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**Greensburg's welcome wagon is slowing down**

Squabbles over water, rezoning could affect growth expected from city's Honda plant

*TED EVANOFF TED.EVANOFF@INDYSTAR.COM*

GREENSBURG, Ind. -- Only last summer, almost everyone would have picked Greensburg as Indiana's new boom town.

Hard-hit factory cities envied the southeast Indiana county seat after Honda in June that a 2,000-employee car plant would open in 2008.

But rather than opening the doors for a rush of new industry, the area may be scared off its first potential Honda supplier, a Michelin plant, and is squabbling with Decatur County over water issues.

Like a family in sudden possession of a fortune, city and county officials have found themselves divided over how to prepare for the wave of plants, shopping stores expected to follow Honda.

As the carmaker gets ready for an official groundbreaking ceremony Monday on the 1,700-acre project site, some in the area worry that the spat between the city and county could hinder growth.

"I'm concerned that businesses that have legitimate reasons to locate in the nearest proximity to the Honda plant will not have a bottomless tolerance for

petty local disputes over issues that we're demonstrating that we cannot re in a timely fashion," said James Saler, president of First Federal Savings & Loan in Greensburg.

Others worry about explosive growth. In places near the Honda site such as Adams, some residents don't want Honda suppliers opening around them.

"People don't want to see all that farm ground around us turned to warehouses would be all right if they just stayed there (on Honda's site) and left us alone," said Wilbur Bostic, 71, Adams, who retired from Ford's Indianapolis steering systems plant.

### Scaling back

Although as many as 1,000 construction workers could be on the Honda site within a month, it is still uncertain what kind of long-term economic impact the carmaker might bring this city of 11,000 people.

While some house prices are 15 percent higher than a year ago in anticipation of future Honda employees buying Greensburg homes, many in the city are scaling back expectations about just how big the boom might be.

Already, it appears Honda suppliers will spread throughout the state. For example, TS Tech will build a seat plant in New Castle, while body-part manufacturer Tomasco locates in Winchester. Both are more than a 40-minute drive from Honda.

In the Greensburg area, a desire to preserve the quiet life has shaped land-use plans. Early this month, the Decatur County planning commissioners voted against recommending rezoning 425 acres of farmland northwest of Honda and Adams for industrial use.

The matter is now before the county commissioners, who have the final say. They haven't set a vote date.

Long a hamlet on a secondary road, Adams became the focal point for new industrial growth in the fall. With the Honda plant coming in, land-use planners opted to put new industry near Adams.

The location would save money. New waste and water pipes laid to Honda and Adams have to be extended only a short distance to reach Adams.

Panattoni Development of Sacramento, Calif., the developer trying to rezone 425 acres north of Adams, soon found opponents in the small town.

"Some people don't want change. They don't want anything out there," said David Neuman, executive director of the Decatur County Area Plan Commission. "They don't understand the future."

Because of the recommendation against rezoning, Neuman fears Panattoni's prospect Michelin will open in Johnson County instead of Decatur County.

### Leadership

While Michelin may go elsewhere, Panattoni isn't giving up on Adams. The developers will ask the commissioners to rezone the land.

"I think the speed and size of the Honda project made some people step back and second-guess our project," Indianapolis lawyer Joseph Scimia said of Adams residents.

Scimia, of the Baker & Daniels law firm, represents Panattoni and its partner Brookview Development of Indianapolis.

"When you don't have a full knowledge of what is going to occur next to you brings uncertainty," Scimia said. "You tend to envision the worse."

Saler, the Greensburg banker who recently headed county economic development efforts, said city and county politicians should have been in a position explaining the changes Honda would cause. That they weren't, he said, shows poor judgment at a time when at least six developers have bought land or options on land for commercial projects throughout the Greensburg area.

While planning commissioners voted against rezoning, the victory for Adams appears brief.

"I have to do what I think is best for the county," said Charles Buell, president of the Decatur County Board of Commissioners. "We're going to go ahead and rezone it, if I have any say in the matter. You can't drive away industry. You stop progress."

Water woes

What can stop progress, though, is water.

Once the county rezones the farmland near Adams, Buell said, officials must bring in more water. But city and county officials are divided on how to bring it in.

Decatur Rural wants to keep serving the Adams area, while Greensburg envisions the future revenue to be gained from new plants buying its water. Decatur wants the rural district to retreat.

Greensburg Mayor Frank **Manus** said the city is intent on expanding its supply to Decatur Rural, he said, "maxed out on water. They miscalculated" and will lay a water pipe in water from the next county, while Greensburg has sufficient underground water it could tap at less cost.

"I've been upfront with Honda on this issue all the way," **Manus** said. "I think they're a little concerned, but it's not a major concern for them."

Boomlet

Even as the water squabbles flared this winter, a new realization slowly sank in for many.

Greensburg will attract some Honda workers as residents, as well as some Honda suppliers and some executives. But it's doubtful the huge boom predicted last summer will happen, said **Manus**, who figures the population may rise 10 percent to 20 percent over the next five to 10 years. The city recently annexed 500 open acres for new houses.

"I think we'll get two or three Honda suppliers, maybe," **Manus** said. "The workers after a period of time will see how Greensburg is, and some of the

want to move here."

The Greensburg-Decatur Chamber of Commerce also has scaled back effort to recruit new factories. Instead, the focus is on encouraging entrepreneurs and bringing in new retail stores and family restaurants.

"It's hard to say how fast we're going to grow," said Jennifer Sturges, chamber executive director. "Since Honda's not doing the majority of the hiring until end of year, by then we might have enough residential development going on to have the stock available for workers to move in."

Meanwhile, Adams resident Steve Green senses the quiet farm town will change forever. He's put his home up for sale.

"It's not going to be quiet anymore. It's not going to be as nice," said Greer, a retired millwright.

When Green listed his property, which includes garages for his special car including a 1946 Chevrolet, he decided to test the market. The property, rezoned for commercial use, lists for \$246,000.

A price unheard of in Adams only a year ago, it recognizes that his garage two-bedroom apartment could be prime retail space between Honda and the 425-acre site beyond the hamlet.

"Before if you bought a \$200,000 house, you had no confidence it would be worth \$200,000 in five years if you tried to sell it," Saler said. "For the first time probably 15 years, there's a sense of optimism in the Greensburg housing market."

Call Star reporter Ted Evanoff at (317) 444-6019.

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### Groundbreaking to be Monday

On Monday, Honda will hold a groundbreaking ceremony at the 1,700-acre site in Decatur County, near Greensburg. Workers have been preparing the site since October.

The plant, which is set to open in 2008, initially will have about 2,000 workers and 2,000 more could be added later.

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### About the Honda plant

Where: 1,700-acre tract in Decatur County, near Greensburg.

When: Slated to open in 2008.

Initial employment: 2,000 jobs, with possibly 2,000 more.

Assembly-line wages: \$24 an hour (Honda average).

What it will make: The \$550 million plant will do stamping, welding, painting and assembly work, turning out up to 200,000 four-cylinder cars a year.

What Indiana promised to do: Put up \$141.5 million in incentives: \$85.5 million in tax incentives, worker training and road and utility improvements \$56 million to the region to handle growth needs.

#### Timeline of events

2006

June 28: Honda chooses Greensburg for the site of its new plant.

July 8: Honda says it may double the number of workers at the plant to 4,000.

Oct. 13: Earth-moving equipment begins preparing the site.

2007

January: In an interview at the North American International Auto Show, Ken Kondo, Honda's North American chief executive, said the Greensburg plant will make CR-V sport utility vehicles and Civic small cars.

Feb. 20: Japanese-owned auto-parts maker Tomasco Indiana says it will add 125 jobs as it expands its operations to make body parts for the Honda assembly plant. Meanwhile, Honda's first advertisements appear in 37 Indianapolis newspapers to recruit non-production employees for the plant.

March: Honda is deluged by more than 5,000 applicants for the first 18 administrative positions just advertised. Another Honda supplier, TS Tech, will create 300 jobs at a plant it is building to make seats.

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