A woman with a blue hairnet and a white apron over a maroon shirt is focused on her work in a kitchen. She is looking down at something in her hands. The background shows a typical kitchen environment with shelves and equipment.

**LLSC**

# Industrial District Revitalization in Indianapolis

Case Study: East Washington Street  
and North Mass Avenue

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# Introduction

In a number of cities across the country, many long-disinvested industrial districts are experiencing a revival and in the process bringing opportunities for cities and surrounding communities. New or expanding industrial businesses generate new jobs, attract new workers, and increase demand for local products and services. Their investment in building and infrastructure helps improve neighborhood image and gives a sense of vitality to disinvested places, while bringing an increased tax base to cities.

However, the revitalization of industrial districts, like any other process of neighborhood change, may present challenges as new businesses may spark new uses and increase real estate cost, potentially triggering conflicts and gentrification pressures among residents or longtime businesses.

How can industrial districts revitalize in an equitable way, bringing benefits to surrounding low-income communities and without triggering displacement of long-term businesses?

As a community development financial institution with a national footprint, LISC works with disinvested communities throughout the country, and in recent years has been increasingly involved in supporting industrial district revitalization efforts. Below are highlights from LISC Indianapolis' efforts and early outcomes of this work.

**COVER PHOTO:**

Best Chocolate in Town  
workers at their first  
production space in the  
Mass Avenue district

PHOTO CREDIT:  
ANDREW SPEAR



LISC had roles in varying steps. It advocated for redevelopment in the district by saying we believe this site has potential, and worked with community groups to help make their vision into something more tangible from a planning aspect—that was really crucial to build upon.

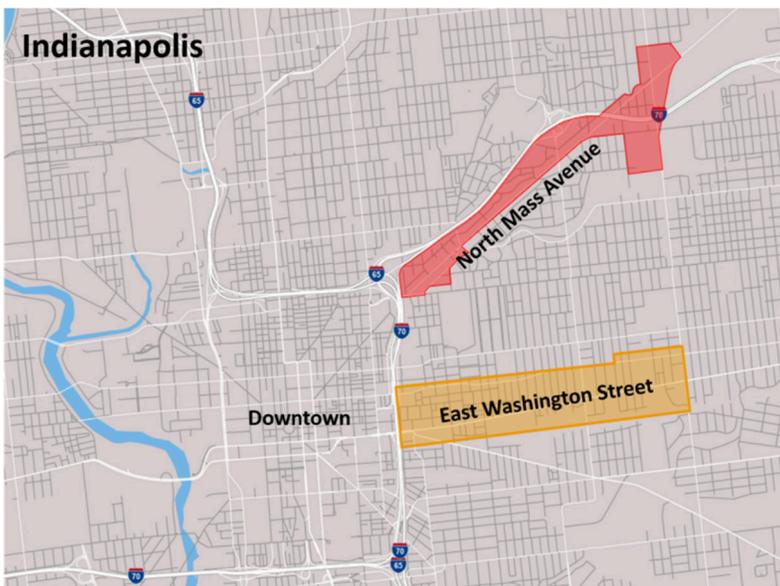
**Jeff Hasser**  
DEPARTMENT OF METROPOLITAN  
DEVELOPMENT

CASE STUDY

## Establishing a citywide foundation for inclusive district revitalization in Indianapolis

Like many cities throughout the country, Indianapolis has experienced a dramatic economic transformation in recent decades. In 2015 Indianapolis was among the country's top 20 cities that added the most technology jobs,<sup>1</sup> and was nominated by *Forbes* magazine as one of the country's top 10 cities for young professionals. In fact, between 2002 and 2017 the

city added nearly 64,000 jobs, of which nearly 12,000 were in professional, scientific, and technical services.<sup>2</sup> Yet, despite the growth of high-paying tech jobs, between 2002 and 2017 Indianapolis lost nearly 16,000 middle-income manufacturing jobs that were replaced primarily with lower-paying jobs in transportation and warehousing (over 5,500 jobs) and healthcare and social assistance (nearly 51,000 jobs).



The North Mass and East Washington corridors are legacy industrial districts situated east of downtown Indianapolis that illustrate some of these trends. They were once important industrial hubs and home to companies like the Schwitzer and Mallory corporations, major

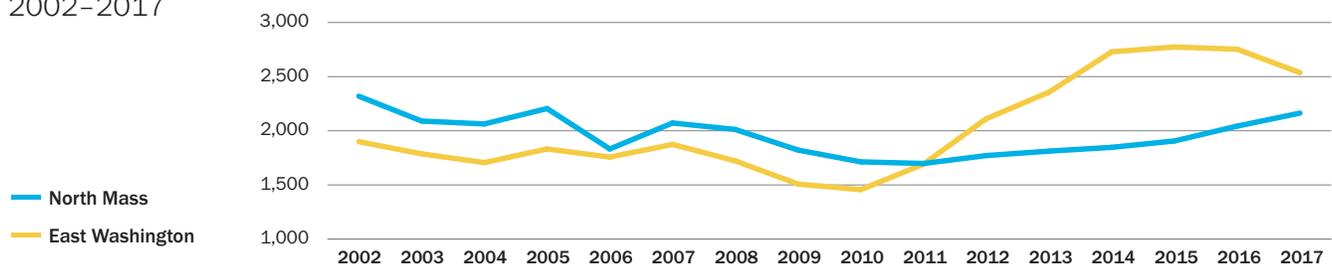
Centerpoint Brewing Company,  
located in the North Mass Avenue  
Corridor District, Indianapolis



PHOTO CREDIT: ANDREW SPEAR

## North Mass and East Washington Jobs

2002–2017



SOURCE: U.S. Census Bureau. LEHD Origin-Destination Employment Statistics, 2002–2017.

manufacturing companies in the auto and electronics industries for most of the twentieth century. Between 2002 and 2017 East Washington lost 290 of 388 manufacturing jobs and North Mass shed 558 of 1,067 manufacturing jobs. And whereas East Washington had an overall increase of 638 jobs thanks to the arrival of information jobs (about 1,200 jobs), between 2002 and 2017 North Mass lost 621 jobs, equivalent to over a quarter of all the district jobs (originally 2,319 in all)—and despite growth to 2,163 total jobs in 2017, the district hasn't fully recovered.<sup>3</sup>



**[LISC] also facilitated those conversations between city and local groups that are required to make things happen, such as what are the next steps to get this project done. And of course it played a key financing role in getting the final financial package done.**

**Jeff Hasser**  
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For over 25 years LISC Indianapolis has been working to revitalize and promote economic opportunity in Indy neighborhoods through a series of parallel initiatives ranging from the Quality of Life Neighborhoods program to Center for Working Families and Great Places 2020.<sup>4</sup> It has concentrated on both East Washington and North Mass districts through the Fostering Commercial Urban Strategies (FOCUS) program, which combines targeted investments for industrial and commercial redevelopment and neighborhood infrastructure improvements with technical assistance and support for business growth and creation.

In addition to FOCUS, LISC Indy has actively engaged and supported planning efforts to guide redevelopment and catalyze investment in both districts by bringing together citywide stakeholders and local communities to craft a development framework for each corridor and its surrounding neighborhoods.<sup>5</sup> At the same time, LISC invested in building the capacity of local community-based organizations to become implementing partners and help bring that vision to life.

In North Mass the implementing partner is the Riley Area Development Corporation (RADC), working to attract businesses and entrepreneurs to the district, and to connect them to local and state resources, including workforce development programs. One of RADC's key projects is RUCKUS, a makerspace that provides affordable space and resources for local artisans and entrepreneurs and that is currently expanding its efforts to include an ongoing entrepreneurship boot camp to create a continuous pipeline of local talent.

One catalytic project in North Mass, begun in 2015, is the ongoing redevelopment of Circle City Industrial Complex (CCIC), a 540,000-square-foot industrial complex located at a visible intersection at the entrance of the district. The project has included performing repairs and updates to make the building viable for new businesses and stabilize the property, and adding over 100 new tenants including artists, makers, small businesses, and non-profits. More recently, the formerly closed southern end portion of the complex is going through redevelopment to house an expanded set of uses including restaurants, retail and office space, and a performance venue. Directly behind CCIC, another long-vacant and underutilized 140,000-square-foot building, now named the Box Factory, is undergoing a nearly \$20 million redevelopment, \$2 million of which was provided by LISC's affiliate New Markets Support Company, that will include office space and a large recreational center. Both CCIC and the Box Factory are less than three-quarters of a mile from the \$300 million redevelopment of the former Coca-Cola Bottling Factory, now called Bottleworks, located just inside the limits of downtown adjacent to North Mass; this redevelopment will include shopping, a boutique hotel, a food hall, and other amenities.

For the East Washington Street corridor, LISC's industrial vitalization partner is the Englewood Community Development Corporation (ECDC), a 25-year-old organization providing affordable housing, economic development opportunities, and quality-of-life initiatives for Englewood residents. ECDC is the lead organization for a series of interrelated initiatives aimed at spurring investment and revitalization of East Washington Street and surrounding communities, including the East Washington Street Partnership and Englewood Great Places 2020. It also co-leads the IndyEast Promise Zone<sup>6</sup> with the John Boner Neighborhood Center.

A catalytic project on East Washington Street is the redevelopment of the PR Mallory Campus, a 10-acre brownfield site long targeted for redevelopment and impeded by numerous factors including environmental contamination, historical landmark status, and fragmented site ownership. Thanks to recent milestones including site acquisition and control by the city, completion of remediation, and approval of financing, redevelopment is moving forward, led by

a partnership between ECDC and the John Boner Neighborhood Center. The first phase of the project will provide space for two schools, the Purdue Polytechnic High School and Paramount School of Excellence, as well as a hydroponic indoor farm and community outdoor spaces. In a subsequent phase, 14,000 square feet will be developed for commercial or light industrial use. Jeff Hasser, administrator of real estate and economic development at the Department of Metropolitan Development for the City of Indianapolis, describes the multidimensional role that LISC has played:

*LISC had roles in varying steps. It advocated for redevelopment in the district by saying we believe this site has potential, and worked with community groups to help make their vision into something more tangible from a planning aspect—that was really crucial to build upon. [LISC] also facilitated those conversations between city and local groups that are required to make things happen, such as what are the next steps to get this project done. And of course it played a key financing role in getting the final financial package done.*

In both districts large catalytic investments, coupled with targeted physical improvements such as facade improvements of old industrial and commercial buildings, are helping to change the image of these districts and overall sense of their viability as places to reinvest and open businesses.

In addition to providing financial support for CCIC's and the PR Mallory Campus redevelopment with loans of \$4.2 million and \$6.2 million respectively, since 2001 LISC has provided over \$7.5million in grants and loans to local organizations' working to revitalize these districts and surrounding communities, and since 2016 have assisted 192 businesses with training, real estate technical assistance, and access to capital, improved building conditions including 27 commercial façade improvements supported by a LISC matching grant program.

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## Outcomes of District Revitalization Efforts by LISC and Partners

- **Redevelopment of major legacy industrial sites in both districts: Circle City Industrial Complex, Box Factory, Ford Assembly Plant and PR Mallory Campus. The PR Mallory, Ford Assembly and Box Factory were able to tap into the State of Indiana Industrial Recovery Tax Credit which had not been deployed in Indianapolis in several years.**
- **Prioritization of North Mass and East Washington by the City of Indianapolis for CDBG grant awards for multiple annual grant cycles.**
- **Construction of the first net zero energy senior affordable housing in Indiana on a former brownfield site.**
- **Indianapolis hosted national Urban Manufacturing Alliance gathering in 2016 at Circle City Industrial Complex**
- **Ruckus Makerspace creation and expansion**
- **81 new businesses moved to or opened on East Washington Street or North Mass**
- **380 jobs created**
- **6 major brownfield sites tested and remediated for development**
- **27 commercial facades improved by LISC matching grant program**

## Endnotes

- 1 Muro, M., & Liu, S. (2017). Tech in metros: The strong are getting stronger. Brookings Institution, *The Avenue*. <https://www.brookings.edu/blog/the-avenue/2017/03/08/tech-in-metros-the-strong-are-getting-stronger/>.
- 2 U.S. Census Bureau. LEHD Origin-Destination Employment Statistics, 2002-2017. <https://onthemap.ces.census.gov/>
- 3 Ibid.
- 4 Quality of Life Neighborhoods have developed a collective community vision, with a set of local organizations and institutions working together to implement the vision with LISC support; the Great Places 2020 initiative seeks to spur neighborhood revitalization by channeling public and private investment to a set of target disinvested communities.
- 5 These included the Mass Ave Brookside Industrial Corridor Development Plan for the North Mass Corridor and the East Washington Street Vision Plan for East Washington Street, as well as, for both districts, the Linking Regional Economic Clusters with Targeted Urban Places initiative and the Near Eastside and Northeast Corridor quality-of-life plans.
- 6 Promise Zones are neighborhoods, selected in a competitive process, where the federal government works with local leaders to target financial resources and a variety of programs to achieve neighborhood-created goals and priorities.
- 7 The organizations include Englewood Community Development Corporation, Riley Area Development Corporation, and John Boner Neighborhood Center.



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