challenges have arisen. Limestone operations in Bloomington have largely

closed their doors. Nationwide, manufacturing has declined significantly in the past decade as jobs are exported overseas. Additionally, new advanced manufacturing jobs are on the rise but require more skills than the traditional manufacturing worker has, creating a skills gap that leaves many unprepared for change. In more recent developments, many of Bloomington's largest corporate citizens in the life sciences are now grappling with the new medical device tax that will hamper their capacity to hire and retain workers.

Bloomington has recognized that these challenges require innovative solutions and a vision for the future beyond the past; as a community we are actively fostering that future now through private-public partnerships.

How has this community gone about improving its local economy and addressing critical community issues during the past 3-5 years?

Recognizing the need for Bloomington to both strengthen its job base and set the stage for the next phase of growth, public and private sector leaders have partnered to make Bloomington the high-tech capital of southern Indiana.

Bloomington Technology Partnership

The Bloomington Technology Partnership (BTP) was a vision of Mayor Mark Kruzan in 2008 to mimic the successful Bloomington Life Sciences Partnership. Led by the Bloomington Economic Development Corporation (BEDC), the BTP is a public-private initiative funded by the City of Bloomington, the Indiana University

Office for Engagement and the BEDC. The mission of the BTP is to foster the growth of Bloomington's emerging high-tech economy. The BTP strengthens Bloomington's tech economy through talent recruitment, networking opportunities, and technical assistance. The partnership has recently grown from a part-time director to a full time position. Highlighted below are two initiatives of the BTP.

Coding School

This year, the BTP received a grant from the Community Foundation of Bloomington and Monroe County to pilot a coding school that addresses the skills gap in the technology sector. As part of this grant the BTP is partnering with the Monroe

County Public Library to grant access to *Treehouse*, a self-guided online learning platform for computer programming. Anyone with a Monroe County Library card will be able to take advantage of these tools for free for a year. Participants of the pilot program are paired with mentors to enhance their understanding of the skills learned in Treehouse.

BTP Career Fair

This year the Bloomington Technology Partnership hosted the third biannual career and internship fair for tech workers. The Bloomington area produces a steady stream of tech professionals through its various educational institutions. This fair was designed with the goal of keeping as many of those in Bloomington after graduation as possible. Already the fair is successfully connecting workers with local jobs, engaging 249 participants at the most recent fair. This equates to 66% growth in participation between the first and third fairs.

Space to Innovate

To catalyze the growth of high tech in Bloomington, we are rolling out the welcome mat. Private, public, and academic participants have caught the vision and are actively creating spaces for both organizations and creative individuals to work and innovate in the tech sector.

Bloomington Certified Tech Park

The crown jewel of the City of Bloomington's efforts to grow high tech in our community is the Bloomington Certified Tech Park. The vision began in 2004 and accelerated in 2008. The CTP is 65 acres of land in the heart of Bloomington with a 12-acre core property that is already under development. Up to \$9 million in tax increment funds and grants from the state will be invested in creating a core that will draw private sector redevelopment investment to the CTP.

Accolades for tech in Bloomington

#2 in "High Tech GDP Concentration" in 2013 (Milken Institute)

#20 in the nation among small metros for high tech GDP growth 2007-2012 (Milken Institute)

#29 on the *Forbes* list of "Best Small Places for Business and Careers" in 2012.

An "Emerging Epicenter of High Tech Industry" (Wired magazine)

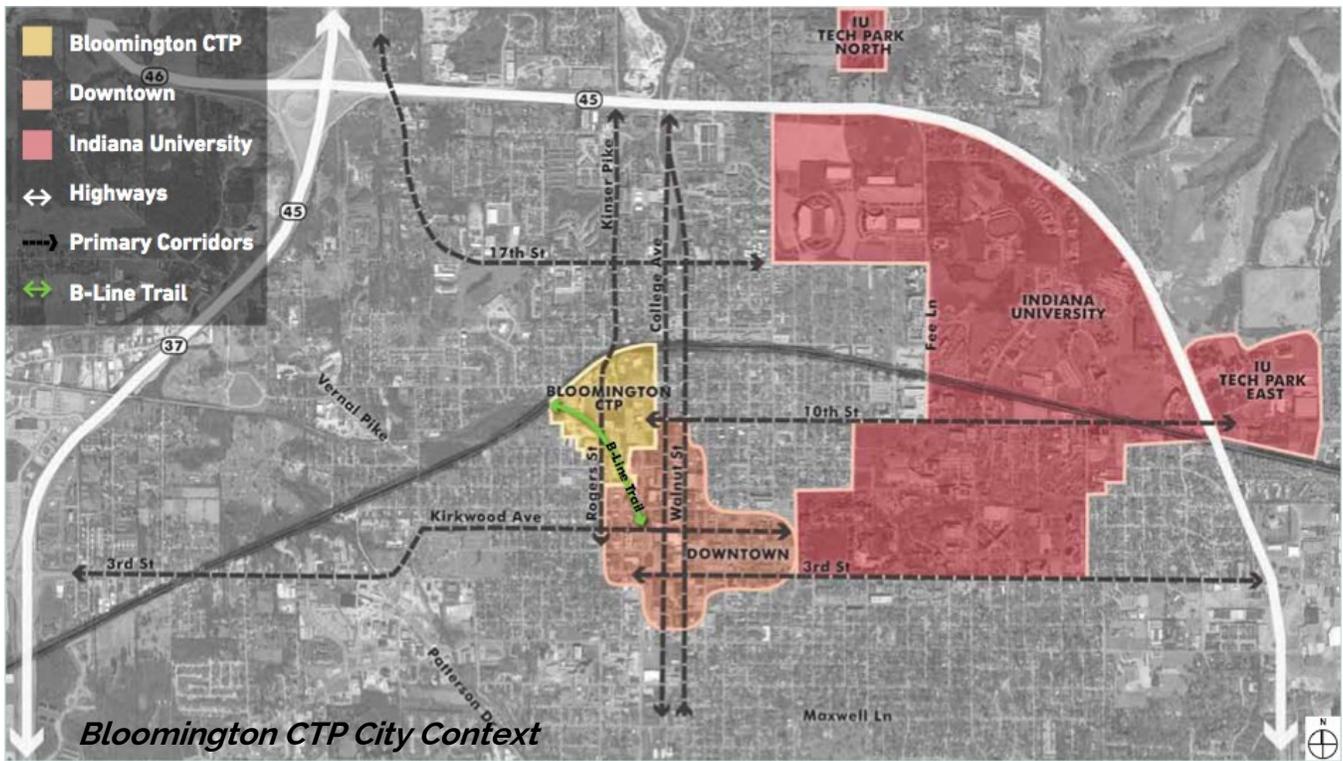
Top 50 "Hottest Small Cities for Entrepreneurs" (Entrepreneur magazine)

80% growth in tech sector employment in recent years

The City of Bloomington was the first government to participate in the Google Summer of Code program in 2012.

Indiana University's establishment of the School of Informatics, the first school of its kind in the U.S., has produced a steady flow of high-quality tech professionals.

#5 in the nation for data center siting with respect to cost and data security according to Boyd Company (2012)



CTP Redevelopment Goals

- ATTRACT** tech sector development; create jobs
- SUPPORT** high tech employment uses
- PROVIDE** flexible office space for technology start-ups, post-incubation space for growing technology and life science businesses
- DIVERSIFY** downtown housing: options for tech park employees and active seniors
- MERGE** the area into fabric and character of downtown
- PROVIDE** restaurants and support services
- ENHANCE** public amenities such as green space and the B-Line Trail to serve the businesses, their employees and clients, and to draw visitors downtown; to stimulate capital investment and economic development
- IMPLEMENT** a plan that integrates sustainability, economic development, and historic preservation

The Bloomington CTP is unique among all certified CTPs in Indiana. Beyond providing dedicated space to encourage tech companies to choose Bloomington, the CTP incorporates multi-use development with office, retail, and residential space in order to knit it tightly into downtown. This approach will spur economic development on several fronts and is precisely what creative-class workers are looking for—a community that incorporates all aspects of their lives in a thoughtfully planned urban space. When complete, the CTP will provide 300,000 square feet of office space, 300,000 square feet of residential development, and 20,000 square feet of restaurant and retail.

Coworking Spaces

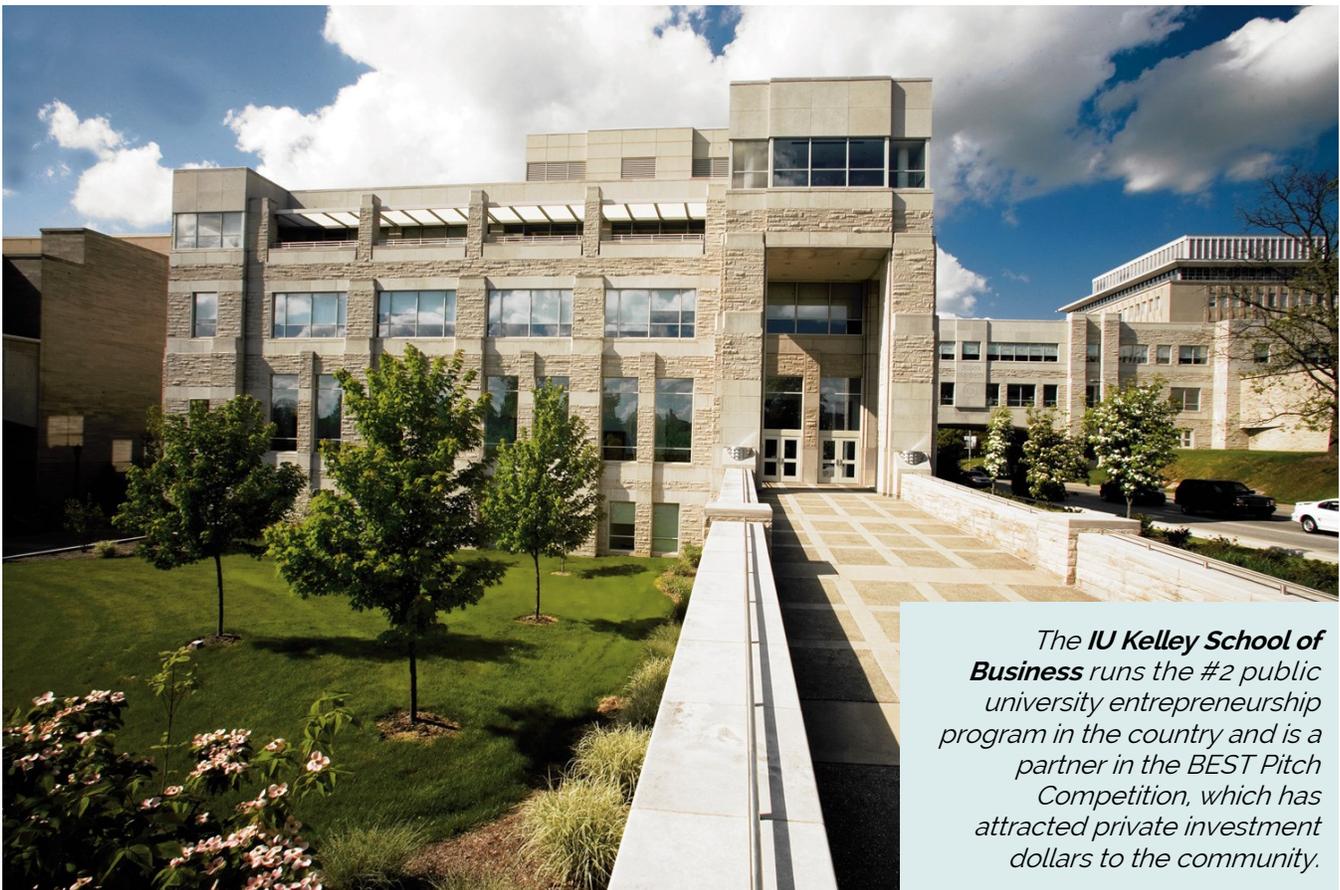
The world of high tech no longer exists exclusively in rows of cubicles and defined spaces. Connectivity offers

flexibility to tech workers around the world to work remotely. Additionally, many startups begin with just one or two people who don't want the overhead of dedicated office space. The private sector in Bloomington has embraced this reality and created coworking opportunities through Cowork Btown, BloomingLabs, and the SproutBox Hackers in Residence Program. These businesses strengthen the tech network by creating gathering places for freelancers, entrepreneurs, and tech workers working remotely.

Driving tech through education

Johnson Center for Entrepreneurship & Innovation

The Johnson Center for Entrepreneurship (JCEI) is the hub for entrepreneurship on Indiana University's Bloomington Campus. In 2012, it was ranked the #2 public



entrepreneurship program in the country. Together with the School of Informatics, they have created a unique partnership to accelerate the entrepreneurial growth of budding technologists and bring market analysis to bear on emerging technology trends in the School.

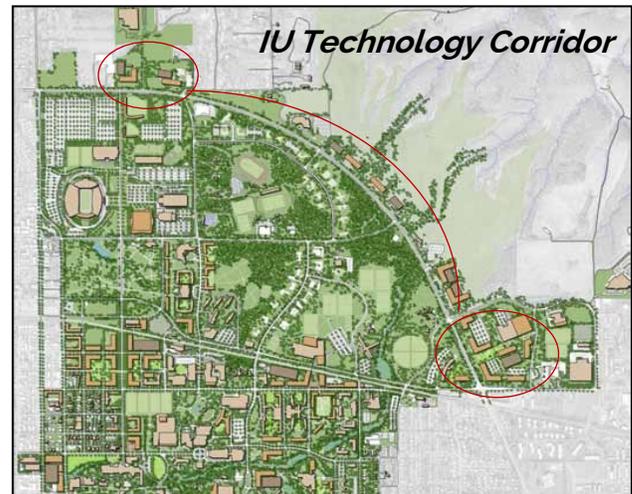
BEST Pitch Competition

In 2012, BEST (Building Entrepreneurs in Software and Technology) was formed through a partnership between the IU School of Informatics, the Kelley School of Business, the IU Research and Technology Corporation, and 10 private investors, some located here in Bloomington. The \$1.1 million fund pays out \$250,000 each year to the best student-led tech startup pitches. Bobby Schnabel, dean of the School of Informatics and Computing, says, "BEST will benefit Indiana University and the community in three important ways. It will attract even more excellent students to Informatics and Computing, the Kelley School, and IU Bloomington in general, it will enrich the entrepreneurial and business community in Bloomington and beyond, and ultimately, it will provide funding that will benefit future generations of IU students. We fully expect this to become a model of successful alumni co-venturing with IU that will grow in the future."

IU Research and Technology Corp.

In addition to preparing students academically to fill high-skill jobs here and around the world, Indiana University actively supports and helps commercialize faculty members' research breakthroughs. Research by itself at IU supports 6,500 jobs; The IU Research and Technology Corporation (IURTC) then extends this economic impact through the commercialization of research.

The IURTC mission is to "actively engage the strengths of Indiana University to



IU envisions a technology corridor along the SR 45/46 Bypass, where real estate has been made available for new business ventures.

support the health, economic, and social development of Indiana, the nation, and the world through Technology Commercialization, Business and Economic Development, and Technology Parks."

As part of their technology commercialization efforts, the \$10 million **Innovate Indiana Fund** was established to support entrepreneurs with a connection to IU. Since its inception, it has invested in 17 startups, creating jobs in Bloomington as well as Indianapolis and around the country. Because the fund receives equity for its investment, no matter where the startup succeeds, it brings money back to Bloomington to fund more research and innovation right here in our community.

To accelerate technology commercialization at IU, IURTC supports two technology parks in Bloomington, including the Indiana Innovation Center Building, which opened in 2009 as a startup incubator. The Innovation Center houses office, collaboration space, and wet labs for researchers and startups.

Additionally, the Innovation Center is home to the IU Pervasive Technology Institute (PTI), an information technology

and informatics research organization funded by the Lilly Endowment and the National Security Agency. PTI provides more than 50 full-time jobs directly, and it is estimated that grants awarded to PTI and its partners have facilitated 2,705 full-time job-years of employment in the state.

IU Information Technology Services

In addition to providing for the information technology needs of faculty, staff and students of Indiana University, UIITS partners with research efforts across the state (including PTI mentioned above) and provides contract IT services for public sector clients across the country. UIITS contributes \$17 million annually to the local economy and provides 273 high quality jobs, up 37% since 2009.

Cook Center for Entrepreneurship

Ivy Tech Bloomington is leading the pack in Indiana with its practical real-world entrepreneurship training and support. The Cook Center leverages the wealth of experience and success in the Bloomington business community to connect entrepreneurs to mentors and instructors that can help them take their ideas to the next level. In high tech, the Cook Center is taking a leadership role in hosting Startup Weekend, a fast-paced startup incubator for new tech businesses in Bloomington.

People power

In addition to creating institutions and regulatory infrastructure to drive growth in high tech, significant investments have been made in the human connection, creating events to knit the tech communi-

ty together into a powerful, talented, and engaged network. Each of these events comes out of the grassroots leadership of the private tech sector in Bloomington and brings together entrepreneurs, skilled tech workers, and investors.

Startup Weekend

Startup Weekend is a global grassroots movement to empower and connect entrepreneurs through an intense weekend of refining business models, designing, coding, and pitching. Bloomington hosted the first Startup Weekend in Indiana in 2010, attracting new entrepreneurs and startup investors to the community.

Humanetrix Foundation

Humanetrix is an anchor of the tech community and a partner in almost every tech gathering in Bloomington, investing around \$60,000 each year to facilitate the vibrant network of tech entrepreneurs.

- **Combine** is an annual gathering that brings speakers from around the world to Bloomington “to celebrate tech community, culture, creativity, capital and code in Bloomington, IN. The event draws hundreds of participants for three days of workshops, speakers, presentations, networking, parties and tours.” The 2014 Combine features keynote speaker Jimmy Wales, founder of Wikipedia.
- **Ignite** Bloomington is a local iteration of a national network that brings presenters—“geeks from all walks of life”—to speak on any topic they like. It’s a hotbed for entrepreneurs and the tech-savvy thinkers.
- The video gaming industry grew over



HUMANETRIX

The Humanetrix mission is to mobilize technologists to improve themselves and their community, develop public interest technology tools and provide educational opportunities for technologists.

100% from 2002-2012 in the U.S. and is projected to add an additional \$10 billion globally by 2016. **SigmaPlay**, a new gaming-focused conference by Humanetrix, launched for the first time this year with the goal of bringing together game designers of all types to share insights and experience.

Backing up our base

As we break new ground and foster new industries in our region, we also recognize the need to strengthen industries that have anchored the local job base for decades. This is why the public and private sectors has also partnered to make strategic investments in the existing manufacturing and life sciences industries in Bloomington and Monroe County.

Advanced Manufacturing Program (AMP)



Advanced manufacturing is growing quickly in southern Indiana. New processes require a more skilled workforce to manufacture everything from consumer goods to industrial machinery and the

Advanced Manufacturing Program at Ivy Tech Community College fills that need. Eight weeks of training prepare students to step into these roles and fill the need for workers that can help this industry make the transition and continue to thrive in our community.



AMP prepares students for high skilled manufacturing jobs that are on the rise in our region.

Indiana Center for Life Sciences

Between 2007 and 2012, the life sciences added 1,850 high quality jobs to the community. The Bloomington Economic Development Corporation estimates that 1,200 to 1,400 more will be added by 2017.

To prepare workers for these jobs, Ivy Tech-Bloomington, Monroe County Government, and local life sciences firms partnered in 2009 to launch the Indiana Center for Life Sciences (ICLS), which was funded in part by a \$1.8 million grant from the Indiana Department of Workforce Development.

In addition to providing space for the Biotechnology program, ICLS provides training space to local firms and has served 11,698 individuals for a total of 5,490 hours.

What was the total improvement budget? How much was the public investment? How much was the private investment?

High tech growth in Bloomington is market-driven and supported by a diverse set of participants. The diversity makes it challenging to derive a true dollar amount of investment across the entire community, so it is worth noting that the substantial numbers listed here are certainly underestimates.

Public Sector Investment

Bloomington CTP	\$3.8 million; long-term \$9 million
Innovate Indiana Fund	\$10 million
BEST Pitch Competition*	\$1.1 million
Indiana Center for Life Sciences	>\$1.8 million
TOTAL	> \$16.7 million

Private Sector Investment

Humanetrix Events	\$60,000 annually
Downtown Investment	\$45 million (2013/2014)
BTP Coding School*	\$31,750
Advanced Manufacturing Program*	>\$280,000
TOTAL	Tech: \$371,750 Downtown: \$45 mil

*Indicates program was funded through both public and private sources

How many new jobs were generated/retained; what was the estimate of new dollars brought into the community; what was improved as a result of the public/private partnership?

Estimates indicate that tech employment has grown up to 80% in the last 7 years.

This includes:

- Tech startups supported by Innovate Indiana or the BEST Pitch Competition
- Indiana University UITS employment, which has added 74 jobs since 2009
- Outside of tech job growth, ongoing investment in downtown Bloomington, which has created 1,100 construction jobs. These investments are critical to creating the kind of town where high tech startups and professionals want to put down roots.

Other active, ongoing sources of job creation include:

- Future investment in the Bloomington Certified Technology Park
- Continued investment in research and technology transfer at the Indiana University Research and Technology Corporation



This rendering of the **Bloomington Certified Technology Park** illustrates the envisioned blend of services and properties including office space, residential, retail, and recreation.

Explain the role of the private and public sectors in the improvement process.

The growth of the high tech industry has been very organic. Given the long-term presence of Indiana University, Crane Naval Base, and the medical device industry in Bloomington and the region, there has always been some high-tech activity.

However, recent years have brought the more concerted and visionary efforts we have summarized in this report. The private sector has been the catalyst for the growth of the community of tech entrepreneurs through events like Startup Weekend and SigmaPlay. The networking and collaboration that happens in turn feeds back into the system, making our community more attractive to those looking for cities in which to settle their startup.

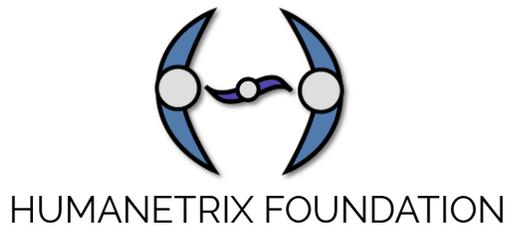
The local government and public education sectors, including the City of Bloomington, Monroe County, Indiana University, and Ivy Tech Bloomington, have responded to the market forces by implementing programs to support and

incentivize high tech growth. Tools they use include:

- Providing funding for collaborations such as Bloomington Technology Partnership
- Creating educational programs to fill a need, including Ivy Tech's Advanced Manufacturing Program and IU's School of Informatics
- Taking regulatory or policy steps to support high tech development, including the Bloomington and IU tech parks.
- Making strategic investments in quality of life, which makes Bloomington a more attractive place for creative-class businesses and workers.

Finally, the public sector has also been effective in leveraging state and federal grants and subsidies to support our efforts. For example, the Bloomington Certified Tech Park is financed initially through state funding mechanisms in order to attract private sector investment.

What other organizations and/or individuals were involved in the process?



What other organizations and/or individuals were involved in the process?

The number of private sector partners is long and diverse. Tech companies in Bloomington include:

<i>39 Degrees North</i>	<i>Net Irrigate</i>
<i>Advanced Designs Corporation</i>	<i>Next Wave Systems</i>
<i>Alion Science and Technology Corporation</i>	<i>Owen Valley Information Technology Services</i>
<i>Bento Mobility</i>	<i>PartTec, Ltd.</i>
<i>Bloomingslabs</i>	<i>PC Guru, Inc.</i>
<i>Blue Burro</i>	<i>ProBleu</i>
<i>Business Telecom Solutions</i>	<i>Quantum 7</i>
<i>CACI</i>	<i>RightRez, Inc.</i>
<i>Cairril.com Design and Marketing</i>	<i>ScheduleThing, LLC</i>
<i>Camber Corporation</i>	<i>Scientia, LLC</i>
<i>ChalkLabs</i>	<i>Smithville Communications</i>
<i>CheddarGetter, LLC</i>	<i>SociaLens</i>
<i>Cigital, Inc.</i>	<i>Solution Tree</i>
<i>ConsulTech</i>	<i>SproutBox</i>
<i>Cornerstone Information Systems</i>	<i>STIMULUS Engineering</i>
<i>Envisage Technologies Corporation</i>	<i>Studio Cypher</i>
<i>FeetHere</i>	<i>Technology Service Corporation</i>
<i>ForthPhaze Technology, LLC</i>	<i>The Academic Edge</i>
<i>GP Strategies</i>	<i>Tinwisle Corporation</i>
<i>Gryphon Technologies</i>	<i>UITS</i>
<i>Hanapin Marketing</i>	<i>Veer West</i>
<i>Layne Hydro</i>	<i>WhimMill</i>
<i>McKean Defense Group</i>	<i>WisdomTools</i>
<i>Megaputer Intelligence</i>	

Additionally, some of our community's larger corporate citizens have also been active supporters of high tech in Bloomington. For example:

- Cook Group and the Cook family are supporters of the Bill and Gayle Cook Center for Entrepreneurship at Ivy Tech.
- Private sector partners of the Advanced Manufacturing Program include: Duke Energy, Indiana General Motors Powertrain, Geo-Flo Products Corporation, Metal Technologies, Mitchell High School, MSP Aviation, PRD Plastics, Southern Indiana Development Commission, WorkOne Bedford, WorkOne Bloomington, WorkOne Linton

What other significant contributions resulted?

In addition to focused efforts to make high-tech the next growth industry in Bloomington, local leaders recognize that the best companies and the best employees are attracted to communities with high-quality of life and excellent arts, entertainment, recreation, and lifestyle options at their disposal.

This has been a strength of Bloomington for many years, and we continue to build on that.



Bloomington Farmers Market

Credit: VisitBTown, 2011



B-Line Trail

"Our philosophy is that quality of life is synonymous with economic development. If this is a place that you choose to live, work, and play, it's the kind of place you want to do business."

-Bloomington Mayor Mark Krizan

Monroe County Tourism in 2013

1.84 million visitors in 2013
500,000 overnight stays in downtown (up 16% from 2009).
699 downtown hotel rooms, from chains to local boutique accommodations.
\$326 million total sales from tourism
4,163 jobs supported, providing:
\$97 million in local wages and adding
\$45 million to the county tax base.



What other significant contributions resulted?

Food Culture

7 local wineries

6 local microbreweries

7 local craft coffee roasters

#1 The food scene is the #1 attraction for tourists in the last 2 years according to VisitBloomington

#2 top 10 hidden gem wine regions (Away.com)

#3 on Livability.com's "Top 10 Foodie Cities" List

5 star food town (*Midwest Living*, 2012)

245,000 visitors in 2013 to the Bloomington Farmer's Market, the largest market in Indiana.



Oliver Winery, part of the Indiana Uplands Wine Region



Lotus World Music & Arts Festival

Arts and Entertainment

Bloomington Entertainment and Arts District is one of three officially designated Cultural Districts in Indiana.

The arts in Bloomington generate **\$72.3 million in economic activity** and support 3,430 jobs.

Bloomington hosts **Lotus World Music & Arts Festival**, one of the top such festivals (and at 20 years in 2013, the longest running) in the nation.

Livability

Bloomington is a Silver-level Bicycle Friendly Town (League of American Bicyclists, 2012)

Bloomington is the first city in Indiana to receive the Bronze Walk Friendly Community designation.

Bloomington was named a "Top 10 City for School and Life After Graduation" by Livability in 2010.

Top 25 Places to Retire (*Money & Forbes*, 2012)



Monroe County Courthouse

What other significant contributions resulted?

Sustainability

Monroe County has installed the largest solar array on any government building in the state of Indiana and is currently evaluating additional solar arrays for county facilities.

2013 was the first year for the Open Streets Festival, an event downtown celebrating healthy living, community, sustainable lifestyles, and local business

City of Bloomington is on the path to achieve LEED certification for all its facilities by 2019.



Business

Smithville Communications investments in fiber infrastructure allows businesses to enjoy internet speeds rivaling Google Fiber.

#4 of 25 "Hardest-working Towns" by *Forbes Magazine* in 2012.

#1 in small metro areas for medical device employment (Batelle, 2010)

#3 in small metro areas for drugs and pharmaceutical employment (Batelle, 2010)



Parks & Recreation

Bloomington's B-Line Trail was designated by the National Park Service as a "National Recreation Trail" in June of 2012.

The City of Bloomington hosted the 20th ASA National Softball Tournament in 2012, which received a 100% evaluation score. These events have generated more than \$20 million in economic impact for our community since 1993

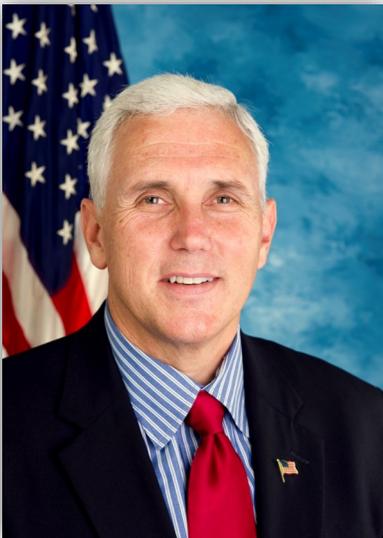


Why does your community deserve to win the Community of the Year Award?

Greater Bloomington is a progressive, regional business and residential community that boasts excellent educational institutions, global cutting-edge businesses, and community partnerships. Our application presents our focus as a community in key areas of workforce development and skills enhancement, educational excellence at all levels, quality of life, and an environment that fosters entrepreneurship and high-skill jobs.

Every year Bloomington is becoming a better place to live, learn, and work through the engagement of resources across all sectors—private, public, and education—and intentional development of the quality of life that attracts top-flight firms and talent. As old industries decline or transition, we are proactively filling the gaps and weathering the economic storms of our country.

The growth of high-tech is just one example of this drive and ambition to be a leader in the state of Indiana.



Governor Mike Pence

Governor, State of Indiana

"Indiana is on the move and Bloomington is leading the way with its dynamic business community."

Michael A. McRobbie

President, Indiana University

"During the past decade, the development of the Bloomington technology and entrepreneur ecosystems has been truly remarkable. This unprecedented advancement has occurred due in part to the significant level of collaboration between business, government and higher education. Indiana University is proud to be a part of these efforts and looks forward to even more expanded partnerships."





Mark Kruzan

Mayor, City of Bloomington

"Our philosophy is that quality of life is synonymous with economic development. If this is a place that you choose to live, work, and play, it's the kind of place you want to do business."

Jeb Conrad

President & CEO, Bloomington Chamber of Commerce

"Greater Bloomington is meeting the challenges of the 21st century head-on. We are addressing the skills gap needs for future workforce through partnerships, education and training; we are investing in infrastructure through our Tech Parks, I-69, and creative workspaces; and we continue to grow the most vibrant arts and culture environment in southern Indiana."



Katie Birge

Director, Bloomington Tech Partnership

"Bloomington's work in the past decade to accelerate its tech sector is truly remarkable. We're seeing a growing culture of innovators and entrepreneurs that are accomplishing very big feats in this area."



Jennie Vaughan

Chancellor, Ivy Tech Community College—Bloomington

"Ivy Tech—Bloomington has experienced rapid growth in recent years and is expanding to meet the demand. Our investments in the life sciences and entrepreneurship as well as the arts in the Ivy Tech John Waldron Arts Center contribute to growing high tech in Bloomington and have been made possible by our students, generous donors, and strategic public-private partnerships in the Bloomington community."

Geoff McKim

Monroe County Council At-Large Member

"Bloomington/Monroe County is a great place to visit, live, and do business: world-class amenities, urban trails, award-winning parks, and a vibrant downtown; a community committed to education, including top-notch K-12 schools, Ivy Tech Community College, and Indiana University; abundant natural beauty including Lake Monroe and the only wilderness in the state of Indiana; Shovel-ready sites for economic development."



Matt Pierce

Indiana House of Representatives, District 61

"Few other communities can match Bloomington's ability to rally both public and private institutions to work together toward a common goal. Developing the physical infrastructure, skilled workforce and high quality of life necessary to make the Bloomington community an emerging tech center is yet another example of this unique ability to succeed at a common purpose."



Cullen McCarty

Executive Vice President, Smithville Communications

“Bloomington’s growth in the tech sector is a reflection of the commitment made by the business community, the city, and Indiana University. This commitment enables our company to continually invest in fiber optic infrastructure for institutions such as Indiana University or Monroe County Community Schools. Businesses ranging from Farm Restaurant to Cigital also benefit from this investment.”