The purpose of the Economic Development chapter in the Elwood Comprehensive Plan is to improve the overall standard of living for all Elwood residents by encouraging planned growth in the downtown and other areas. Certain environments and infrastructure can influence a company’s decision to come to, stay, or leave Elwood. It is important to consider the local economy as it influences physical developments and determines how much funding can go towards public services.

Income
The United States Census Bureau indicates that the median household income for Elwood is $30,986. That is below median household incomes for Madison County, Indiana, and the nation, at $39,925, $48,010, and $52,029, respectively. Additionally, Elwood’s median income is well below the state’s median income of $48,675. See Figure 13.1a and 13.1b: Comparison of Median Household Income.

Employment
According to the United States Census, the “labor force” represents people that are readily available to work, or are already working. Students, retirees, and individuals taking care of family are excluded from the labor force. The total number of people in Elwood’s labor force is 4,102. Of that, 3,854 people are employed (94 percent). The number of people within the labor force that do not have a job is 248 (6 percent).

In the summer of 2010, surveys were distributed throughout Elwood. According to the respondents, the majority of participants said that the “lack of employment” was the most important issue facing
Elwood. Of the respondents, 94 percent felt that Elwood does not have a diverse enough employment base. Only 28 percent of survey respondents worked in Elwood, while 7.1 percent work in Noblesville and 6.1 percent work in Indianapolis. Although the census recorded an unemployment rate of 3.4 percent, 10.2 percent of survey participants stated that they did not have a job. This can be accounted for by two reasons; 1) the Census data reviewed is 2000 data, there have been economic shifts and down turns since then, and 2) recent factory closings in Elwood have had a drastic effect on the local economy.

Much of the current unemployment results from the economic downturn that took place in 2008. Three of the City's biggest manufacturer's closed down; they were State Plating Incorporated, Plastech Engineered Products, and Var-Chem Products. State Plating was a leading nickel chrome plating provider for manufactures nationwide. Its closure resulted in the loss of 85 jobs, $47,298.64 in annual property taxes, and $1,768,000.00 in lost annual average wages. The closure of Var-Chem Products, maker of specialty inks and oil based over paint varnishes for printing ink, meant $1,081,600.00 in lost annual average wages and the loss of 40 jobs. The biggest loss for Elwood was Plastech Engineered Products with over $146,278 in annual property taxes, 286 lost jobs and $7,281,331.00 in lost annual average wages. The loss of these jobs and facilities also presents an opportunity for the City; there are at least three vacant industrial/manufacturing facilities that are ready for redevelopment and/or new occupants. Since the facilities are already serviced with City services, there is minimal need/investment required for potential new occupants.

**Workforce**

Manufacturing is the dominant industry in Elwood, accounting for over a third of Elwood's labor force. According to the 2000 Census, 1,337 people (34.7

<table>
<thead>
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<th>Jurisdiction</th>
<th>Median Household Income</th>
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<tr>
<td>Elwood, Indiana</td>
<td>$30,986</td>
</tr>
<tr>
<td>Madison, County, Indiana</td>
<td>$39,925</td>
</tr>
<tr>
<td>Indiana</td>
<td>$48,010</td>
</tr>
<tr>
<td>United States</td>
<td>$52,029</td>
</tr>
</tbody>
</table>

*Figure 13.1a: Comparison of Median Household Income*
percent of the labor force) worked, in some capacity, for a manufacturing company. Up to 776 workers contribute to Elwood's education, health, and social services, making it the second largest industry at 19.9 percent. Retail business, as Dollar General, CVS Drug Stores and Marsh Grocery Store, make up 10.8% of the workforce. Another 7.4 percent of the workforce is in construction and 6.8 percent is in arts, entertainment, recreation, accommodation, or food. Finance, insurance and anything related to real estate makes 6.1 percent of the workforce. The remaining workforce is employed in transportation, warehousing, utilities, information, public administration, professional, scientific, management, administrative, and waste management services.

School Enrollment and Education Levels
The Elwood Community School Corporation is the all-inclusive school system for the City of Elwood. This is an

all-inclusive school system from kindergarten through twelfth grade. During the school year of 2009-2010, the total student enrollment was 1,742 [Corporation, 2010]. Elwood Community High School's graduation rate averages 91.1 percent [Elwood, 2009]. Elwood’s performance rate was slightly above 65 percent in the Indiana Statewide Testing for Educational Progress (ISTEP). The percentage of students from Elwood who passed the ISTEP exam was 62.3 percent in Math and 61.3 percent in English/Language Arts. This is below the state’s average passing rate of 72 percent and 70.8 percent for Math and English, respectively.

Major Industry Sectors

Industrial
Elwood's largest employers include Red Gold, Inc., Mosey Manufacturing, Dunn-Rite Products and the Elwood Publishing Company. Red Gold is the largest employer with a total of 391 employees located in
Elwood. Of those workers, 85 percent are full-time, 13 percent are part time, and 2 percent are seasonal employees. Most of the seasonal employees working for Red Gold Transport live outside of Elwood. Due to growth over the past five years, Red Gold continues to expand its operations in Elwood and Madison County.

Mosey Manufacturing develops castings and forgings, mainly for automotive manufacturers. Mosey currently has 32 workers; however, with a recent rise in car sales, Mosey is looking to expand its labor force by one-third within the next month. Dunn-Rite Products, maker of pool supplies, operates out of the same building as its subsidiary, Progressive Plastics. With 40 employees between the two businesses, Dunn-Rite has seen an increase in production and sales. The Elwood Publishing Company publishes newspapers for Elwood, Tipton, and Alexandria with 37 full time employees in Elwood alone.

Some of the smaller manufacturers include General Cage and Modern Die Systems. Specializing in wire goods, General Cage’s production has slowed with the national economy. It was at its lowest production rate 18 months ago, but business has slowly started to pick up. Modern Die Systems employs seven individuals. While the business could use additional labor, the unpredictability of the business for the last three years has made them cautious about over-extending. Other companies that have a presence in Elwood include ELSA, Steel Slitting Co., Inc., J. Lewis Small Company, Marble House, Inc., and J & D Plating.

Retail
The average resident spends $18,919.62 per year on retail goods; that equates to 38 percent of consumer spending on retail. With 416 workers, retail trade is the third largest industry in Elwood. One of Elwood’s newest stores is Dollar General, starting operations in January 2006. Dollar General has seen growth every year since its opening. With 32 employees, Dollar General is looking at expanding its presence in Elwood. There are many other retail stores throughout the city, including K-Mart, CVS Drug Store, Marsh Grocery, Harvest Market Grocery, Tops True Value Hardware and Home Center, Wyant Fort Inc., House of Ivy, Cellular Connection, and Radio Shack.

Retail Trade, demand (potential) exceeds supply (sales) by over $10 million, while demand for food and restaurant sales is roughly $3.5 million higher than the amount of total sales generated in Elwood. Some retail industries experience a higher amount of sales than demand. Sales exceeding demand means an overabundance of shops. For Elwood, this includes motor vehicle and parts dealers; auto parts and accessories; tire stores; gasoline stations; and jewelry, luggage, and leather goods. All other industry groups are not meeting their retail demand. This is an opportunity for certain businesses to meet consumer demands. The industry type with the most potential for growth is food and beverage, with an unmet demand of $10,848,727. There is also potential in clothing, furniture/home furnishings, and sporting goods/hobbies/books/music stores, with a market demand of around $2 million for each. Other industry potential include electronics/appliances, health/personal care, and building materials/garden equipment/supply stores at around $1 million for each.

Service
There are a variety of public educational and health facilities that are not considered service industries but do provide employment for Elwood residents. The Elwood Community School Corporation currently employs 260 people; this amount should remain consistent for the school year. The largest health facility in Elwood is St. Vincent Mercy Hospital. It employs 280 people. An additional five individuals work at the St. Vincent Stress Center and fifteen individuals work at Elwood Family Medicine. The employment rate for these health facilities has stabilized and will remain constant for the next several years. The George Morrisett Center for Community Services is a collaborative group of volunteers and staff that work to feed hungry in the Elwood area, and Aspire Indiana, formerly known as the “Center for Mental Health”, employs ten people.

The City of Elwood currently lacks hotel and lodging facilities. This can have a potential negative affect on the expansion of local tourism and businesses; it keeps tourists from multiple day visits and limits corporations from bringing in outside executives and specialized personnel. The closest lodging facilities are in Tipton or Anderson. In addition, there are no dry cleaners in Elwood. While dry cleaners are a traditionally small town/city operation, the customer base in Elwood may not be sufficient enough to support a full-time service.

Other services present in Elwood include auto-repair stations, banks, and dining establishments. Chain restaurants include Pizza Hut, Papa John’s Pizza, Subway, Hardee’s, Taco Bell, Dairy Queen, and McDonald’s. Local eateries include Friendly’s
Restaurant, Mr. Happy Burger, and Lincoln Family Square Restaurant IV. Some of the auto-repair shops include Component Services, Elwood Tire and Auto and Ryder Truck Rental Repair while Star Financial Bank and Ben Jones Reality make up the financial services offered in Elwood.

**Existing Business Parks, Business Incubators, and Technology Centers**

Elwood does not currently have any business incubators or business parks. However, there is 55 acres that has been zoned on the city’s north-east size for a business park. All necessary infrastructure and city services are available at the site. The closest business park is the Flagship Business Park in nearby Anderson. Located on the northwest corner of Interstate 69 and Martin Luther King Jr. Boulevard, the park comprises 850 acres. A majority of the occupants at the business park focus on emerging technologies.

**Input from Steering Committees and Focus Groups**

The following issues were identified from a focus group meeting centered on Economic Development:

1. **Create More Business Opportunities.**
   Elwood wants agri-business to remain as one of its largest economic sectors. By utilizing current resources, such as available land and facilities, Elwood can attract more agriculture-based companies. In addition, Elwood would like to add more service sector industries; specifically hotels, motels and other businesses to make a more broad-based labor force.

2. **Transform Elwood into a Bedroom Community**
   Elwood is attractive as a bedroom community for the greater Indianapolis metropolitan area and surrounding employment centers. Elwood’s housing stock maintains a small-town rural attractiveness with small-town values and priced much affordably than surrounding communities. Communities like Fishers and Noblesville, consist of adult working professionals with children: a demographic cohort Elwood would like to attract.

3. **Create a more Vibrant Downtown**
   Elwood’s central business district has faced many challenges, including a high turnover rate of locally owned businesses. Encouraging and maintaining businesses in the downtown must be a priority for the City.

**Issues**

The following issues were identified during the background data collection, community surveys, and public, focus group and steering committee meetings.

- Elwood’s limited financial resources restricts the City’s ability to provide incentives for business expansion and/or relocation.
- Elwood has a limited capacity for water and sewer expansion.
- Elwood does not have a business incubator to provides local entrepreneurs and small businesses with the resources necessary to succeed in a competitive economy.
- Elwood does not align public education offerings with employment opportunities in local industries.
- Elwood has a large consumer spending deficit in the grocery store industry.
- Elwood has not marketed the City as a bedroom community for surrounding employment centers.
- Elwood does not have a local branch of a university or technical college to provide job-training to meet the demands of the current industrial base.
- Elwood does not have a redevelopment commission to help acquire properties for redevelopment.
- Elwood has a large amount of vacant and underutilized space in the central business district.
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