

# Dubois County HOUSING STRATEGY

JUNE 2015

Dubois County is in the enviable position of hosting at least three impressive industrial clusters. The clusters are located in Jasper, Huntingburg and Ferdinand respectively accounting for over 12,000 jobs. Dubois County economics are so strong that annually it depends on between 10,000 to 12,000 non-county residents to commute daily to support the three job clusters as well as other major county employers. Private non-farm employment totals approximately 26,000 employees in a county of 42,000 residents.

Manufacturers located in the three industrial clusters as well as elsewhere in Dubois County have experienced the problem of finding labor to fill production jobs. This long standing issue has resulted in the employers having to recruit employees from outside the community with ever growing commute time. It is not unusual for workers employed in one of the three job clusters to experience commutes of 40 minutes or longer. The long commutes often serve as a deterrent to the employee's desire and ability to commit long-term to their employer.

An improving regional economy combined with the fact that Dubois County employers must continue to search outside the County to fill open positions has become a significant long-term issue impacting business performance. Employee retention, the cost of recruiting and training new employees and the ability to accommodate growth, represent business variables that are trending in a negative direction. A key reason is the shortage of available labor near each of the industrial clusters.

## Problem Statement

Dubois County employers are finding it increasingly difficult to fill production level positions due to labor shortages within County and Region. This long

standing problem not only impacts current operations but also future decisions on new investment and growth. A major contributing factor is the scarcity of workforce housing near Dubois County's major employment centers.

## Key Assumptions

- Inventory is not the biggest issue - location, age and condition are key concerns.
- Affordable single-family options exist in Jasper and Huntingburg, but may require some level of rehab or renovation to satisfy today's customer.
- Ferdinand's existing inventory of housing is limited.
- Currently there are few linkages between job clusters and housing opportunities.
- Land cost/availability, development regulations/standards and better defined "higher end" market act as barriers to affordable housing construction.
- Several key housing products are not apparent in the Dubois County market - affordable mixed-income, high quality multi-family product and affordable single-family housing in high amenity neighborhoods.

## Related Issues

- Housing stock in industrial cluster areas developed and generally older – 40 years of age or older
- Little to no workforce housing built within the past 30 years – lack of appropriate, high quality single-family homes and rentals

## KEY FINDINGS & CONCLUSIONS.

### CONCLUSION 1.

Traditional market indicators for Dubois County do not reflect a significant increase in housing demand.



### CONCLUSION 2.

There is limited opportunity for significant new housing construction based on past trends and current, traditional demand levels.



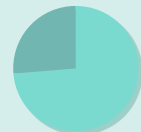
### CONCLUSION 3.

The age and quality of housing stock may present an opportunity for a "replacement" housing strategy within specific neighborhoods.



### CONCLUSION 4.

The current rental inventory is inadequate in both quality and options within each of the communities.



### CONCLUSION 5.

The majority of housing is "affordable" to the workforce, but limited in age, quality and location.



### CONCLUSION 6.

Current commuters are not likely to drive significant housing demand; other factors are influencing their housing decision besides employment.



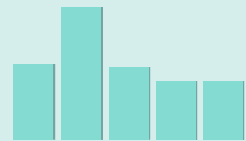
### CONCLUSION 7.

Existing development standards, cost of construction and availability of land impede and / or disincentivize new workforce housing construction.



### CONCLUSION 8.

Employer job growth projections for the next 5 years are an important component that will impact the level of housing demand in the near future.





## PILOT PROJECT.

*why county-wide approach?* To many potential investors, employees and residents Dubois County is viewed as one community. As a diverse community of 42,,000 people with different lifestyle options for everyone, Dubois County competes better than it can as three smaller communities with limited options. This requires cooperation between the cities and towns with the shared goal of economic prosperity for the entire County.

**30-50 units**

potential scale of 1st joint effort  
demonstration project to include owner  
& renter product in all 3 communities

**3:2**

ratio of new construction to  
rehab, but based on specific need,  
availability of land and product

**\$150,000**

targeted price point for ownership  
with prices ranging from  
\$90,000 - \$200,000

**\$675 per month**

targeted price point for rental units  
with monthly rates between  
\$350 - \$1,000

The goal of the proposed pilot project is two-fold - **define the market opportunities** of the employee customer base and **create local capacity** that can transition into a long-term county-wide housing initiative.

The housing market, most notably workforce housing, is not well-defined to those outside of Dubois County - but presents a significant opportunity to those that understand it and know how to take advantage of it. Therefore, investment of any scale has been limited and does not adequately meet the needs of the existing employers and their employees. There is a need to "prove" the market and help define the opportunities that exist within Dubois County. By utilizing a demonstration or pilot project, the County will be able to effectively demonstrate the strength of the employee market to potential developers, investors, employers and future customers. The project will also show how community-oriented amenities like - mixed-use neighborhoods, open space, mix of product types and quality design - become critical pieces in attracting a regional market to Dubois County.

A pilot project allows those involved with local housing initiatives and development a chance to build capacity that currently doesn't exist within any one municipality. The need to hire multiple staffs and engage employers, developers and customers individually is limited and will greatly reduce the time commitment of each implementation partner. Even more, by partnering several municipalities and organizations, the overall burden and potential risk associated with a new housing program is limited for the individuals. A pilot project becomes a way to "test" out various methods and organizational structures with no long-term commitments or fear of taking on more than any one organization can handle.