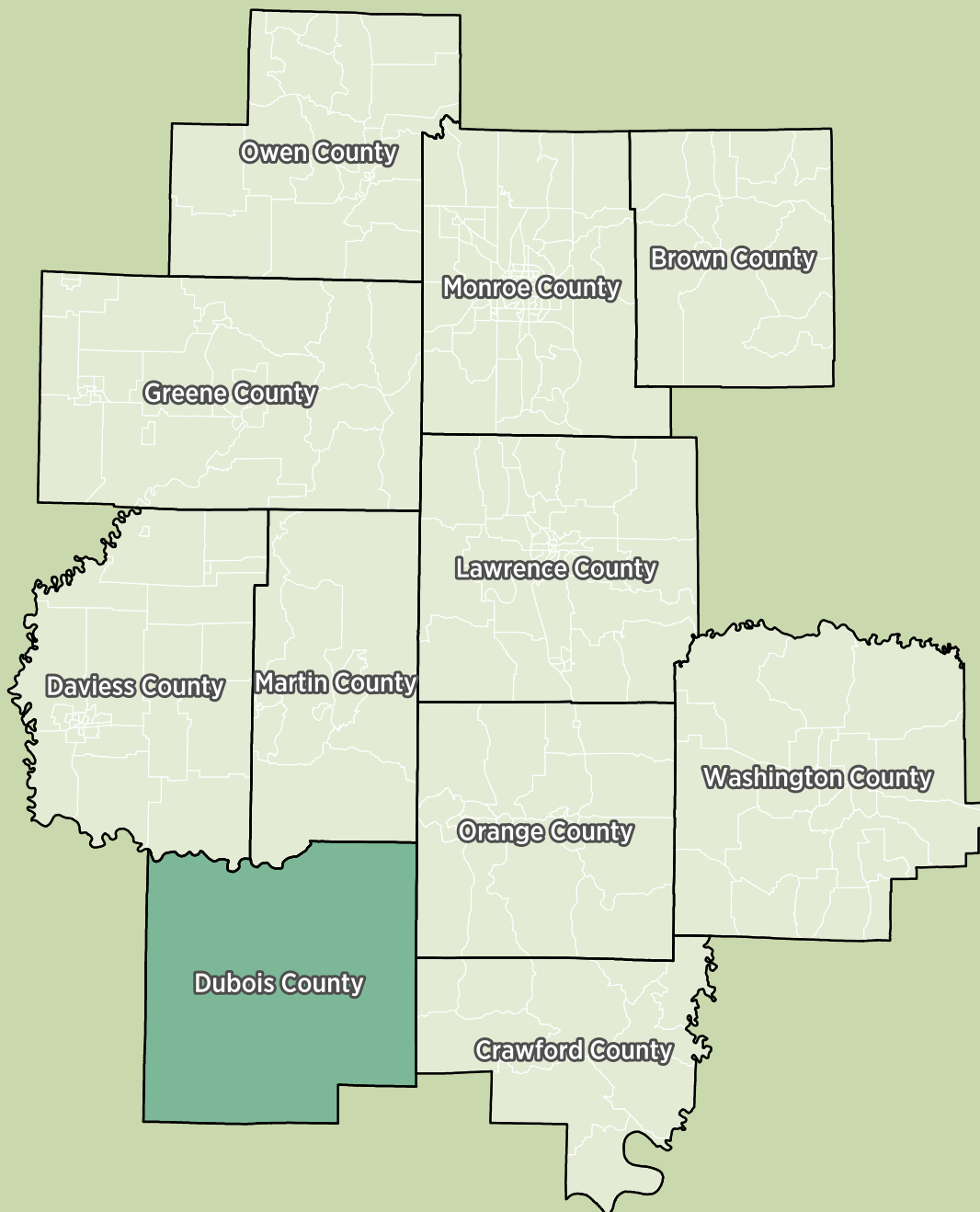


ADDENDUM 2.D

DUBOIS COUNTY

This section provides an updated overview of the issues and opportunities related to housing within Dubois County as of 2023. It builds upon the findings of the previous study and takes into account changes and developments that have occurred in the housing market since the last study was conducted in 2019.

To access details from the 2019 Regional Profile Section visit regionalsoportunityinc.org/housing.



Population Characteristics

Historic Trends. Dubois County has experienced consistent and steady growth in population over the past half century, shown in Figure D.1.

- Recovery from the Great Recession in the early part of the past decade may have slowed growth between 2010 and 2020.
- Since 1990, the county's annual growth rate has been nearly 0.6%, a rate that the county should be able to easily support or exceed in the coming decade.

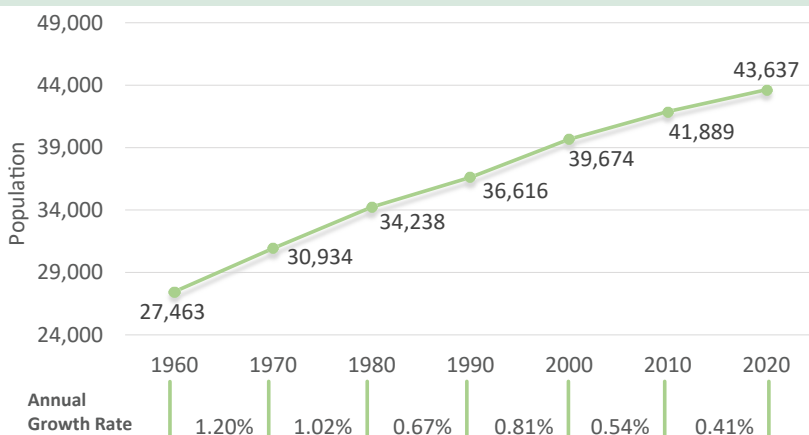
Predicted vs Actual. When the predicted population (based on standard birth and death rates) is compared to the actual, Dubois County experienced an in-migration of nearly 2,000 residents.

- Out-migration occurred among 15 to 24 years olds, age groups that often leave their home communities for college or jobs.
- The loss in population of the county's oldest adults may reflect a higher than expected death rate or a lack of housing that is meeting their stage of life.

Growth is Forecasted to Continue. Based on historic growth rates and current trends, three population projection scenarios were developed for Dubois County (see Figure D.3).

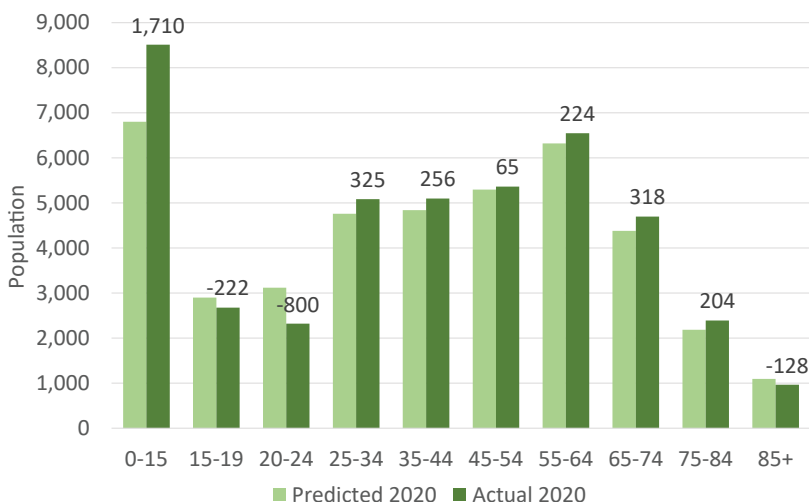
- Dubois has an aging population but has been able to overcome this through consistent in-migration and higher birth rates.
- The county's job openings and high quality of life should support a strong growth rate in the 0.75% to 1.0% range.

FIGURE D.1: Historic Population Change



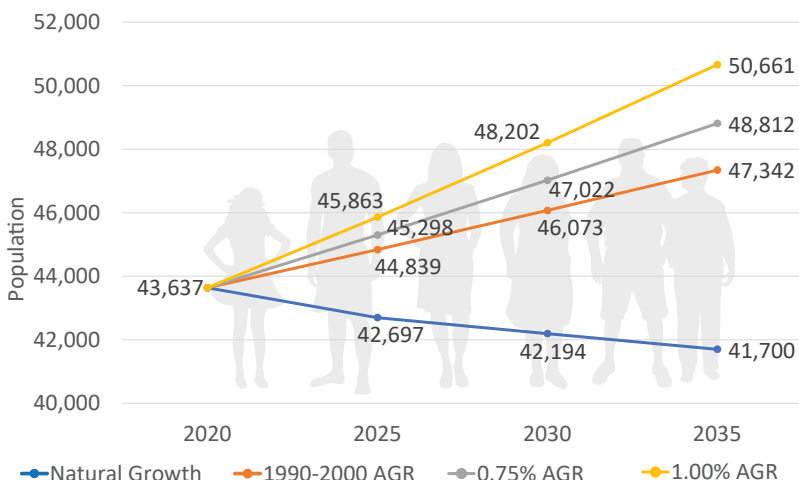
Source: 2020 US Census Bureau; RDG Planning & Design

FIGURE D.2: 2020 Predicted vs Actual Population



Source: 2020 US Census Bureau

FIGURE D.3: Future Growth Rate Scenarios



AGR - Average Growth Rate

Source: 2020 US Census Bureau; RDG Planning & Design

Economic Characteristics

Industry Breakdown. Figure D.4 illustrates the percent of people employed by industry regardless of location of their employment:

- The number of residents employed in Manufacturing, Retail Trade, Construction, and Wholesale Trade have all grown. These industries generally offer a range of middle to lower income pay rates.

Commuting Patterns. Figure D.5 illustrates where employees and residents are living and working:

- The number of individuals working in Dubois County has grown by just over 1,000 workers since 2019.
- More workers are now living in Dubois County.

Household Income. The margin of error in rural or smaller communities can be higher on this type of data due to the small sample size, but based on the data available:

- The county overall and Ferdinand experienced the largest increases in household income.
- Huntingburg experienced a slight decline in household income, which could be due to a sampling error or a change in the demographics of the community.
 - » An increase in young or retiree households could result in a slight decline in median household income.

FIGURE D.4: Employment By Industry

Manufacturing 7,696 34.20%	Educational Services, Health Care, Social Assistance 4,048 18.00%	Retail Trade 2,284 10.20%	Construction 1,479 6.60%	Wholesale Trade 1,168 5.20%
Entertainment, Recreation, Arts, Accommodation, Food Services 1,048 4.70%	Transportation & Warehousing, Utilities 932 4.10%	Professional, Scientific, Management, Administration 893 4.0%	Agriculture, Forestry, Fishing, Hunting, Mining 829 3.70%	Finance, Insurance, Real Estate, Rental & Leasing 801 3.60%
Other Services, Except Public Administration 626 2.80%	Public Administration 506 2.20%	Information 192 0.90%	Civilian employed population 16 years and over 22,502	

Source: 2021 American Community Survey (5-Year Estimates)

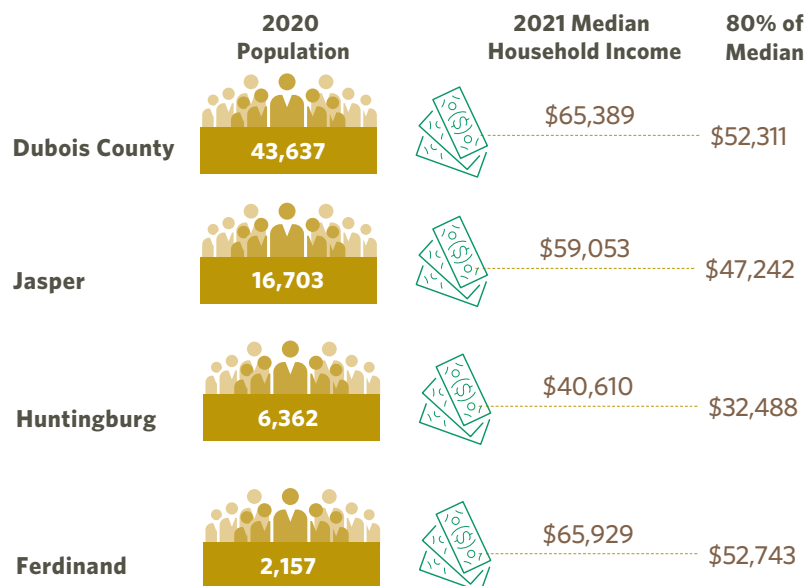
*Number represents the number of people employed within the industry, percentage represents share of all workers within the industry

FIGURE D.5: 2021 Commuting Patterns



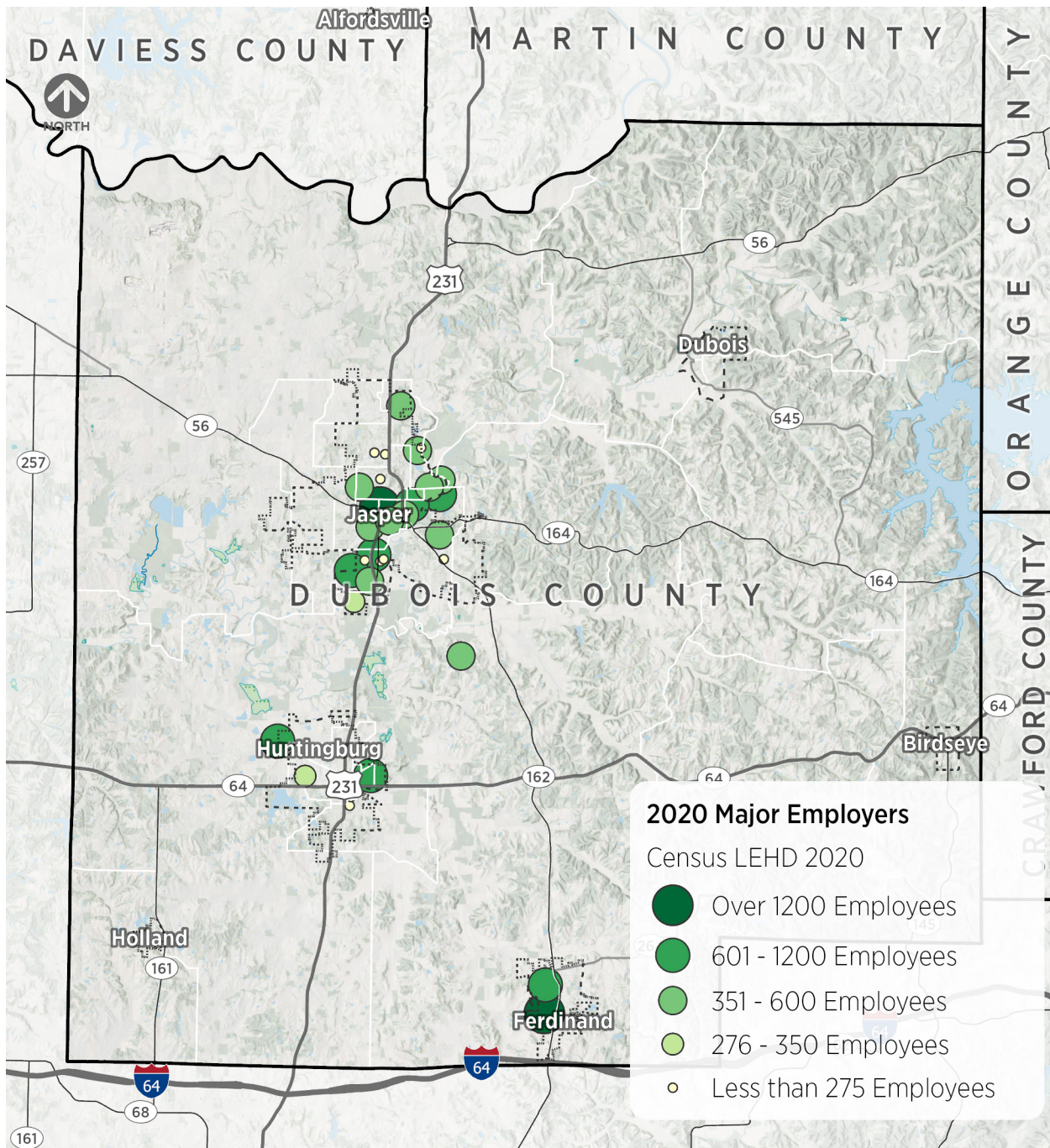
Source: 2021 STATS Indiana

FIGURE D.6: Household Income



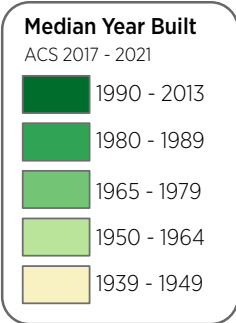
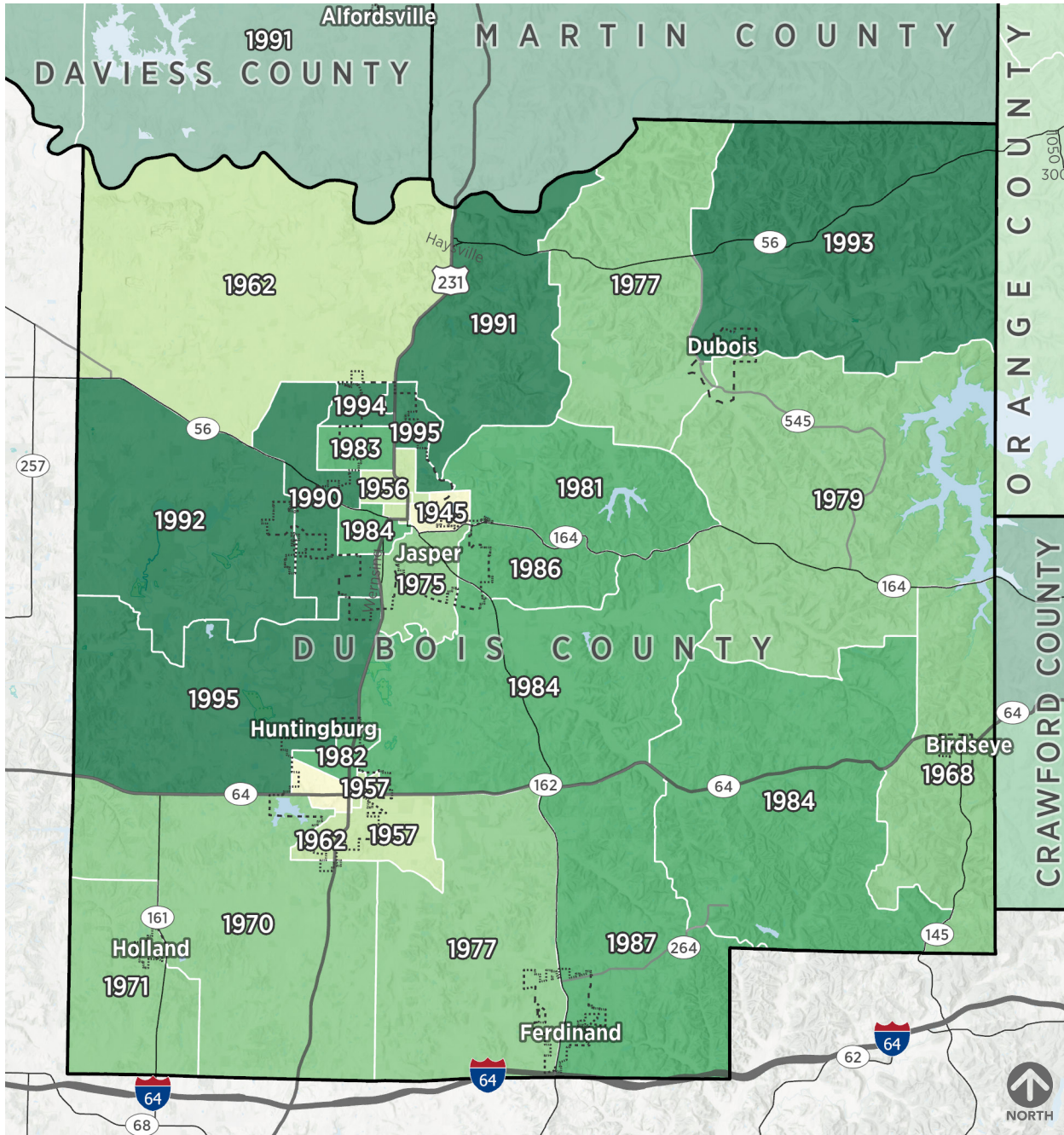
Source: 2021 American Community Survey (5-Year Estimates)

Map D.1: Employers by Size (25 Largest Employers)



Source: 2020 Census Longitudinal Employer-Household Dynamics (LEHD)

Map D.2: Median Year Residential Structure Built



- Over the past 30 years, a significant amount of construction has occurred in rural areas of the county. Some of this indicates the need to expand infrastructure and make more lots available within the communities, especially if lower-price points are to be achieved.

Source: 2021 American Community Survey (5-Year Estimates)

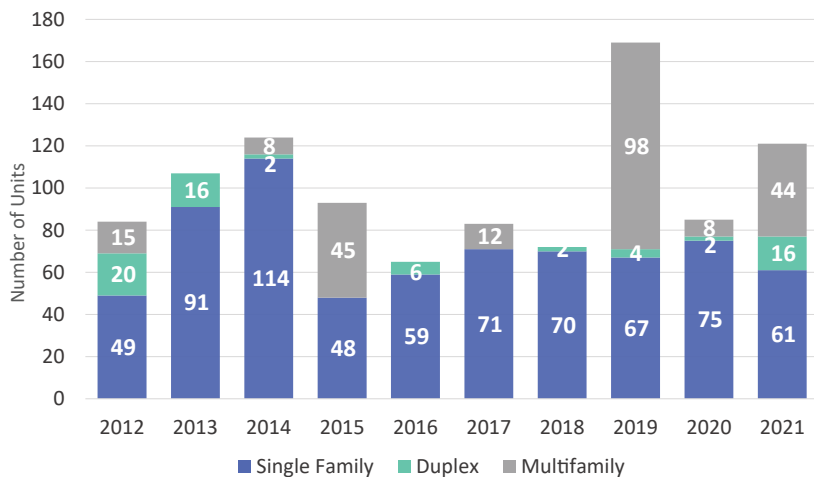
Housing Characteristics

Housing Age and Building

History. Figure D.7 shows the construction activity in Dubois County since 2012.

- The number of multifamily options has increased over the last ten years but demand remains high with landlords indicating near full occupancy.
- The market still likely lacks variety with construction activity dominated by single-family detached units.

FIGURE D.7: Residential Building Permit History



Source: Dubois County Building Department

Housing Occupancy. Figure D.8 illustrates the changes in unit occupancy since 2010.

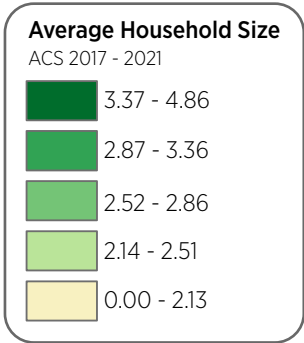
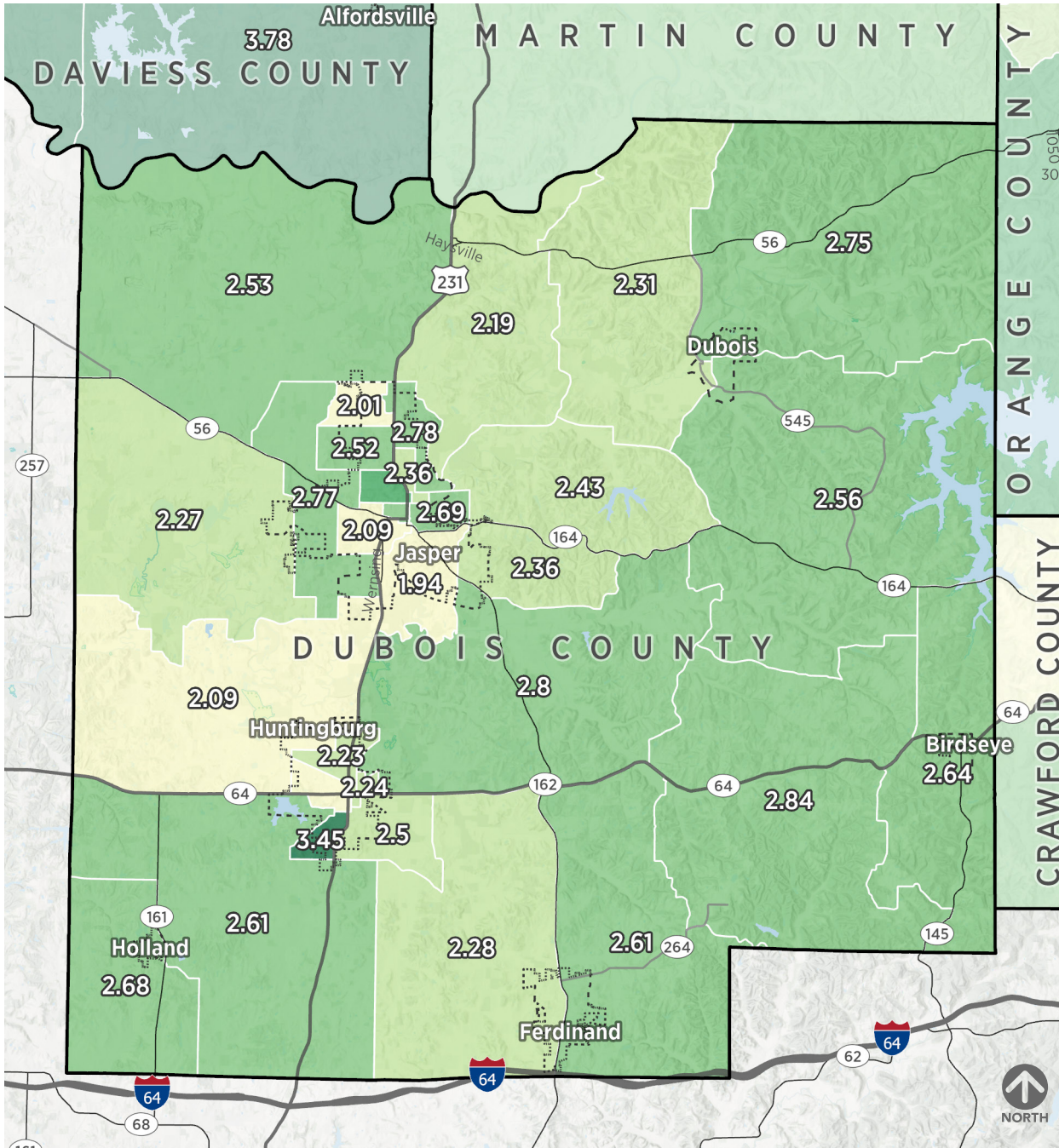
- The number of renter-occupied units is over double what was constructed in traditional multifamily structures. This would indicate that a lot of the rental demand is being met by older single-family homes that were originally built for owner-occupancy.
- Based on the low vacancy identified by property owners and managers and the low supply of for sale homes, the number of available units is likely much less than the number of reported vacant units.

FIGURE D.8: Occupancy Status

Occupancy	2000		2020		Change 2000-2020
	Number	% of Occupied Units	Number	% of Occupied Units	
Owner-Occupied	12,410	76.90%	13,147	75.50%	737
Renter-Occupied	3,723	23.10%	4,265	24.50%	542
Total Vacant	1,251		1,206		-45
Vacancy rate	7.20%		6.50%		
Total Units	17,384		18,618		

Source: US Census Bureau

Map D.3: People Per Household



- Household size impacts the number of units needed to house a population. The larger the household size, the fewer the units needed and vice versa. The smaller the household size, the more units needed to support the same population.

Source: 2021 American Community Survey (5-Year Estimates)

Costs and Incomes. A healthy, self-sustaining housing market will have a value to income ratio between 2 and 3 where households will pay less than 30% of their income on housing. Households paying more than 30% are considered cost burdened.

- Median household income and median home values have increased at a similar rate since 2019.
- The number of rental households that are cost burdened appears to have declined since 2019, a trend that would be counter to national and even regional trends.
- Often there is a significant margin in error for less dense communities where the sample size is small. This appears to be the case for Huntingburg where the number of cost burdened households increased from 6% to 21%. Based on lending practices and the record low interest rates from 2020 to 2022, it is unlikely that the number of cost burdened owners increased significantly, even with increasing sale prices.
- Areas around Jasper have some of the highest home values (Map D.5), supporting the fact that a number of newer homes, usually custom built, are occurring just outside the city.
- Rent levels reported in the Census appear to align with feedback provided by stakeholders as part of the County’s 2023 housing study and also do not appear to be hampering new construction as a number of new multifamily market rate projects have been constructed or are under construction.

FIGURE D.9: Dubois County Housing Affordability, 2021

Dubois County

Median Household Income	Median Contract Rent	% Paying More Than 30% in Gross Rent*	% Paying More Than 30% for Owner Costs**	Median House Value	Value / Income Ratio
\$65,389	\$563	37.68%	14.83%	\$168,800	2.58

Ferdinand

Median Household Income	Median Contract Rent	% Paying More Than 30% in Gross Rent*	% Paying More Than 30% for Owner Costs**	Median House Value	Value / Income Ratio
\$65,929	\$557	6.62%	16.00%	\$141,500	2.14

Huntingburg

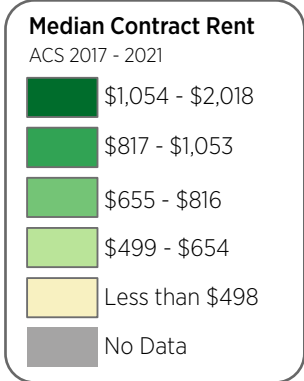
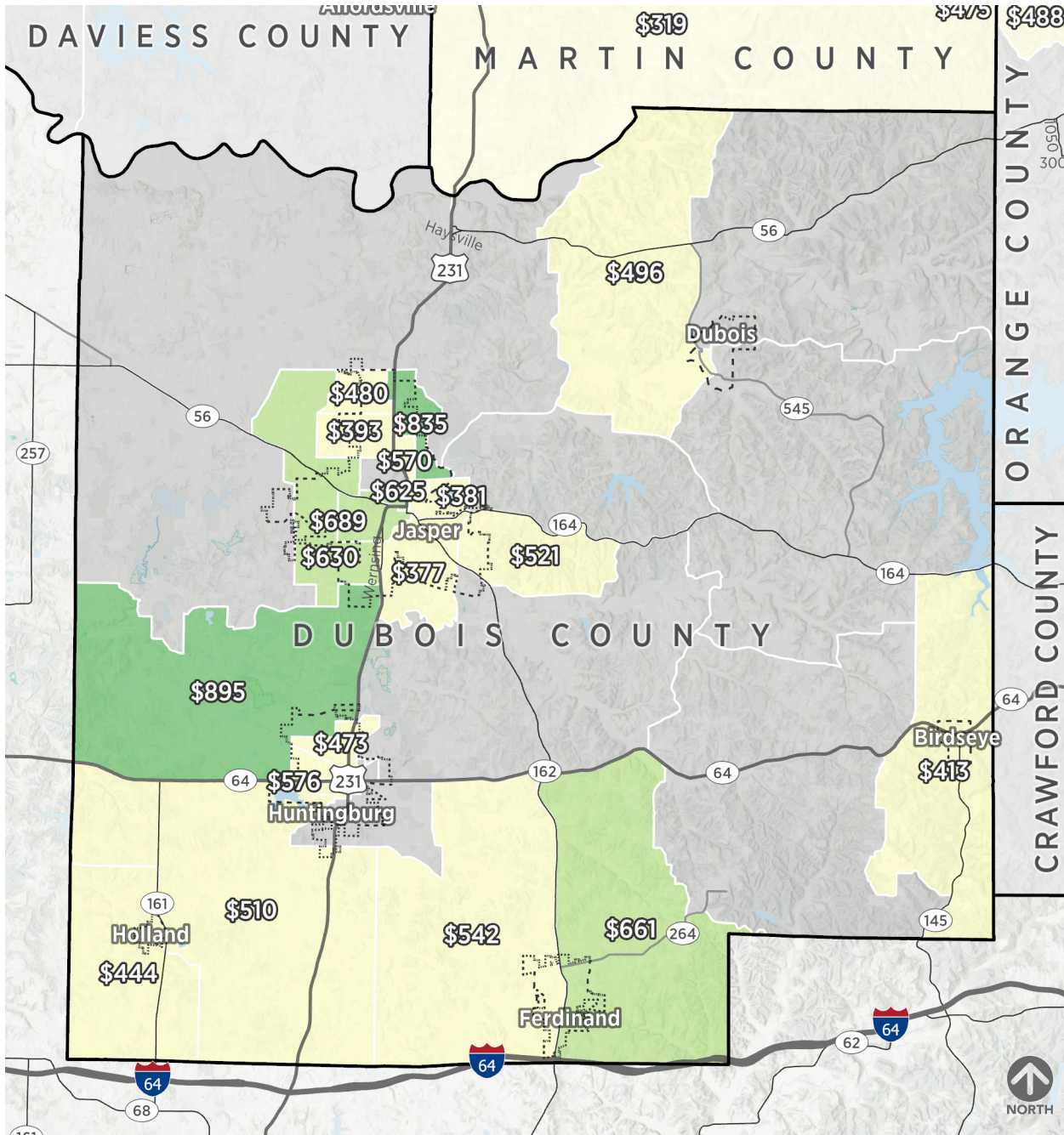
Median Household Income	Median Contract Rent	% Paying More Than 30% in Gross Rent*	% Paying More Than 30% for Owner Costs**	Median House Value	Value / Income Ratio
\$40,610	\$551	45.36%	21.31%	\$101,900	2.51

Jasper

Median Household Income	Median Contract Rent	% Paying More Than 30% in Gross Rent*	% Paying More Than 30% for Owner Costs**	Median House Value	Value / Income Ratio
\$59,053	\$560	35.29%	18.12%	\$164,000	2.78

* Gross rent includes utilities. **Owner costs include mortgage, mortgage interests, property taxes, and maintenance.
Source: 2021 American Community Survey (5-Year Estimates)

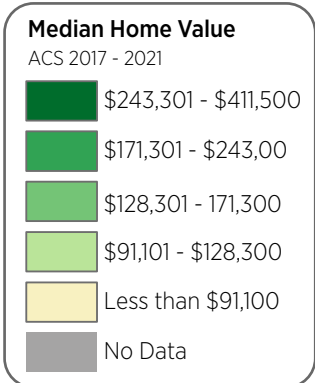
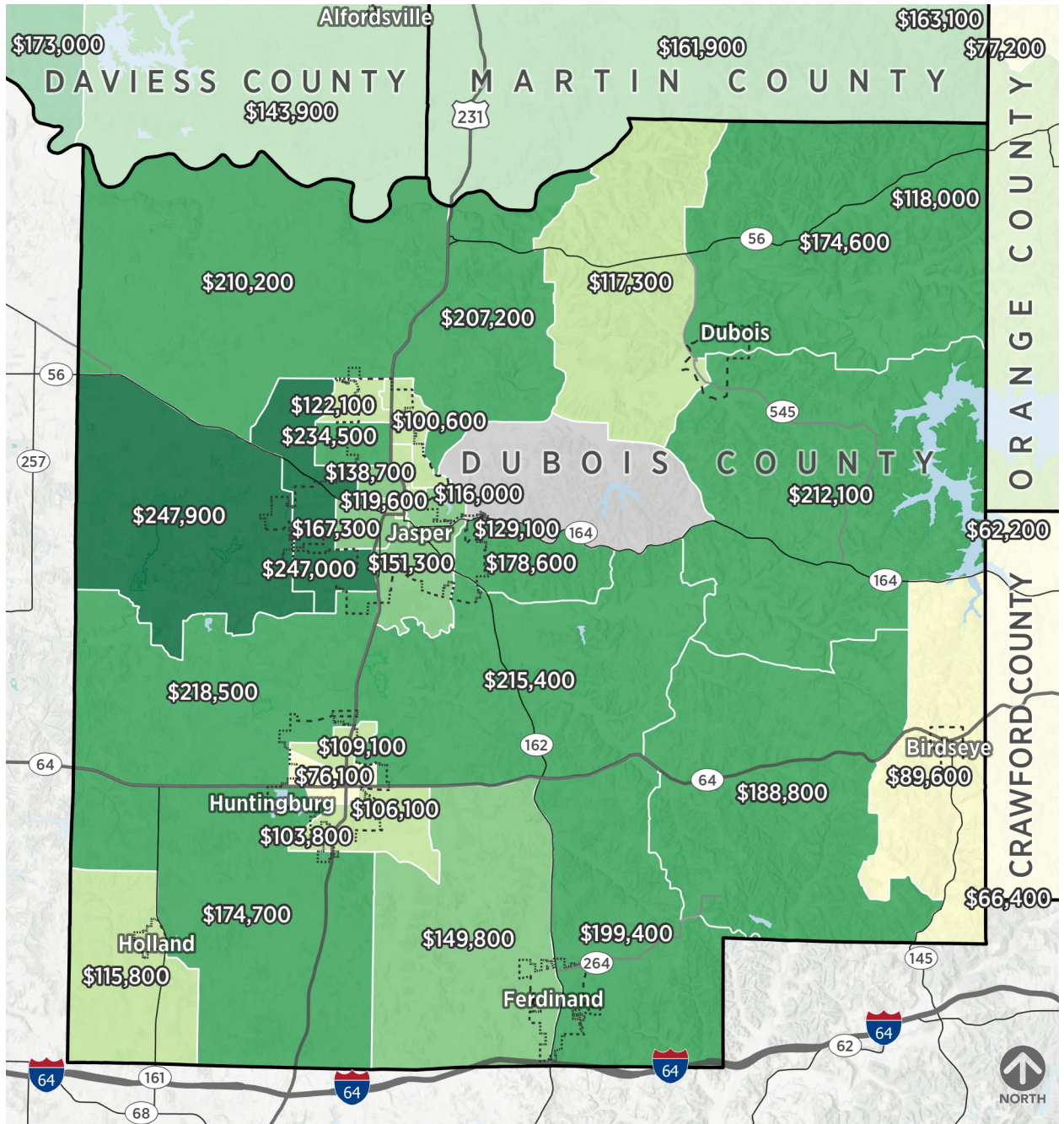
Map D.4: Median Contract Rent by Census Tract



- Contract rent is defined by the Census as monthly rent not including furnishings, utilities, or services.
- Contract rent has likely increased in Huntingburg with the construction of new units, but is not being reflected yet in the data due to the small sample size.
- Higher rents in rural areas are likely driven by the small number of rentals and the ones that exist on acreages or former farmsteads.

Source: 2021 American Community Survey (5-Year Estimates)

Map D.5: Median Home Value by Census Tract



- It would appear that Census data is not yet reflecting the new construction on the north side of Huntingburg where values would be well above \$200,000.

Source: 2021 American Community Survey (5-Year Estimates)

Figure D.10 compares the number of households in an income range with the number of units that would be affordable to that household.

- Since 2019, the biggest shift appears to have occurred in the number of higher cost rental units. This may support the assumption that a number of single-family homes have been converted to rental occupancy.
- The county continues to have a shortage of housing for the lowest income households but the ability to support moderate to higher market rate units appears to remain strong.
 - » Construction of market rate units could create some movement in the market that allows those living in units valued below \$200,000 to change housing.

FIGURE D.10: Housing Affordability Analysis

Income Range	# HHs* in Each Range	Affordable Range for Owner Units	# of Owner Units	Affordable Range for Renter Units	# of Renter Units	Total Affordable Units	Balance
\$0-24,999	2,888	>\$60,000	838	\$0-499	1,453	2,291	-597
\$25,000-49,999	3,511	\$60,000-124,999	3,494	\$500-999	2,124	5,618	2,107
\$50,000-74,999	3,604	\$125,000-199,999	3,653	\$1,000-1,499	179	3,832	228
\$75-99,999	2,740	\$200,000-249,999	2,126	\$1,500-1,999	0	2,126	-614
\$100-149,999	2,838	\$250,000-399,999	2,541	\$2,000-2,999	12	2,553	-285
\$150,000+	1,693	\$400,000+	820	\$3000+	35	855	-838

* HH = Households
Source: 2021 American Community Survey (5-Year Estimates)

Home Sales. The demand for housing has steadily increased over the past 10 years.

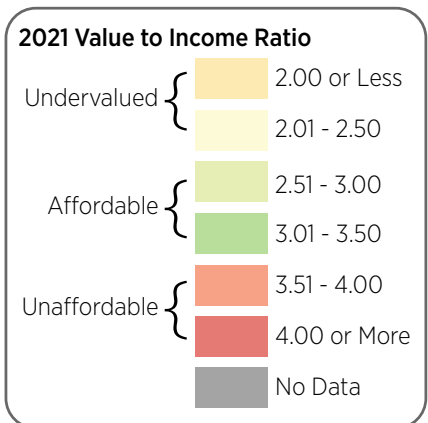
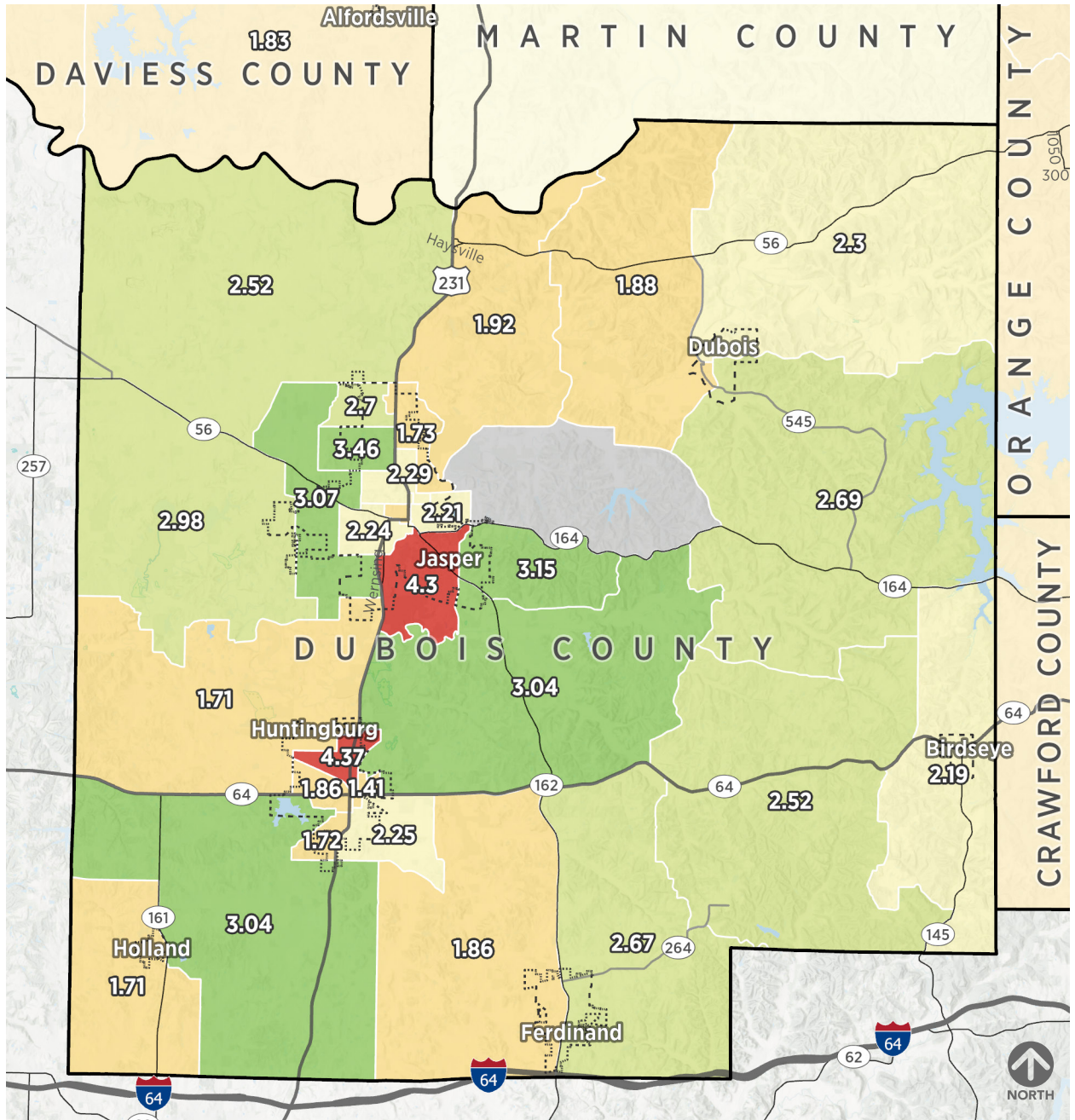
- Median home values, reported in Figure D.9 have grown by about 15%, but include all housing across the county. Figure D.11 indicates that sale prices have grown by almost 29% since 2019, but this includes only those homes that have come on the market, which has declined over the past decade.
- Days on market are down dramatically. This often can indicate continued price increases as buyers compete for a dwindling supply of for sale homes.
- Even with increasing interest rates, if the supply of for sale homes remains tight, prices are likely to continue to increase for existing and new homes.

FIGURE D.11: Home Sales, Dubois County

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	% Change
Listings	508	494	522	432	437	424	421	492	472	438	437	-14%
Median Days on Market	80	57	57	65	38	28	20	18	11	7	6	-93%
Median List Price	127K	135K	140K	142K	135K	159K	160K	175K	189K	198K	220K	73%
Median Sale Price	120K	125K	127K	135K	131K	148K	150K	167K	180K	189K	215K	79%

Source: 2022 MLS;

Map D.6: Value to Income Ratio



- An affordable, self-sustaining housing market, with adequate value or revenues to support market rate new construction, typically has a Value to Income ratio between 2.5 and 3.
 - » Ratios above 3.0 exhibit significant affordability issues.
- The vary high ratios around Jasper and Huntingburg may reflect data anomalies or older households with homes with no mortgage.

Source: 2021 American Community Survey (5-Year Estimates)

Housing Demand Analysis. Dubois strong job market and high quality of life could potentially support a 1% annual growth rate. At that rate over 2,900 units would need to be produced by 2035. However, if the county only grew by 0.75% annually the unit demand would drop to just over 2,200. Figure D.12 shows the factors determining the forecast for a 1.0% annual growth rate or a population of over 50,600 by 2035.

- A slightly stronger growth rate than the past ten years but likely what will be needed to fill jobs and support the continued economic growth of the county.
- An increasing vacancy rate to help fill the need for vacant units that are available in the market.
- A replacement need that reflects the need to remove dilapidated structures but also remove units that are no longer available for rent due to conversion to other uses.

FIGURE D.12: Housing Demand Summary

	2020	2023-2030	2030-2035	Total
Population at End of Period	43,637	48,202	50,661	
Household Population at End of Period	42,707	47,175	49,581	
Average People Per Household	2.49	2.49	2.49	
Household Demand at End of Period	17,151	18,946	19,912	
Projected Vacancy Rate	6.5%	6.7%	6.8%	
Unit Needs at End of Period	18,339	20,304	21,374	
Replacement Need (total lost units)		160	100	260
Cumulative Need During Period		1,750	1,170	2,920
Average Annual Construction		219	229	225

Source: 2021 American Community Survey (5-Year Estimates); RDG Planning & Design

Housing Development Program. Figure D.13 distributes the forecasted demand by price point based on the 2021 distribution of household incomes in Dubois County. The following assumptions create the program:

- Over the next several years, greater production of options should focus on pent-up demand and the need to offer more affordable variety beyond traditional single-family detached dwellings. Therefore, the development program has a greater portion of the county’s future demand for renter-occupied and alternative owner-occupied options (60%/40%).
- Based on current proportion of household income, an additional 918 units priced below \$250,000 will be needed. These will be generated in four potential ways:
 - » Production of ownership options that are not the traditional single-family detached, but include duplexes, townhomes, or other medium and higher density configurations that reduce per unit costs.
 - » Funding assistance that will offset lot development costs and smaller square footage homes.
 - » Rehabilitation of existing housing units.
 - » Construction of higher priced units that allow existing households to make the next step up.
- The 265 units needed with rents below \$500 a month will likely require programs that assist with construction of new units and maintenance of existing units, specifically targeted to lower income and elderly households.
 - » It is important to note that almost 50% of the rental housing that is needed will support market rate construction.
 - » Like ownership demand, many of the below market rate units exist in the market, but are already occupied.

FIGURE D.13: Housing Development Program

Total Owner-Occupied	2023-2030	2030-2035	Total
Affordable Low: <\$125k	256	171	427
Affordable Moderate: \$125-\$200k	263	176	439
Moderate Market: \$200-\$250k	200	134	334
Market: \$250-350k	207	138	345
High Market: Over \$350k	124	83	207
	1,050	702	1,752
Total Renter-Occupied	2023-2030	2030-2035	Total
Low: Less than \$500	159	106	265
Affordable: \$500-\$1,000	193	129	322
Market: \$1,000-\$1,500	198	132	330
High Market: \$1,500+	150	101	251
	700	468	1,168
Total Need	1,348	887	2,235

Source: RDG Planning & Design

Community Profile: Huntingburg

Since the 1990s, Huntingburg has experienced steady growth and since 2010 has grown by over 0.6% annually. The city is known for its historic downtown and quality of housing. Community members are known to come together for initiatives, an advantage when trying to address housing gaps.

Overview

- Huntingburg has seen growth just under 1% annually since the 1990s.
- New construction has filled quickly, demonstrating the demand and growth potential in the community.
- Over the next 10 years, Huntingburg could reach a population of nearly 7,400 by reaching a 1% annual growth rate.
- It appears that the Census estimates have not captured some of the recent increases in values, rents, and incomes. However, Huntingburg appears to continue to have a fairly affordable market and the ability to support new market rate housing.

» Assistance with infrastructure could boost the production of more moderate rate housing units.

FIGURE D.14: Projected Growth

Growth Rate	2020	2025	2030	2035
Natural Growth	6,362	6,397	6,439	6,488
0.50%	6,362	6,520	6,682	6,849
1.00%	6,362	6,687	7,028	7,386

Source: US Census Bureau; RDG Planning & Design

Housing Demand Analysis

- The housing demand model (Figure D.15) is based on an assumed 1.0% annual growth rate, stable 2.49 people per household, a vacancy rate increasing slightly to provide more variety in the market and conversion or demolition of approximately five units annually.
- By 2035, Huntingburg will need to produce over 480 units to support a 1% annual growth rate. This rate of production is above the 2019 estimate but below the annual production that has occurred in some years over the past decade.
- » Huntingburg has added a number of units but the people per household has declined, therefore despite a good construction rate, population has not grown as fast.

FIGURE D.15: Housing Demand Summary

	2020	2023-2030	2023-2035	Total
Population at End of Period	6,362	7,028	7,386	
Household Population at End of Period	6,254	6,908	7,260	
Average People Per Household	2.49	2.49	2.49	
Household Demand at End of Period	2,512	2,774	2,916	
Projected Vacancy Rate	5.5%	6.4%	6.9%	
Unit Needs at End of Period	2,659	2,964	3,132	
Replacement Need (total lost units)		40	30	70
Cumulative Need During Period		291	193	484
Average Annual Construction		36	39	37

Source: 2021 American Community Survey (5-Year Estimates); RDG Planning & Design

Housing Gaps

To better understanding the gaps in housing that stakeholders noted, a comparison between household incomes and appropriately priced units can be made. Figure D.16 compares the number of households in an income range with the number of units that would be affordable to that household.

- Huntingburg appears to have a large number of higher income households living in moderately priced housing.
- Production of market rate housing in a variety of configurations should allow these households to move into housing that is more appropriate for their stage of life.

FIGURE D.16: Housing Affordability Analysis

Income Range	# HHs* in Each Range	Affordable Range for Owner Units	# of Owner Units	Affordable Range for Renter Units	# of Renter Units	Total Affordable Units	Balance
\$0-24,999	792	>\$60,000	198	\$0-499	446	644	-148
\$25,000-49,999	742	\$60,000-124,999	939	\$500-999	536	1,475	733
\$50,000-74,999	300	\$125,000-199,999	280	\$1,000-1,499	17	297	-3
\$75-99,999	386	\$200,000-249,999	46	\$1,500-1,999	0	46	-340
\$100-149,999	213	\$250,000-399,999	117	\$2,000-2,999	0	117	-96
\$150,000+	160	\$400,000+	14	\$3000+	0	14	-146

* HH = Households
 Source: 2021 American Community Survey (5-Year Estimates)

Housing Development Program

Building on the housing demand model, the development program forecasts production targets based on a 55/45 split between owner- and renter-occupied. While this is a greater portion of rental units than exists in the market today, it tries to address the shortfall in quality rental units that participants noted in the 2023 Dubois County housing study.

- The demand for units priced below \$250,000 will likely be met by the city's existing housing stock or products that do not fit the traditional detached single-family homes, creating a filtering effect.
- Rental units priced below \$500 will have to be generated through programs like low-income housing tax credits or other gap financing.

FIGURE D.17: Housing Development Program

Total Owner-Occupied	2023-2030	2030-2035	Total
Affordable Low: <\$125k	66	43	109
Affordable Moderate: \$125-\$200k	27	18	45
Moderate Market: \$200-\$250k	34	23	57
Market: \$250-350k	19	13	32
High Market: Over \$350k	14	9	23
	160	106	266
Total Renter-Occupied	2023-2030	2030-2035	Total
Low: Less than \$500	46	31	77
Affordable: \$500-\$1,000	44	29	73
Market: \$1,000-\$1,500	18	12	30
High Market: \$1,500+	23	15	38
	131	87	218
Total Need	291	193	484

Source: RDG Planning & Design

Community Profile: Jasper

Since 1960, Jasper has experienced strong growth. The city is a manufacturing and commercial hub for southwest Indiana. A strong local job market has helped the city grow over the years. The city is also known for its German heritage and well-kept appearance. Local residents set a higher standard on property maintenance.

Overview

- Jasper has seen growth just under 1.75% annually since the 1990s. This is a strong growth rate for a city in a more rural region. As the city’s population grows, this rate may slow slightly.
- If Jasper grows at the same rate as the last ten years, it will reach a population of over 19,500 by 2035.
- Jasper has been very successful at constructing new rentals over the last few years. However, most of these have been income based with little to no new market rate rentals. New market rate construction is just starting to pick up and appears to be in high demand.
 - » Jasper’s median household income and pay rates in many industries would indicate new rental can be supported.

FIGURE D.18: Projected Growth

Growth Rate	2020	2025	2030	2035
Natural Growth	16,703	16,526	16,359	16,207
1.00%	16,703	17,603	18,552	19,552
1.75%	16,703	18,217	19,867	21,668

Source: US Census Bureau; RDG Planning & Design

Housing Demand Analysis

- The housing demand model (Figure D.19) is based on an assumed 1.0% annual growth rate, stable 2.35 people per household and a slightly increasing vacancy rate.
- By 2035, Jasper will need to add nearly 1,300 new housing units at a rate of almost 100 units annually.
 - » The production rate is slightly higher compared to the 2019 estimates due to the slightly smaller household size (population distributed across more housing units) and a need to increase the vacancy rate (number of available units).
- Over the past decade, many units have been multifamily and single-family detached but the attached units on the north side of the city have been very popular. Continued construction of these types of units should add greater variety to the housing market.

FIGURE D.19: Housing Demand Summary

	2020	2023-2030	2030-2035	Total
Population at End of Period	16,703	18,552	19,552	
Household Population at End of Period	16,054	17,832	18,793	
Average People Per Household	2.35	2.35	2.35	
Household Demand at End of Period	6,803	7,588	7,997	
Projected Vacancy Rate	5.2%	6.0%	6.5%	
Unit Needs at End of Period	7,179	8,076	8,557	
Replacement Need (total lost units)		40	50	90
Cumulative Need During Period		776	506	1,282
Average Annual Construction		97	101	97

Source: 2021 American Community Survey (5-Year Estimates); RDG Planning & Design

Housing Gaps

To better understand the gaps in housing that stakeholders noted in the 2023 County housing study, a comparison between household incomes and appropriately priced units can be made. Figure D.20 compares the number of households in an income range with the number of units that would be affordable to that household.

- Jasper appears to have experienced a decline in the shortage of housing for the lowest income households since 2019, but an increase in the undersupply for moderate and higher income households.
 - » This may be due to the fact that cost inflation that has occurred in the last three years is not reflected in the data but the ability to support market rate construction continues to be true for the community.

FIGURE D.20: Housing Affordability Analysis

Income Range	# HHs* in Each Range	Affordable Range for Owner Units	# of Owner Units	Affordable Range for Renter Units	# of Renter Units	Total Affordable Units	Balance
\$0-24,999	1,187	>\$60,000	227	\$0-499	791	1,018	-169
\$25,000-49,999	1,382	\$60,000-124,999	1,078	\$500-999	1,047	2,125	743
\$50,000-74,999	1,639	\$125,000-199,999	1,571	\$1,000-1,499	156	1,727	88
\$75-99,999	794	\$200,000-249,999	532	\$1,500-1,999	0	532	-262
\$100-149,999	1,015	\$250,000-399,999	788	\$2,000-2,999	11	799	-216
\$150,000+	592	\$400,000+	374	\$3000+	34	408	-184

* HH = Households
 Source: 2021 American Community Survey (5-Year Estimates)

Housing Development Program

Building on the housing demand model, the development program forecasts production targets based on a 55/45 split between owner- and renter-occupied. While this is a greater portion of rental units than exists in the market today, it tries to address the shortfall in quality rental units that participants noted.

- Much of the demand for lower price point units will have to be met by existing housing units.
- Nearly 50% of the rental demand is within market rate price points. The balance will likely be met by older existing units and programs like low income housing tax credits.

FIGURE D.21: Housing Development Program

Total Owner-Occupied	2023-2030	2030-2035	Total
Affordable Low: <\$125k	109	71	180
Affordable Moderate: \$125-\$200k	129	84	213
Moderate Market: \$200-\$250k	62	41	103
Market: \$250-350k	80	52	132
High Market: Over \$350k	47	30	77
	427	278	705
Total Renter-Occupied	2023-2030	2030-2035	Total
Low: Less than \$500	83	54	137
Affordable: \$500-\$1,000	96	63	159
Market: \$1,000-\$1,500	114	75	189
High Market: \$1,500+	56	36	92
	349	228	577
Total Need	776	506	1,282

Source: RDG Planning & Design